



# Considerations of Port M&A

Victor Wai, CFA



# Agenda

**Introduction to MTBS**

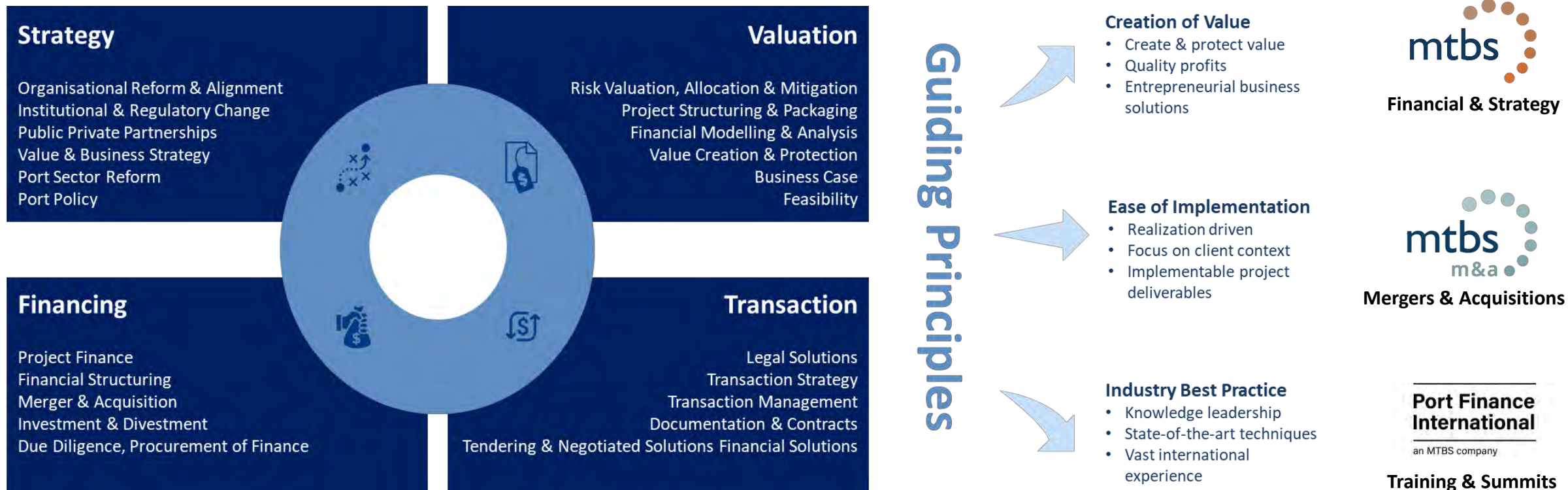
Considerations of Port M&A

Experiences of MTBS

# 1. 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.



# 1. INTRODUCTION TO MTBS

## Key Products in Port Business & Transaction Advisory

### Areas of Expertise

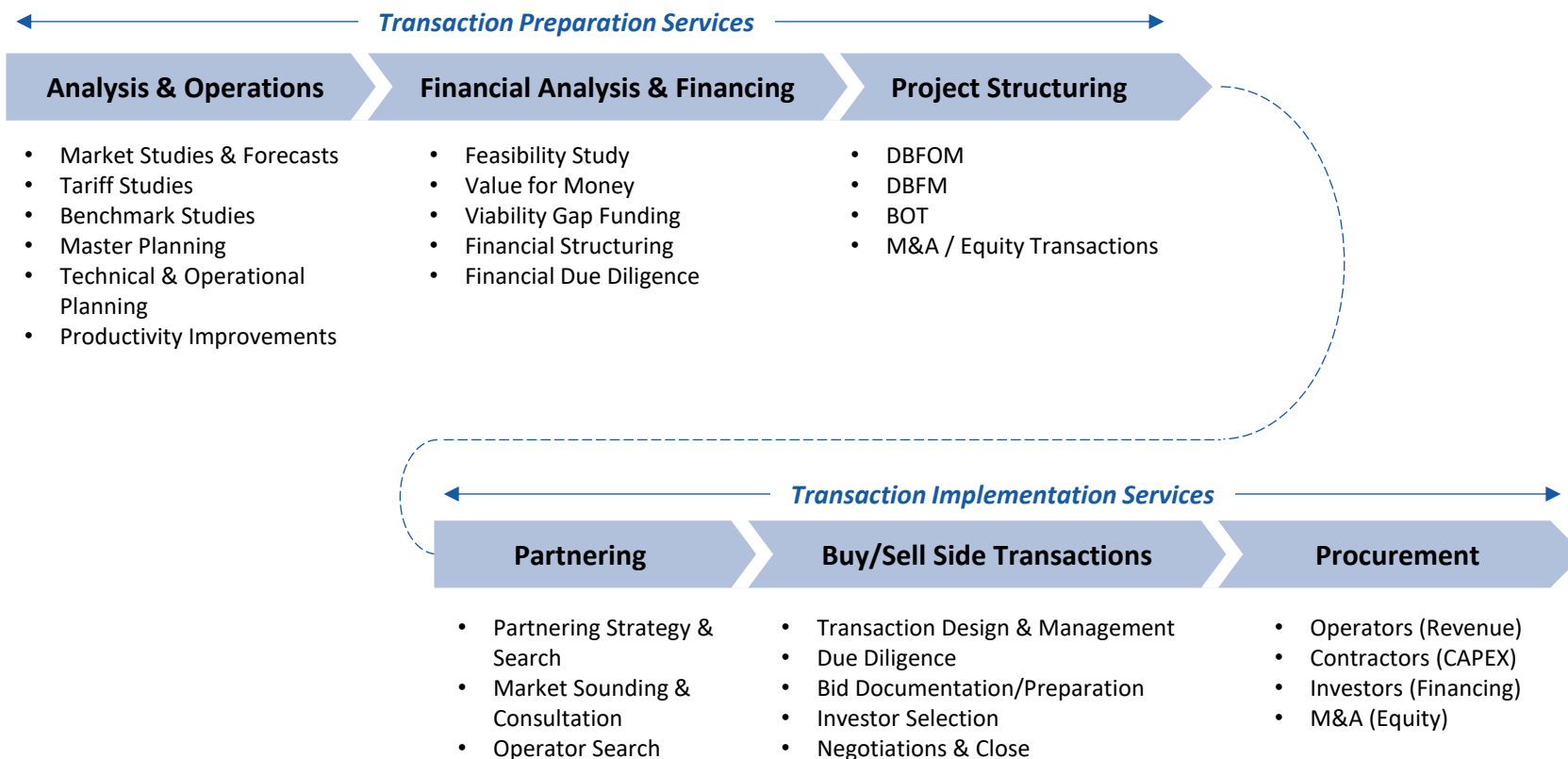
**Deep-Sea Ports**

**Dry Ports & Logistics**

**Shipping**

**River Ports & IWT**

**Free Zones & SEZ**



# 1. INTRODUCTION TO MTBS

## Overview of our Clients

Authorities			GTOs & Shipping Lines		Industrials	Governments	IFIs	Banks & Equity

# 1. INTRODUCTION TO MTBS

## Experience with IFI's



### World Bank

- 17 projects in Liberia (ongoing), Nepal (2020), Africa, Caribbean, Namibia, Uganda (2018), Ghana (2017), Pakistan (2017), Somaliland (2016, 2012), Sierra Leone (2014), Egypt (2014), Vanuatu (2012), Croatia (2010, 2006) and Bosnia and Herzegovina (2009)



### EuropeAid

- 3 project in Comoros (2014) Black Sea countries (2008) and Albania (2008)



### European Investment Bank

- 12 projects in Egypt (2018, 2019 & ongoing), Seychelles (ongoing & 2017), Jordan, Tunisia, Morocco, Italy (2018) and Europe (2016, 2012)



### European Bank for Reconstruction and Development

- 10 projects in Ukraine (ongoing, 2017, 2014, 2009), Turkey, Egypt (2018) Bulgaria (2017), Russia (2013, 2010) and Croatia (2012)



### Inter-American Development Bank

- Projects in Guyana (2019) and Trinidad and Tobago (2018).



### Caribbean Development Bank

- Study in the Caribbean (2016)



