



Unlocking Port Investment Opportunities - Role of M&A

Webinar 25 March 2021



Table of Contents and Personal Introduction

1. Introduction to MTBS M&A
2. Port Investment Climate
3. Team
4. Our Success Stories

Theo Dersigni

Director MTBS M&A

MSc. Business Economics
Former Director Port Investments
and M&A at APM Terminals

25 years of experience in
M&A Transactions



1. MTBS M&A Services

MTBS M&A provides lead advisory services to investors in the port sector based on broad experience

Lead Advisory Services

Advice on M&A strategy

Meticulous identification and evaluation of targets

Comprehensive due diligence

Financial modelling & Valuation

Strong project management

Sound deal structuring

Strong negotiation support & meticulous deal documentation

Professionalism

Clear view on strategic value

Clarity on timing

Employing smart negotiation tactics

Independent perspective on deal terms

Continuous communication with all relevant stakeholders

Efficient closing of transactions

Experience

Senior staff engagement throughout entire transaction

In-depth expertise of ports sector and strong industry network

Performed > 300 projects in international ports sector

Professional backgrounds in investment banking & GTO M&A

Ability to lead any type of transaction for our Clients

2. MTBS M&A Capabilities

Combination of Lead Advisory and Commercial Due Diligence

Dedicated M&A Team brings the following expertise:

Lead Advisory:

- Able to lead transaction from start to finish
- Continuous involvement of dedicated senior M&A professionals

Vendor Due Diligence:

- Able to manage other advisors: technical, operational, commercial, legal, tax & financial
- MTBS' sector expertise allows us to guide the DDs or VDDs to properly assess the critical aspects of the business

Valuation:

- Able to develop the financial model and conduct valuation
- MTBS' port deal expertise allows us to address VDD or DD findings into the financial model (or SPA)

Negotiations:

- Able to help lead negotiations and compile or evaluate offers (NBOs, BOs) and review draft transaction documents
- MTBS' port deal expertise allows us to include appropriate clauses and conditions in the transaction documentation (among others based on DD findings)

3. Port Investment Climate - Drivers of M&A

Current M&A activity in the port sector is focused on vertical integration and horizontal consolidation, especially with abundant liquidity currently lowering the cost of financing.

Outlook: more vertical integration expected in the port sector, horizontal integration expected in shipping

Main trends to drive port M&A in the next 5 - 10 years

Ports: vertical integration with logistics

- Continued drive for increased control over the supply chain
- Continued drive to provide heterogeneous services to customers
- Supported by continued development of Information Technologies
- Focused on warehousing, but also on rail cargo transportation.



Shipping: horizontal integration

- Continued drive for cost efficiency
- New fuel regulations (IMO 2020) require larger economies of scale to remain competitive
- Continued overcapacity in the market require further consolidation of capacity
- Increase of trade on secondary trade routes increases attractiveness of cooperation.



Ports: more involvement of Financials

- PPP contracts are maturing, which means that strategic investors attained investment horizon and Change-of-Control clauses are passed
- Greenfield projects that are successfully implemented are strongly de-risked, allowing financial investors to consider projects.



