

October 13, 2021

Novacap Completes First Major Private Equity Continuation Vehicle in Canada

Davies acted for Novacap Management Inc., a leading North American private equity firm, in the creation of the first major private equity continuation vehicle in Canada. Novacap's TMT VI Fund and the continuation vehicle, whose lead investor is the Vintage Funds within Goldman Sachs Asset Management, acquired a controlling interest in Montréal-based Syntax Systems Group Inc. (Syntax) from Novacap TMT IV and Novacap TMT V, along with other shareholders. As adviser to Novacap, Davies spearheaded the formation and fundraising of the continuation vehicle, as well as the negotiation and execution of the underlying M&A transaction. Davies also led a team of local counsel for the regulatory aspects of the transaction.

The transaction, the latest in an ongoing partnership between the two Québec-based firms, underscores Novacap's commitment to Syntax's success and provides the capital needed to further cement its position as a world-leading technology solutions provider. It also marks a milestone for the Canadian private equity industry, advancing a novel means of supporting innovative businesses.

Davies has been a long-standing adviser to Novacap on high-profile projects aimed at building world-class companies, including earlier this year in the formation and fundraising of Novacap TMT VI. This private equity fund – valued at more than US\$1.8 billion – in the North American telecommunication, media and technologies sector is the largest ever raised by Novacap.

The Davies team advising on this transaction included Sébastien Thériault, Antoine Le Bihan, Vanessa Pendenza, Arianna Yoffe and Yixiao Zheng (Private Equity/Fund Formation/M&A); and Marie-Emmanuelle Vaillancourt and Jesse A. Boretsky (Tax).