

# Alaris Equity Partners Announces the Redemption of Federal Resources

26.10.2021 | [GlobeNewswire](#)

CALGARY, Oct. 26, 2021 - [Alaris Equity Partners Income Trust](#) (the "Trust" or "Alaris") (TSX: AD.UN) is pleased to announce the redemption of Federal Resources ("FR") in connection with a sale (the "FR Sale") of FR to a third party (the "Third Party"). The FR Sale closed on October 26, 2021 and resulted in the redemption (the "FR Redemption") of all of Alaris' FR Units and repayment of Alaris' outstanding loan for total proceeds of US\$80.9 million (CA\$101.9 million).

Alaris' total return on its FR investment was US\$75.7 million or 113% ("FR Return") which represents an unlevered IRR of over 19% during the six-year partnership. The FR Return was generated by collecting over US\$61.7 million of distributions and interest payments from FR since Alaris' initial investment in June 2015 as well as the US\$80.9 million of redemption proceeds which represents a US\$13.9 million (20.7%) increase over our invested capital of US\$67.0 million.

"We couldn't be more proud of our six-year partnership with FR. They have a first-class management team that has been a pleasure to deal with throughout the lifetime of our investment. The owners of FR realized a materially better result on the FR Sale using Alaris' preferred equity structure rather than traditional private equity, as the business experienced exceptional growth that exceeded the 6% collar on Alaris distributions in most of those six years," said Steve King, President & CEO, Alaris. "This was also a very important transaction for Alaris in funding our continuing growth initiatives. We had been anticipating this redemption for some time and had funded our growth over the last 12 months with more debt than what we would typically hold. Today's transaction puts us in an excellent position to accretively deploy more capital into new and current partners."

"Alaris was the perfect partner for FR during a period of rapid growth and expansion. Alaris' investment allowed FR to control its own destiny, providing incredible flexibility for the owners and officers to run the business while always being accessible for collaboration. Even though FR is turning the page to the next chapter in our nearly 35-year history, the redemption of Alaris is truly a bittersweet moment, as we will fondly recall the friendships we made and the partnership we enjoyed with Alaris over the past 6 years," said Larry Gwaltney, CEO, Federal Resources.

After today's announcements, Alaris will have approximately CA\$260 million drawn on its senior credit facility (the "Facility") and CA\$140 million available for investment purposes while the total senior debt to EBITDA on a proforma basis is approximately 2.0x. Alaris estimates its Run Rate Payout Ratio to be between 65% and 70% following the FR Redemption.

## ABOUT ALARIS:

The Trust, through its subsidiaries, indirectly provides alternative financing to private companies ("Partners") in exchange for distributions with the principal objective of generating stable and predictable cash flows for payment of distributions to unitholders of the Trust. Distributions from the Partners are adjusted each year based on the percentage change of a "top line" financial performance measure such as gross margin and same-store sales and rank in priority to the owners' common equity position.

## NON-IFRS MEASURES:

EBITDA refers to earnings determined in accordance with IFRS, before depreciation and amortization, net of gain or loss on disposal of capital assets, interest expense and income tax expense. EBITDA is used by management and many investors to determine the ability of an issuer to generate cash from operations.

Run Rate Payout Ratio refers to Alaris' total distribution per unit expected to be paid over the next twelve months divided by the estimated net cash from operating activities per unit that Alaris expects to generate over the same twelve month period (after giving effect to the impact of all information disclosed as of the date of this report).

IRR refers to internal rate of return, which is a metric used to determine the discount rate that derives a net present value of cash flows to zero. Management uses IRR to analyze partner returns.

The terms Run Rate Payout Ratio, IRR and EBITDA (the "Non-IFRS Measures") are not standard measures under IFRS. Alaris' calculation of the Non-IFRS Measures may differ from those of other issuers and, therefore, should only be used in conjunction with the Trust's (or its predecessor's) annual audited and unaudited interim financial statements, which are available under the Trust's (and its predecessor's) profile on SEDAR at [www.sedar.com](http://www.sedar.com).

## FORWARD LOOKING STATEMENTS

*This news release contains forward-looking statements, including forward-looking statements within the meaning of "safe harbor" provisions under applicable securities laws ("forward-looking statements"). Statements other than statements of historical fact contained in this news release may be forward-looking statements, including, without limitation, management's expectations, intentions and beliefs concerning: FR Redemption and the impact on Alaris, including the impact on Run Rate Payout Ratio; the outstanding indebtedness under the Facility and uses of proceeds thereunder; Alaris' growth initiatives and ability to fund them going forward; and future capital deployment. Many of these statements can be identified by words such as "believe", "expects", "will", "intends", "projects", "anticipates", "estimates", "continues" or similar words or the negative thereof. Any forward-looking statements herein which constitute a financial outlook or future-oriented financial information (including the impact on Run Rate Payout Ratio) were approved by management as of the date hereof and have been included to provide an understanding of Alaris' financial performance and are subject to the same risks and assumptions disclosed herein. There can be no assurance that the plans, intentions or expectations upon which these forward-looking statements are based will occur.*

