

DATE

June 30, 2021

SECTORS

Consumer, Leisure & Retail

DEAL TYPE

M&A Advisory

DEAL LOCATIONS



DEAL TEAM



Borja Lería

Managing Director

DC Advisory advised FERGUS Group on its capitalization and the creation of a hospitality investment vehicle

FERGUS
GROUP

zetland|capital

Background

- Founded in 2011 and headquartered in Mallorca, Spain, FERGUS Group (FERGUS) is currently one of the most dynamic Balearic holiday hotel chains
- FERGUS has created a new generation platform that is two-sided - it effectively manages its portfolio of hotels' internal procedures and also identifies new market opportunities. This is coupled with an extensive track record in product repositioning and product management
- FERGUS owns 12 hotels and c.2,770 rooms, located in Mallorca, Ibiza, Conil, Fuengirola and Sitges
- The group operates under two differentiated brands - FERGUS Hotels and tent hotels

Process

- DC Advisory (DC), led by Manuel Zulueta and Borja Lería, was engaged by FERGUS to provide full-scope sell-side M&A advice to support the sale of a minority stake of the

company

- In a complex process that included navigating a period of lockdown and virtual negotiations, DC provided comprehensive financial and strategic advisory services including:
 - Process strategy and tactics; due diligence coordination; deal structuring, financial modelling and valuation
 - Support in negotiations and transaction documentation

Outcome

- Under the agreement, Zetland Capital Partners (Zetland) capitalized the company and created an investment vehicle to jointly invest in the Spanish holiday market
- DC ensured all workstreams were successfully completed in a timely manner
- DC's extensive experience in the hospitality sector and senior involvement were key in the success of the transaction
- Despite the challenging environment caused by Covid-19, the terms of the agreement were improved significantly during the process
- The transaction was completed in June 2021 for an undisclosed amount

“We have been working on FERGUS Group's expansion plan with DC Advisory throughout 2020 up until the transaction was completed in 2021. The DC Advisory team assigned to the project have demonstrated a perfect understanding of our company's needs and have provided knowledge and value, enabling us to find an optimal solution to our needs that perfectly aligned with our business plan. We recommend them without reservation.”

Bernat Vicens
CEO, Fergus Group

“We are very pleased to have completed another transaction in the Hospitality sector, ensuring FERGUS group's growth and continuity. Fergus Group is an excellent hotel company with a remarkable management team that will allow Zetland to invest in the Spanish hospitality market and consolidate FERGUS Group brands.”

Manuel Zulueta
CEO, Spain