



## **VanDeMark Chemical Inc. Acquires Framochem**

### ***Creates One of World's Largest, Independent Manufacturers of Phosgene Products***

New York, August 1, 2014 – VanDeMark Chemical Inc., Lockport, NY, the largest, independent manufacturer of phosgene and phosgene derivatives in North America, today announced that it has acquired, Framochem Kft, a leading European-based manufacturer of phosgene products, based in Hungary.

The purchase unites two companies with complementary product offerings and creates one of the world's largest, independent manufacturers of products based on phosgenation chemistry. These compounds are widely used in the pharmaceutical, agricultural-chemical, personal care, polymer and fine chemical industries.

Michael Kucharski, CEO of VanDeMark Chemical, said, "This acquisition combines a North American leader with a European leader to give us greater size and scale across more geographies. By combining these two companies, we are marrying VanDeMark's particular strengths in the custom side of the market with Framochem's substantial offering in the catalog chemical business – all of which makes a compelling, single-source offering for our customers for phosgene products worldwide."

Christopher P. Fuller, Managing Partner of Uni-World Capital, VanDeMark's largest private equity owner and sponsor of the transaction, added, "In a sense, we are reuniting these two companies – along with the business rationale and global customer base – since both VanDeMark and Framochem were originally part of the French state-owned enterprise SNPE."

Framochem was a subsidiary of ISOCEM S.A.S., a company of the Munich-based AURELIUS Group (ISIN DE000A0JK2A8). As part of the transaction, VanDeMark has also acquired a sales office in Germany, ISOCEM Deutschland GmbH.

With a combined total of 22,000 tons in annual production capacity for phosgene, VanDeMark and Framochem together will be one of the world's largest producers of fine chemicals focusing on phosgenation chemistry.

Located in the town of Kazincbarcika in Northern Hungary, Framochem employs more than 100 people and operates six multi-purpose production lines at its plant.

“Like VanDeMark, Framochem has extensive experience in the implementation of batch and continuous processes both on laboratory and industrial scales,” said György Emri, Managing Director, Framochem. “Having VanDeMark add to our capability in Europe, as well as applying Framochem expertise in North America will benefit all of our customers in terms of product quality, reliability and delivery.”

VanDeMark, which has produced phosgene and phosgene derivatives since 1951, offers a range of more than 30 chemical compounds used in the production of paints and coatings, pharmaceuticals, plastics and polymers, adhesives and sealants, agricultural products and other end markets. The company employs approximately 90 people at its plant.

Erik S. Miller, the Uni-World partner who spearheaded the acquisition, said, “There is tremendous synergy in bringing together the expertise and capabilities of VanDeMark and Framochem to share best practices for technologies employed. This combination strengthens our research and development in phosgene chemistry, and enhances the reliability of our supply chain to serve customers in a global marketplace.”

To finance the Framochem acquisition, Uni-World secured senior debt financing from Madison Capital Funding and Sumitomo Mitsui Banking Corporation, as well as mezzanine financing from Prudential Capital Group.

In addition, VanDeMark is raising new equity capital to fund the acquisition of Framochem. Along with Uni-World itself and VanDeMark management, investors will include Prudential Capital Group, Hamilton Lane and Madison Capital Funding. Uni-World will remain the largest and lead equity investor.

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#### **About VanDeMark**

VanDeMark manufactures phosgene derivatives and is North America's leading producer of merchant phosgene. The company's custom and specialty chemicals are used in the pharmaceutical, agricultural-chemical, polymer, and fine chemical industries. In addition, VanDeMark's proprietary Para-Tolunesulfonyl Isocyanate (PTSI) has wide application removing moisture from urethane formulations during the manufacture of adhesives, sealants, paints and coatings to enhance the quality and extend the shelf-life of the end products.

VanDeMark is certified to ISO 9001:2008 standards, is a member of SOCMA and ACC, and participates in the Responsible Care initiative. VanDeMark is owned by Brightwood Capital Advisors, LLC (New York, NY – [www.brightwoodlp.com](http://www.brightwoodlp.com)) and Uni-World Capital, L.P. (New York, NY – <http://www.uniworldcapital.com>) which acquired VanDeMark Chemical, Inc. in December 2012. For more information, please visit <http://www.vdmchemical.com/vdm/>.

**About Uni-World Capital, L.P.**

Uni-World Capital, L.P. is a private equity firm focused on making leveraged buyout and growth equity investments in lower-middle market companies. The firm seeks to partner with management teams where it can leverage its team's collective business experience, corporate relationships and strategic and financial expertise in order to help enhance a company's strategic positioning and drive profitable growth. More information can be found at <http://www.uniworldcapital.com>.

**About AURELIUS**

AURELIUS has been successfully operating in the international market for company acquisitions for many years. The focus is on companies and corporate spin-offs in markets with plenty of potential for development. Once under the AURELIUS umbrella, the acquisitions are given a long-term strategic orientation and their potential developed. Building on active operational support, the subsidiaries benefit from the management experience and financial strength of the parent company. This is what makes AURELIUS a "good home" for companies and their employees.

At present, the AURELIUS Group encompasses 20 subsidiaries around the globe with facilities in Europe, Asia and the United States. Among others, these include traditional names like Blaupunkt and Berentzen together with numerous industrial enterprises. Companies are acquired in accordance with strict investment criteria, although there is no specific industry focus. Shares of AURELIUS AG are listed in the m:access segment of the Munich Stock Exchange and are traded on all German stock exchanges under ISIN DE000A0JK2A8.

To find out more, visit [www.aureliusinvest.de](http://www.aureliusinvest.de).

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Press Contacts:

For Uni-World:

David Allan, Ketchum Zito Financial

Phone: 646-935-4301

Email: [david.allan@ketchum.com](mailto:david.allan@ketchum.com)

For VanDeMark:

Paul Offermann

Phone: 716-852-4410

Email: [paul.offermann@haroldwarner.com](mailto:paul.offermann@haroldwarner.com)

For AURELIUS Group:

Anke Banaschewski

Phone: +49 (89) 544799 0

Email: [anke.banaschewski@aureliusinvest.de](mailto:anke.banaschewski@aureliusinvest.de)

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