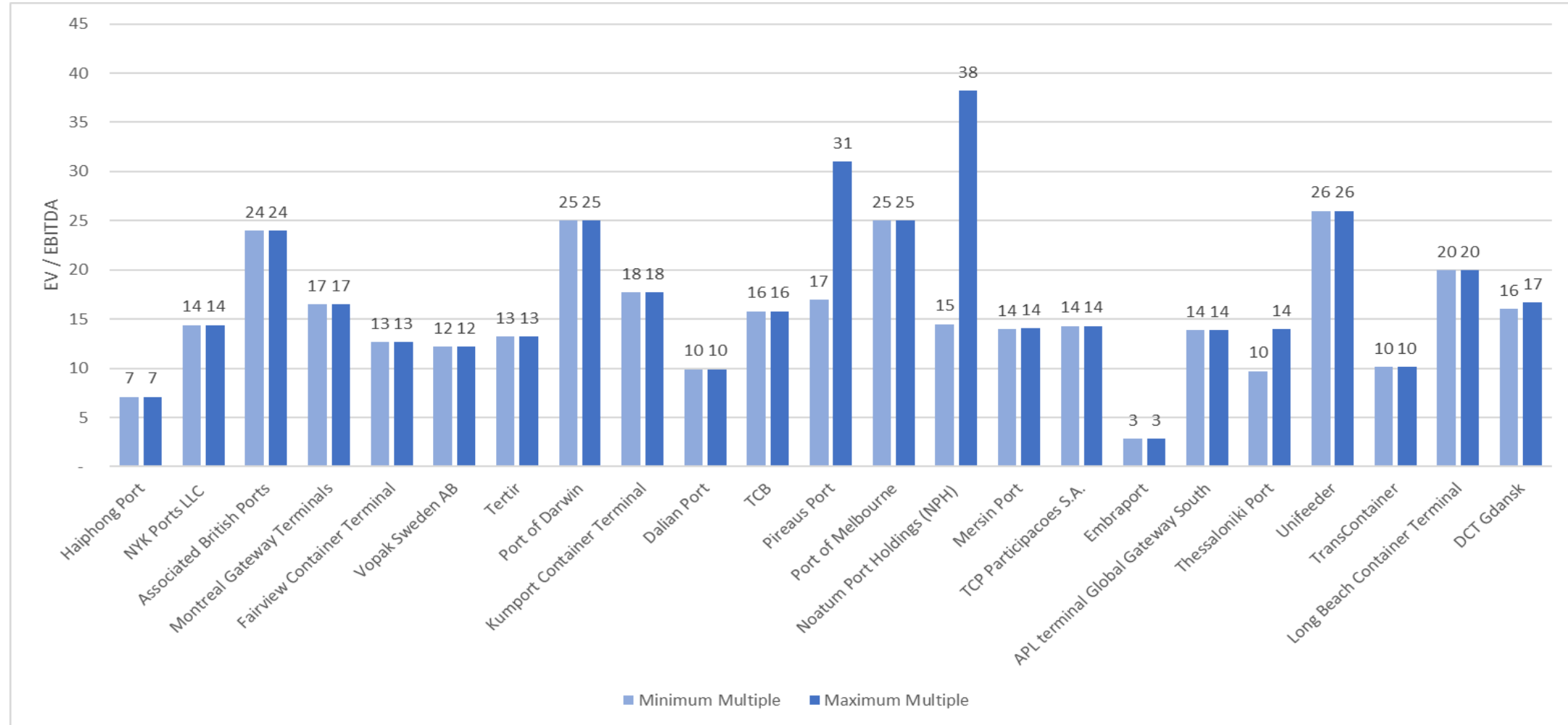
Ports: more involvement of developers

- Developers, construction companies, and dredgers provide strong cost-consciousness during development phase
- Involvement de-risks projects, especially for greenfield ones
- Involvement increases flexibility and scalability of projects.



4. Port Investment Climate - Transaction Multiples

An overview of transaction multiples in the port sector between 2015 and 2019 shows that the majority of transactions involve container or multi-purpose ports.



5. Success Factors in M&A

Pre-transaction

- Well thought out investment or divestment strategy
- Explicit investment criteria
- Comprehensive target selection
- Thorough Due Diligence and fact-based valuation
- Applying best practices from previous M&A transactions
- Awareness of impact of transaction on the existing organisation

Post-transaction

- Quality of the plan
- Execution of the plan
- Swiftiness of integration
- Communication during the integration
- Strategic fit
- Organisational fit
- Cultural fit
- Calculation and realization of synergies

General

- Legislation enabling the M&A transaction
- State of the economy
- Strong market outlook for the relevant port and terminals



MTBS M&A

Address

Wijnhaven 3^e
P.O. Box 601
3011 WG Rotterdam
The Netherlands

Telephone

+31 (0)10 286 59 40

Website

<https://www.mtbs.nl/>



Theo Dersigni

Mobile +31 6 1064 1900

Theo.Dersigni@mtbs.nl



Paul van Eulem

Mobile +31 6 2375 3739

Paul.vanEulem@mtbs.nl



Adriaan De Gruijter

Mobile +31 6 5316 0917

Adriaan.deGruijter@mtbs.nl



Koen Verbeek

Mobile +31 6 1214 2031

Koen.Verbeek@mtbs.nl

