

EnerMech Acquires Electrical & Instrumentation Specialist In Largest Deal To Date

Deal Opens Up New Markets In Infrastructure, Power and Defence Engineering services specialist EnerMech has made its first entry in to the electrical and instrumentation (E&I) sector with the acquisition of EPS Group in Australia and the Americas. EPS Group employs 250 staff in Sydney, Melbourne, Brisbane, Darwin, Houston and Louisiana, and has annual revenues of more than A\$ 85 million. The company specialises in E&I, hazardous area inspection, high voltage testing and mechanical services for oil and gas, metals, utility and infrastructure projects. EPS Group has worked on six of the world's largest LNG facilities and is contracted on some of Australia's biggest infrastructure projects, including the A\$ 2.1bn Sydney Light Rail project, major defence industry contracts and Australia's largest road building programme, the A\$ 16.8bn WestConnex motorway. Its US subsidiary is supporting the expansive LNG pre-commissioning market with projects including Sabine Pass and Freeport LNG. The value of EnerMech's largest deal to date was not disclosed but additional funding has been provided by Aberdeen-based EnerMech's three banking partners, Bank of Scotland, HSBC and DNB, alongside long-standing equity partners Lime Rock Partners, in order to support the deal. EPS Group managing director Paul Buckley and fellow directors John Cox and Brett McGrane will remain with the business and have become shareholders in the wider EnerMech Group. EnerMech has 2,300 staff working across its global business and the EPS Group acquisition paves the way for providing a more focussed integrated services offering ideally suited to the downstream, infrastructure, offshore and defence industries. Doug Duguid, EnerMech chief executive officer, said: "Adding a global E&I capability was essential to meet a demand from many of our customers who are looking for us to provide integrated commissioning and maintenance services. "We have invested to organically develop our own E&I capability but by combining our expertise with EPS, this allows us to gain an immediate track-record and excellent reputation for service delivery in this area. The acquisition of EPS Group also widens our exposure to the infrastructure, power and defence markets." About 30% of EPS Group's business is in mechanical services, including speciality welding, which dovetails with EnerMech's core business which includes cranes and lifting, valves, industrial services, hydraulics, and process, pipelines and umbilicals. Paul Buckley said: "Our combined offering of skills, infrastructure and experience will strengthen our relationships with existing clients and create a wealth of new opportunities. Being part of the larger EnerMech Group, our business is now better positioned to take on larger projects not only in Australia and The Americas but across the globe."