

DATE

February 21, 2019

SECTORS

Consumer, Leisure & Retail

DEAL LOCATIONS



ALANTRA



DEAL TEAM



César García
Managing Director

Background

- Founded in Burgos, Spain, in 1919, Frías Nutrición (Frias) is the leading private label manufacturer and distributor of vegetable-based drinks
- The product portfolio comprises plant-based beverages (oats, soybeans, almonds, coconut and rice), broths, creams and other healthy products
- It operates mainly in the Spanish market, with a focus on the private label segment, where it has become the leading operator and the only one serving all top 12 retailers
- In 2018, the company achieved c. €60m in sales
- Alantra, a Spanish private equity firm that has invested over €1.4bn in the last 25 years, acquired a majority stake in Frías in December 2018 (subject to certain conditions, such as antitrust approval). This was completed in February 2019

Process

- In October 2018, DC Advisory (DC) was engaged by Alantra to provide debt advice to raise c. €70m in facilities
- Based on a deep understanding of the business and the company / shareholders' objectives, DC's role included:
 - Assisting with financial modelling and the preparation of marketing materials;
 - Managing the process with senior debt providers; and
 - Term Sheet and SFA negotiation.
- In addition, based on DC's deep understanding of the sector and its dynamics, DC provided advice on bolt-on opportunities and exit strategy

Outcome

- DC delivered a market leading outcome in meeting the financing objectives, including:
 - Establishing a sustainable, long-term syndicated loan with a seven-year bank tranche, alongside a Capex facility and a corporate RCF;
 - Minimised the financing cost;
 - Achieved a financial covenant-lite with a wide headroom over the business plan; and
 - Obtained a borrower friendly loan agreement.

DC Advisory provided strategic advice to achieve the best market conditions in a fast-paced transaction that will allow us, from now on, to support the company in accelerating growth, both domestically and internationally.

Bruno Delgado
Managing Partner, Alantra

This transaction demonstrates DC Advisory's extensive knowledge of the financing industry in Spain. It also reinforces our long term relationship with a key financial sponsor in Spain and our credentials in the food sector.

César García
Managing Director, DC Advisory