

An aerial photograph of a lighthouse situated on a rocky cliff overlooking the ocean. A winding road curves along the edge of the cliff, leading towards the lighthouse. The sky is filled with soft, white clouds, and the water is a deep blue-grey color. The overall scene is serene and dramatic.

**EQUAM**

**Public to Private Transactions**

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2nd European Value Investing Conference



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- II. Private Equity trends
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# Equam investment method



# A Private Equity approach to identify the best opportunities in the European market

	Private Equity Experience	EQUAM investment process
Idea Generation	Board of Directors experience	Interviews with managers.
Sound businesses	Focus on stable cash flow generation	We look for stable and profitable oligopolies.
Low leverage	Experienced the dangers of leverage	We exclude leveraged companies
Owner occupied	Experienced the power of entrepreneurship	We look for committed owners-managers
Low valuation	Buying well makes a good deal great	We buy when prices are 30% below our valuation
Analysis	All research is internal	We do our own research and valuations

# We have applied our value investing method with great discipline

03 Disciplined execution

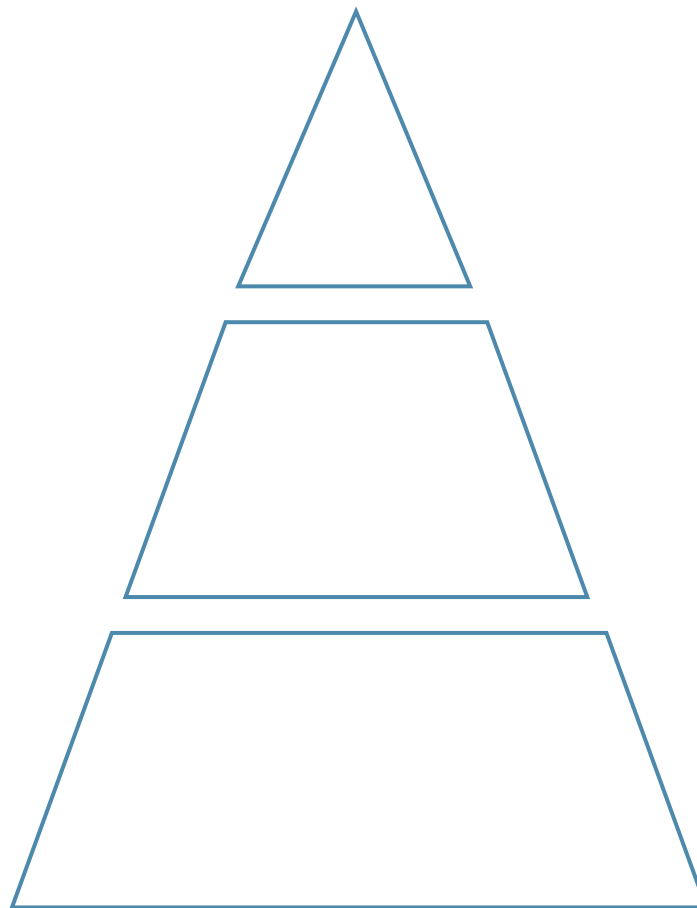
Patience  
Courage  
Discipline

02 Checklist & Due diligence

Predictable cashflows  
Low price  
Low leverage

01 Idea generation

Meet management teams



# We meet management teams across Europe

- Systematic generation of ideas.
- Contact with management teams.
- Midcap European focus – great market opportunity.



# We look for companies with a sound competitive position

Businesses with stable cash flows....

