

## Situation

- Global leader in design and production of pressure and flow sensors used in diesel exhaust purification systems
- Owned by Siemens, intention to divest non-core division. Mid-Cap PE fund wants to buy division.

## Actions Proost Ventures

- Assess technology and the substitution risks of ceramic thick-film sensors in diesel exhaust purification systems AdBlue and EGR (Exhaust Gas Recirculation)
- Determine market size (production of cars and trucks, AdBlue / EGR penetration) and cyclicity
- Determine purchasing criteria of automotive OEM clients
- Evaluate growth potential with in- depth projections of both volumes and prices. Assess business plan vs. market, competitive development, and growth initiatives
- Assess current trading and impact of Covid-19
- Analyse strengths and weaknesses (based on extensive expert interviews)

## Project Results

- Successfully performed buy-side Commercial Due Diligence in 3 weeks during Covid-19 (March 2020)
- Client shortlisted in final round. Siemens eventually sells to Chinese fund Wise Road Capital.

\*Note: EGR = Exhaust Gas Recirculation. Source: Project Experience Proost Ventures

**Penetration rates of AdBlue and EGR\***  
- Europe, US, China, in %, 2007- 2023FC -

