

# The advancement of Advent One

Independently owned SMEIPP construction company Advent One Group recently finalised a complete management buyout of Tubular Group's two operating entities, Tubular Engineering Services South Africa (TESSA) and Tubular Electrical Projects (TEP).

Advent One has interests in structural steelwork, mechanical, piping and platework (SMPP) as well as electrical, control and instrumentation projects in South Africa and neighbouring territories.

"The formation of Advent One through the management buyout has ensured the stability and sustainability of the business into the future as well as the retention of about 700 jobs. The buyout has also ensured that Advent One is able to benefit from the extensive skills and experience of these employees," says Advent One CEO John Humphreys.

Humphreys is joined by Isiah Mlambo as MD of Electrical Projects, Silas Matshaba as MD of SMPP and Eddie Nunes as Business Development Manager as shareholders in Advent One.

The four shareholders decided in early 2020 that, to pave the way forward and to ensure the welfare of the employees, a management buyout would afford the best solution.

"We thereby divorced ourselves from the Tubular Group and the negative press surrounding it and approached our financiers with the plan to buy out those entities and form a new business, effective on March 1, 2020," explains Humphreys.

Once the buyout transaction had been concluded, Advent One approached all the existing clients to cede those contracts to the new company, which was well received. Similarly, Advent One has been well received by potential new clients with whom Advent One is marketing extensively.

The shareholders and directors of Advent One note that, contrary to some perceptions in the market, there is no association whatsoever with the Tubular Group.

"Advent One is wholly independent and all shareholders in the group and the underlying entities are employees in the business," states Humphreys.

Advent One Group is confident that the retention of experienced leadership and key employees will enable the new entity to meet market expectations and provide the industry with the requisite expertise, guidance and support that were previously experienced.

The company structure consists of the Advent One Group, which holds all the assets of the group, and two underlying entities: Advent One Projects, which runs the SMPP works, and Advent One Electrical Projects, which focuses on the electrical, control and instrumentation aspect.

"Part of the buyout transaction included the takeover of several assets, which were required for the construction activities in the two underlying entities, and we are now moving the business forward," states Humphreys.

The company is securing new work, with the buyout being well received by current and potentially new clients.

Advent One will also relocate to new premises in Sundra, near Delmas in the Victor Khanye local municipality, in Mpumalanga, in June 2021.

## Projects

Advent One can undertake small- and large-scale projects, locally and cross-border, and offers a basket of services across the mining, industrial, petrochemicals, and oil and gas sectors.

The company promotes localisation and has recently concluded two partnerships with smaller SMEIPP contractors, namely 360° Suppliers and Sephureng Trading and Projects. Advent One is also in discussions with Kele Mining. These partnerships will encompass opportunities in the Limpopo, North West and Northern Cape provinces with the commitment to develop local skills, capability and capacity into the future in the SMEIPP construction sector.

Advent One company is working on several electrical instrumentation projects that were ceded, in the Northern Cape and Limpopo.

The company has also secured additional works under new contracts, in Northern Cape, Limpopo and North West Province.

Advent One is finalising an SMPP project in Limpopo as well as finalising work on the Highbury pipe bridge project, in the Eastern Cape. The company is also awaiting adjudication on several tenders it has submitted for various projects.

Humphreys notes that while Advent One's main strength lies in mining and industrial projects, it is keen to explore other industries.

## Future Opportunities

Mlambo notes that the future opportunities for Advent One are "quite exciting", particularly in electrical and instrumentation projects, with the company currently engaged in finalising some of them.

"This gives us hope that we are doing the right thing and have made the right decision in the formation of Advent One. It is very important to us that we deliver on these projects. Advent One strives to provide a high-quality service for the industry," he says.

Matshaba emphasises the importance of company culture, as Advent One focuses on transparency and the continual training and development of staff.

"We have an open-door policy to accommodate younger employees. I am a prime example of this — being one of the youngest, a mechanical engineer with an MBA degree," he says.

"We strive for excellence. Our objective is achieved through constantly maintaining our high standard of professionalism and the continuous development of our services to lead the evolving construction demands," concludes Nunes.

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