... or best in class commodity assets

Local niches



Customer stickiness



Long term relationships



Brand / patent protection



Captive maintenance services

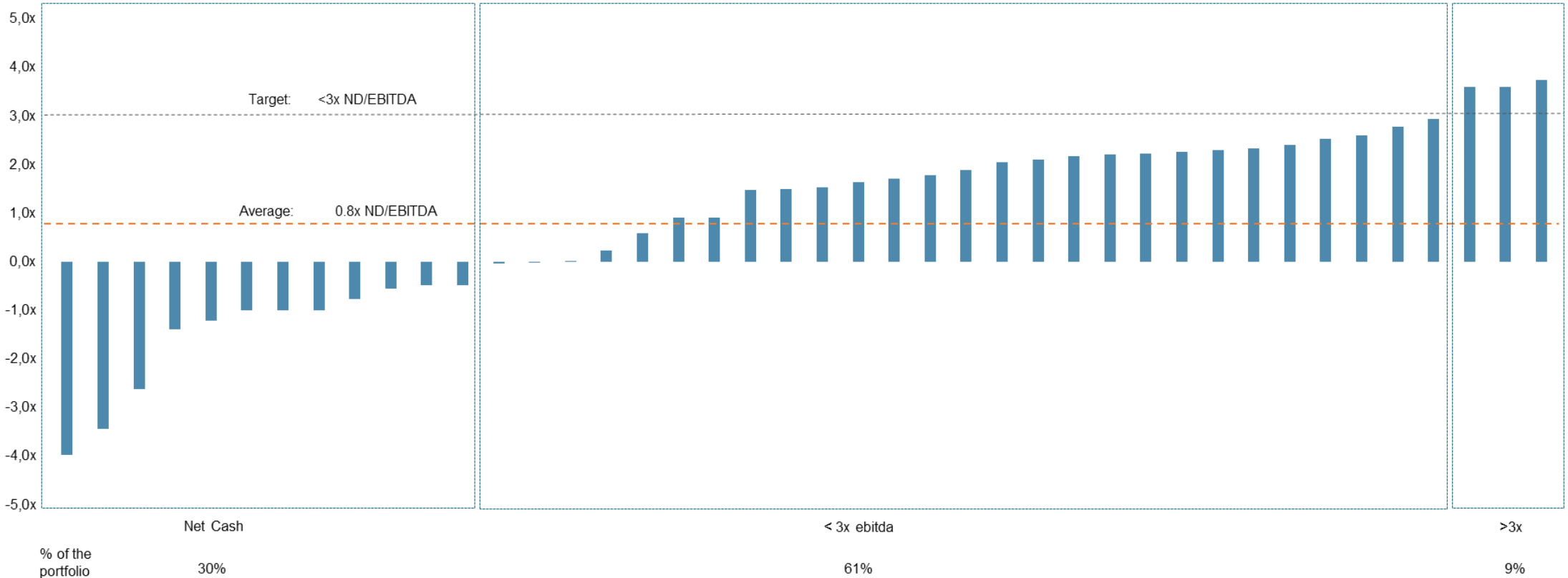


Low price / high cost of failure



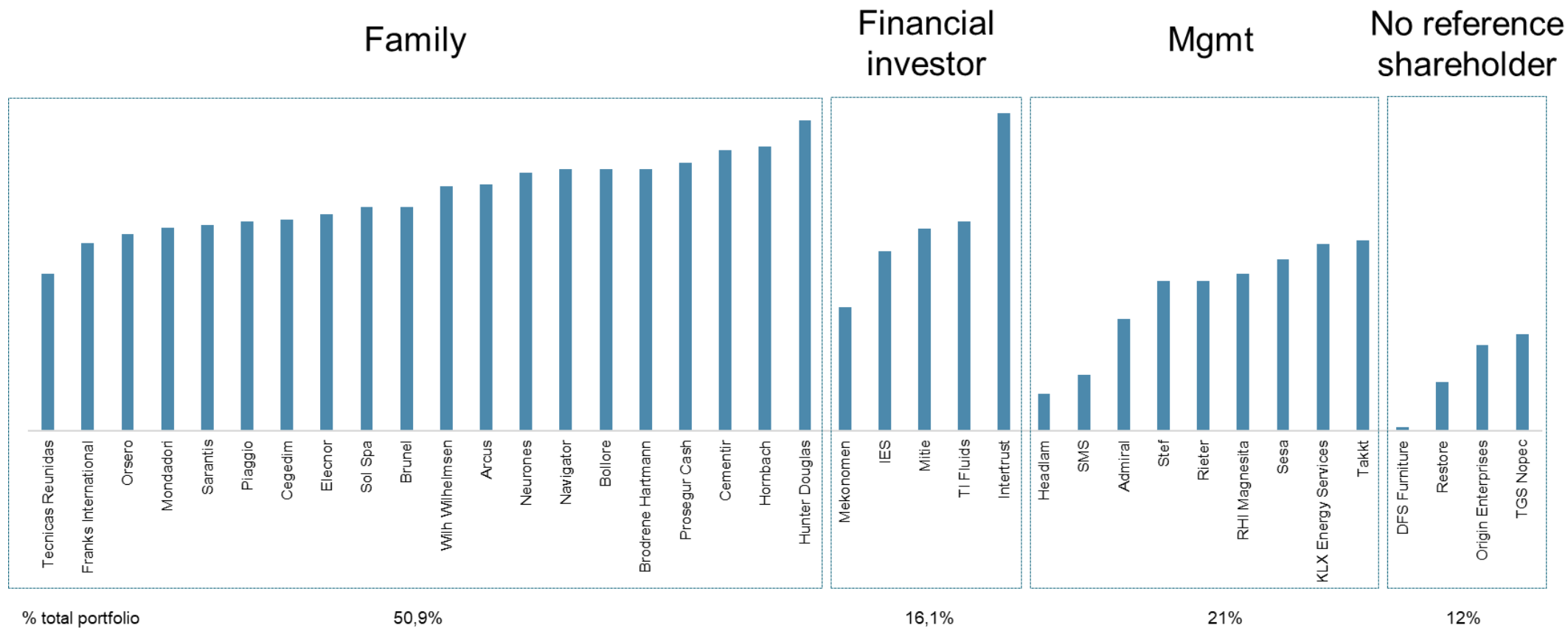
# We invest in companies with limited financial leverage

