



Strategic Port Development Options

Maritime Transport Business Solutions (MTBS)



Victor Wai, CFA

Introduction to MTBS

Growth Projections

Post-Pandemic Liner Strategy

Port Outlook



Agenda

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Introduction to MTBS

Unique Qualifications of MTBS

- **MTBS** is the global leader in business & transaction advisory services in the port sector with a high success rate on both sell-side & buy-side transactions
- **MTBS** is a recognized content-leader: implementing international best practice transaction services and products.
- **MTBS's** track record encompasses a large number of transaction projects in Europe, Middle East, Africa, Latin America and the rest of the World.
- **MTBS** is independent, flexible and international.
- **MTBS** dedicated port team is the largest and most experienced team, certainly when compared with global accounting & strategy consultants.
- **MTBS'** senior experts have a long corporate history in blue chip organisations such as Deloitte, PWC, APMT, Royal Haskoning, Royal Boskalis, Port of Rotterdam etc.
- **MTBS's** team of experts all have deep-rooted experience in strategy, business valuation, transaction and finance.
- **MTBS** methodology focuses on delivery as well as skills transfers.

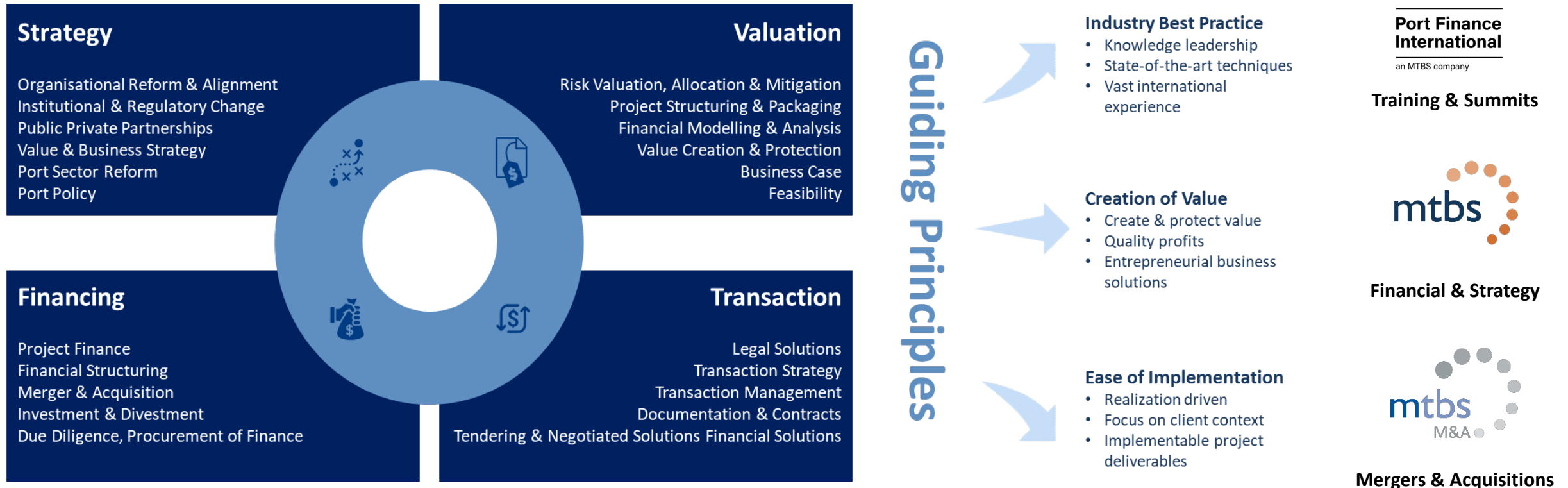


MTBS is proud to call the White House its 'home port'.
A Landmark building since its completion in 1898

Introduction to MTBS

Our Mission: Unlocking Value in the Maritime & Transport Industry

On the interface of land and water, positioned between public and private interests, ports are the most strategic nodes in global transport network. Therefore, MTBS believes that ports offer a unique value proposition. It is the mission of MTBS to unlock and protect this value by offering its clients entrepreneurial business solutions and creating the quality profits they seek.



