



Seale & Associates

Creative Solutions. Trusted Advice.

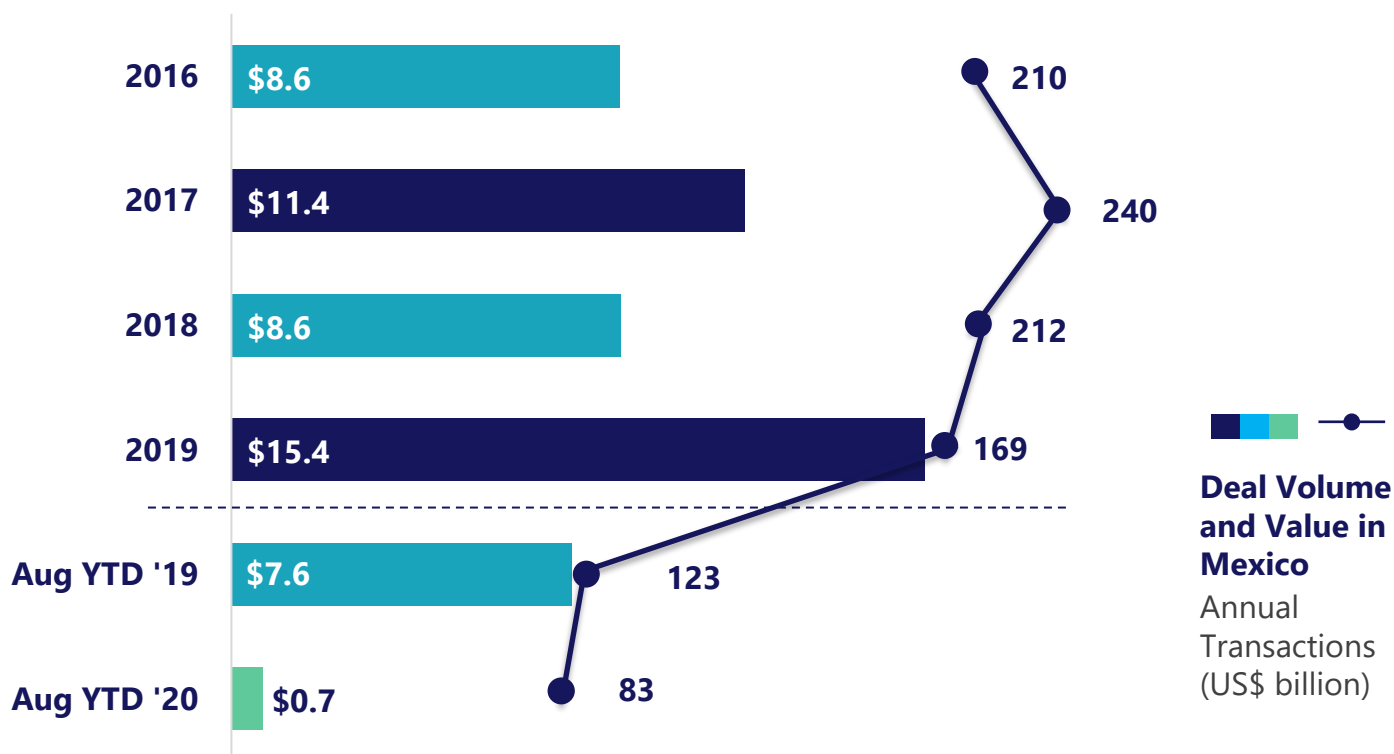
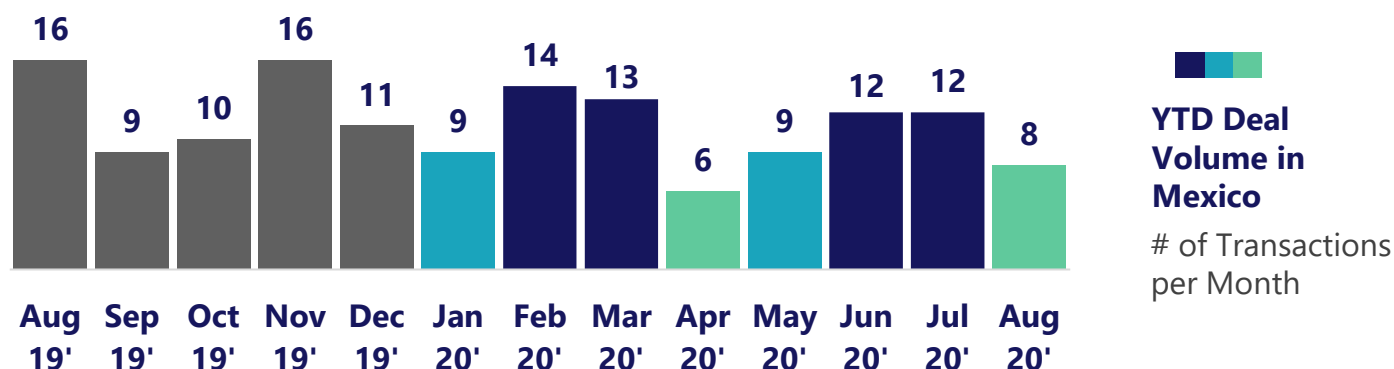
MERGERS & ACQUISITIONS MEXICO