Financial leverage. Net Debt to LTM Ebitda





# We prefer owner-occupied companies



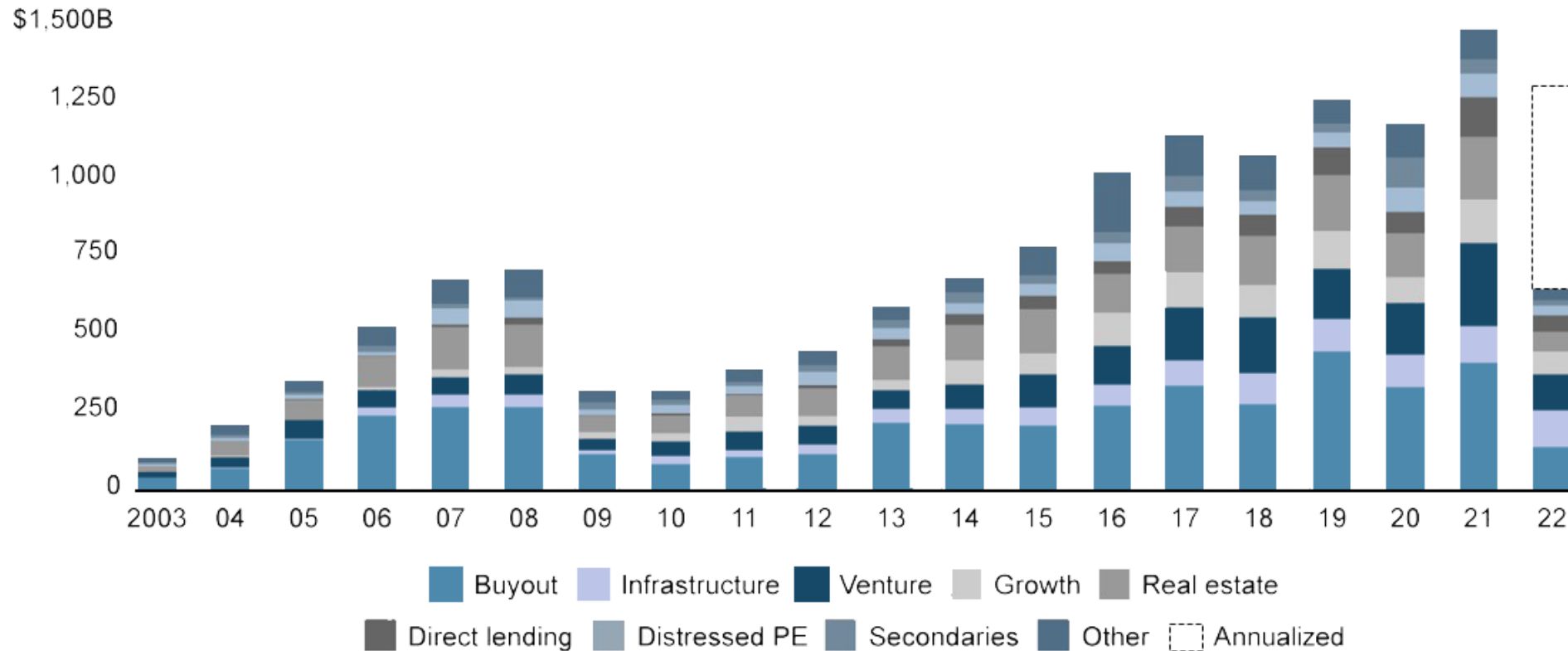


# Trends in Private Equity



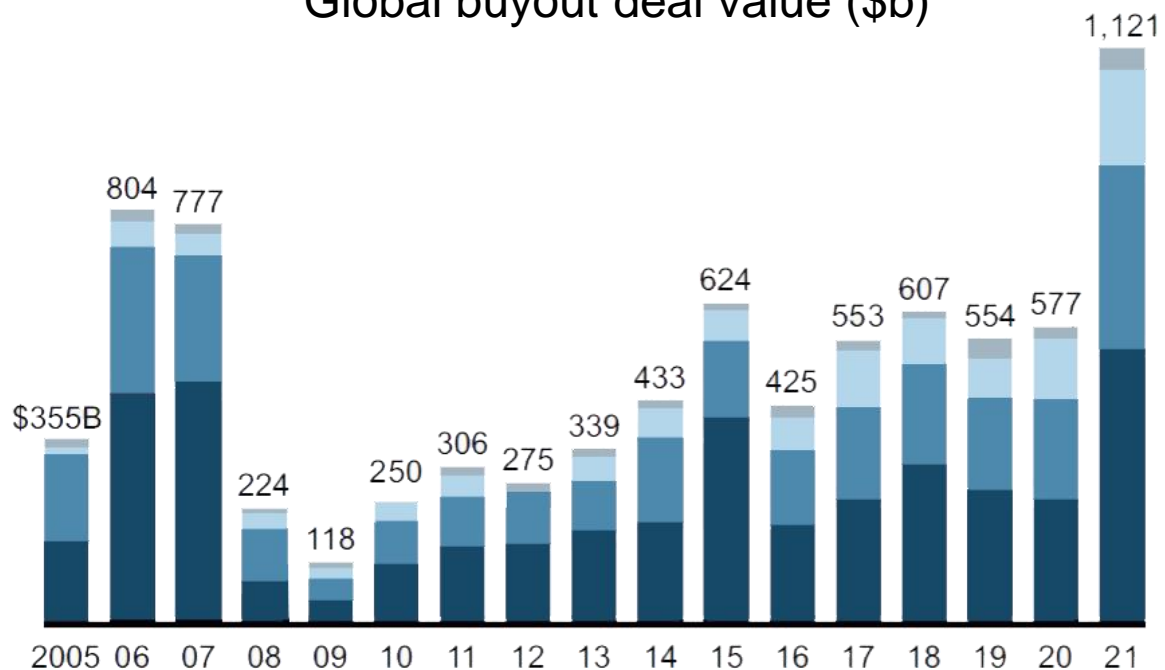
# Private Equity is raising funds at record rates

Global private capital raised, by fund type



# 2021 was a record year for buyout deal value

Global buyout deal value (\$b)



