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Carey steers food distributor acquisition

Barros & Errázuriz and Carey steer food distributor acquisition

Davide Montagner

Brazilian asset manager IG4 Capital has hired Barros & Errázuriz Abogados to enter into a joint venture with Santiago-based real estate company Inversiones Gibraltar and acquire a stake in the latter's food distribution subsidiary Adelco, in a deal worth US$114 million.

Grupo Gibraltar enlisted Carey for the deal, which closed on 12 November.

Through the joint venture, the companies will hold 50% each in Adelco. Inversiones Gibraltar agreed to contribute assets, including its distribution business and several real estate properties, while IG4 will pay US$57 million in cash for its share.

The parties also entered into a shareholder’s agreement to restructure Adelco’s corporate governance.

Through Adelco’s logistics network, the deal allows IG4 and Inversiones Gibraltar to strengthen their positions in the Chilean market and subsequently expand to other Latin American countries where the distribution company has operations.

Adelco is the largest distributor of consumer products in Chile, where it owns and operates 12 distribution centres and serves more than 30,000 clients. Besides Chile, the company maintains operations in Argentina, Bolivia and Peru.

Launched in 2016, IG4 invests in companies that require financial or operational restructuring. With offices in São Paulo, London, Santiago, Lima and Madrid, it has some US$500 million worth of assets under management, including a controlling stake in one of Brazil’s largest water companies – Iguá Saneamento.

Inversiones Gibraltar is made up of more than 74 businesses from a range of sectors, including aviation, food production, logistics and agribusiness, among others.

****Counsel to IG4 Capital****

Barros & Errázuriz Abogados

Partner Sergio Eguiguren and associates Francisca Ossa, Fernanda Becker, Maria Teresa Diez, Francisca Astudillo, Carolina Carrillo, Josefa Campero and Cristóbal Morandé Fontaine

****Counsel to Grupo Gibraltar****

Carey

Partners Jaime Carey, Jorge Ugarte and Manuel Alcalde, director Alejandra Risso, and associates Pamela Morales, Gonzalo Lucero, Domingo Russi, Pablo Bauer and Nicole Magendzo