Introduction to MTBS

Key Products in Port Business & Transaction Advisory

Areas of Expertise		
Deep-sea Ports	Dry Ports	Shipping
River Ports & IWT	Free Zones	IWT

Project Structuring	
DBFOM	DBFM
BOT	M&A: Equity Transactions

Analysis
Market Studies & Forecasts
Tariff Studies
Benchmark Studies
Feasibility Study

Planning & Operations
Master Planning
Business Planning
Technical & Operational Planning
Productivity Improvements

Financial Analyses & Financing	
Master Planning	Value for Money
Business Planning	Viability Gap Funding
Technical & Operational Planning	Financial Structuring
Productivity Improvements	Financial Due Diligence

Partnering
Partnering Strategy & Search
Market Sounding & Consultations
Operator Search

Procurement
Operators (Revenue)
Contractors (Capex)
Investors/Banks (Financing)
M&A (Equity)

Sell Side Transactions
Transaction Design & Management
Bid Documentation
Investor Selection
Negotiations & Close

Buy Side Transactions
Due Diligence
Bid Preparation & Support
Negotiations & Close

Introduction to MTBS

Overview of our Clients

Authorities	GTOs & Shipping Lines	Industrials	Governments	IFIs	Banks & Equity		
           	           	            	          	           	          	          	           



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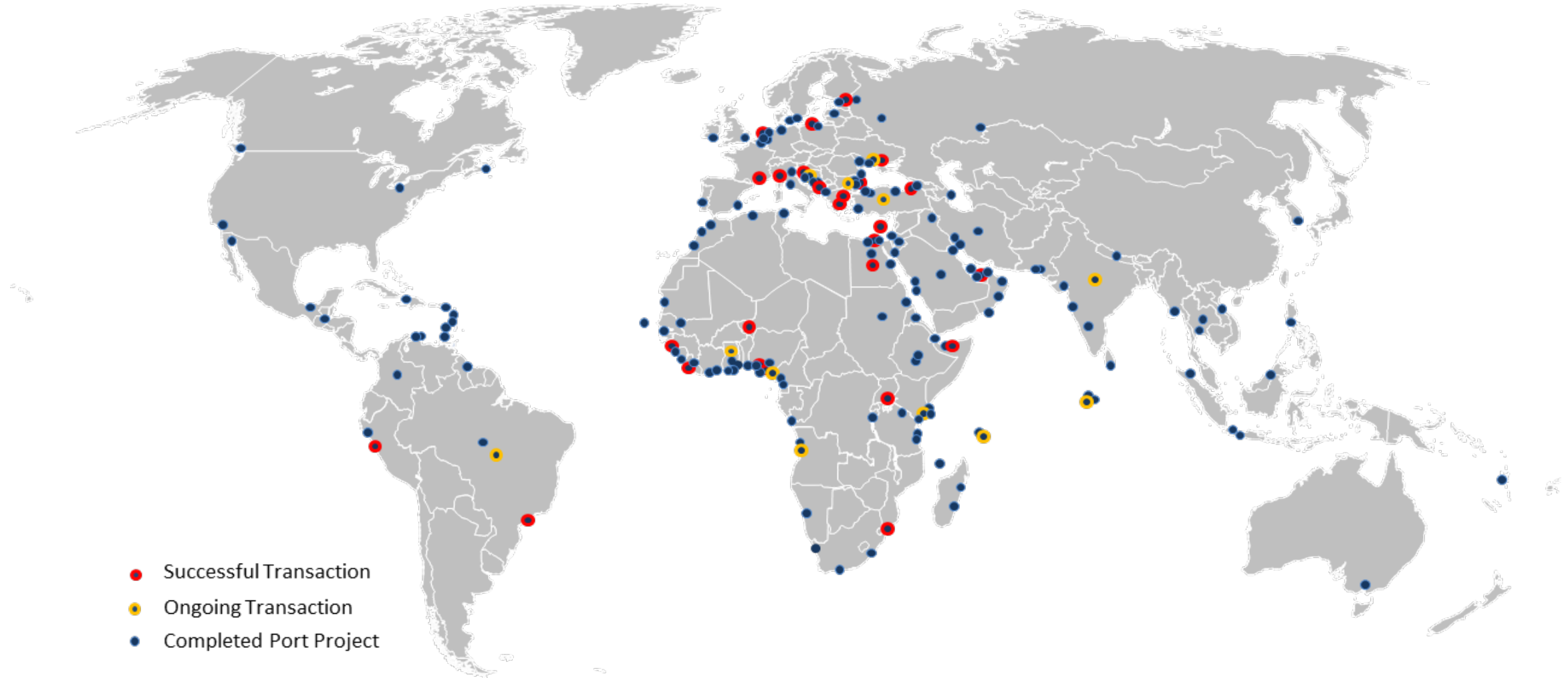
Growth Projections