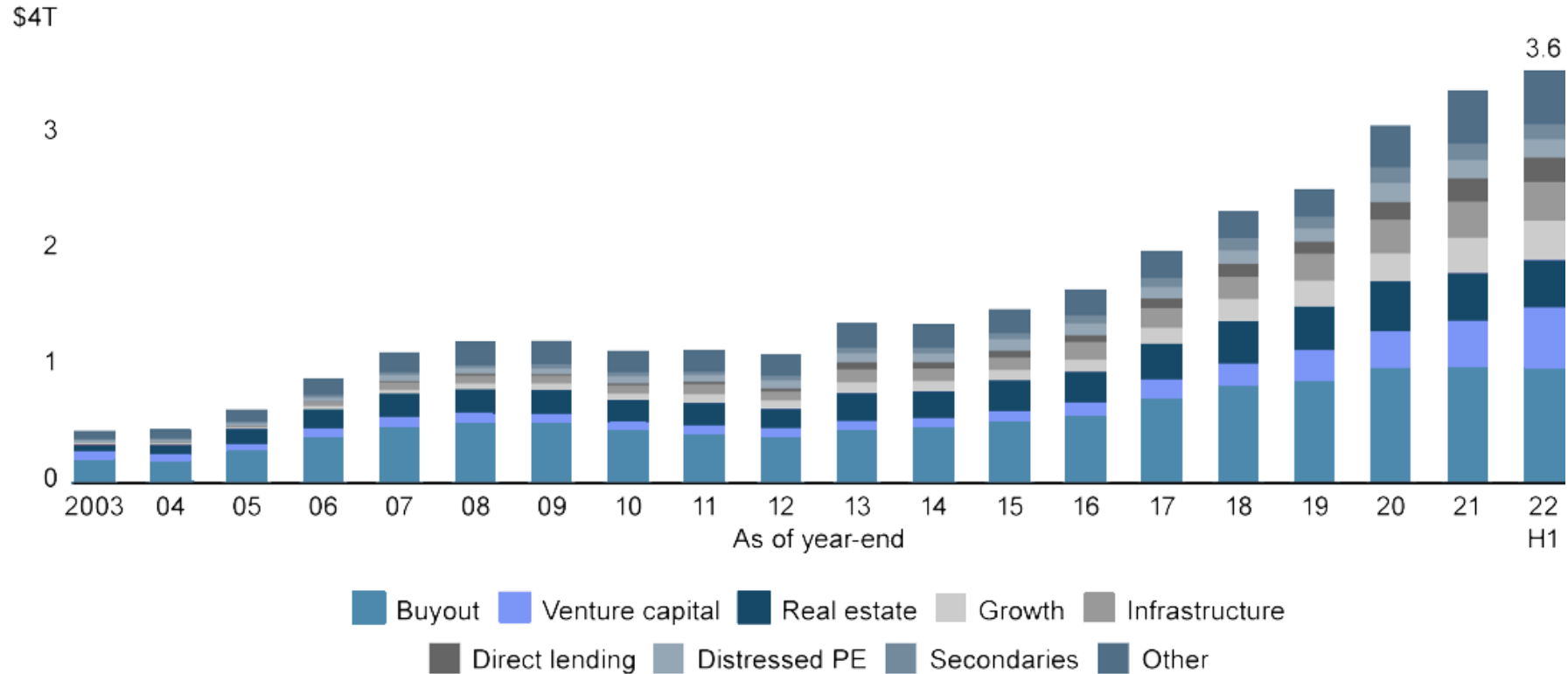
Average deal size (\$M)

2005	243	2006	436	2007	408	2008	147	2009	122	2010	202	2011	257	2012	212	2013	283	2014	335	2015	533	2016	446	2017	563	2018	657	2019	611	2020	701	2021	1,101
------	-----	------	-----	------	-----	------	-----	------	-----	------	-----	------	-----	------	-----	------	-----	------	-----	------	-----	------	-----	------	-----	------	-----	------	-----	------	-----	------	-------

	2021 vs 5y avg.	2021 vs 2020
Rest of world	99%	103%
Asia - Pacific	104%	63%
Europe	97%	79%
North America	114%	120%
<b>TOTAL</b>	<b>106%</b>	<b>94%</b>

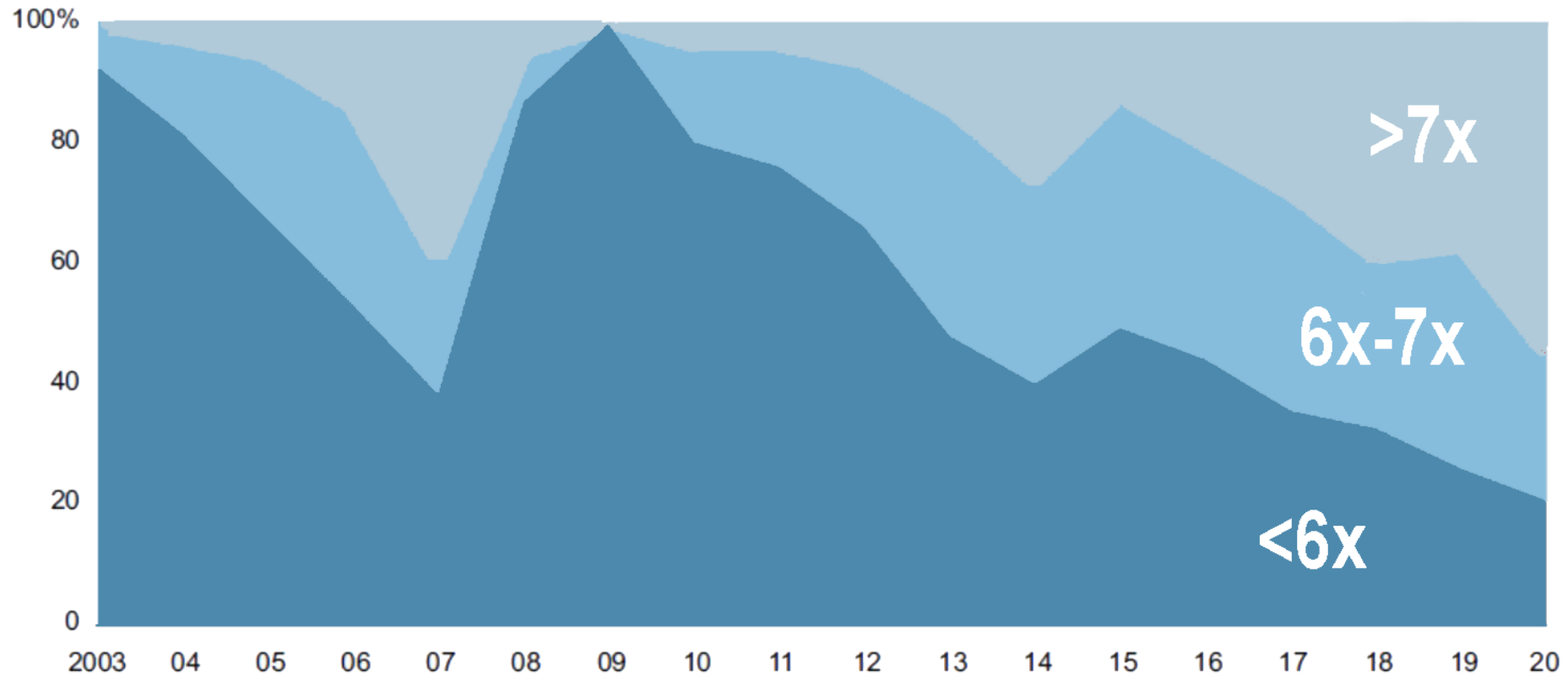
# PE funds have over 3.6 tr\$ available to invest

