

ICFN

GLOBAL M&A

Q2 2024 news

The Olympics issue



www.icfnetwork.com

July 2024 newsletter

Image: Dall-E 3

► Lisbon went M&A

Welcome to a new ICFN moment, friends of M&A.

Throughout May 26th and 27th, 2024, ICFN International Corporate Finance Network held in Lisbon its annual meeting of partners during which firms from 16 countries shared the latest M&A news and industry insights in each country and exchanged ideas on cross-border deal opportunities.

Thanks to the phantastic collaboration with Lisbon-based ENES CABRAL we also had time to enjoy the wonderful Lisbon hospitality in the company of our dear network partners.

We are already counting down the days until our next global meeting in 2025.





Global M&A



The M&A landscape in 2024 has been a rollercoaster ride, marked by volatility and challenges. Here are some key trends and insights

The M&A Landscape:

Uncertainty: Despite high hopes at the start of the year, M&A activity faced uncertainty in the first half of 2024.

In most markets, recovery was slower than expected due to market uncertainties.

On the positive side, pent-up demands, PE portfolios and improved financing environment, together with sustainability requirements and disruptive technologies played a role.

Pent-Up Demand and PE Portfolios:

Restricted Flow: Lower M&A activity over the past years created pent-up demand.

Private Equity firms are primed for exits, with many portfolio companies ripe for sale.

Strategic Imperatives: Corporates seek M&A to accelerate growth and adapt to dynamic changes. PE- Corporate collaboration leads to innovative partnerships and better outcomes.

Complex Deal Structures:

In 2024, deal structures are becoming more complex. Equity rollovers and structured deals are common as parties seek ways to de-risk transactions.

Private credit is reshaping deal financing, filling the void left by traditional lenders.

At the same time, interest rates have come down.

Strategic Focus and Recovery:

Corporate acquirers are using M&A strategically. Sectors like technology and healthcare see amplified activity.

Tech focus: traditional companies seek tech startups to form strategic alliances, resulting in adaptive business models and streamlined processes.

AI adoption enhances efficiency and dealmaking

These trends reflect the dynamic landscape of M&A where agility, innovation and strategic alignment play crucial roles.

Digitisation of business models and cross-border activity are on the rise

Durability of M&A market:

Despite swings and challenges, M&A remains a vital strategic lever. CEOs recognize its importance, especially when significant strategic shifts are needed due to seismic changes in the business landscape (such as the rise of AI and sustainability).

Programmatic acquirers—those making multiple small to mid-sized deals annually—have outperformed other M&A strategies. Active portfolio management, including divestitures, contributes to their success.

Optimism and Activity:

Bouncing Back: M&A activity will rise again, although timing remains uncertain.

Seller Activity: An uptick in seller activity is observed, with sale preparations underway.

Quality Assets: Buyers can expect more quality assets to come to market in the next six months.

In summary, while challenges persist, the strategic need for M&A continues to grow stronger, and the fog of uncertainty is expected to lift. The M&A show will go on, albeit with varying sector dynamics

Recently, in the ICFN world

*Closing successfully closes transaction for **Bureau Fiduciaire Lermaniaux (BFL)**, a key player in accounting services based in Brussels. **PIA Group** strengthens its position in Belgium by acquiring **BFL**. **PIA Group** aims to become a leading player in the accounting and consultancy services sector. **PIA Group** now has over 60 offices and almost 1.700 employees in the Benelux.*

CLOSING

*Closing
Belgium*

*Closing advised the management buyout of **Lepage Group**. Lepage designs, manufactures, installs and maintains industrial equipment for its customers in the energy, cement, chemicals and pharmaceuticals sectors. **Lepage** employs nearly 250 people at four sites in Belgium and generates consolidated sales of almost €30M.*

*Closing advised **Carette Group** on its sale to **Capoue**. As a major player in the ice cream world since 1920, **Carette** produces and distributes its ice creams through its network of sales outlets and its fleet of vans. With this acquisition, **Capoue** is further extending its network of counters and tasting rooms, making the group the independent leader in the sector in French-speaking Belgium.*



*Alcon Partners
USA*

Alcon has assisted a buy side client in completing the acquisition of two companies focused on ERP implementation services. The companies are based in the United States and will form a platform which will seek to acquire additional ERP implementation businesses.

Successful sale of **Nijwa Concrete** to **NBC Leek**

Nijwa concrete pumps was a subsidiary of **AGAR Holding**, a large group of companies active in concrete, sand and gravel production / trade. The concrete pumps activity was strategically non core business. The owner of **AGAR** therefore decided to disinvest this activity and sell it to a specialized concrete pump service company.

Factor & Ros operated as sell side advisor to **AGAR Holding**



*Factor & Ross
The Netherlands*



Successful sale of **OAF paint** to **Paintdiscount**

OAF Paint is a long-standing producer of special paints for the Dutch market. Due to the age of the owner and lack of succession, the decision was made to sell the company to a strategic buyer. **Factor & Ros** operated as sell side advisor to **OAF** in the sale to **Paintdiscount**.