### Asian Development Bank

- Projects in Sri Lanka (2019) and Thailand (2018)



### African Development Bank

- 4 Projects in Madagascar, Kenya (ongoing), Africa (2015) and Gambia (2006)



### Agence Française de Développement

- Project for Caribbean Ports (2014)



### TradeMark East Africa

- 5 projects in Kenya (2019), Somaliland, East Africa (2016-2017) and Ethiopia (2014)



### United Nations Conference on Trade and Development

- Project in Ethiopia (2014)



### Emerging Africa Infrastructure Fund

- Projects in Senegal (2011) and Nigeria (2004)



### Japan International Cooperation Agency

- 5 projects in Morocco (2019), Ukraine (2017), Kenya (2014), Burundi (2012) and Bulgaria (2012)



### International Finance Corporation

- 8 projects in Ukraine (ongoing), Angola (2020), Gambia (2018), Egypt (2015), Haiti (2014), Niger (2013), Albania (2010) and Niger (2010)



### Macroeconomic and Financial Management Institute of Eastern and Southern Africa

- Project in East Africa (ongoing)

# 1. INTRODUCTION TO MTBS

The MTBS Team – assisted by a team of > 15 senior consultants, consultants and analysts



**Paul van Eulem**  
Senior Partner  
Senior Advisor Valuation  
MSc. Civil Engineering and MBA  
Former Port Sector Director at Royal Haskoning



**Frank Luisman**  
Senior Partner  
Senior Advisor Strategy  
MSc. Business Information Science  
Former Global Port Sector Director at Deloitte



**Indra Vonck**  
Director  
Senior Advisor Strategy  
PhD in Port development & economics  
Former Global Port Sector Director at Deloitte