Global private capital dry powder, by fund type



# More than half of the deals in 2020 used more than 7x leverage

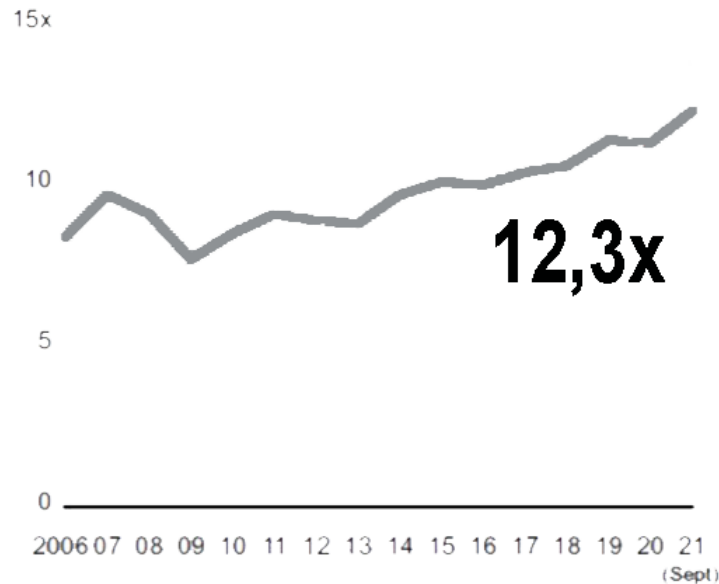
Share of US leveraged buyout market, by leverage level



