



 Shared Knowledge
Brighter future

• Fall Online Convention

2020
M&A
WORLDWIDE
DEAL
OF THE
YEAR



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LINKERS

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Please give a short description of the buyer and the seller involved in the transaction?

The Buyer is the European Private Equity Fund CAPZA, specialized in SME. CAPZA manages 4 billion euros with about 50 people through 4 offices in Paris, Munich, Madrid and Milan.

The Seller is EUROFEU, the leading French fire extinguisher manufacturer, with about 1 000 employees and a turnover larger than 100 million euros. EUROFEU also maintain 2 million fire safety devices.

Who were the other M&A Worldwide Advisors involved in the transaction and what was their role?

LINKERS was the only M&A advisor in the deal.

Nevertheless, if no other MAWW member was in this deal, MAWW gives us the legitimacy for a deal of this size (Enterprise Value of about 1 year of sales), especially in this period of covid.

At the opposite, we hope that kind of deal will help other members to increase the average size of deals conclude by MAWW members

Parties Involved

In this LBO, LINKERS was the advisor of the buyer; the Private Equity Fund CAPZA and of the manager and new President, Eric HENTGES.

FL FINANCE was the advisor of the sellers - Lahouati Family and Philippe de Panthou

Advisors Involved

LINKERS buy side
FL FINANCE sell side

b. Legal

HOCHE AVOCATS buy side
STANCE AVOCATS sell side

c. Strategic / commercial

INDEFI for strategic and commercial Audit
ODERIS for financial and accounting Audit
HOCHE AVOCATS for Legal, tax and social Audit
EFESO for Industrial and IT Audit
ERM for environmental Audit

d. Financing (senior debt)

Credit Agricole
Société Générale
BNP PARIBAS

e. Other Valuation options: NG FINANCE

Give an impression of the deal complexity, i.e. hurdles, unexpected events, and the way these were taken care of, solved or renegotiated?

Over the last few years, LINKERS has regularly been in contact with EUROFEU to discuss a potential sale of the group, either to industrial counterparts or via a LBO.

But no mandate has been given by the founders and shareholders. On the other hand, LINKERS was in contact with Eric Hentges, an experienced manager in the Security sector. Eric had the objective to buy a company and the legitimacy to be the leader in a LBO transaction with a Private Equity Fund.

As we thought that the shareholders would never give a mandate, we decided to prepare a preemptive offer with Eric and Private Equity Funds. We launched a process to select the best Private Equity Fund for the context. CAPZA was the winner of this process as their financial offer was attractive but mainly because they shared Eric's vision about the project: a growth project based on the current organization of the group and with all the employees, while the founder did not want to deal with industrial counterparts that could close the existing production facilities.

LINKERS acted as a real dealmaker, building from 0 a win-win-win project in line with the goals of the founder, Eric Hentges and CAPZA.

To what extent was the deal structure creative or were the solutions creative/unordinary?

The deal structure, which was supposed to close in March / April, was mainly impacted by the Covid crisis.

The solution to combined buyer and sellers interest was to cut the price between:

- a smaller upfront price
- an earn out linked to 2021 performance (Turnover, EBITDA, number of Fire Safety devices)

How did you use your deal for marketing, pitchbooks or acquisition?

- first to win new deals in the security sector
- second to get bigger deals