**Boris Wenzel**  
Executive Director CCO  
Senior Advisory Strategy  
MSc. Corporate Finance  
32 years of experience



**Patrick Uyttendaele**  
Senior Expert  
Senior Advisor Finance  
PhD. Applied Economics and MBA  
Former Director Finance at PwC and IBM Consultants



**Willem Slendebroek**  
Senior Expert  
Senior Advisor Shipping  
MSc. Transport  
Former Shipping Consultant at Dynamar Shipping



**Victor Timmermans**  
Senior Manager  
Senior Advisor Transactions  
MSc. Economics & Marketing Management  
Former Director Business Dev. at Port of Rotterdam



**Victor van Leengoed**  
Senior Manager  
Senior Advisor Finance  
CFA, MSc. Economics, MSc. Civil Engineering  
Former Manager Project Finance at Boskalis International



**Robert Schot**  
Senior Manager  
Senior Advisor Transactions  
MSc. Business Administration  
18 years of experience in Transactions



**Victor Wai**  
Senior Manager  
Advisor based in Singapore  
CFA, Bachelor in Economics  
13 years of experience in Port Investment and Finance



**Theo Dersigni**  
Director M&A  
Senior Advisor M&A  
MSc. Business Economics  
Former Director Port Investment and M&A at APMT



**Dirk van Niekerk**  
Manager  
Advisor Finance and Strategy  
MSc. Business Economics  
9 years of experience in Port Finance and Strategy



# Agenda

Introduction to MTBS

**Considerations for Port M&A**

Experiences of MTBS



# Considerations of Port M&A – Seller’s Perspective

Strategic risk diversification



## Commercial Risk Mitigation

- Volume
- Revenue



## Technical Risk Mitigation

- CAPEX
- OPEX



## Financial Risk Mitigation

- Capital access
- Capital recycling



## Strategy Alignment

- Collaboration
- Favourable valuations

**Seller’s Perspective**

# Considerations of Port M&A – Buyer’s Perspective

Many reasons to sell, but only one reason to buy



## Commercial

- Logistics cost reduction for shippers
- Ability to configure shipping network



## Technical

- Economies of scale in procurement / reshuffling of equipment
- Operating expertise



## Financial

- Ability to tap the debt/equity market: Cheaper financing
- Sustain market valuation



## Strategy

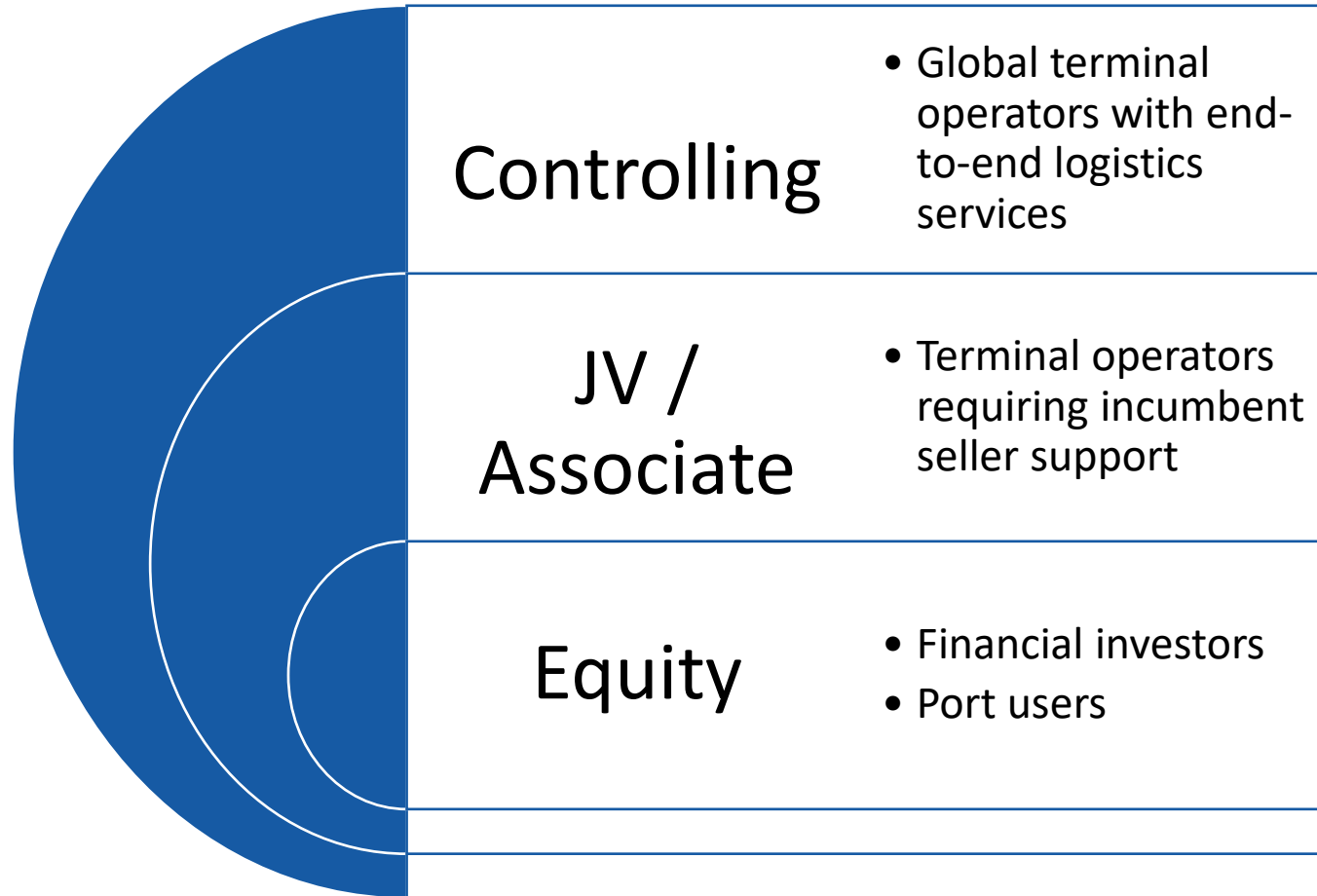
- Local partnership for keystone projects
- Supply chain reliability