# High multiples are being paid in PE transactions

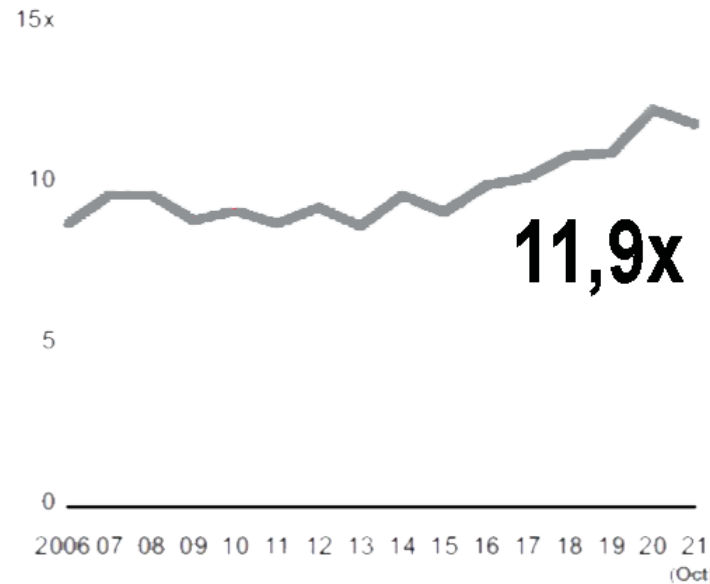
## US

Average EBITDA purchase price multiple for leveraged buyout transactions



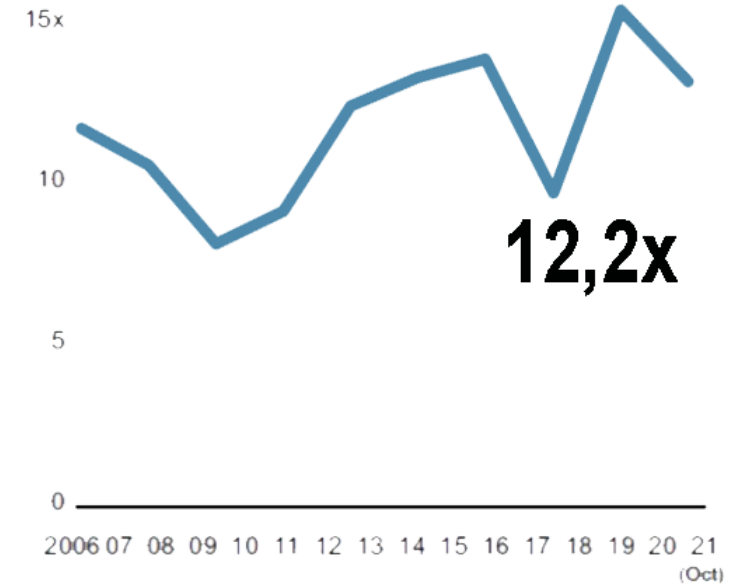
## Europe

Average EBITDA purchase price multiple for leveraged buyout transactions



## Europe

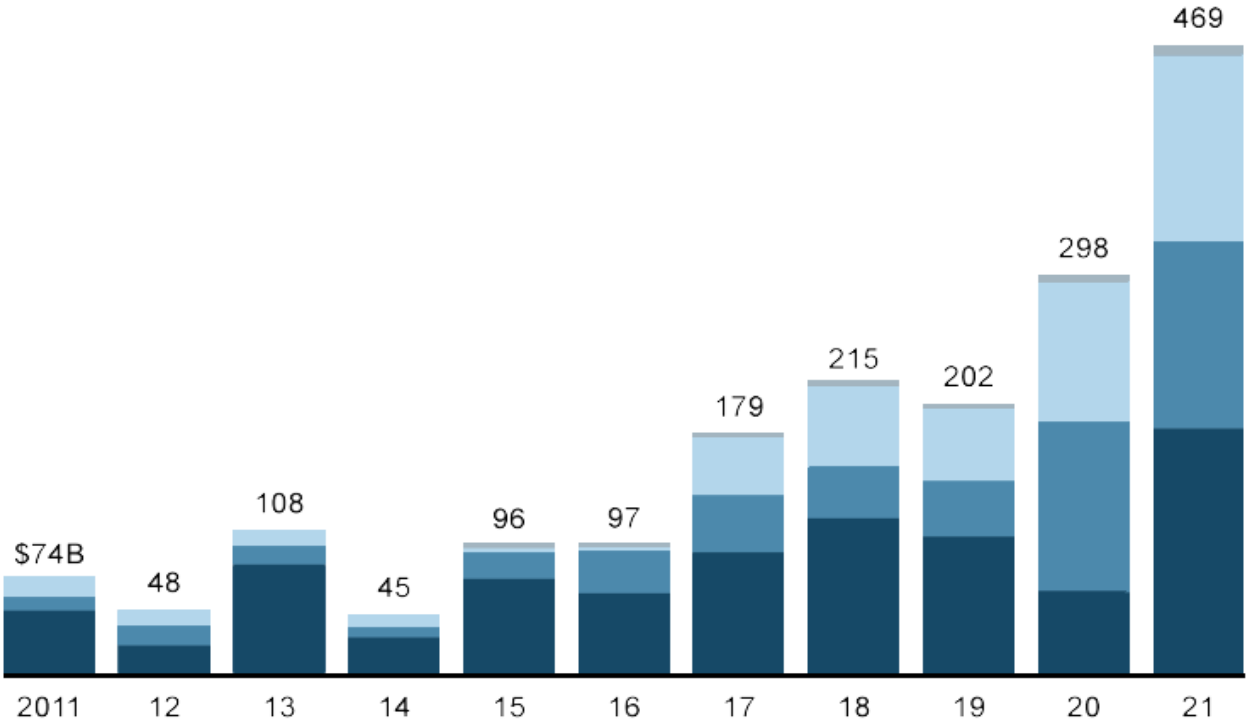
Average EBITDA purchase price multiple for public to private transactions



Source: S&P LCD

# PE funds are increasingly looking at the public Market for opportunities.

Global public to private deal value, by region (\$B)