Post-Pandemic Liner Strategy

Port Outlook

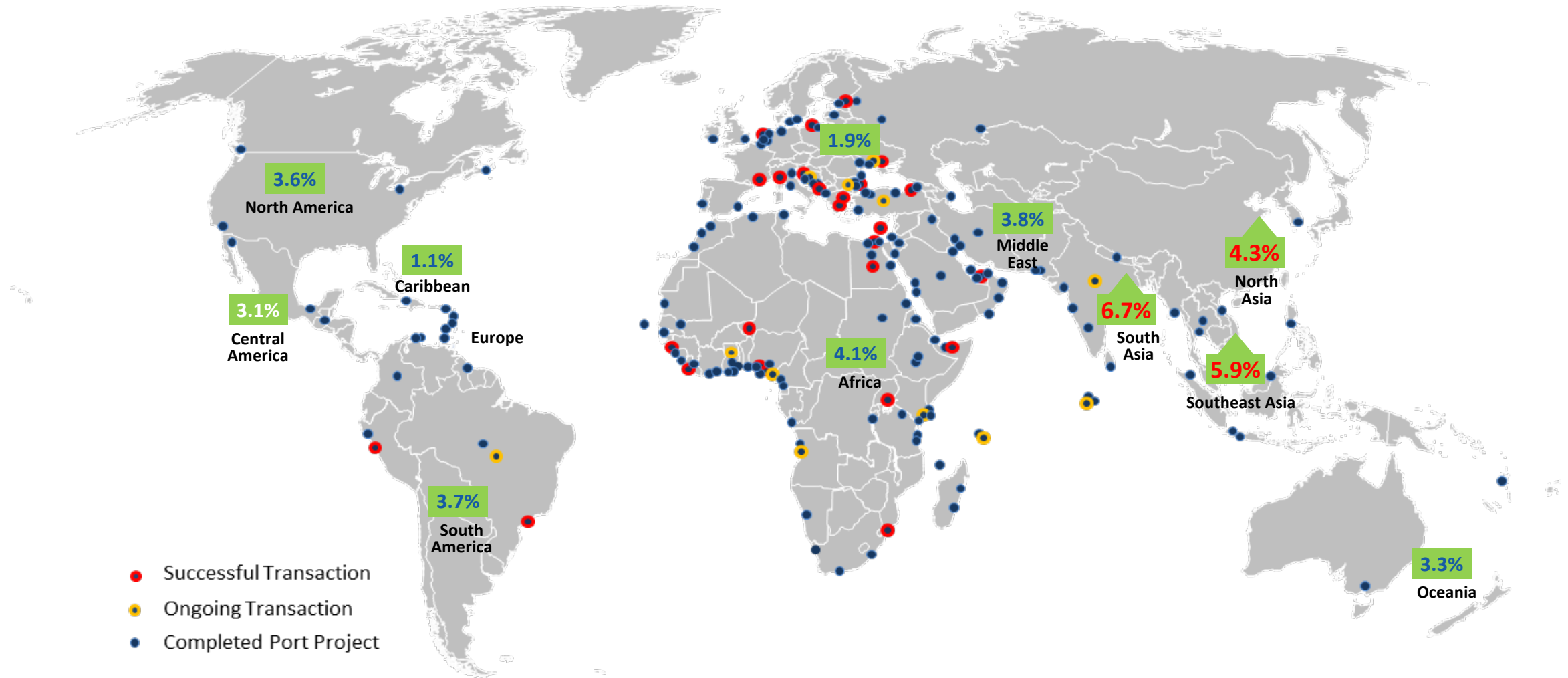
Entrepreneurial approach to deal-making

MTBS Track Record and Extensive Global Experience



Growth differential by region

Container volume growth to GDP growth multiplier 1.3X.





