

Seale & Associates

Creative Solutions. Trusted Advice.

**MERGERS &
ACQUISITIONS
MEXICO**

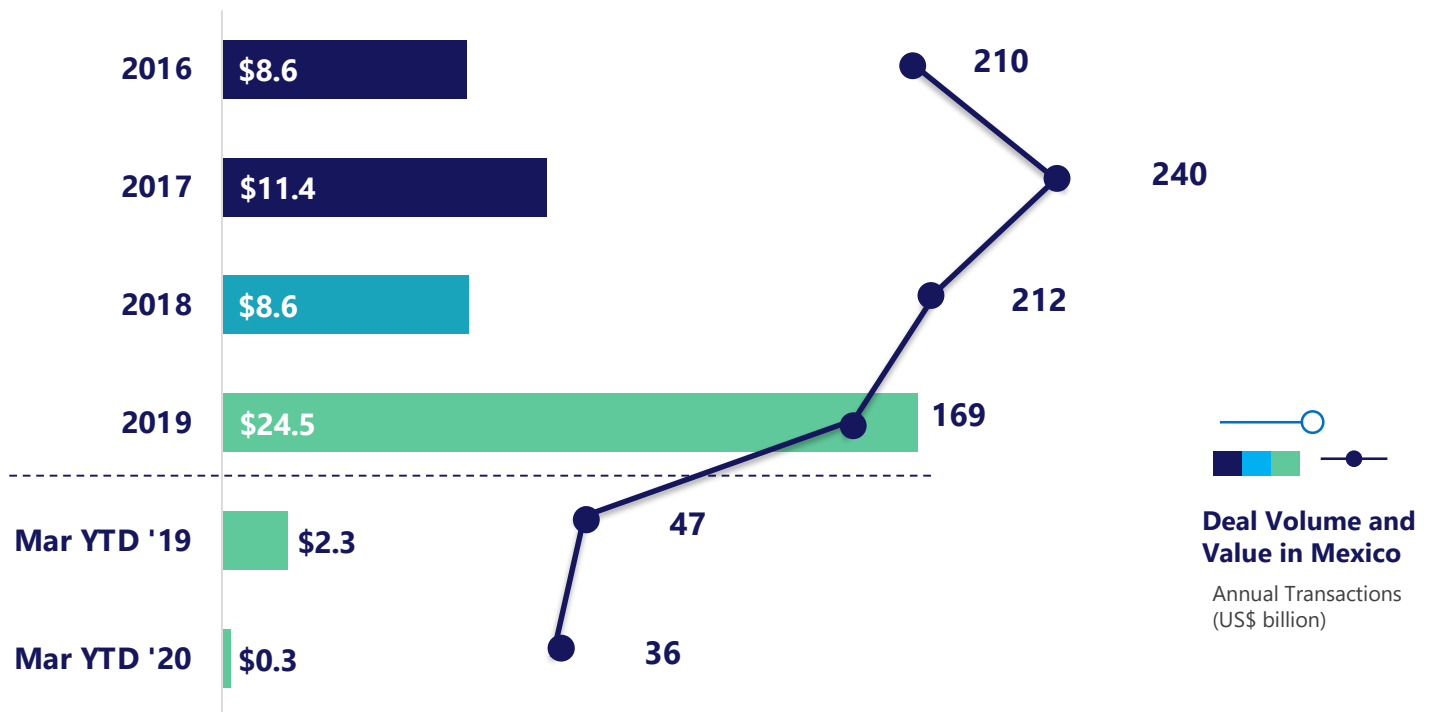
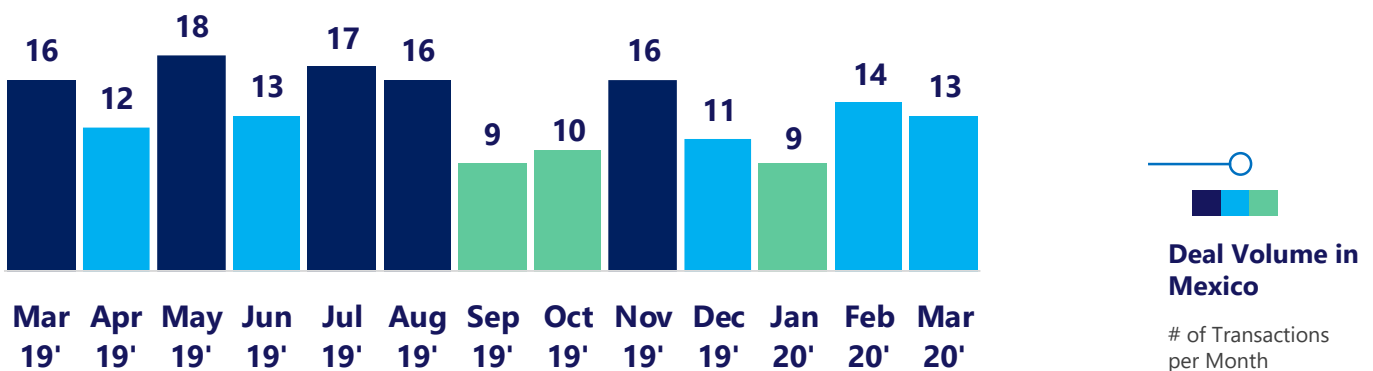
MARCH
2020

