

DATE

September 27, 2022

SECTORS

Industrials

DEAL LOCATIONS**DEAL TEAM****Michael Mariaz**
Managing Director**Alberto Tack**
Director**UN SDG ACTIVITY****7** AFFORDABLE AND
CLEAN ENERGY**9** INDUSTRY, INNOVATION
AND INFRASTRUCTURE**11** SUSTAINABLE CITIES
AND COMMUNITIES

DC Advisory advised TCH S.r.L. on the sale of Cimos Group to Mutares SE & Co. KGaA

**Background**

- Headquartered in Slovenia, Cimos Group (Cimos) is a manufacturer of turbocharger, powertrain and electrification components for the automotive industry with seven production plants across Slovenia, Croatia, Serbia and Bosnia & Herzegovina
- Through its broad manufacturing capabilities and the rebalancing of its customer base, Cimos has successfully begun a journey of enhancing its exposure to electrification-focused components and reducing reliance on internal combustion engines
- TCH S.r.L. – an Italian-based automotive component manufacturer – acquired Cimos in 2017 from Slovenian state ownership and invested in the modernisation of production and upskilling of operations and management
- With offices located across Europe, Mutares SE & Co. KGaA (Mutares) is a listed private equity holding company which acquires medium-sized companies and has a number of existing portfolio companies within the automotive sector

Process

- DC Advisory (DC) was engaged to advise on the potential sale of Cimos
- Despite recent industry and macro-economic trends, DC successfully positioned Cimos to highlight the long-term viability of the growth plan
- DC focused bidders on Cimos' unique position as it pivots towards electric vehicle components whilst maintaining its strong standing in the internal combustion engine component space
- DC guided the management team through a due diligence process with multiple bidders whilst facilitating management presentations and site visits across four countries

Outcome

- Mutares completed the acquisition of Cimos from TCH S.r.L. in September 2022
- Cimos will join Mutares' Automotive & Mobility division, providing a strategic Eastern European platform to the broader group
- Cimos will offer a well-invested machine park operating at competitive production costs, allowing Mutares portfolio companies, KICO and ISH Group, to offload production with minimal capex requirement
- This transaction demonstrates DC's unique ability to provide tailored advice in special situations and its ability to effectively manage cross-border transactions

"Cimos is a strong business that expertly negotiated a number of market headwinds over recent years to remain as one of Europe's leading manufacturers of turbocharger, powertrain and electrification components. Within Mutares' Automotive & Mobility division, Cimos will benefit from strong synergies with the broader group and be supported in its strategic transition to electric vehicles. This transaction demonstrates our expertise in the automotive industry and our ability to deliver the Right Advice for our clients in a fast-changing market environment"

| environment

Michael Mariaz, Managing Director, DC Advisory