

Brockhaus Capital Management AG acquires majority control of particle measurement specialist, Palas GmbH

Deal Highlights

- IMAP Germany advised Palas GmbH, a provider of technologically leading high-precision devices for measuring, characterizing and generating particles in the air, particularly in the field of fine dust and nanoparticles, on its sale to Brockhaus Capital Management AG (BCM).
- Palas develops technologically leading and certified fine dust and nanoparticle measurement devices, aerosol spectrometers and generators, as well as associated systems and software solutions.
- Brockhaus Capital Management focusses on long-term investments in technology driven and innovation led growth companies in the German-speaking region.
- With the support of BCM, Palas intends to strengthen its position in the worldwide air quality measurement growth market and further expand internationally.



Market Outlook

- The particle measurement technology market is enjoying strong growth, due to an increasing global awareness of air pollution related health risks and the resulting tightening of regulatory standards.
- The market for global air quality monitoring market is growing at a CAGR of 8.9% and is expected to reach approximately USD 6 billion by 2022.
- From an end-user perspective, the air quality monitoring market is categorized, among others, into government agencies and academic institutes, commercial and residential sectors, as well as industrial companies and the pharmaceutical industry.
- In order to increase their market share, key players in the air quality monitoring industry are entering into partnerships and making acquisitions.

Valuation Summary

- Due to the high market outlook and growth potential, transactions in the air quality monitoring market have been valued attractively during recent years.
- Current average multiples (2019e) of an international measurement equipment peer group of listed companies, including HORIBA, OMRON, Yokogawa Electric, Envea and Danaher Corp. are:
EV/ Sales: 1.1x EV/EBITDA: 8.5x EV/EBIT: 11.7x

IMAP Approach

- Utilizing its profound understanding of the measurement technology market, IMAP acted as exclusive advisor to Palas in its search for a strategically suitable partner.
- IMAP leveraged its contacts in the industry, to devise an investor short list focused on independent financial and private investors, with the exception of a few selected strategic investors in Germany and from abroad.
- Following a highly competitive process, the transaction was signed within 3 months of commencing their market approach. The financial and successful outcome of the transaction reflects not only PALAS's attractive market position, but also its strong future growth prospects.

Client Comment

Dr. Maximilian Weiß, Managing Director, Palas GmbH

“The IMAP team did an excellent job supporting Palas’ management, analyzing the company’s requirements for the future. They provided us with valuable advice during the complete research and sales process. IMAP was a reliable partner, sharing their consolidated knowledge with us and we greatly appreciate their expertise and consulting service.”

IMAP Transaction Advisors



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IMAP has closed 92 transactions in the Industrials sector since 2015

INDUSTRIALS	INDUSTRIALS	INDUSTRIALS	INDUSTRIALS	INDUSTRIALS
 Acquired 100% of Business Operations IMAP <small>ADVISED ON SALE OF COMPANY</small>	 Acquired 100% of Business Operations IMAP <small>ADVISED ON SALE OF COMPANY</small>	 Acquired 100% of Business Operations IMAP <small>ADVISED ON SALE OF COMPANY</small>	 Acquired 100% of Business Operations IMAP <small>ADVISED ON PURCHASE OF COMPANY</small>	 Acquired 100% of Business Operations IMAP <small>ADVISED ON SALE OF COMPANY</small>

IMAP is an International Mergers and Acquisitions Partnership with 450 M&A advisors and a presence in 40 countries. IMAP has closed over 2,100 transactions valued at \$90bn in the last 10 years and is consistently ranked in the world's top ten M&A advisors (Thomson Reuters) for mid-market transactions. IMAP advises primarily mid-sized companies and their shareholders on the sales and acquisitions on a global scale, providing clients with entrepreneurial, unbiased advice and successfully helping them achieve their objectives.