MONTHLY ISSUE

SUMMARY OF MERGERS & ACQUISITIONS IN MEXICO

On March 2020, **13 transactions** were announced in Mexico with a reported value of **US\$27.6 million**, representing a **7.1%** decrease in volume and a **70.9%** decrease in reported value against **February 2020**.

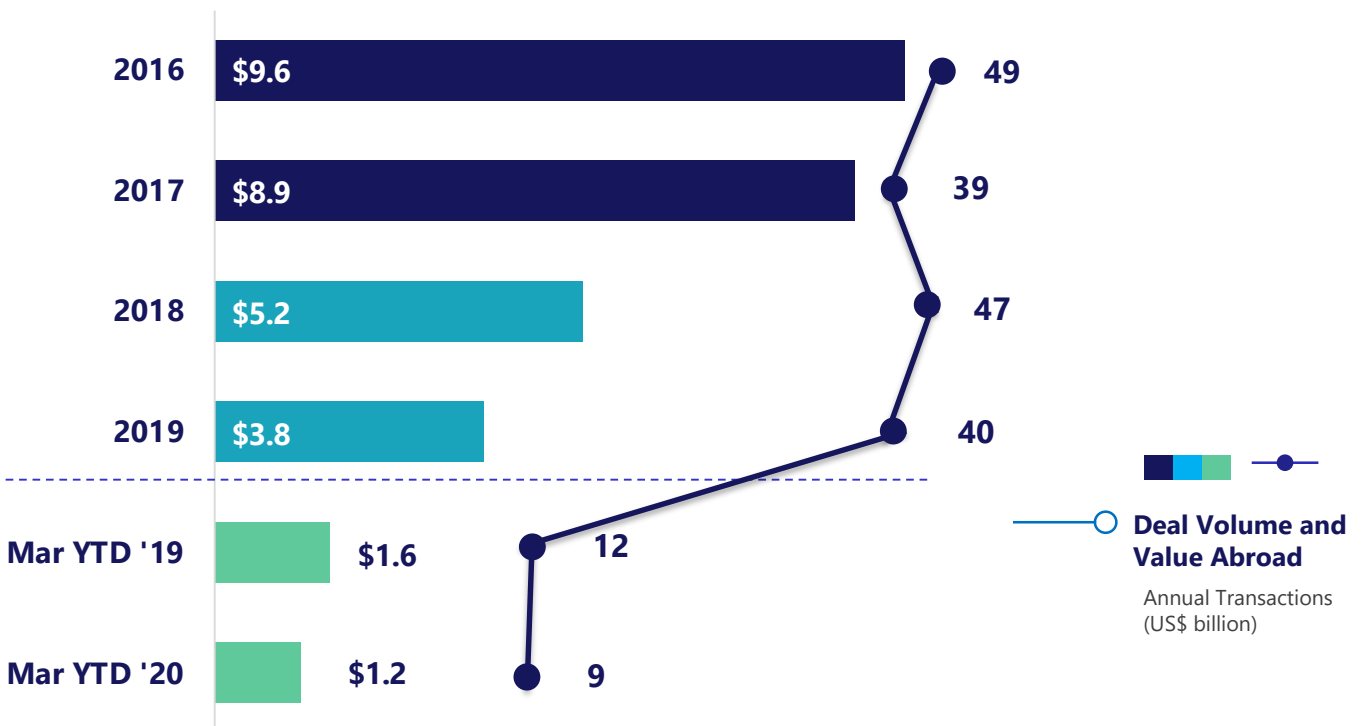
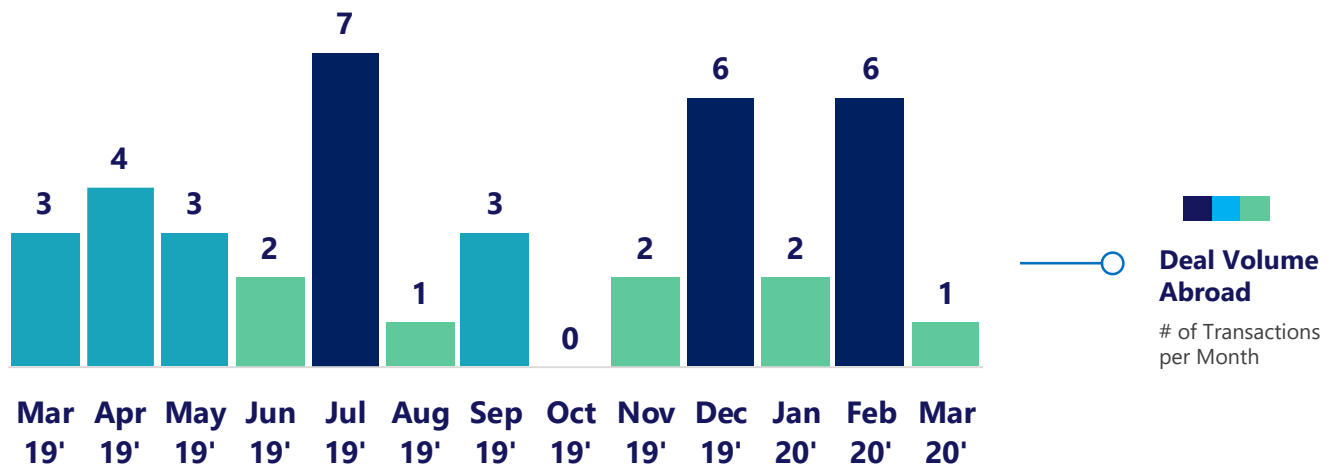
Compared to **March 2019**, YTD volume of transactions and their reported value decreased by **18.7%** and **93.8%**, respectively.



