



Nord Engine Capital is Established in the City of London

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Nord Engine Capital, a private equity investment adviser, has announced its business launch in the City of London. Nord Engine Capital is positioning itself as a bridge between the UK's innovators and entrepreneurs, and the fast-growing markets in China.

Nord Engine Capital is initially looking to deploy £200m in order to bring UK SMEs into the Chinese markets, focusing primarily on the clean-technology sector to respond to China's most immediate environmental challenges.

The new private equity investor has formed strategic partnership with the Shanghai-based Nord Engine Asset Management Group to provide portfolio companies with growth capital, first-hand knowledge of China's markets and regulatory environment, and bespoke investment advisory services. Established in 2008, Shanghai Nord Engine Asset Management Group has RMB17bn (£1.9bn) of assets under management and has expertise in private equity, fixed income, and property.

Nord Engine Capital's primary investment strategy is to inject capital and take a material stake in portfolio companies, hence aligning with the shareholders' interest. "The traditional

collaborative model between UK and Chinese companies results in potential competition and risks for UK technological innovators because their Chinese partners are in the same industry,” Nord Engine Capital’s Chairman Yang Zhu said. “But Nord Engine Capital is a fund provider and will not become a threat to the UK’s technology-oriented SMEs. On the contrary, by being a shareholder, it is within our best interest to share our network of strategic partners, marketing platforms, and distribution channels in China with investee companies to help them succeed in this emerging market.”

Within the next few years, Nord Engine Capital is planning to develop an investment team of 10-12 staff and manage a fund of £500m - £700m with a diverse portfolio of more than 100 small to medium-sized enterprises that have promising potential of expanding their businesses into China.

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