Events calendar 2024

Q3 Conference

Quarterly
Deal Flow
Conference
3 p.m. CET

16

September

Q4 Conference

Quarterly
Deal Flow
Conference
3 p.m. CET

18

November

Some of our ongoing projects

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www.baum.es

- **Wood** / Sell-Side / Wood packaging / Size of company: 5M €, Ebitda 12% (2023) / Type of investor: any / from Spain to any region / Spanish wood packaging company with sawing division (2 cutting lines) and packaging division. Solvent company, no debt.
- **WEP** / Sell-side / Risk prevention Renewables sector / Size of company: 10.2M €, Ebitda 18% (2023) / Type of investor: any / from Spain to any region / The company is dedicated to providing engineering, technical consultancy and training services in the control of occupational and environmental risk prevention to companies in the renewable energy sector (mainly) and industrial sector.



www.alconpartners.com

- **Boat lifts and docks** / Buy-Side / Size of company: \$10mm / Type of investor: PE Add-on / From USA to North America-Europe / Companies that manufacture boat lifts or plastic or aluminum modular boat docks or related products.
- **Database Administration** (remote DBA) / Buy-side / Size of company: \$5mm / Type of investor: PE Add-on / From USA to US, Europe, South America, Asia / Companies that provide remote database administration (DBA) for Oracle, Microsoft or other commercial or open source databases.
- **Oracle consultancies** / Buy-Side / Size of company: \$5mm / Type of investor: PE Add-on / From USA to US, Europe, South America / Companies that focus on consulting for Oracle databases or Oracle based enterprise applications, including ERP
- **Data Science – AI Companies** / Buy-side / Size of company: \$5mm / Type of investor: PE Add-on / From USA to Global / Companies that assist their clients in capturing, organizing, or analyzing data or using AI to interact with data to solve critical business issues.

CLOSING

www.closing.be

- **Road** / Sell-Side / Construction / Size of company: € 9M / Type of investor: Strategic / From Belgium to Europe / Large company specialized in earthworks, roads, drainage with its own recycling centre. Strategic geographical location and large high-quality property complex. A reference in the sector for many years, having completed numerous large-scale projects. Well-trained dynamic team of around fifty people, renowned for the quality of their work.
- **Windscreen** / Sell-Side / Logistics-Transport / Size of company: € 8M / Type of investor: Any / From Belgium to Europe / Company specialized in the distribution of automotive spare parts. International player active in its market for over 30 years, recognized for its expertise. Attractive profitability in a niche sector. Long-term trust-based partnerships with quality suppliers and broad product range covering the entire value chain.
- **Logispeed** / Sell-Side / Logistics-Transport / Size of company: € 3.4M / Type of investor: Any / From Belgium to Europe / National and international express transport and delivery company, offering customers a wide range of logistics services. High-performance technological solutions enabling the company to provide a comprehensive, high-quality service.
- **Pool** / Sell-Side / Construction / Size of company: € 4.5M / Type of investor: Any / From Belgium to Europe / Company specialized in the construction, renovation, maintenance of swimming-pools. Interesting profitability. Looking for equity partner to perpetuate activities. Sell of majority stake: business activities real estate.

MILNER

CORPORATE FINANCE

www.milnerfinance.com

- **Beehive** / Sell-Side / School Photography / Size of company: € 2.5M / Type of investor: Strategic of financial / From Denmark to Nordic area / The project is at the final stage of a controlled sell side process where we have been targeting selected strategic and financial buyers. An SPA has been signed with the leading Swedish based company in school photography backed by a private equity fund which is driving the consolidation of the Nordic market for school photography



www.factor-ros.nl

- **Logistics** / Sell-Side / Value added logistics / Annual Sales € 25M – Annual EBITDA € 3,4M / Type of investor: Strategic / From Netherlands to Europe - US / Logistics service provider operating in the BeNeLux area, with a fleet of over 150 vehicles and 150 FTE, 18.000m2 warehousing facility (20.000 pallet positions)



www.exg-consulting.com

- **VAP Services** / Buy-Side / Implementation, Development, Managed services / Size of company: > €5 M / Europe
- **It Solutions** / Sell-Side / Software development, Managed services / Size of company: € 3.5M revenue / DACH
- **QA - SW Testing** / Buy-side / QA - SW Testing / Size of company: > €5 M / Europe



www.elitcapital.com

- **Pharma LATAM** / Buy-Side / Pharmaceutical / Maximum target value up to US\$ 150 million dollars / Type of investor: Pharmaceutical industries in Brazil-Mexico / From Brazil-Mexico to Brazil-Mexico / Looking for targets in Retail segment. OTC in general: Endocrinology-Gynaecology-Gastroenterology

Michael says



Dr. Michael Hirt

Global Executive Coach

CEO coach

Management Expert

In today's business landscape, there is no skill more valuable than negotiation. ICFN Executive Director Dr.

Michael Hirt has trained and coached executives, managers, and salespeople throughout the world in the art of negotiating. As a ghost negotiator he advises and accompanies his clients in difficult negotiations.

He brings a wealth of 30 years of experience from different roles and many negotiations.

Analysis of the balance of power

A key part of the preparation of negotiations is analyzing the balance of power between the negotiating parties.

In many negotiations, the forces are not evenly distributed, but one party has one or more advantages.

The main factors that influence the balance of power between the parties are the need to close, the emotional desire to close (both of which cause a lack of walk-away power), competition and the time factor.

Analyze your own position based on these four factors and form hypotheses about the other side's position based on these four factors to use this knowledge to your advantage in the negotiation.

Information: what information about the other side do you need to find out in order to increase or consolidate your negotiating power? How will they proceed? What information must the other side not find out about you so that you do not reduce your negotiating power? How will you skillfully protect this information without lying, which is not only unethical but can also have liability and criminal law consequences?



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... Bye!



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