

DATE

April 16, 2020

SECTORS

Industrials

DEAL TYPE

M&A Advisory

DEAL LOCATIONS



DEAL TEAM



Andrew Cunningham
Managing Director



Gary Hancock
Managing Director

UN SDG ACTIVITY



7 AFFORDABLE AND
CLEAN ENERGY



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



11 SUSTAINABLE CITIES
AND COMMUNITIES

DC Advisory advised the shareholders of Colt on its sale to Kingspan



Background

- Established in 1931 by Jack O’Hea and headquartered in Hampshire, UK, Colt Group (Colt) is a market leader in providing and servicing innovative solutions and products for the smoke control, ventilation, solar shading and climate control markets
- Colt has a strong international brand, with subsidiaries in 15 key markets including the UK, the Benelux, DACH, Southern Europe and Eastern Europe

Process

- DC Advisory (DC) has provided strategic advice to the shareholders of Colt, including members of the founding O’Hea family, for over a decade. The advice provided by DC centred around the long term preparation of the business for an exit at a time that matched shareholders’ objectives
- DC worked very closely with management and shareholders to optimise Colt’s exit and investment was made into their service and maintenance activities, as well as enhancements to their commercial, operational and financial capabilities
- DC approached a small number of pre-qualified strategic purchasers who were provided with access to transaction materials, vendor due diligence reports and management within a highly controlled timeframe

Outcome



- Following a process with engagement from a range of international trade purchasers, on 17 April 2020 Kingspan Group plc (Kingspan), a global leader in high performance insulation and building envelopes, completed the acquisition of Colt. Colt will become part of the Kingspan Light + Air (KLA) division
- Throughout the process, DC managed the multiple stakeholders in the business against the backdrop of increasing uncertainty to deliver a very successful exit for shareholders
- The acquisition of Colt will provide KLA with a significantly enlarged international footprint and bring substantial vertical integration opportunities
- Colt will increase KLA's divisional revenue by c.60% to over €500m
- The largest shareholder of Colt was the Colt Foundation, the UK-based medical research charity set up by the O'Hea family. The Foundation is well-funded and will continue its programme of subsidising medical research and supporting students

We have worked with the DC Advisory team over a number of years and have come to trust their good judgement and negotiating skills. Their ability to keep calm, and help navigate shareholders through the complexities of the transaction has been exemplary. The DC team showed great tenacity and delivered the best possible outcome for the shareholders. We could not ask for more.

Christina Fitzsimons
Chair of the Colt Shareholder Committee

We are delighted to have advised the shareholders of Colt on the sale of the business to Kingspan which is the culmination of many years of providing the Right Advice. This is at the heart of DC's philosophy and demonstrates the value that we can bring to the shareholders of family and other private companies. Kingspan is a very good home for Colt for the next phase of its development and the transaction provided a very successful exit for the shareholders after a long period of family ownership.

Andrew Cunningham
Managing Director, DC Advisory

This is the latest addition to our market leading track record in the HVAC and construction sectors. In these uncertain times, resilient building products businesses providing solutions that offer international routes to market and touch key macro themes – for example, enhancing air quality, comfort, energy efficiency, safety and regulatory compliance in the built environment – will continue to be attractive to international strategic purchasers.

Gary Hancock
Managing Director, DC Advisory