SUMMARY OF MERGERS & ACQUISITIONS BY MEXICAN COMPANIES ABROAD

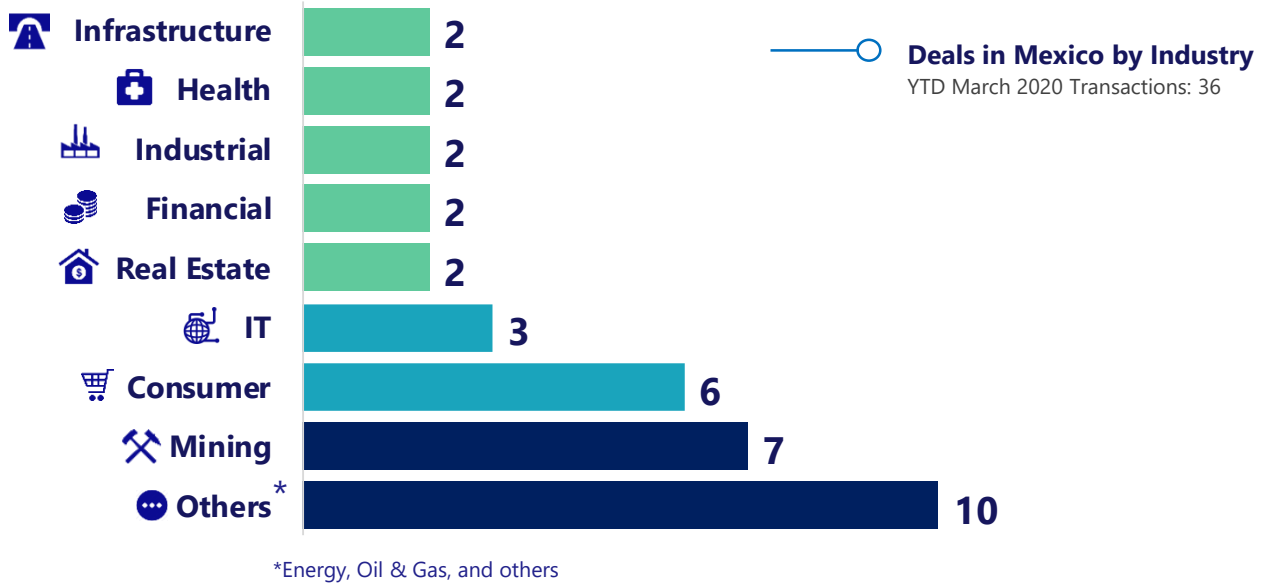
In March 2020, **1 transaction outside of Mexico** was announced with a reported value of **US\$900.0 million**, representing a decrease in volume of **5 transactions** and **US\$640.0 million** in value against **February 2020**.

Compared to **March 2019**, YTD volume of transactions decreased by **2** and in reported value by **5.1%**.



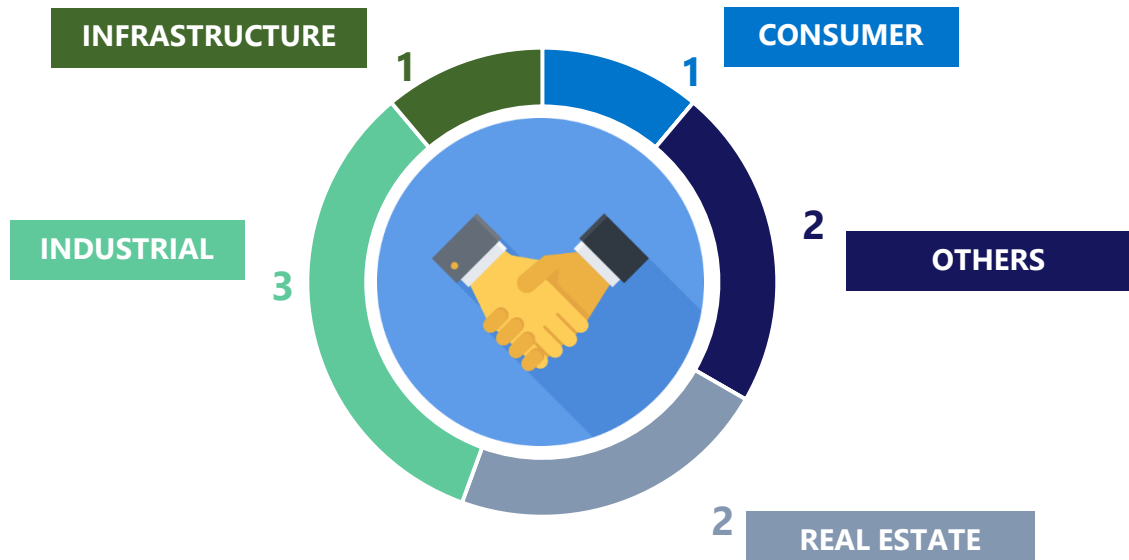
SUMMARY OF MERGERS & ACQUISITIONS BY INDUSTRY

The **Mining** sector leads M&A activity with 7 announced transactions, representing **21.8%** of the total announced transactions. Meanwhile, 9 transactions have been reported abroad, led by the **Industrial** activity, with a total of 3 transactions.







