## CapitalWest

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## **News Release**

Western Canada's Independent Corporate Finance Advisor

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## Harbour Air Sells Minority Interest to Major Chinese Investor

Capital West Partners announces the successful completion of a strategic partnership and sale of a 49% economic interest by Harbour Air Seaplanes, the world's largest seaplane airline, to China-based Zongshen Industrial Group. As part of the transaction, Harbour Air will provide its expertise to assist Zongshen in establishing seaplane commuter service to major cities throughout China.



has sold a 49% interest and has entered into a strategic partnership with



Started in 1982 by CEO Greg McDougall with just two aircraft, Harbour Air has become an essential part of British Columbia's transportation system, connecting the province's coastal cities and communities. The scheduled airline has an average of 200 flights a day, 60,000 flights per year, which transport more than 420,000 passengers annually.

Zongshen, headquartered in Chongqing, was founded in 1992 by Zuo Zongshen and is one of the leading motorcycle and engine companies in China. Zongshen has over 25,000 employees and generates annual sales in excess of \$3 billion.

The strategic partnership will not impact Canadian control of Harbour Air, whose Canadian ownership retains 75% of voting shares, and will not alter Harbour Air's Canadian operations. All Canadian regulatory requirements have been satisfied.

Capital West Partners acted as the exclusive financial advisor to Harbour Air, leading all aspects of the process to secure a strategic investor, including the identification of Zongshen as a strategic partner, providing deal structuring advice, negotiating definitive transaction agreements and closing the transaction.



Capital West Partners delivers specialized financial advice to management teams, publicly and privately owned businesses, corporations and government entities in Western Canada. Established in 1990, Capital West is an independent corporate finance firm based in Vancouver, BC, providing advisory services in the areas of:

- Divestitures
- Mergers & Acquisitions
- Financial Advisory
- Valuation & Fairness Opinions
- Restructuring

Active in all industry sectors,
Capital West has a proven track
record of success, working
closely with entrepreneurs and
management teams to structure,
negotiate and flawlessly execute
complex mid-market deals, all in
the most efficient and effective
manner in order to maximize
shareholder value.