Improvement in profits, bolstering valuations

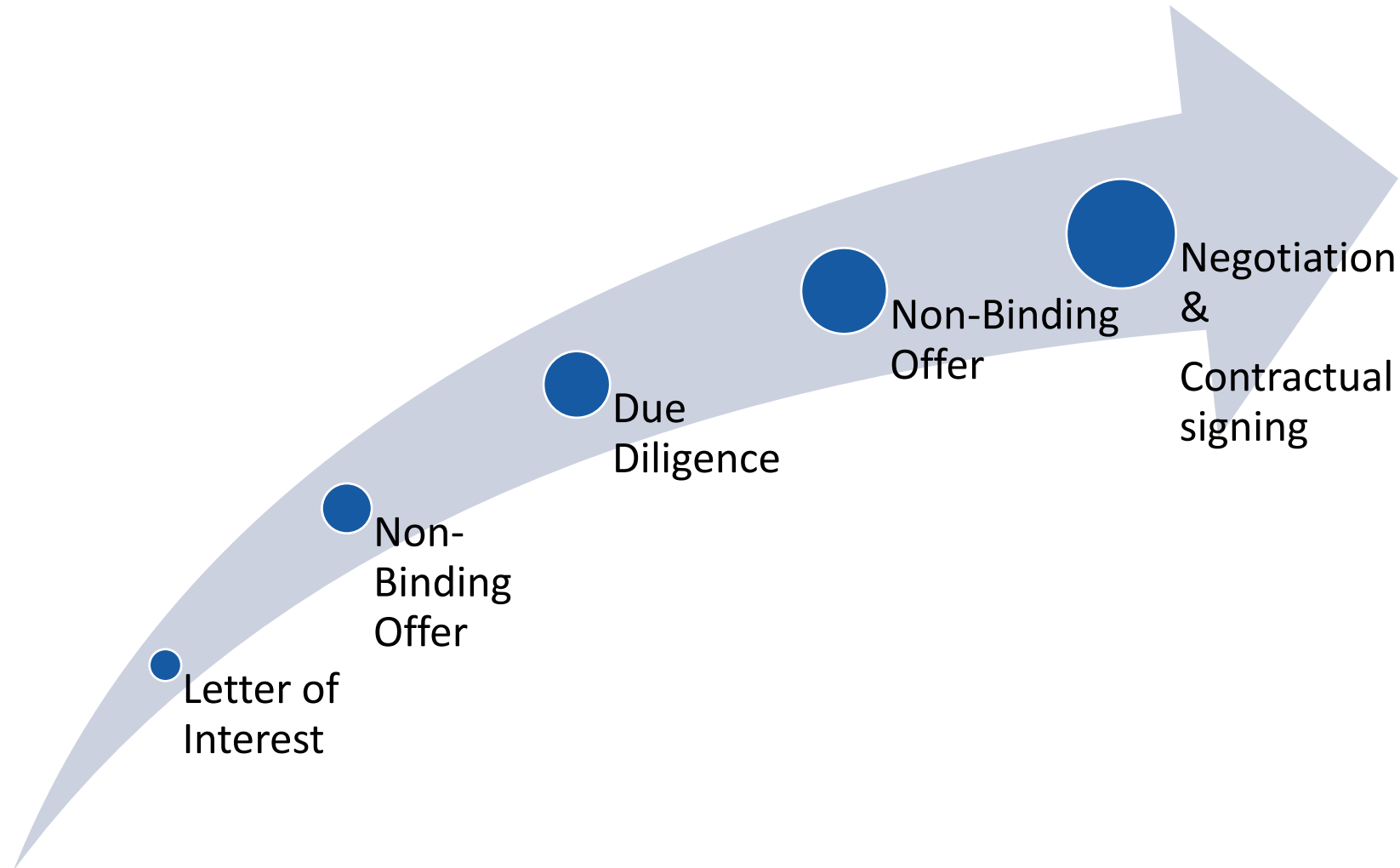
# Considerations of Port M&A

The type of ownership attracts buyers of a certain profile.



