

Akseki & Co.
Investment Bankers

Services

Overview

Experience

Consolidating Wall Street investment banking, strategic consulting and entrepreneurial disciplines

Akseki & Co Clients



Team Clients



Services

Advice on Mergers and Acquisitions

Financial Analyses And Fairness Opinions

Strategic Review

Sector Verticals

Financial Services
Consumer banking, specialty finance, asset management

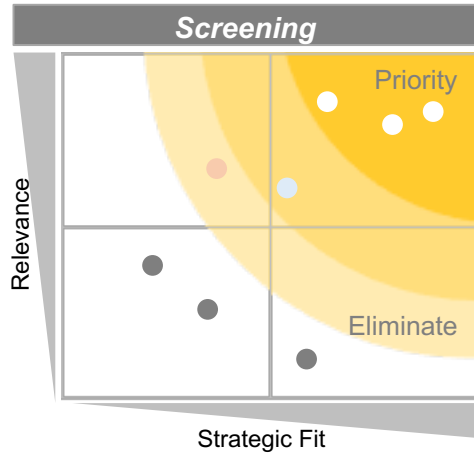
Technology
Enterprise Software, communication platforms, fintech

Energy
CCGT, biomass, wind and hydro power generation

Business Services
BPO, procurement services, B2B/professional media, airport/cruise port management

Consumer Products
Food, D2C retail and luxury, consumer media (ad-based and subscription)

M&A Services



PRIVATE AND CONFIDENTIAL M&A Strategy

is monitoring M&A opportunities in the following areas with active tracks/involvement in certain M&A targets:

SCOPE	PRODUCT BOLT-ON	DISTRIBUTION	MA GOWNS
TARGETS	<ul style="list-style-type: none"> Messaging protection companies Messaging enhancement companies CRM companies 	<ul style="list-style-type: none"> Service providers for other carriers Complementary services with wide based penetration 	<ul style="list-style-type: none"> Competitors in call enhancements
RATIONALE	<ul style="list-style-type: none"> Revenue expansion through new offerings to existing and new clients Margin expansion through operating leverage 	<ul style="list-style-type: none"> Revenue expansion through increased appeal to new clients Margin expansion through operating leverage 	<ul style="list-style-type: none"> Increased cross-sell opportunities Cost Synergy Margin expansion Expansion Increased in related cost
PRIORITY			

PRIVATE AND CONFIDENTIAL M&A Targets (Cont'd)

The following companies offer products to complement those of

COMPANY	PRODUCT	CONSIDERATIONS	EST. ENT. VALUE (\$M)
Call Protection	Call Protection	Subject to revenue detection and fraud mitigation for mobile voice players	\$40.5bn
Message protection	Message protection	Nation's largest provider of mobile and fixed network infrastructure solutions. \$20.5bn in est. revenues	\$200m
Message protection	Message protection	Intelligent message classification and analysis. Clients average annual revenue delivery increases estimated carrier revenue size of 3.15x annually. Part of headliners	N.A.
Message Enhancement	Message Enhancement	Established in NYC. Co-additive sponsor of niche Group events. ~\$20m in estimated revenues	\$100m
CRM Solutions	CRM Solutions	UK based and listed on the London Stock exchange. 2020 revenues and EBITDA of £25m and 6.5m, respectively	£20.5bn
Messaging Solutions	Messaging Solutions	Based in Berlin. Revenue \$11.5m in 2019 from a consortium led by Goldman Sachs. Total of 2020 rev. raised. \$20.5m in est. revenues	\$200.300m

(1) Based on a market price of GBP12.5 as of 31 May 2020 and £22m net debt. Source: Public news, Statista

(2) Active merger or acquisition discussions.

COMPANY	PRODUCT	CONSIDERATIONS	EST. VALUATION (\$M)
Global call ID	Call Protection	Global call ID. Call block app with 100M+ downloads. SGC portfolio company (CSC Engage portfolio). 200k clients with a majority in India	N.A.
Global call ID	Call and Messaging Protection	Global call ID. Call block app with 100M+ downloads. SGC portfolio company (CSC Engage portfolio). 200k clients with a majority in India	\$100-600m
South-based company offering caller identification apps	Call Protection and Enhancement	South-based company offering caller identification apps. Revenue: \$10m. Funding of \$10M in 2019	\$50-75m
South-based company offering caller identification apps	Call Protection and Enhancement	South-based company offering caller identification apps. Revenue: \$10m. Funding of \$10M in 2019	\$150-200
Robo-caller blocker app	Call Protection	Robo-caller blocker app	N.A.
Robo-caller and spam blocker app	Call Protection	Robo-caller and spam blocker app	N.A.

Targets are likely to improve competitive position.

Assessment

- Fit with strategic criteria
- Financial returns and earnings accretion/dilution
- Business and transaction risks
- Timing and other considerations

PRIVATE AND CONFIDENTIAL Merger Rationale

We believe that the businesses of Comp A and Comp B are highly complementary and a merger of the two companies would potentially create an exceedingly visible financial services player in Europe with a merited and earnings-accretive merger story.

