

DATE

September 10, 2024

SECTORS

Industrials

DEAL TYPE

Asia Access
M&A Advisory

DEAL LOCATIONS



DEAL TEAM



Paul de Hek
Co-CEO



Tosh Kojima
Managing Director



Keiichiro Izawa
Director



Verner Uiterwijk

DC Advisory acts as exclusive financial advisor to Torqx Capital Partners and the shareholders of Esteves on its sale of Esteves to Sumitomo Electric Industries



Background

- Esteves Group (Esteves) is a global leading manufacturer of wire drawing dies, extrusion tools and specialty tools. Esteves operates seven locations across the globe, generating revenue of €25 million in 2023. Esteves is a subsidiary of Diamond Tools Group
- Since January 2018, Diamond Tools Group is majority owned by Torqx Capital Partners, which made significant investments in its operations and organization. DC Advisory sold another Diamond Tools Group division, Contour, to OSG in July 2024
- Sumitomo Electric Industries (SEI), listed on the Japanese stock exchange, is a manufacturer of electric wires and optical fiber cable, generating revenue of approximately €27.4 billion in fiscal year 2023. SEI is active in over 40 countries globally and employs more than 280,000 people

Process

Vice President

UN SDG ACTIVITY



- DC Advisory acted as the exclusive financial advisor to Torqx Capital Partners and the shareholders of Esteves on their collaboration with SEI
- DC Advisory ran a targeted auction process, leveraging its local expertise, sector knowledge, and international network to engage a competitive group of bidders who recognized Esteves' unique market position, global presence, and niche offering of wire dies and extrusion tools
- DC Advisory delivered comprehensive sell-side M&A advisory services, encompassing the development of transaction strategies and tactics, preparation of marketing materials, financial modelling, and hands-on support throughout negotiations and related transaction documentation processes

Outcome

- This transaction closed on 9 September 2024. Under the terms of the transaction, SEI has acquired 100% of the share capital of Esteves
- SEI has acquired Esteves through its subsidiary A.L.M.T. which specializes in the manufacturing of precision diamond tools
- The acquisition of Esteves enables SEI to significantly expand its geographical presence in EMEA and the Americas and accelerate its growth in wire die production solutions, which aligns with their strategic vision
- This transaction highlights the sell-side expertise of DC Advisory's Benelux team, including its position as a leading advisor to the financial sponsor community. DC Advisory leveraged its unparalleled access to the Asian market and its ability to connect a leading Japanese trade buyer with a Benelux target company

"We are very happy with this outcome, it is good for the shareholders and it is good for the company."

Harmen Geerts
Founder and Managing Partner, Torqx Capital Partners

"DC Advisory delivered excellent work. The team shined exactly during the most difficult moments and made sure to bring this transaction over the finish line."

David van Hasselt
Partner, Torqx Capital Partners

"Thank you for keeping the boat going through the rough patches, never losing a smile. A great part of this successful outcome is thanks to your relentless support."

Manuel Geremias
CEO, Esteves

"We have supported Torqx and DTG with a truly global deal team combining sector specialists, global buyer access and local execution capabilities. After the sale of Contour to OSG, this represents the second advisory disposal engagement for Torqx, selling a successful industrial portfolio company to an excellent house for further growth in the form of a Japanese trade buyer."

Paul de Hek
Co-CEO, DC Advisory Benelux

"Very happy to have used our specialized skills to help achieve this win-win outcome, as the company indeed landed a dream buyer."

Tosh Kojima
Managing Director, Asia Access, DC Advisory