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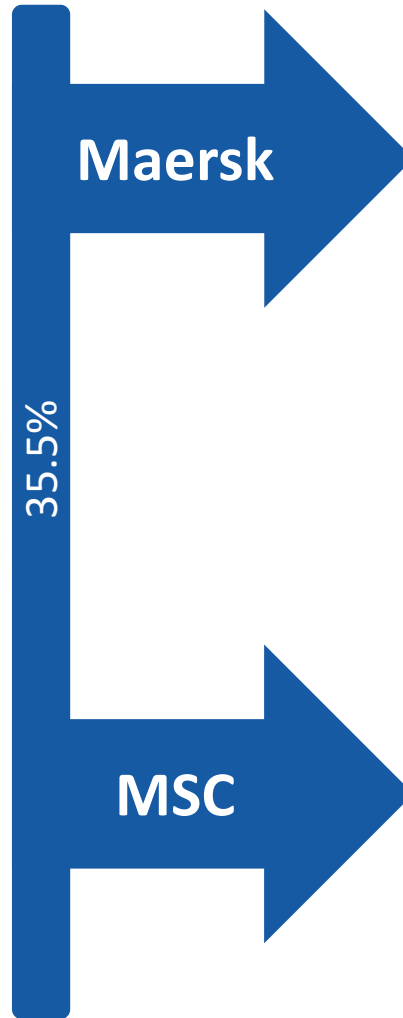
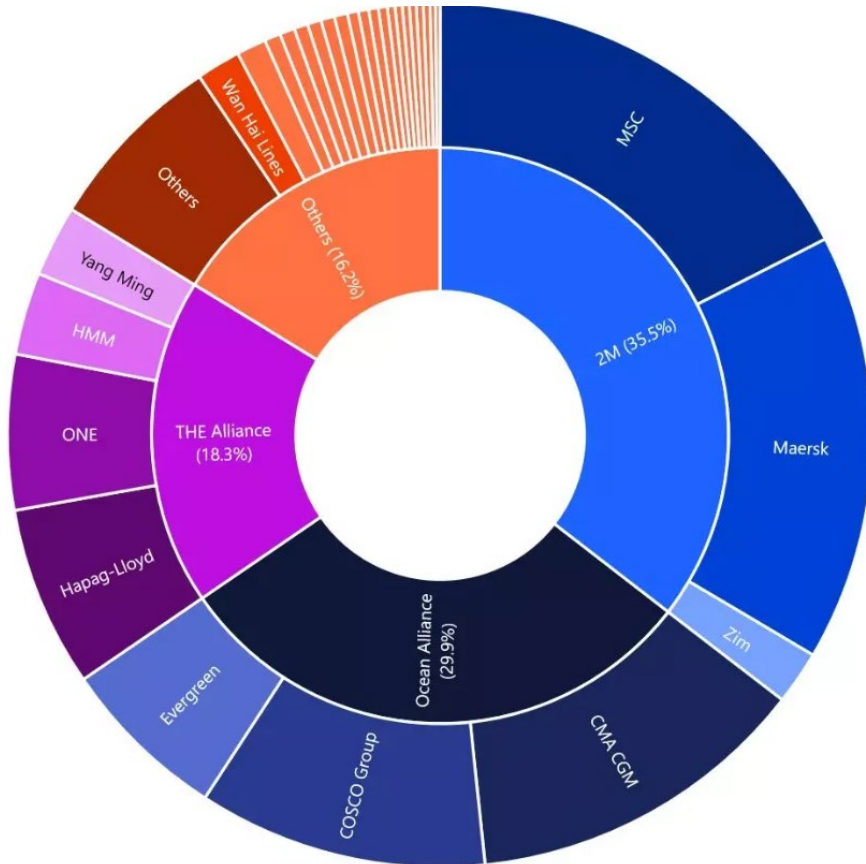
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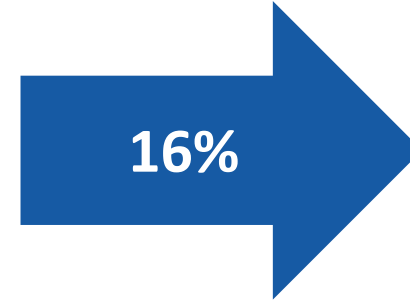
Liner Strategy

Dissolution of 2M Alliance likely to rejig liner partnerships

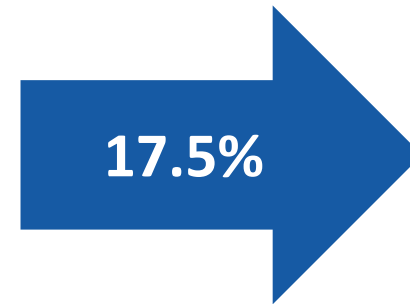
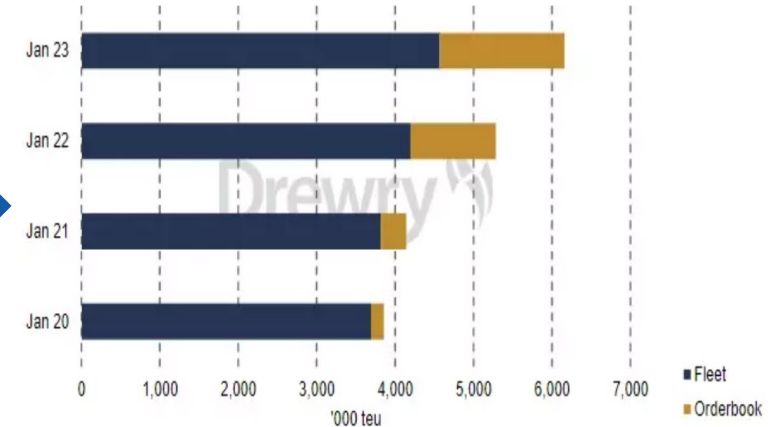
Liner Capacity Market Share, 2023



