

Nexus Point acquires Hong Kong freight forwarding business



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Nexus Point Capital, which makes middle-market control investments in Greater China, has acquired a majority stake in Hong Kong-headquartered freight forwarding business Honour Lane Shipping (HLS).

The size of the transaction was not disclosed, although the selling shareholders – including Vincent Chan, the company’s co-founder and president – will remain involved in the business under its new ownership.

Bloomberg reported last October that HLS was contemplating a sale at a valuation of approximately USD 500m.

Established in 1997, HLS is a non-vessel-operating common carrier (NVOCC) that provides sea and air freight forwarding and other services to facilitate shipments across the globe. The company has offices across Asia and the US, with a strong presence in Greater China and Southeast Asia.

Chan said in a [statement](#) that HLS is enjoying the fastest period of growth in its history and wanted a partner to invest in the business and help “take full advantage of the dynamic changes currently underway in international trade.”

In addition to strengthening its position in the Asia-US lane, there are plans to expand into Europe, Oceania, and Latin America. The company also wants to create a dedicated e-commerce platform, develop its air freight capabilities, and undergo a digital transformation.

“Our investment strategy centres around identifying companies with robust operating fundamentals, defensible market positions, and sustainable competitive advantages. HLS satisfies all these criteria thanks to its unique business model, deep relationships with customers and vendors, and profound understanding of the market and its players,” said K.C. Kung, founder and managing partner of Nexus Point.

HLS represents the debut deal from the private equity firm’s second fund, which is currently in the market with a target of USD 700m. Nexus Point [closed its first fund on USD 475m](#) in 2019 and completed the last of seven investments in March with a USD 60m commitment to [Lichi](#), an online B2B procurement platform that serves dental clinics in China.

BDA Partners acted as exclusive financial advisor to HLS on the transaction. Alvarez & Marsal advised on financial and tax matters, PwC

covered the commercial side, and Simmons & Simmons served as legal counsel.

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