Representative International Acquisitions by Mexican Companies

YTD March 2020 Transactions: 9



REPRESENTATIVE TRANSACTIONS IN MEXICO

Transaction Summary	Target	Buyer
<p>On March 17th, Clancy Systems International Inc., an American remittance payment systems developer, acquired Hyperion Digital Group S.R.L. de C.V., a Mexican digital consulting and marketing firm, for US\$14.8 million</p>		
<p>On March 6th, Magna Gold Corp., a Canadian mineral developer, acquired the San Francisco Mine, a gold mine located in Mexico, for US\$6.6 million</p>	<p>San Francisco Mine</p>	
<p>On March 10th, Mountain Nazca, a Mexican Venture Capital firm, announced the acquisition of Grin Scooters SAPI de CV, a Mexican micro mobility software developer and service provider</p>		<p>Mountain Nazca Latin America</p>

REPRESENTATIVE TRANSACTIONS OF MEXICAN COMPANIES ABROAD

<p>On March 9th, Fomento Económico Mexicano SAB de CV, a Mexican conglomerate, announced a stake acquisition of WAXIE Sanitary Supply and North American Corporation, American companies dedicated to sanitary supplies production and logistics, for US\$900.0 million</p>		
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DEAL OF THE MONTH

The transaction expands FEMSA's adjacent businesses operations

The transaction was valued at **US\$900.0 million**



FEMSA ACQUIRES WAXIE SANITARY SUPPLY AND NORTH AMERICAN CORP



FEMSA is a Mexican conglomerate specialized in production, marketing and distribution of Coca-Cola brand beverages

Waxie Sanitary Supply is an American company dedicated to the production of sanitary supplies

North American Corporation is an American logistics company



REPRESENTATIVE SEALE & ASSOCIATES TRANSACTION

Seale & Associates acted as exclusive financial advisor to the shareholders of **Grupo Educativo IEJV**

Grupo IEJV is one of San Luis Potosí's leading educational institutions

BUYER



**NACER GLOBAL
ACQUIRES
GRUPO EDUCATIVO IEJV**

TARGET



Nacer Global is a Mexican conglomerate with interests in education and media

Grupo Educativo IEJV comprises two high schools and a higher education institutions



**OVER 82 SUPERIOR
EDUCATION
INSTITUTIONS**



**3 EDUCATION
INSTITUTIONS**



+250,000 STUDENTS







+4,300 STUDENTS

REPRESENTATIVE MEXICO ENGAGEMENTS

intelectiva
has acquired

KFC Costa Rica
from



ARCACONTINENTAL
has acquired



ARCACONTINENTAL
has acquired



has merged with

a business of


FOQUE
GRUPO FOMENTO QUERETANO
merged its
beverage division
with

FEMSA


merged its
beverage division
with

FEMSA


caffenio
has partnered with

a subsidiary of
FEMSA


caffenio
has partnered with



Ragasa
Acquisition
Advisory
Services


Fonterra
Acquisition
Advisory
Services


has been acquired by
FEMSA

Grupo Educativo
IEJV


has been acquired by



GRUPO INDUSTRIAL SÓLTILLO
has formed a partnership in
the casting tools business
between



AMERICAN
STANDARD
COMPANIES
sold

to



CEMEX
has carved out and sold
its concrete pumping
assets in Mexico
to



CEMEX
has formed a
partnership to market
and develop oil storage
and distribution in
Mexico with