AUGUST
2020

MONTHLY ISSUE

SUMMARY OF MERGERS & ACQUISITIONS IN MEXICO

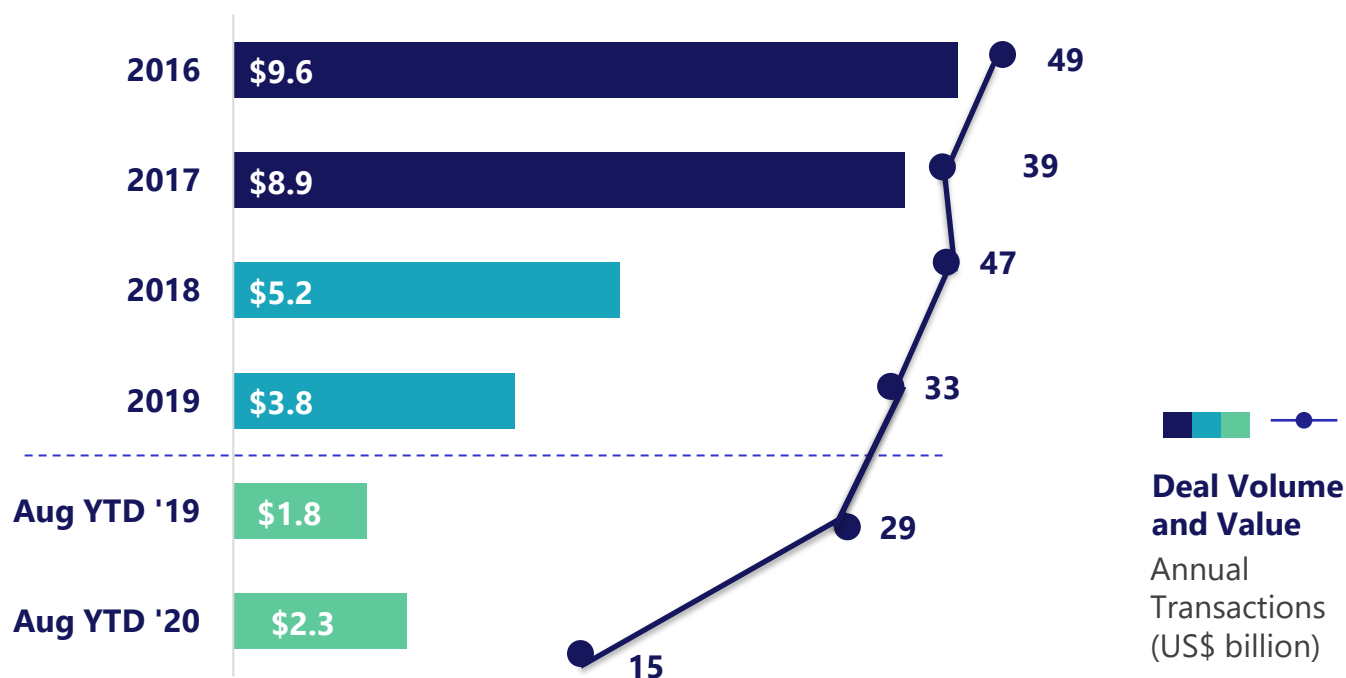
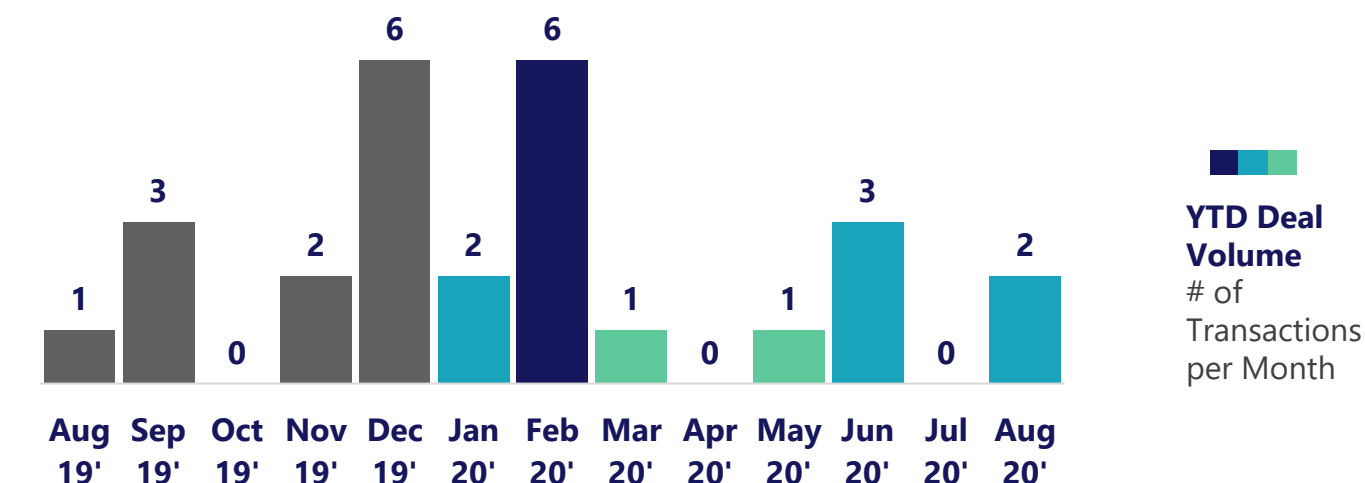
In August 2020, **8 transactions** were announced in Mexico, representing a decrease of 4 in terms of volume versus the prior month. Compared to August 2019 YTD, August 2020 YTD volume of transactions decreased **32.5%**.



Disclaimer: majority of data is comprised of transactions of mature-stage companies, it is poised to exclude venture capital and capital raises

SUMMARY OF MERGERS & ACQUISITIONS BY MEXICAN COMPANIES ABROAD

In August 2020, **2 transactions** outside of Mexico were announced. Compared to August 2019 YTD, August 2020 YTD volume of transactions decreased by **44.8%**.