# Considerations for Port M&A – Advisor Perspective

International transaction best practices



## Key Success Factors

- Asset Understanding
- Strategy translates into EBITDA expansion
- Financing capabilities
- Competent negotiator



# Agenda

Introduction to MTBS

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**Experiences of MTBS**

## 2. MTBS EXPERIENCE

### Successfully closed transactions

#### Merger & Acquisition - Equity

#### Concessions

#### Lenders Advisory

**Commercial Advisor** 

**Port of Chancay**  
Peru

Financial & Commercial Due Diligence for



for the acquisition of 60% of shares in



Equity Deal Size USD 225 million  
2019

**Commercial Advisor** 

**China Merchants Port Holdings**  
Buyer's Due Diligence



for the acquisition of 90% of



CMPT's first investment in Latin America  
Deal size USD 925 million  
2017

**Commercial Advisor** 

**Port of Vado Ligure, Italy**

Commercial advisory to



COSCO Group & Qingdao Port International

For the acquisition of 49.9% shares in Vado Holding  
Deal size EUR 66.1 million  
2016

**Transaction Advisor** 

**Port of Olvia**  
Ukraine

Transaction Advisory Services for



Strategic and Financial Advisory for the Second Port PPP Transaction in Ukraine

35-year Concession Awarded to



Deal Size USD 123 Million  
2020

**Transaction Advisor** 

**Kherson Sea Commercial Port**  
Ukraine

Transaction Advisory Services for



Strategic and Financial Advisory for the First PPP Transaction in Ukraine

30-year Concession Awarded to



Deal Size USD 15 Million  
2020

**Financial Advisor** 

**Anaklia Development Consortium**  
Georgia

Master Concession



Investment agreement between Government of Georgia and ADC  
Committed investments 2.5 billion USD  
2017

**Financial Advisor** 

**Port of Nouakchott**  
Islamic Republic of Mauritania

Lender's Due Diligence for



for the provision of a project finance loan

Project sponsors:



Loan size: USD 160 million  
Project size: USD 310 million  
2019

**Financial Advisor** 

**Port of Tekirdağ**  
Republic of Turkey

Lenders' Due Diligence for



for the provision of a project finance loan for



Loan size USD 35 million  
2018

**Financial Advisor** 

**King Abdullah Port**  
Kingdom of Saudi Arabia


Lenders' Due Diligence for



for the provision of an Islamic Bank Loan for




Loan size USD 720 million  
2015-2016

**Transaction Advisor** 

**Berbera Port Authority**  
Somaliland

Privatisation of Marine Services Berbera Port



Corporatisation and Concession Implementation Advisory Services  
Deal size 10 million USD  
2017

**Transaction Advisor** 

**Container Terminal**  
Port of Limassol, Cyprus

Bid preparation for



INTERORIENT East Med Holdings S.A.

Winning bid  
Deal size confidential  
2015 - 2016


**Commercial Advisor** 

**Port of Piraeus, Greece**

Commercial advisory to




For the acquisition of 67% shares in Piraeus Port Authority  
Deal size EUR 388.5 million  
2016


**Transaction Advisor** 

**Port de Sète**  
France


Concession of the Container and Multipurpose Terminal



Concession awarded to




Deal size confidential  
2017

**Financial Advisor** 

**Port of Antwerp**  
Belgium

Support Financial Analysis and Business Cases



Concession awarded to Aqualigner  
Deal size EUR 15 million  
2017

**Transaction Advisor** 

**Dry Port, Niger**

Transaction Advisory Services to



for the concession of

La Concession globale du Port Sec de Dosso et de son antenne à Niamey  
Deal size confidential  
2014

**Financial Advisor** 

**Lekki Port**

Lender's Market Consultant and Financial Advisor to:



International Container Terminal Services, Inc.  
Tollman Group

Finance: \$800 million  
Project size: \$1.5 billion  
2012-2013

**Financial Advisor** 

**Project Finance**  
Oando Mid-Stream Jetty  
Apapa, Lagos, Nigeria



Oando Ecosbank Development Corporation

Market and tariff forecast  
Financial model  
Risk assessment  
Deal size confidential  
2011


**Financial Advisor** 

**Project Finance Access Channel**  
Maputo, Mozambique  
for  
Standard Bank South Africa




DP WORLD  
GAMMA

Deal size confidential  
2010

**Commercial Advisor** 

**Kumport, Turkey**

Commercial advisory to



For the acquisition of shares in the terminal  
Deal size confidential  
2014-2015