M&A Activity of Maersk



MSC Container Ship Orderbook, 2020 – 2023 (TEU'000)

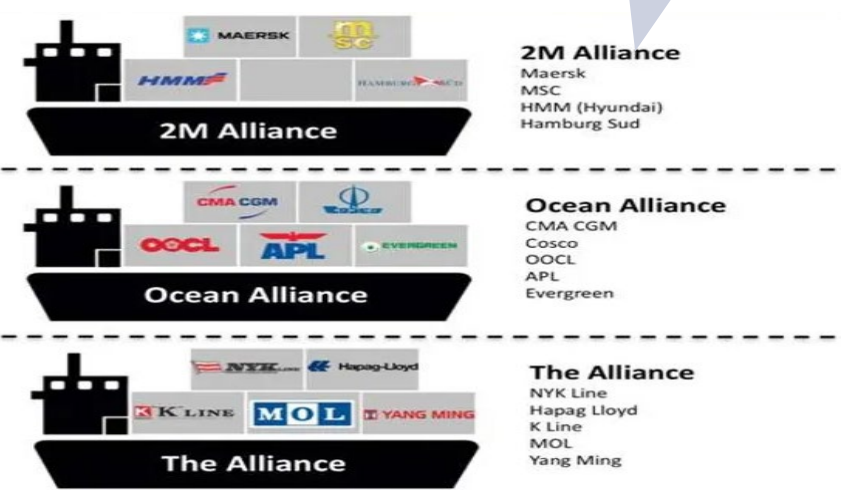
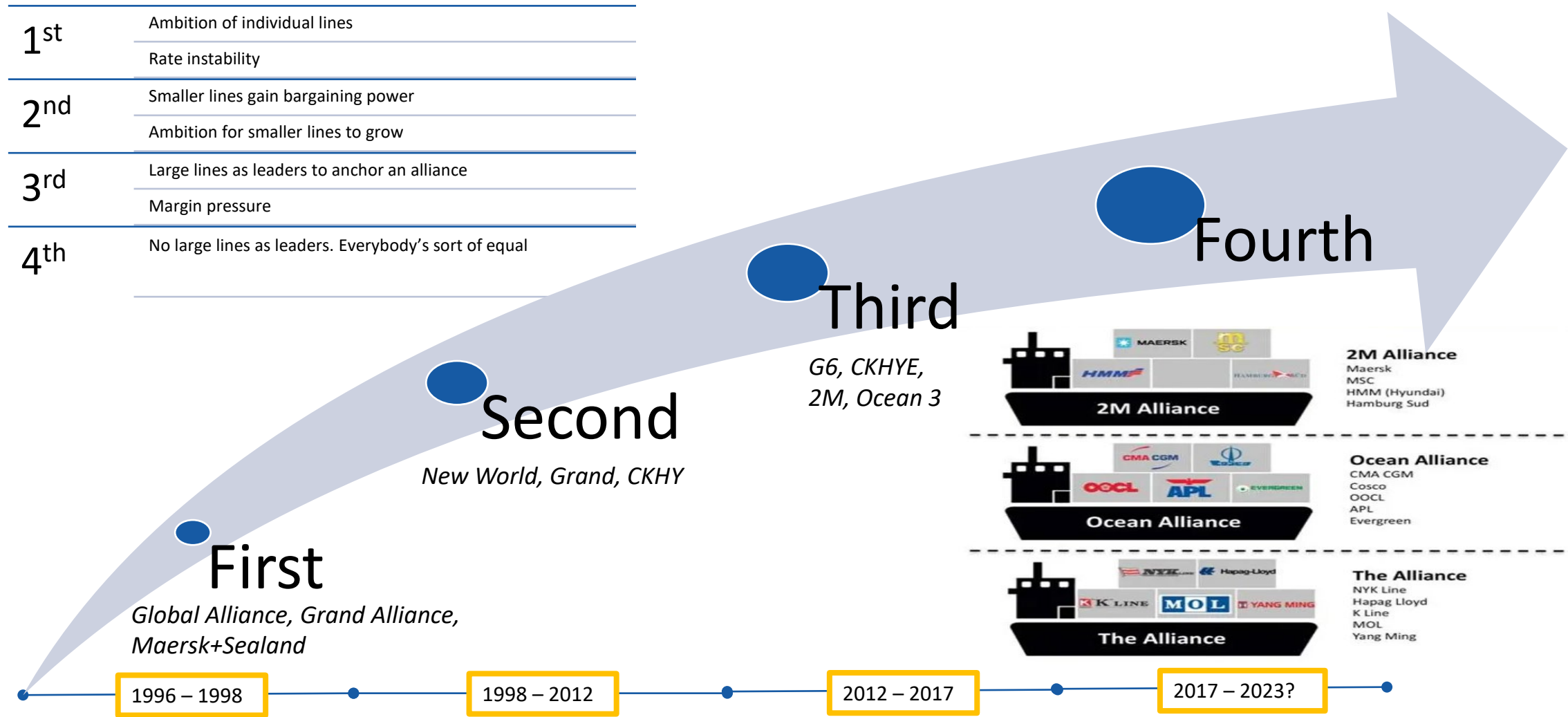


