

DATE

July 31, 2020

SECTORS

Industrials

DEAL TYPE

M&A Advisory

DEAL LOCATIONS



DEAL TEAM



César García
Managing Director

DC Advisory advised Guzman Global on the sale of a majority stake in Guzman Polymers to Hromatka



Hromatka Group

Background

- Based in Valencia, Spain, Guzman Polymers is a leading distributor of polymers for varying industries in Southern Europe
- The company is a subsidiary of Guzman Global, a family-owned group that distributes raw materials, with over 80 years of history
- Guzman Polymers has sales of €180m, distributing 80k tons of plastics and employing 125 professionals
- Hromatka, an Austrian organisation founded in 1969, is also a family-owned business engaged in the distribution of polymers, with leading presence in Central and Eastern Europe
- The companies' relationship dates back 15 years and both share a similar business

philosophy

Process

- DC Advisory (DC) was engaged by Guzman Global to act as financial advisor to provide sell-side M&A advice on the sale of a majority stake of Guzman Polymers
- The terms of the agreement were set in 2019 and the impact of the Covid-19 pandemic accelerated the process
- DC provided comprehensive financial advisory services to Guzman Global throughout the sale process including:
 - process strategy and tactics
 - due diligence coordination
 - deal structuring
 - financial modelling and valuation
 - support in negotiations
 - advice on transaction documentation

Outcome

- Under the agreement, Hromatka acquired a majority stake of Guzman Polymers
- The groups complement each other in terms of geographical coverage, product portfolio and suppliers
- This transaction represents the creation of a European leader in the distribution of polymers
- DC ensured all work streams were successfully completed in a timely manner
- DC Advisory's extensive experience in industrial operations, and its excellent international capabilities, were key in the success of the transaction