**Transaction Advisor** 

**Port of Bar, Montenegro**

Bid preparation for



for the acquisition of



Winning Bid  
Deal size EUR 35 million  
2013

**Financial Advisor** 

**DCT Gdansk S.A.**  
Poland

Concession Expansion Deepwater Container Terminal Gdansk



Bankable Financial Model PIM

Deal size: 200 million EUR  
2012-2013

**Financial Advisor** 

**Multi purpose Terminal East-2**  
Burgas, Bulgaria

Bid Preparation  
Navibulgar



Winning Bid  
Deal size: EUR 100 million  
2011

**Transaction Advisor** 

**Tallinn Port Authority**  
Estonia

Muuga Container Terminal Concession



Concession awarded to



Deal size EUR 100 million  
2010-2011

**Financial Advisor** 

**Port of Rotterdam Authority**  
The Netherlands

Maasvlakte 2  
Greenfield Container Terminal Development



Concession awarded to:



2006-2007

**Financial Advisor** 

**West Africa Container Terminal**  
Onne  
Nigeria



APM TERMINALS

Deal size confidential  
2004

# ACQUISITION OF MAJORITY STAKE IN PT ICTSI JASA PRIMA TBK

## Successful Transaction

Buy-side transaction advisory services in 2023 – 2024



### Deal information & MTBS M&A services

#### Deal information:

- Client: Meratus (Buyer)
- Seller: International Container Terminal Services, Inc
- Target: PT ICTSI Jasa Prima Tbk, container terminal operator in Jakarta Indonesia.

#### Farid Belbouab, CEO of Meratus Group, noted on the deal:

*"I express sincere appreciation for MTBS M&A, who has accompanied us along the acquisition process with their professionalism and were very responsive during the time when expert advice was needed. Overall, we value our partnership in this project and look forward to work together with them again in our future plans"*



### Meratus acquires an 80.19% stake in PT ICTSI Jasa Prima Tbk




**MTBS M&A acts as the exclusive transaction and financial advisor to Meratus Group on its acquisition of an 80.19% stake in ICTSI Jasa Prima**


**MERATUS** 

acquires an 80.19% stake in PT ICTSI Jasa Prima Tbk

PT ICTSI Jasa Prima Tbk

 **ICTSI JASA PRIMA**

from

 **International Container Terminal Services, Inc.**

Exclusive Transaction and Financial Advisor to the Buyer, 2024

 **mtbs**  
m&a



# SALE OF SIGNIFICANT INTEREST IN BMF PORT BURGAS

## Successful Transaction

Sell-side transaction advisory services in 2021-2022



### Deal information & MTBS M&A services

#### Deal information:

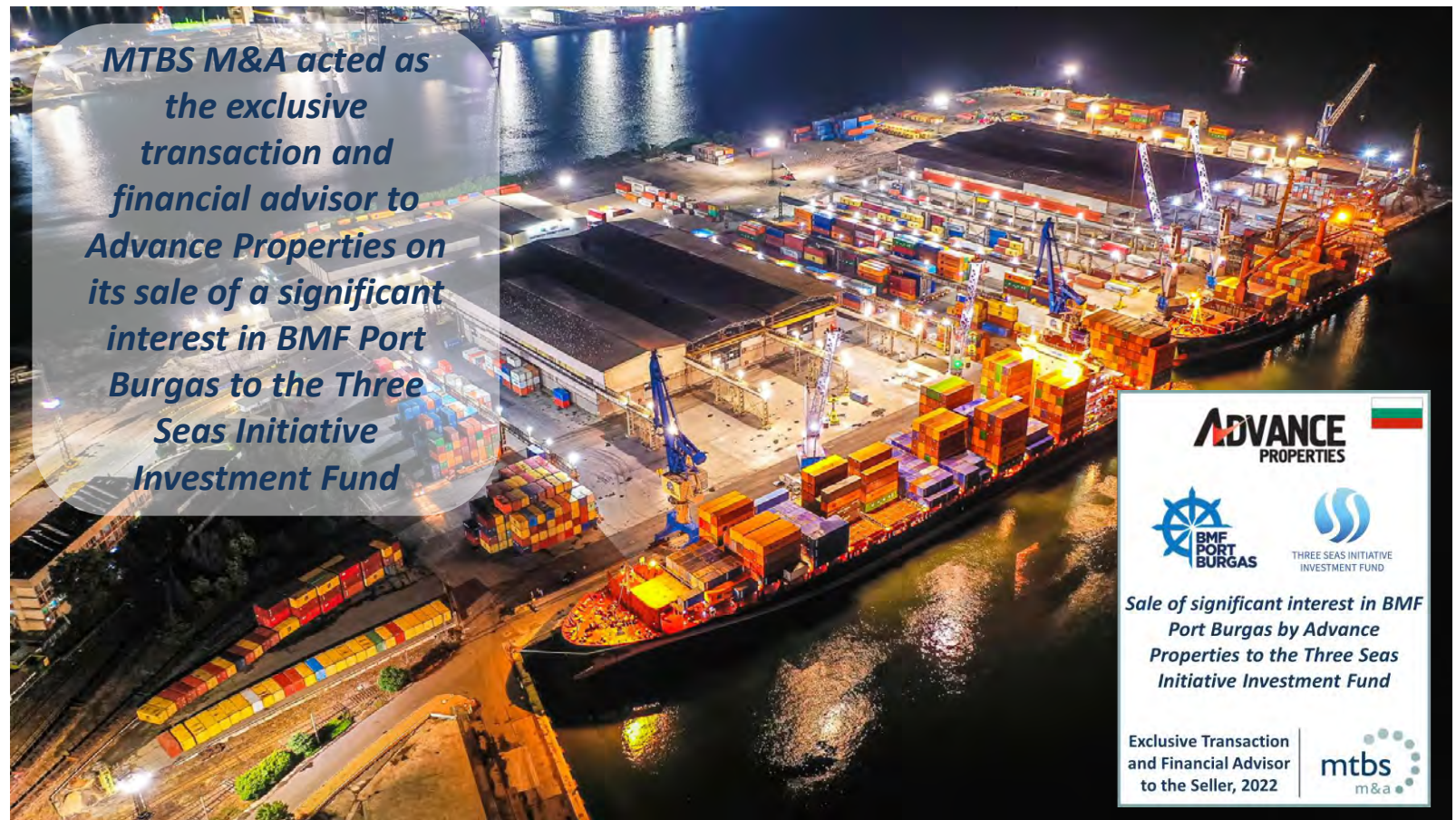
- Client: Advance Properties OOD
- Buyer: Three Seas Initiative Investment Fund S.A. SICAV-RAIF
- Object of Sale: BMF Port Burgas EAD, a private, multipurpose terminal operator located in Burgas, Bulgaria.