FEMSA
sold

to
ECOLAB

NAMCE
North American Ceramics
has been acquired by




SI CELUB LUBRI TECH
has been acquired by
COLFAX


COSMOCEL
has sold
Cosmoceel Química
to

a business unit of
ICL


FORTACERO
Corporate
Finance
Advisory
Services


Pinturas
Berel
Corporate
Finance
Advisory
Services


has acquired

dealers of



INVEKRA
Holding company of
sanfer
acquired a majority
stake in



GBM
has been acquired by



INMAGUSA
Grupo Galaz, S.A de C.V.
has been acquired by



DLG
has acquired
workshop and store in
Mexico City from



Discovery
Americas
has partnered with

Anne Sullivan


AEn
Acquisition
Advisory
Services


GRUPO INDUSTRIAL SÓLTILLO
has sold
its sanitaryware business
ST. THOMAS CREATIONS
BATHROOMS THAT WORK BEAUTIFULLY
and

to


Seale & Associates

Creative Solutions. Trusted Advice.

Since 1999, **Seale & Associates** has been the trusted advisor to highly respected public and private companies from around the world, with a track record of success in a diverse range of industries. Seale is an elite boutique global investment banking firm with extensive experience in mergers and acquisitions (M&A), corporate finance advisory, and enterprise level strategy consulting. Our experienced team of professionals are committed to serving clients with excellence and integrity, while offering innovative ideas and solutions to address complex dealings.

ADVISOR TO LEADING COMPANIES WORLDWIDE

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Please contact us if you would like further information about M&A trends and/or specific transaction multiples for your industry.

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APPENDIX



DEALS IN MEXICO IN MARCH 2020

Target			Buyer		Financial Information			
Name	Industry	Description	Name	Country	Size (\$USDMM)	% Acquired	EV / EBITDA	EV / Revenue
36.1-MWp solar photovoltaic (PV) project in Guanajuato		Renewable Electricity	NextEnergy Capital Limited, Investment Arm; NextPower III LP	MEX	-	100.0%	-	-
Hyperion Digital Group S.R.L DE C.V.		IT Consulting and Other Services	Clancy Systems International, Inc.	USA	\$14.8	100.0%	-	-
Grow Mobility		Application Software	Mountain Nazca	MEX	-	100.0%	-	-
Book and Learn, SA de CV		Application Software	Edvisor.io	MEX	-	100.0%	-	-
San Francisco mine		Gold	Magna Gold Corp.	USA	\$6.6	100.0%	-	-
Grupo Profesional Planeación y Proyectos, S.A. de C.V.		Construction and Engineering	Undisclosed Buyer	MEX	-	100.0%	-	-
Distribuidora y Administradora de Procesos Alimenticios SA. De C.V.		Restaurants	Beer Factory	MEX	-	100.0%	-	-
Zimmer S.A. de C.V.		Environmental and Facilities Services	Steel Dynamics, Inc.	USA	-	100.0%	-	-
Amerimed		Hospitals Operator	RAG Capital Partners	MEX	\$6.2	50.0%	-	-
PYPSA		Engineering design projects	Private Investors	-	-	100.0%	-	-
3 marcas de belleza e higiene personal		3 beauty and personal hygiene brands	Grisi Hnos	MEX	-	100.0%	-	-
Cervera-Rojas		Law firm	EC Legal Rubio Villegas	MEX	-	100.0%	-	-
23 Design		Design Consulting Firm	Frog Design	MEX	-	100.0%	-	-

DEALS ABROAD IN MARCH 2020

Target				Buyer		Financial Information			
Name	Country	Industry	Description	Name	Size (\$USDMM)	% Acquired	EV / EBITDA	EV / Revenue	
WAXIE Sanitary Supply; North American Corporation	MEX		Sanitary Supplies; Logistics	Fomento Económico Mexicano S.A.B. de C.V.	\$900.0	-	-	-	