Source: Alphaliner

Evolution of Alliances

Driven by external pressures. Next evolution driven by innate motivation

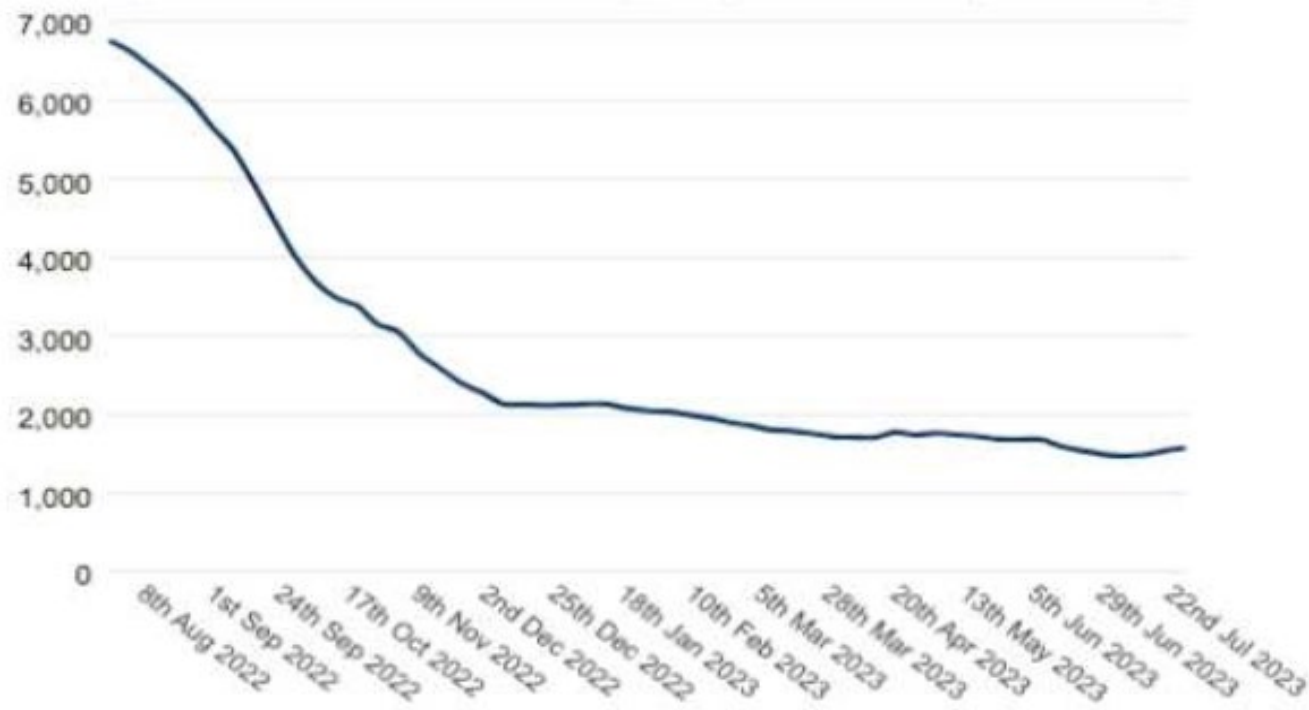
1 st	Ambition of individual lines Rate instability
2 nd	Smaller lines gain bargaining power Ambition for smaller lines to grow
3 rd	Large lines as leaders to anchor an alliance Margin pressure
4 th	No large lines as leaders. Everybody's sort of equal