*By their nature, forward-looking statements require Alaris to make assumptions and are subject to inherent risks and uncertainties. Assumptions about the performance of the Canadian and U.S. economies over the next 24 months and how that will affect Alaris' business and that of its Partners (including, without limitation, the ongoing impact of COVID-19) are material factors considered by Alaris management when setting the outlook for Alaris. Key assumptions include, but are not limited to, assumptions that: the Canadian and U.S. economies will continue to recover from the ongoing economic downturn created by the response to COVID-19 within the next twelve months; interest rates will not rise in a material way over the next 12 to 24 months; that those Alaris Partners detrimentally affected by COVID-19 will recover from the pandemic's impact and return to their current operating environments; following a recovery from the COVID-19 impact, the businesses of the majority of our Partners will continue to grow; the businesses of new Partners and those of existing partners will perform in line with Alaris' expectations and diligence; more private companies will require access to alternative sources of capital and that Alaris will have the ability to raise required equity and/or debt financing on acceptable terms. Management of Alaris has also assumed that the Canadian and U.S. dollar trading pair will remain in a range of approximately plus or minus 15% of the current rate over the next 6 months. In determining expectations for economic growth, management of Alaris primarily considers historical economic data provided by the Canadian and U.S. governments and their agencies as well as prevailing economic conditions at the time of such determinations.*

*Forward-looking statements are subject to risks, uncertainties and assumptions and should not be read as guarantees or assurances of future performance. The actual results of the Trust and the Partners could materially differ from those anticipated in the forward-looking statements contained herein as a result of certain risk factors, including, but not limited to: how many Partners will be continue to be impacted by COVID-19 and the extent of such impact; the ability of our Partners and, correspondingly, Alaris to meet performance expectations for 2021 and beyond as a result of COVID-19 or otherwise; any change in the senior lenders under the Facility's outlook for Alaris' business; management's ability to assess and mitigate the ongoing impacts of COVID-19; the dependence of Alaris on the Partners; reliance on key personnel; general economic conditions, including the ongoing impact of COVID-19 on the Canadian, U.S. and global economies; failure to complete or realize the anticipated benefit of Alaris' financing arrangements with the Partners; a failure of the Trust or any Partners to obtain required regulatory approvals on a timely basis or at all; changes in legislation and regulations and the interpretations thereof; risks relating to the Partners and*

*their businesses, including, without limitation, a material change in the operations of a Partner or the industries they operate in; inability to close additional Partner contributions in a timely fashion, or at all; a change in the ability of the Partners to continue to pay Alaris' distributions; a change in the unaudited information provided to the Trust; a failure of a Partner (or Partners) to realize on their anticipated growth strategies; a failure to achieve resolutions for outstanding issues with Partners on terms materially in line with management's expectations or at all; and a failure to realize the benefits of any concessions or relief measures provided by Alaris to any Partner or to successfully execute an exit strategy for a Partner where desired. Additional risks that may cause actual results to vary from those indicated are discussed under the heading "Risk Factors" and "Forward Looking Statements" in the Trust's Management Discussion and Analysis and Annual Information Form for the year ended December 31, 2020, which are filed under the Trust's profile at [www.sedar.com](http://www.sedar.com) and on its website at [www.alarisequitypartners.com](http://www.alarisequitypartners.com).*

*This news release contains future-oriented financial information and financial outlook information (collectively, "FOFI") about increases to the Trust's net operating cash per flow per unit and liquidity, each of which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth above. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on FOFI and forward-looking statements. Alaris' actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and FOFI, or if any of them do so, what benefits the Trust will derive therefrom. The Trust has included the forward-looking statements and FOFI in order to provide readers with a more complete perspective on Alaris' future operations and such information may not be appropriate for other purposes. Alaris disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.*

*Readers are cautioned not to place undue reliance on any forward-looking information contained in this news release as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed in the forward-looking statements. Statements containing forward-looking information reflect management's current beliefs and assumptions based on information in its possession on the date of this news release. Although management believes that the assumptions reflected in the forward-looking statements contained herein are reasonable, there can be no assurance that such expectations will prove to be correct.*

*The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this news release are made as of the date of this news release and Alaris does not undertake or assume any obligation to update or revise such statements to reflect new events or circumstances except as expressly required by applicable securities legislation.*

*Neither the TSX nor its Regulation Services Provider (as that term is defined in the policies of the TSX) accepts responsibility for the adequacy or accuracy of this release.*

For further information please contact:

ir@alarisequity.com  
P: (403) 260-1457  
[Alaris Equity Partners Income Trust](#)  
Suite 250, 333 24th Avenue S.W.  
Calgary, Alberta T2S 3E6  
[www.alarisequitypartners.com](http://www.alarisequitypartners.com)

---

Dieser Artikel stammt von [Rohstoff-Welt.de](http://Rohstoff-Welt.de)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/397670--Alaris-Equity-Partners-Announces-the-Redemption-of-Federal-Resources.html>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer](#)!

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!  
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2025. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).