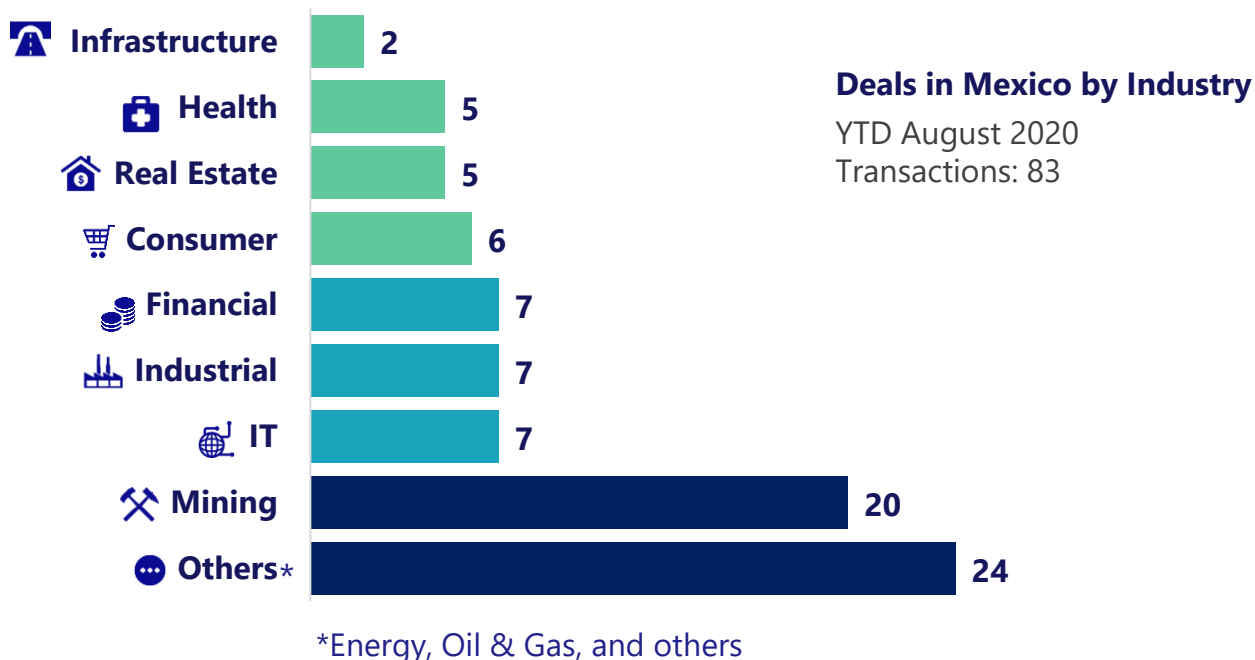


Disclaimer: majority of data is comprised of transactions of mature-stage companies, it is poised to exclude venture capital and capital raises

Sources: Capital IQ, Company Press Releases

SUMMARY OF MERGERS & ACQUISITIONS BY INDUSTRY

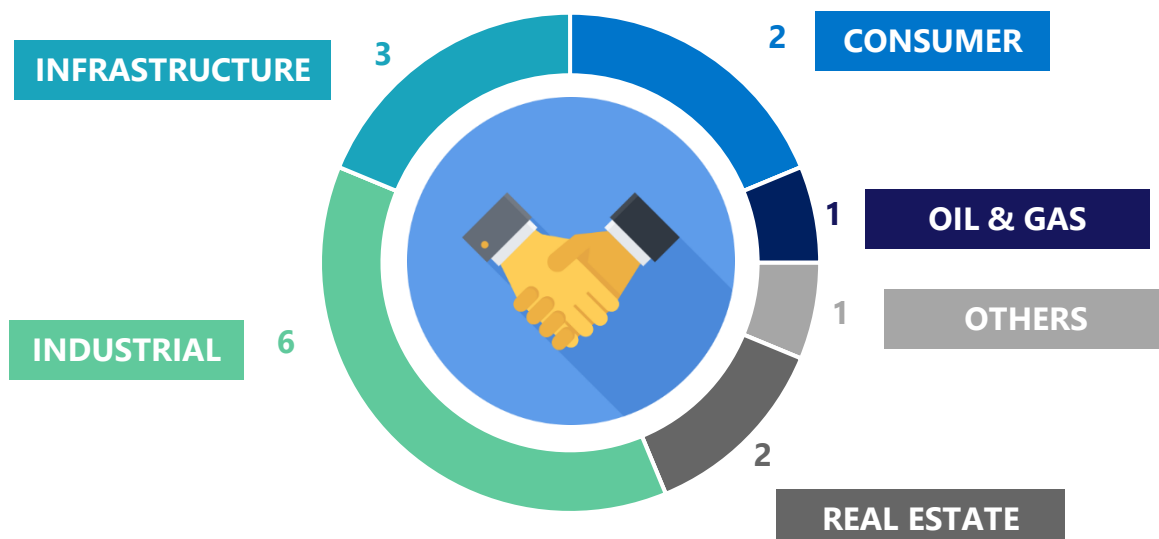
The **Mining** sector remains the leader in domestic M&A activity in Mexico, with 20 announced transactions as of August YTD 2020, representing **24.1%** of the total announced transactions in the period.