Options for Liners

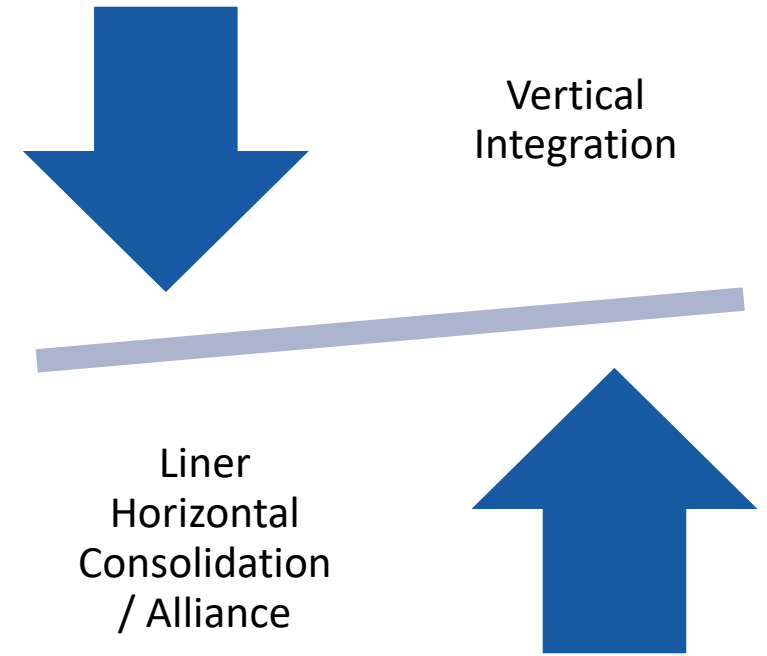
Cost-control to improve profitability

World Container Index, 1Yr (2022 – 2023)



Source: Drewry Maritime Research

Binary Options for Liners



What next for the future?

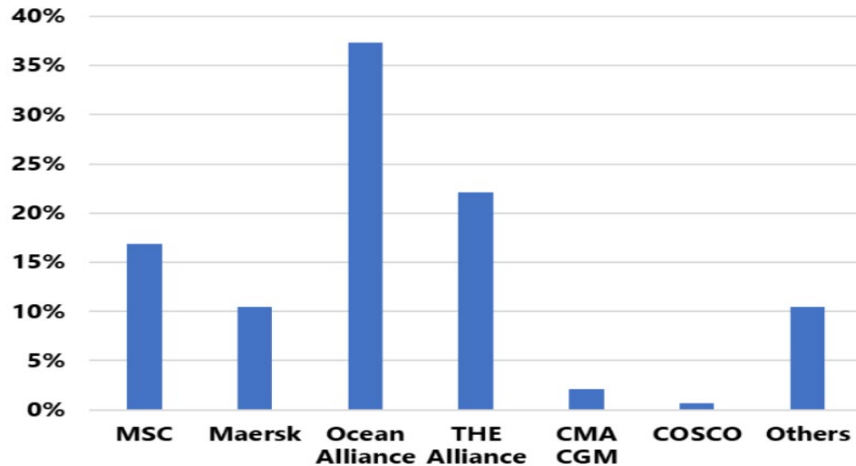
Pros & Cons of Alliances

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- Economies of scale with mega-vessels
- Continued relevance of feeder vessels

- Reduced direct frequency and fewer port connections
- Less differentiated service levels

Market share of lines/ alliances in Transpacific route



New Competitors in Vertical Integration





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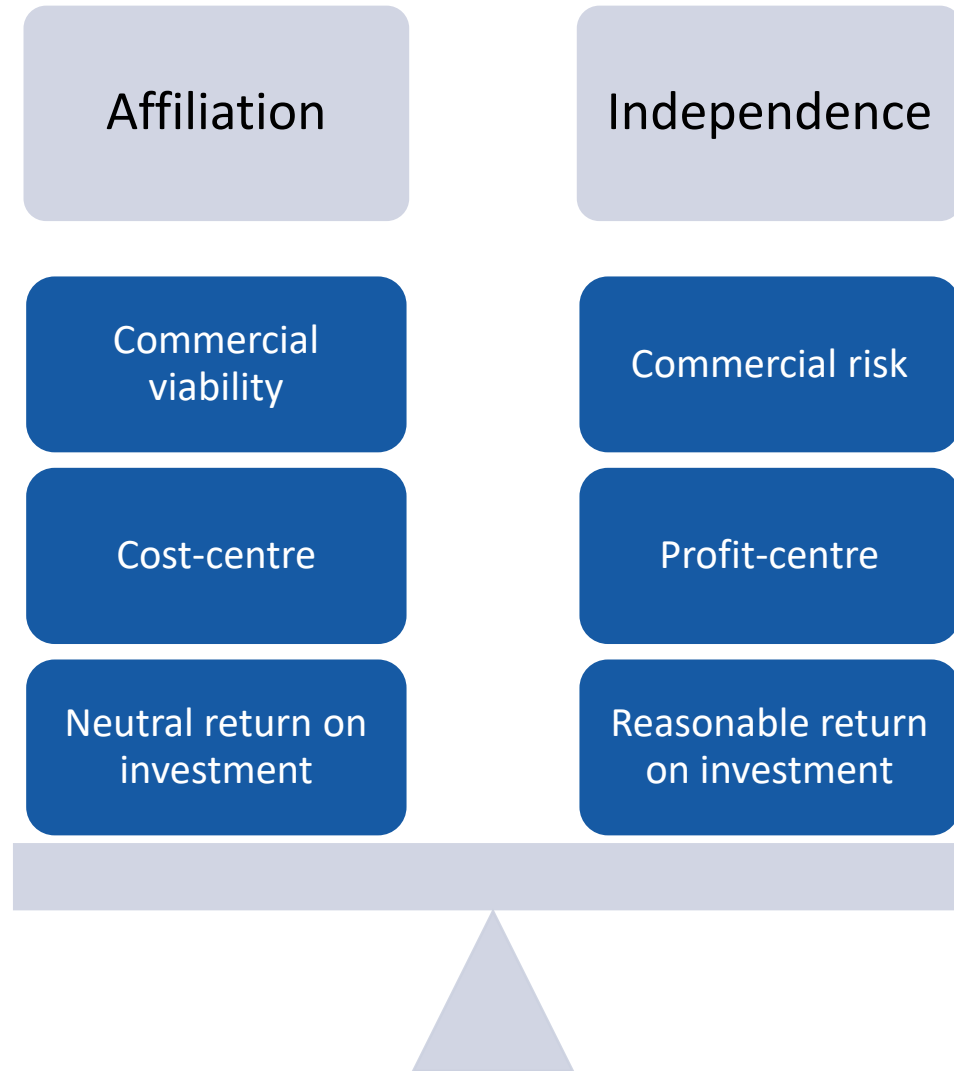
Growth Projections

