

DATE

July 09, 2020

SECTORS

Consumer, Leisure & Retail

DEAL TYPE

Debt Advisory & Restructuring

DEAL LOCATIONS



DEAL TEAM



Daniel Gebler
Managing Director



Wolfgang Kazmierowski
Managing Director

DC Advisory advised proFagus Group on its refinancing



Background

- Borromin Capital acquired a majority participation in proFagus Group (proFagus) in 2010 and together with its management team has successfully developed it into Germany's leading beech wood charcoal and primary condensate manufacturer
- proFagus' business model and profitability has continuously improved through focusing the strategic roadmap on natural additives
- proFagus' management team headed by Uwe Belz (CEO), is fully committed to further expanding proFagus' leading market position
- proFagus was seeking to replace its existing capital structure - including vendor loans and shareholder loans - with a more suitable long-term oriented debt financing package, accommodating the Group's accelerating growth trajectory

Process

- Despite the Covid-19 pandemic, DC Advisory managed to run a competitive financing process with a selected number of potential financiers
- Interest for the term loan refinancing was generated from senior banks as well as private debt funds
- Several committed financing packages backing this transaction were achieved from both senior banks and private debt funds enabling proFagus to choose the most suitable option

Outcome

- An attractive financing package with H&A Global Investment Management was secured, which not only allows for the refinancing of proFagus' existing indebtedness, but also enables repayments of vendor and shareholder loans
- Moreover, the financing secures proFagus' working capital requirements and provides full support for the expansion plan with an additional capex facility
- The successful closing of proFagus refinancing underlines DC Advisory's ability to advise on complex financings against a tight deadline even during the Covid-19 pandemic

“During the whole process of refinancing we experienced an excellent support from DC Advisory, based on their experience and methodology in preparing and facilitating all necessary steps.”

Uwe Belz, CEO proFagus

“We were very pleased that DC Advisory was able to generate a number of attractive financing solutions during a time when the financial markets were in considerable distress. The new financing package offered by H&A Global Investment Management provides proFagus with a tailored framework for its next stage of expansion.”

Clemens Busch, Borromin Capital Management GmbH