The **Industrial** sector remains the leader in M&A Activity by Mexican companies abroad, with 6 transactions as of August YTD 2020, representing **40.0%** of the total announced transactions in the period.

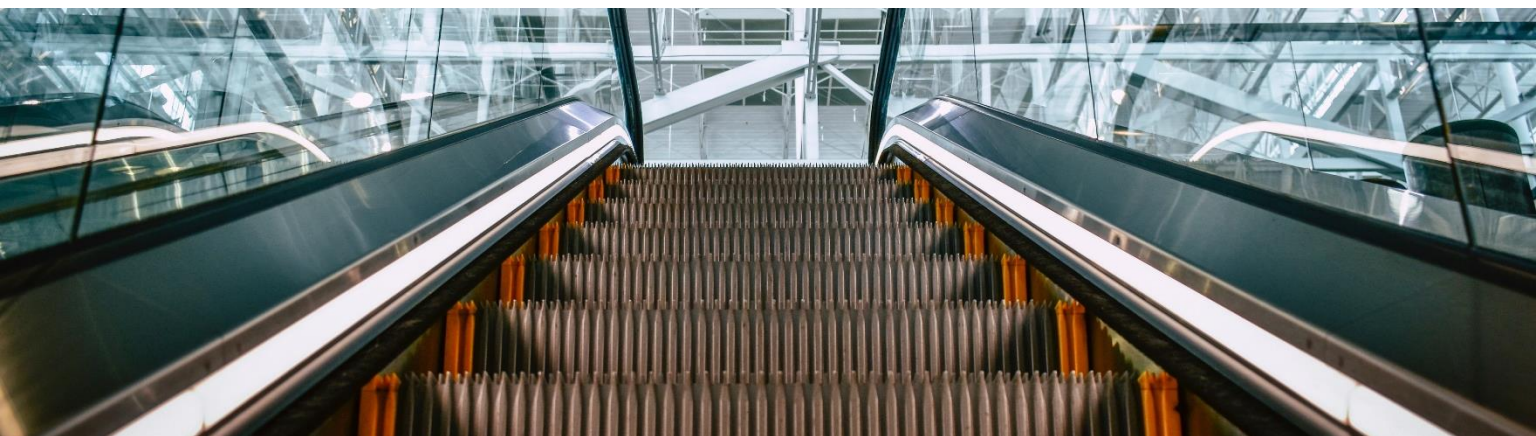
Representative Acquisitions by Mexican Companies Abroad

YTD August 2020 Transactions: 15



REPRESENTATIVE TRANSACTIONS IN MEXICO IN AUGUST 2020

Transaction Summary	Buyer	Target
Openpay SAPI de C.V. , a Mexican company that develops payment gateways, announced the acquisition of Adquira México, S.A. de C.V. (Flap) , a Mexican company that develops technology for payment processing	 a subsidiary of 	
Gentera, S.A.B. de C.V. , a Mexican financial services provider, announced the acquisition of an additional 6.0% of ConCrédito , a Mexican financial services provider, increasing its share to 51.0%, for US\$22.6 million		
Discovery Americas Capital , a Mexican private equity firm, announced an additional investment in Aerotransportes Mas de Carga, S.A. de C.V. , a Mexican cargo airline, for US\$5.7 million		



Disclaimer: majority of data is comprised of transactions of mature-stage companies, it is poised to exclude venture capital and capital raises

Sources: Capital IQ, Company Press Release

REPRESENTATIVE TRANSACTION BY SEALE & ASSOCIATES

On August 21st, **Zinc Nacional S.A.** and **Jean Goldschmit International S.A.** announced the acquisition of 100.0% of the **Zinc Recycling Business** of **Harz-Metall GmbH**