#### Boris Balev, CEO of BMF Port Burgas, noted on the deal:

“We would like to thank MTBS M&A for managing the professional transaction process and supporting and helping the management team of BMF Port Burgas throughout the transaction and due diligence process. We look forward to working with both shareholders on the continued success of the Port.”



### BMF Port Burgas operates Port Terminal Burgas East II and Port Terminal Burgas West



*MTBS M&A acted as the exclusive transaction and financial advisor to Advance Properties on its sale of a significant interest in BMF Port Burgas to the Three Seas Initiative Investment Fund*

Sale of significant interest in BMF Port Burgas by Advance Properties to the Three Seas Initiative Investment Fund

Exclusive Transaction and Financial Advisor to the Seller, 2022



# SALE OF CONTAINER TERMINALS IN DURBAN, SOUTH AFRICA

## Successful Transaction

*Sell-side transaction advisory for the Durban Container Terminal Pier 2 and Ngqura Container Terminal*



### Deal information & MTBS M&A services

MTBS M&A was appointed by Transnet SOC Ltd. as Lead Transaction Advisor for the transactions of Durban Container Terminal Pier2 (DCT2) and Ngqura Container Terminal (NCT) in South Africa. MTBS M&A assisted Transnet in seeking international terminal operators as equity partners for its special purpose vehicles for each of the two transactions. MTBS M&A advised on the valuation of the terminals, the full business cases and the multi-staged (RFQ / RFP) sell-side transaction processes.

### Durban Container Terminal



# CASE STUDY - ACQUISITION SHARES KUMPORT, PORT OF AMBARLI

## Successful Transaction

Buy-side transaction advisory services 2015 – Winning bid



### Deal information & MTBS M&A services

#### Deal information:

- Client: COSCO
- Competitive tender

#### MTBS M&A services:

- Traffic forecast
- Tariff assessment
- Operational due diligence
- Capex plan
- Input to financial model
- Review of concession agreements



2.4 M

TEU Capacity

Confidential

Deal Size

### Kumport



# CASE STUDY - ACQUISITION TERMINALES PORTURIA CHANCAY



## Successful Transaction

Buy-side transaction advisory services in 2019 – Winning bid

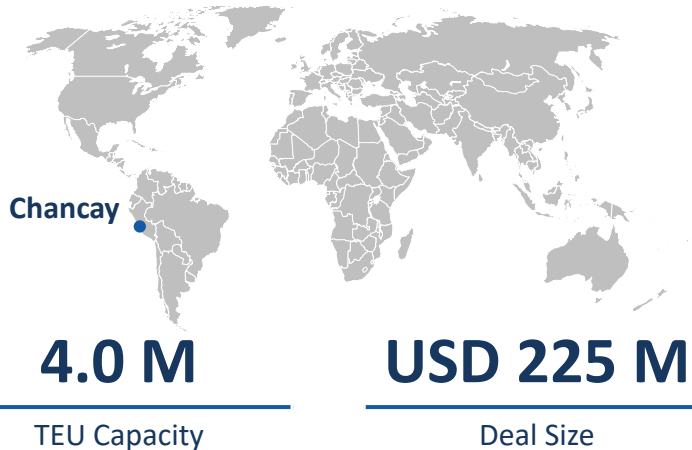
### Deal information & MTBS M&A services

#### Deal information:

- Client: COSCO Shipping Ports Ltd.
- Strategic partnering with Volcan Compañía Minera S.A.A.
- Cargo scope: Containers, dry bulk, Ro-Ro

#### MTBS M&A services:

- Traffic forecasting
- Operational due diligence
- Business plan review and strategic analysis
- Review of capex & development plan
- Input to financial model



