



EverZinc

Global leader in the production of specialty zinc-based chemicals, including fine zinc powders, zinc oxides and zinc for batteries.

Products are sold globally for applications such as anti-corrosion paints, tires, pharma and chemicals, ceramics and glass, sunscreen and other products. Operations located in Belgium, Canada, the Netherlands, Norway, China and Malaysia, with recyclable materials refined across ten production sites.



Acquired:

November 25, 2016

Transaction Type:

Cross-Border, Corporate Carve-Out

Acquired From:

Umicore

Industry:

Chemicals

Headquarters:

Liège, Belgium

Realized:

June 1, 2022

Buyer:

U.S. Zinc

Status:

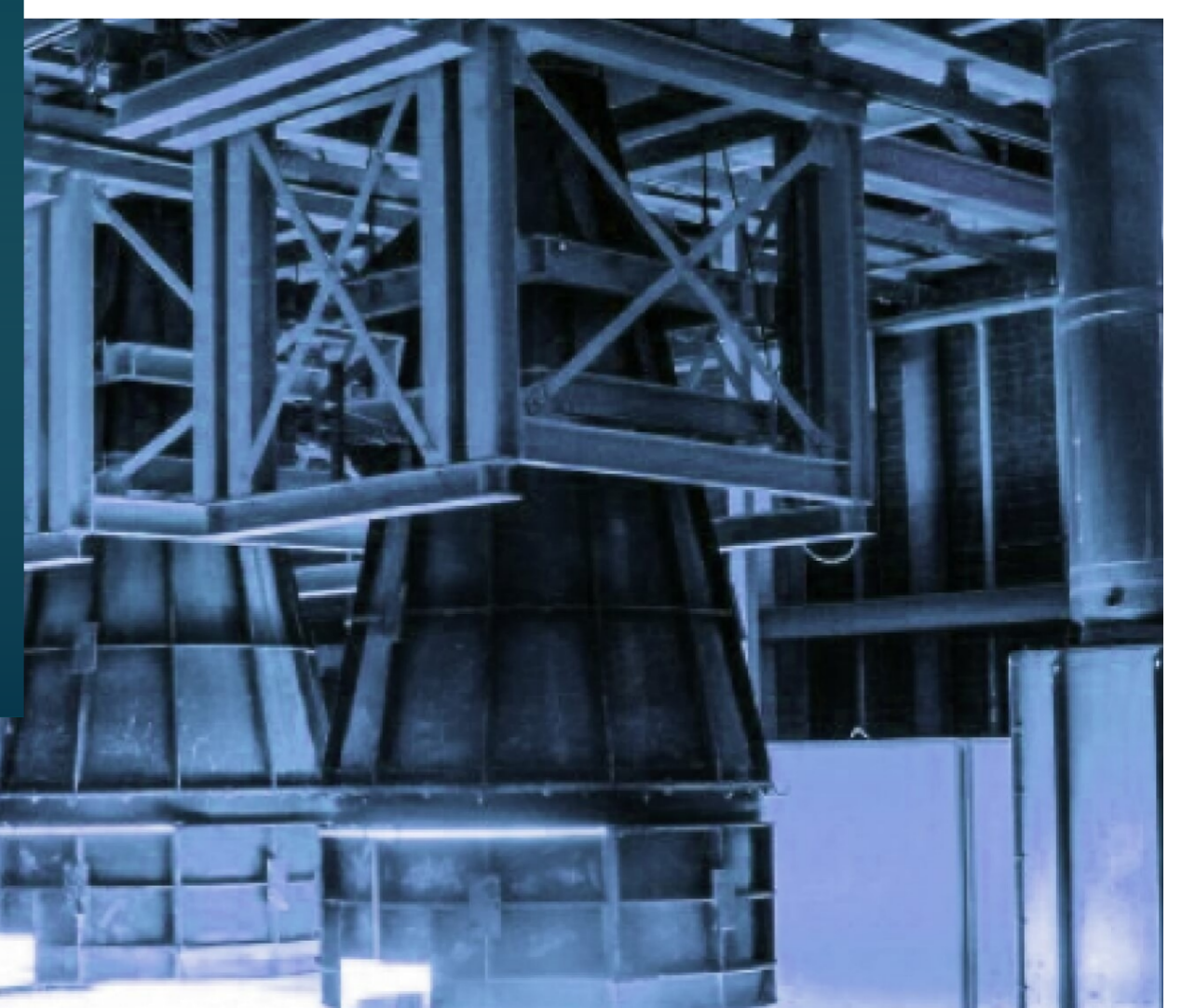
Exited

TRANSACTION HIGHLIGHTS

OpenGate had an active dialogue with Umicore for several years, having looked at some of their prior disposals. Following a review, it was clear that EverZinc was a non-core business unit within the larger organization as they looked to move away from base metals. OpenGate proactively approached Umicore on this topic and met with the Head of M&A in March 2015 to discuss our approach and interest in the Business.

Investment Merits:

- **Market-leading position:** Global footprint, leading technologies, niche market
- **Meaningful scale:** Profitable business with operational upsides
- **Operational improvements:** Rationalize EU footprint and improve utilization of the top-performing production assets
- **Value through add-on acquisitions:** Expand geographies and/or products





VALUE CREATION

- Complex carve-out of a global business
- Upgraded senior management team including CEO, CFO, and COO
- Reorganized the business into four divisions with dedicated P&L including two new divisions focused on high-growth, high-margin products that are now responsible for 30% of group EBITDA
- Optimized manufacturing footprint by transferring Chinese operations from aging facility to a new site at Seller's cost
- Improved financial performance through creation of strategic pricing department and new pricing methodology
- Improvement in ESG performance through increased use of recycled zinc
- Expanded North American presence and product offering through add-on acquisitions

EXIT

- EverZinc was sourced through proactive discussions with the seller, Umicore
- On June 1st, 2022, EverZinc was sold to a PE-backed strategic, U.S. Zinc, a party identified as a likely acquirer at the original investment committee discussion