Pandemic-induced Disruptions

Port Outlook

Options for Port Operators

Scale up with differentiated services



Laem Chabang Port

Differentiated service offering to maintain competitiveness



Terminal A	Terminal B
<ul style="list-style-type: none"> Phase 1 Investment: operational Berths: 6 Depth: CD -14.0 m Operator: PAT and Hutchison Port Holding (HPH) 	<ul style="list-style-type: none"> Phase 1 Investment: operational Berths: 5 Depth: CD -14.0 m Operator: LCB1 (APMT), Evergreen, ESCO (PSA/APMT), TIPS (MOL)
Terminal C	Terminal D
<ul style="list-style-type: none"> Phase 2 Investment: operational Berths: 4 Depth: CD -16.0 m Operator: HPH, LCIT (DP World/Terminal Link) 	<ul style="list-style-type: none"> Phase 2 Investment: partly being constructed Berths: 3 Depth: CD -16.0 m Operator: HPH
Terminal E	Terminal F
<ul style="list-style-type: none"> Phase 3 Investment: land not yet reclaimed Berths: n/a Depth: CD -18.5 m Operator: unknown 	<ul style="list-style-type: none"> Phase 3 Investment: land not yet reclaimed (F1 & F2) Berths: n/a Depth: CD -18.5 m Operator: unknown

Laem Chabang Port

Preparing for the future

Container vessels	TEU capacity	LOA (m)	Beam (m)	Draught (m)	Rows across	
Small Feeder	<1,000	70-160	13-25.5	4-8.4	5-10	LCB Phase 1
Feeder	1,000-1,999	146-205	22-32.2	8.3 -11.0	8-13	LCB Phase 2
Feedermax	2,000-2,999	189-237	22-32.2	11.5-12	8-13	
Panamax	3,000-4,999	237-294	32.2	12.4	13	LCB Phase 3
Post Panamax	5,000-9,999	300 - 366	40-44	15.2	14-17	
New Panamax	10,000 - 14,000	336-366	45-49	15.5	17-19	
ULCV	14,000 -18,000	366-400	49-56	15.2-16.0	19-24	
Megamax	18,000 >	400	59- 60.1	16.5	24-25	

Source: MTBS

#	Service	Vessel capacity (TEU)			Expected vessel sizes
		min	average	max	Expected Vessel cap. (TEU)
1	Asia / North America services with Canada calls	1,830	9,305	13,959	14,000
2	North Europe / Far East	13,281	14,817	16,353	22,000
4	Far East / Indian subcontinent - dedicated services	5,158	5,319	5,479	9,000
5	Far East / Middle East Gulf - dedicated services	4,567	4,567	4,567	6,000
6	Bay of Bengal services	432	690	1,065	2,500
7	Asia / ANZ + Oceania	2,660	3,554	4,448	6,000
8	Intra Asia services - NE Asia-SE Asia	1,065	2,073	5,461	6,000
9	Intra Asia services - SE Asia only	278	1,596	3,549	4,000
Total		278	2,861	16,353	

Thank you

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