### Port of Chancay



# CASE STUDY - 90% ACQUISITION OF TCP BRAZIL



## Successful Transaction

Buy-side transaction advisory services in 2017 – Winning bid

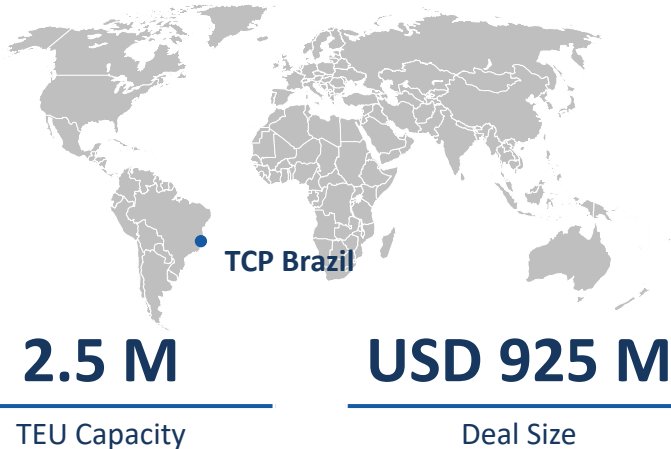
### Deal information & MTBS M&A services

#### Deal information:

- Client: China Merchants Ports Holding
- CMPH's first deal in Brazil
- Competitive tender

#### MTBS M&A services:

- Traffic forecast
- Tariff assessment
- Operational due diligence
- Capex plan
- Input to financial model
- Review of main agreements



### Terminal TCP Brazil



Commercial Advisor 

 **China Merchants Port Holdings**  
Buyer's Due Diligence

 招商局港口控股有限公司  
CHINA MERCHANTS PORT HOLDINGS COMPANY LIMITED

for the acquisition of 90% of



CMPort's first investment in Latin America

Deal size USD 925 million

2017

# CASE STUDY - 67% ACQUISITION OF PORT OF PIRAEUS



## Successful Transaction

Buy-side transaction advisory services in 2016 – Winning bid

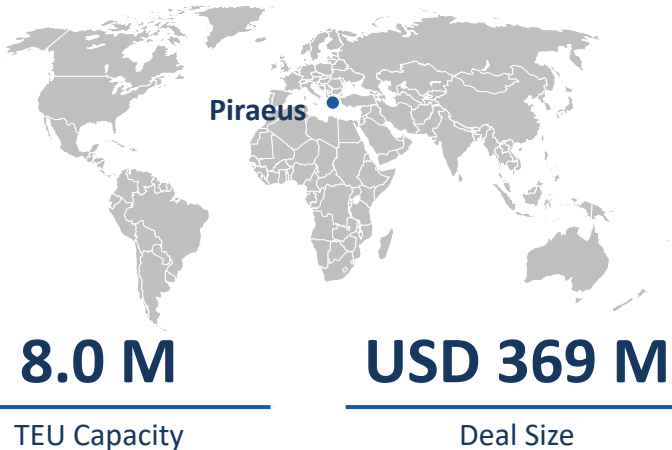
### Deal information & MTBS M&A services

#### Deal information:

- Client: COSCO Group
- Competitive tender
- Port of Piraeus: Containers, bulk, Ro-Ro, ferry & cruise, ship repair and marine services

#### MTBS M&A services:

- Traffic forecast
- Operational due diligence
- Capex & development plan
- Input to financial model
- Review of concession and shareholder agreement



### Port of Piraeus



# CASE STUDY - BID PREPARATION CONTAINER TERMINAL LIMASSOL

## Successful Transaction

Buy-side transaction advisory services in 2016 – Winning bid



### Deal information & MTBS M&A services

#### Deal information:

- Client: EUROGATE, INTERORIENT and East Med Holdings S.A.
- Competitive tender

#### MTBS M&A services:

- Traffic forecast
- Operational due diligence
- Capex plan
- Financial model
- Bid document preparation
- Concession contract review



0.5 M

TEU Capacity

Confidential

Deal Size

### Container Terminal Limassol



Transaction Advisor  

**Container Terminal  
Port of Limassol, Cyprus**

Bid preparation for



**INTERORIENT** East Med Holdings S.A.

Winning bid

Deal size confidential

2015 - 2016



# CASE STUDY – LUKA RIJEKA CONCESSION AGREEMENT AND SUBSEQUENT SALE

## Successful Transaction

Sell-side advisory in the sale of 51% equity stake in Adriatic Gate Container Terminal to ICTSI in 2011



### Deal information & MTBS M&A services

#### Deal information:

- MTBS was appointed as independent transaction advisor to the Port of Rijeka Authority (PRA) and Luka Rijeka (LR) to negotiate an extended container terminal concession agreement. The assignment included the development of a financial model, drafting the heads of agreement, assistance during negotiations and closing of the extended concession
- Subsequently MTBS advised in the sale process of 51% equity stake in AGCT to ICTSI



**0.6 M**

Port Capacity

**EUR 37.5 M**

Deal Size

### Port of Rijeka



# Thank you

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