Zinc Recycling Business focuses on the production of waelz oxides for the leading refineries in Europe



**LOCATED IN
MONTERREY,
MEXICO**



**LOCATED
IN
BRUSSELS,
BELGIUM**



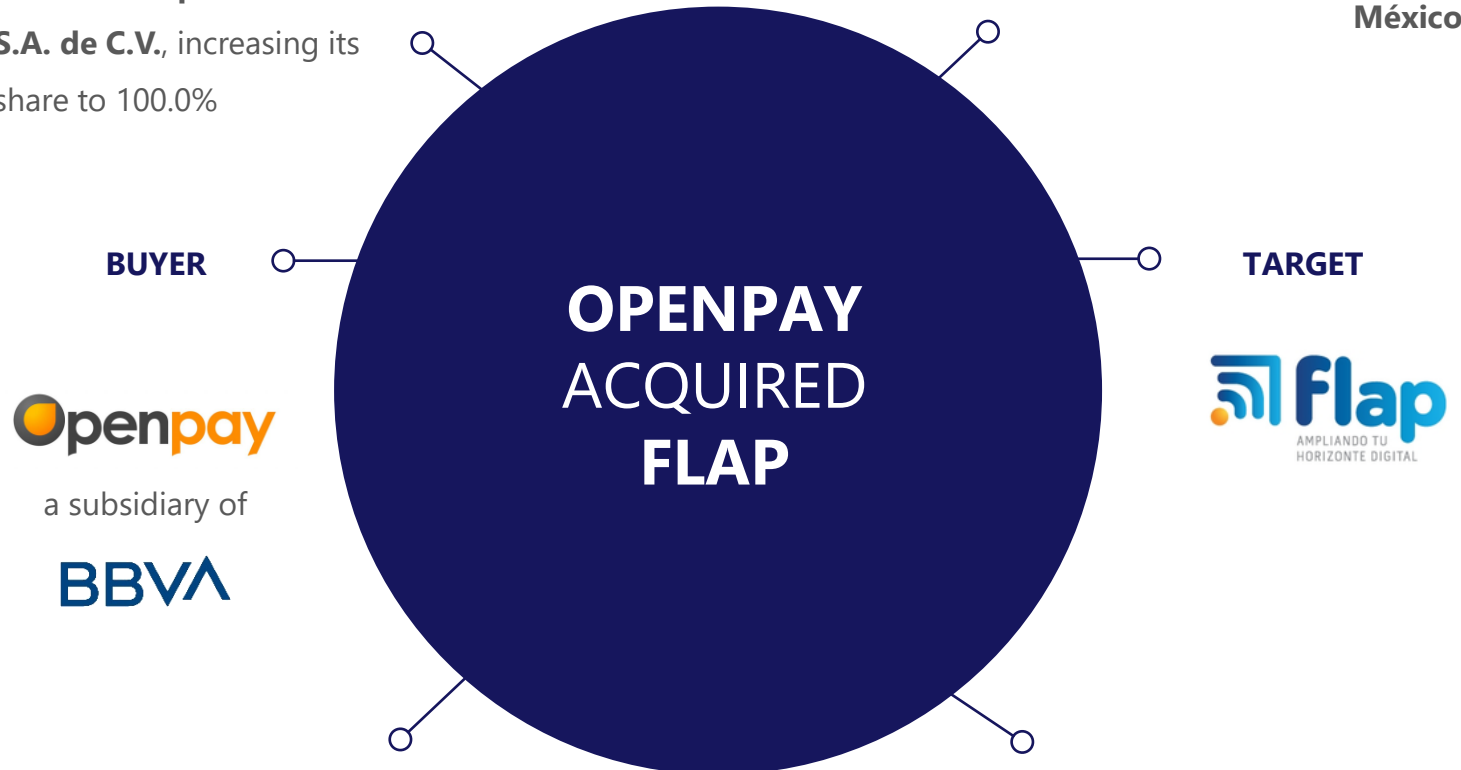
**LOCATED
IN GOSLAR,
GERMANY**

AUGUST 2020 – DEAL OF THE MONTH

On August 3rd, **Openpay SAPI de C.V.** announced the acquisition of an additional 50.0% of **Adquiria México, S.A. de C.V.**, increasing its share to 100.0%