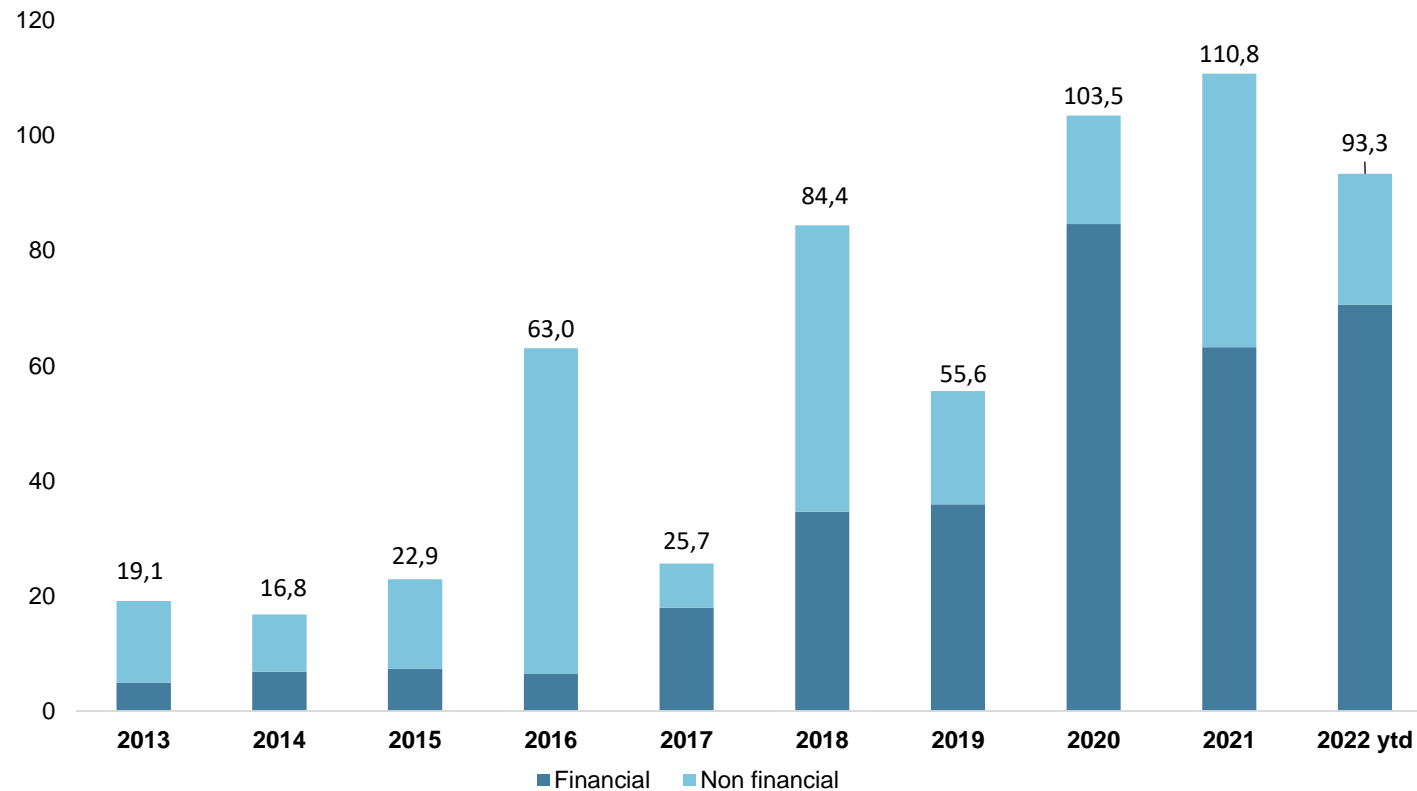


	CAGR	
	2015-18	2018-21
Rest of world	-1%	88%
Europe	119%	33%
Asia-Pacific	27%	56%
North America	18%	16%
<b>TOTAL</b>	<b>31%</b>	<b>30%</b>



# Europe has also seen a significant increase in the value of P2P deals

Total Equity Value of public to private deals in Western Europe (Bn€)

















Public to Private cases



# Our portfolio has attracted several takeovers

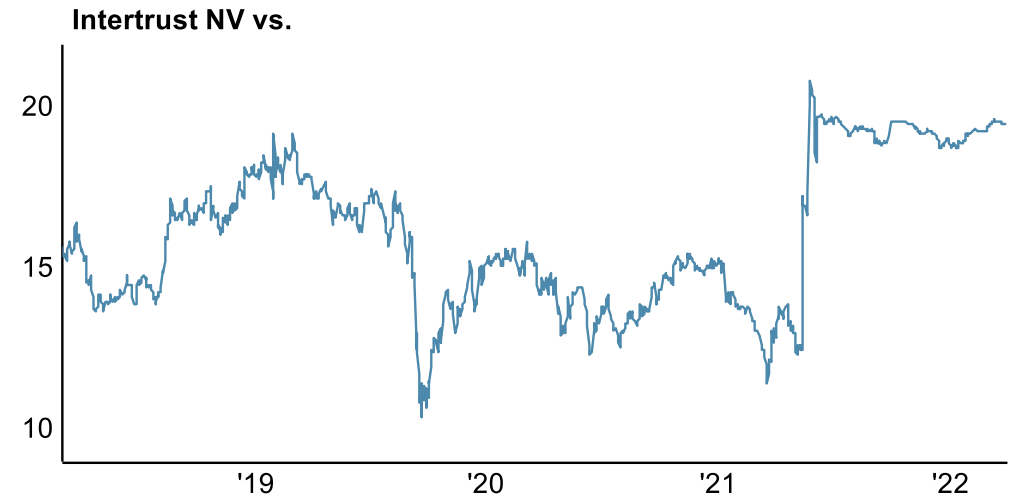
Date	Company	Country	Transaction	Offer price	Premium	Acquirer
dic.-18	 Nice	Italy	cash	3,5	42,86%	Largest shareholder
mar.-19	 STALLERGENES	France	cash	37,0	42,91%	Ares Life Sciences Fund
abr.-19	 Parques Reunidos PASSION FOR LEISURE	Spain	cash	14,0	29,63%	Corp. Fin. Alba + EQT
may.-19	 Spectrum	Norway	stock	61,0	8,61%	TGS Nopec (industrial)
jul.-19	 LATÉCOÈRE	France	cash	3,9	34,15%	Searchlight Private Equity
sep.-20	 Engelka Skolan	Sweden	cash	82,0	12,00%	Paradigm Capital
dec-20	 HunterDouglas	Holland	cash	82,0	60,7%	Largest shareholder
Mar-21	 Cerved	Italy	cash	9,5	34,9%	GIC Singapore Fund / ION
Oct-21	 otas group an owl company	Italy	cash	2,2	23,6%	Gilde (p.equity)
Nov-21	 intertrust GROUP	Holland	cash	20	60,0%	CSC (competitor)
Nov-21	 VIVO ENERGY	UK	cash	1,85	24,6%	Vitol Group (commodities)
May-22	 cellularline	Italy	cash	4,41	30,0%	Esprinet***

\*\*\*. Cellularline takeover bid NOT concluded

# Competing bids

**Announcement date: 12/11/21**

- Intertrust offers administration services for funds and corporates.
- Initial offer by CVC Capital Partners at 18€/sh to merge Intertrust with TMF Group. Premium: +43%
- Competing bid by CSC at 20€/sh. Premium +59% over initial price.

