

**DATE**

January 06, 2021

**SECTORS**

Consumer, Leisure & Retail

**DEAL TYPE**

M&A Advisory

**DEAL LOCATIONS**



**DEAL TEAM**



**Stephan von Parpart**  
Managing Director



**Felix Siek**  
Director

# DC Advisory acted as exclusive financial advisor to the shareholder of WM Beautysystems on the sale of a majority stake to Rieker Investment



## Background

- DC Advisory (DC) acted as exclusive financial advisor to the shareholder of WM Beautysystems AG (WMBS) - the largest beauty and tanning studio chain operator in Germany and Europe, running its studios under the well-known brand Sunpoint – on the sale of a majority stake to Rieker Investment
- Wolfgang Mueller founded WMBS in 1988 and has since built a dominant position in the German beauty and tanning market, currently owning more than 115 studios and 80 franchise studios
- As a key success factor, WMBS established a club membership model, with more than half of the customers subscribed, leading to stable and predictable cash flows
- In addition, WMBS has its own product portfolio of high-quality tanning and active substance / anti-aging cosmetics, which are sold through its studios and online shops as well as third party multichannel retailers and independent beauty salons

## Process

- DC was engaged by the shareholder of WMBS to act as exclusive sell-side advisor
- DC ran a full scope M&A process, including lender education and third-party commercial and financial vendor fact books, with focus on family offices and other long term oriented financial investors
- DC was able to maintain strong interest in the transaction from investors, despite the challenging market environment as a result of the Covid-19 pandemic, which forced the studios to remain shut for a period of approximately two months

### **Outcome**

- Wolfgang Mueller sold a majority stake in WMBS to Rieker Investment, the family office of the Rieker family. He retains a minority stake and further supports the WMBS
- With Rieker Investment, an investor was found which supports WMBS management's growth strategy and has a long term investment horizon

“I am very happy to have worked with DC Advisory on this transaction. Their sector knowledge in retail, technical knowhow, commitment and hard work allowed us to securely execute the transaction despite the challenging environment. With Rieker Investment, we have found the ideal long-term oriented investor, willing to support the future growth of WMBS.”

Wolfgang Mueller  
Shareholder of WM Beautysystems AG