"This undoubtedly strengthens the ecosystem of payments and services in many positive ways for the country, and confirms that the digitization of payments is essential",

Hugo Nájera, General Director of Client Solutions de BBVA México



Openpay SAPI de C.V. is a subsidiary of BBVA México specialized in the development of payment gateways, allowing all types of users to make transactions through their gateway and mobile app

Adquiria México, S.A. de C.V. (Flap) is a Mexican company that develops technology for payment processing



FOUNDED IN 2013



LOCATED IN QUERETARO, MEXICO



+ 100 EMPLOYEES



FOUNDED IN 2000



LOCATED IN MEXICO CITY, MEXICO



+ 50 EMPLOYEES

REPRESENTATIVE MEXICO ENGAGEMENTS

 <i>has acquired</i>  KFC Costa Rica <i>from</i> 	 ARCACONTINENTAL <i>has acquired</i> 	 ARCACONTINENTAL <i>has acquired</i> 	 <i>has merged with</i>  <i>a business of</i> 	 FOQUE <small>GRUPO FOMENTO QUERETANO</small> <i>merged its beverage division with</i>  	 <i>merged its beverage division with</i>  
 caffenio <i>has partnered with</i>  <i>a subsidiary of</i> 	 caffenio <i>has partnered with</i> 	 Ragasa <i>Acquisition Advisory Services</i>	 Fonterra <i>Acquisition Advisory Services</i>	 TORREY <i>has been acquired by</i> 	 UNIVERSIDAD JOSÉ VASCONCELOS  <i>has been acquired by</i> 
 GRUPO INDUSTRIAL SÓLITO <i>has formed a partnership in the casting tools business between</i>  DITENSA <i>and</i>  IPI <small>Technologies</small>	 AMERICAN STANDARD COMPANIES <i>sold</i>  <i>to</i>  GRUPO INDUSTRIAL SÓLITO	 CEMEX <i>has carved out and sold its concrete pumping assets in Mexico</i> <i>to</i> 	 CEMEX <i>has formed a partnership to market and develop oil storage and distribution in Mexico with</i> 	 FEMSA <i>sold</i>  QUIMIPRODUCTOS <i>to</i> 	 NAMCE <small>North American Ceramics</small> <i>has been acquired by</i> 
 GRUPO LUBRI TECH <i>has been acquired by</i> 	 COSMOCEL <i>has sold Cosmotel Química to</i>  ICL Performance Products IP <i>a business unit of</i> 	 FORTACERO <i>Corporate Finance Advisory Services</i>	 Pinturas Berel <i>Corporate Finance Advisory Services</i>	 <i>has acquired</i>    <i>dealers of</i> 	 INVERSA <i>Holding company of</i>  sanfer <i>acquired a majority stake in</i> 
 GBM <i>has been acquired by</i> 	 INMAGUSA Grupo Galaz, S.A de C.V. <i>has been acquired by</i> 	 DLG <i>has acquired</i> <i>workshop and store in Mexico City from</i> 	 Discovery Americas <i>has partnered with</i>  Anne Sullivan	 AlEn <i>Acquisition Advisory Services</i>	 GRUPO INDUSTRIAL SÓLITO <i>has sold its sanitaryware business</i> ST. THOMAS CREATIONS <small>BARNSONS THAT WORK BEAUTIFULLY</small> <i>and</i>  VITROMEX <i>to</i> 

Seale & Associates

Creative Solutions. Trusted Advice.