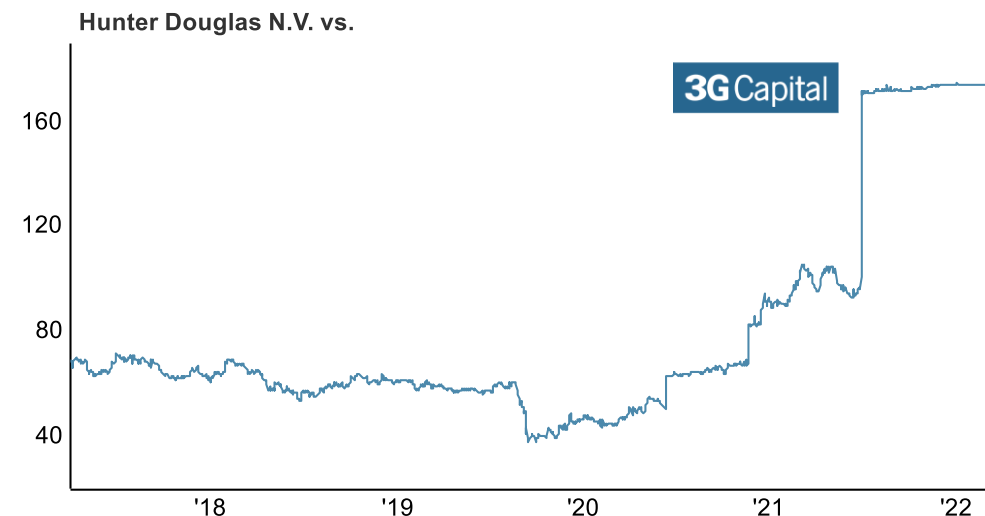


	Equity Value bn€	EV bn€	Ebitda 2021m€	EV/Ebitda x
Pre-offer 12€	1,1	2,0	199	10,1x
CVC@18€	1,6	2,5	199	12,6x
CSC@20€	1,8	2,7	199	13,5x

# Controlling shareholder squeeze out

## Announcement date: 12/12/20

- Hunter Douglas produces, and sells window covers and blinds.
- Controlling shareholder (Sonnenberg family, >80%), launched a 64€ bid to squeeze out the free float. Premium 18%.
- Minority Shareholders challenged the squeeze out in court.
- 25/5/21 Sonnenberg increased to 82€ and there was no squeeze out.
- 30/12/21 3G acquired from the family and launched bid at 175€.



	Equity Value bn\$	EV bn\$	Ebitda 2021m\$	EV/Ebitda x
Offer @ 64€	2.5	2.3	888	2,6x
Offer @ 82€	3.3	3.1	888	3,5x
3G @ 175€	6.9	6.7	888	7.6x

# Consortium of PEs

**Announcement date: 26/4/19**

- Underperformance over a couple of years due to weather & investments.
- EQT agreed bid with existing shareholders (ALB & GBL) and offered 14€ per share, a +29% premium.
- Elliot joined (12%) once the bid was launched
- No competitive bid was possible.



Parques Reunidos Servicios Centrales SA vs.



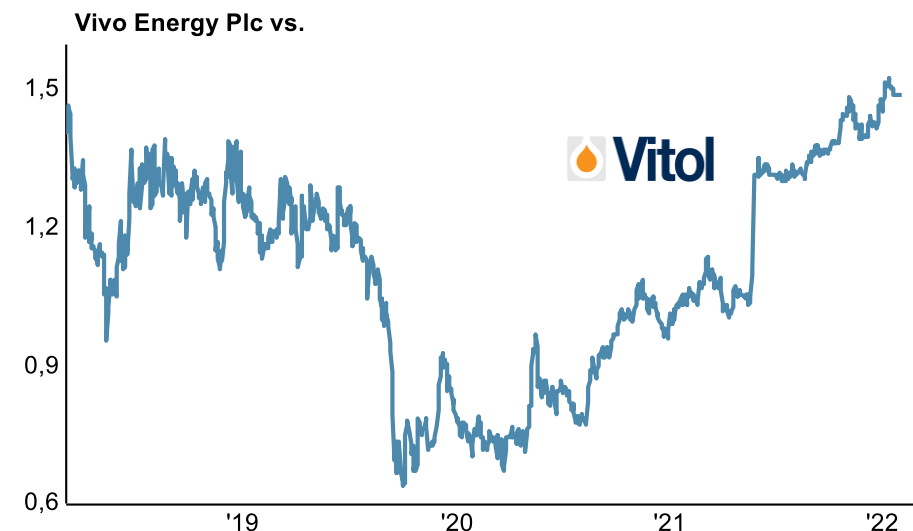
	Equity Value bn€	EV bn€	LTM Ebitda 9/2019 m€	EV/Ebitda x
Pre - offer	0.87	1.74	196	8,9x
Offer	1.11	1.98	196	10,1x

# Scheme of arrangement



**Announcement date: 25/11/21**

- Vivo Energy distributes petrol and petrochemicals in Africa.
- Vivo's main shareholder Vitol (36%) launched bid. Helios (27%) committed to sell.
- Price offered 1.85\$ (£1.48) ps, +25% over closing price.
- Scheme of Arrangement: 75% approval rate for delisting.



Result of polls	% Quorum	Yes	No
Court poll	50.9%	98.3%	1.7%
General meeting	86.7%	99.2%	0.8%

	Equity Value bn\$	EV bn\$	Ebitda 2021m\$	EV/Ebitda x
Pre - offer	1.76	1.96	474	4.1x
Offer	2.34	2.55	474	5.3x

Thank you.

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