

DATE

January 31, 2019

SECTORS

Consumer, Leisure & Retail

DEAL LOCATIONS



DEAL TEAM



Joaquín Gonzalo
Managing Director

DC Advisory advised Arenal on the sale of a majority stake to Sonae



Background

- Founded in 1976 in Lugo, Spain by the Vázquez Marzán family, Arenal has become the leader in Galicia in the perfume, cosmetics and parapharmacy retailing
- The Company operates 42 stores and has an extensive offer of c. 50,000 references
- In 2016, Corpfin Capital acquires a 60% stake in Arenal, to accelerate the expansion of the Company. The rest of the shareholding remains in the founding family
- At the end of 2017, the Company achieves sales and an EBITDA of c. €100m and c. €9m, respectively
- Sonae, a listed Portuguese company with sales of more than €6,000m and a chain of 245 parapharmacies in Portugal (Well's), shows interest in the Company with the aim of expanding its parapharmacy business in Spain and enters into bilateral negotiations with Corpfin Capital

Process

- In January 2018, DC Advisory is hired as exclusive financial advisor of Arenal's shareholders to manage the sale process
- A bilateral tailor-made process is carried out to maximize the value of the shareholders (both Corpfin and the family), as well as the long-term objectives of the Company

Outcome

- Sonae acquires the 60% of the Company which was controlled by Corpfin, while the Vázquez Marzán family holds the remaining 40% and continues in the management

- The operation represents an important milestone in the expansion of Sonae in the Iberian Peninsula, allowing both companies to seek synergies and new complementary businesses
- The operation was signed in September 2018 and completed in January 2019