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

ADVISOR TO LEADING COMPANIES WORLDWIDE

FEMSA

GIS

CEMEX

ARCA CONTINENTAL

Honeywell

LOCKHEED MARTIN

FOQUE
GRUPO FOMENTO QUERETANO

GRACE

United Technologies
Climate | Controls | Security

GE

**AMERICAN
STANDARD
COMPANIES**

Celanese

Standex

SHELL

Hertz

Rheem

ITT

CHEN

tyco

**GRUPO
TAMPICO**

CONTACT INFORMATION



Headquarters

901 N. Glebe Road
Suite 500
Arlington, Virginia
+1 (703) 294 6770



Latin America Office

Av. Ejército Nacional 769
2nd floor
Mexico City
+52 (55) 8000 7463

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

Contact Information

James A. Seale
President

jseale@sealeassociates.com

Brett M. Carmel

Senior Managing Director
bcarmel@sealeassociates.com

Felipe Bueno Viesca

Senior Director
fbueno@sealeassociates.com

Sergio Garcia del Bosque

Managing Director
sgarcia@sealeassociates.com

Adan Sierra

Managing Director
asierra@sealeassociates.com

Carlos Hernandez

Managing Director
chernandez@sealeassociates.com

Alejandro Montemayor

Senior Associate
amontemayor@sealeassociates.com

Sofia Felix

Business Development
sfelix@sealeassociates.com

Armando Rios

Associate
arios@sealeassociates.com

Aaron Garcia

Analyst
agarcia@sealeassociates.com

Miguel Leal

Business Development
mleal@sealeassociates.com

Alejandro Salinas

Junior Analyst
asalinas@sealeassociates.com

José Pablo Arronte

Junior Analyst
jarronte@sealeassociates.com

André Leroy

Junior Analyst
lleroy@sealeassociates.com

Hector Roman

Junior Analyst
hroman@sealeassociates.com

Daniela Aldasoro

Junior Analyst
daldasoro@sealeassociates.com

Regina Labardini

Junior Analyst
rlabardini@sealeassociates.com



APPENDIX



DEALS IN MEXICO IN AUGUST 2020

Target			Buyer		Financial Information			
Name	Industry	Description	Name	Country	Size (\$USDMM)	% Acquired	EV / EBITDA	EV / Revenue
Six branches of Financiera Finsol, S.A. de C.V., SOFOM., E.N.R.		Specialized Finance	Financiera Independencia, S.A.B. de C.V., SOFOM., E.N.R.	MEX	-	100.0%	-	-
Adquira México, S.A. de C.V.		Data Processing and Outsourced Services	Openpay SAPI de C.V.	MEX	-	50.0%	-	-
ConCrédito		Specialized Finance	Gentera, S.A.B. de C.V.	MEX	\$22.6	6.0%	-	-
Aerotransportes Mas de Carga, S.A. de C.V.		Air Freight and Logistics	Discovery Americas Capital	MEX	\$5.7	-	-	-
Gold and Silver Property Picachos de 3,954 hectáreas de Minera Camargo S.A. de C.V.		Gold Mining Property	Brigadier Gold Limited	CAN	\$4.7	100.0%	-	-
El Picacho Property of American Metal Mining, S.A. de C.V.		Gold Mining Property	Compañía Minera La Llamarada, S.A. de C.V.	MEX	-	100.0%	-	-
Prometheus. Biotech Corporation.		Biotechnology	Tella, Inc.	JPN	-	51.0%	-	-
Gold and Silver Projects La Gitana and Peña Blanca in Mexico		Gold Mining Property	Inomin Mines Inc.	CAN	-	100.0%	-	-

DEALS ABROAD IN AUGUST 2020

Target			Buyer		Financial Information			
Name	Industry	Description	Name	Country	Size (\$USDMM)	% Acquired	EV / EBITDA	EV / Revenue
Check Movilidad S.A.		Automotive Retail	UVI Tech S.A.P.I.	MEX	-	100.0%	-	-
Zinc Recycling Business of Harz-Metall		Zinc Recycling	Zinc Nacional S.A.; Jean Goldschmit International	MEX	-	100.0%	-	-



Disclaimer: majority of data is comprised of transactions of mature-stage companies, it is poised to exclude venture capital and capital raises

Sources: Capital IQ, Company Press Release

Mexico M&A August 2020

Seale & Associates
Creative Solutions. Trusted Advice.