Diversification of assets within the consumer finance space to add flexibility in channeling funds towards market

Illustrative Merger Analysis (10% Premium Scenario)

Company A and Company B shareholders are to vote on a merger proposal where one new Company A share will be issued to exchange with 1.86 Company B shares.

Illustrative Merger Terms	Company A Market Valuation	Company B Market Valuation	Pro-Forma Institutional Ownership (Post 1%)
Offer for Company A			
Price in GBP as of 1/10/2018	36.50	Price in GBP as of 30/03/2018	74.50
Market Premium	10%	Market Premium	0%
Offer price per share	40.15	Market Price	74.50
# of Shares (Post-Merger)	22,000	# of Shares (Post-Merger)	22,000
Implied Equity Value (\$Bn)	8.84	Implied Equity Value (\$Bn)	8.84
Implied P/E (2017)	15.5x	Implied P/E (2017)	15.5x
Implied P/E (2018)	12.7x	Implied P/E (2018)	12.7x
Implied P/E (2019)	10.8x	Implied P/E (2019)	10.8x
Implied P/E (2020)	8.9x	Implied P/E (2020)	8.9x
Implied P/BV (2018)	2.6x	Implied P/BV (2018)	2.6x
Implied P/BV (2019)	2.7x	Implied P/BV (2019)	2.7x
Implied P/BV (2020)	1.9x	Implied P/BV (2020)	1.7x
Implied P/BV (2021)	1.7x	Implied P/BV (2021)	1.5x
# of Shares Issued to Company B (10%)	22,000	# of Shares Issued to Company B (10%)	22,000
20% Share Ownership per A&S Share	1.10	20% Share Ownership per A&S Share	1.10
Est. Total Shares After Merger (10%)	18,600	Est. Total Shares After Merger (10%)	18,600

(1) Assuming tapered synergies at 1%

(2) Based on broker estimates of adjusted EBITDA

(3) Based on broker estimates of adjusted net income

Structuring

- Pro-forma ownership
- Financing considerations
- Signalling and market considerations
- Tax considerations
- Regulatory considerations

PRIVATE AND CONFIDENTIAL Transaction Overview

Statutory merger of Comp A and Comp B under Comp A would allow Comp A's management to consolidate Comp B into its banking balance sheet and retain de-facto control of the merged entity.

Transaction Structure	Envisaged Steps
<ul style="list-style-type: none"> All shares merger of Comp A and Comp B under Comp A. Structured as a statutory merger of two companies. Merger Proposals to be discussed and offered to vote in general meetings of both companies. Comp A to issue new shares to Comp B shareholders in exchange for the operating assets they contribute into Comp A. Alternative A: Comp B assets may merge into Entity A to consolidate banking balance sheets and keep Host Finance as a holding company. Alternative B: Comp B assets can be consolidated under Host. Structure subject to Prudential Regulation Authority (PRA) and Financial Conduct Authority (FCA) approval. 	<ol style="list-style-type: none"> 1. Distribution <ul style="list-style-type: none"> Consult with Treasury Capital to facilitate discussions between the two companies. Preliminary discussions with Comp B management to identify and quantify synergy areas. Establishment of exploration teams and assignment of Rteeflow as merger advisors. 2. Development of Merger Proposals <ul style="list-style-type: none"> Development of merger plan to be later discussed and voted in general meetings of the respective companies. Development of clear integration plans to achieve targeted synergies. Determination of share-exchange ratios giving effect to the Transaction. Discussions with the top-5 overlapping investors seeking their support. 3. Execution <ul style="list-style-type: none"> Assignment of local broker and announcement of the Transaction. Communication of legal prospectuses and other proxy documentation. Approval from PRA and FCA. Closing of the Transaction and Nordax as an entity access to assets. Trading commences as 'new' Company A.

Process Management (Sell-side Example)



Stage 1: Preparation

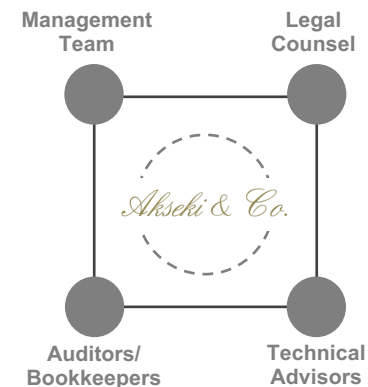
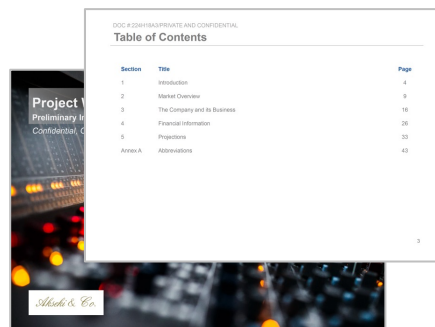
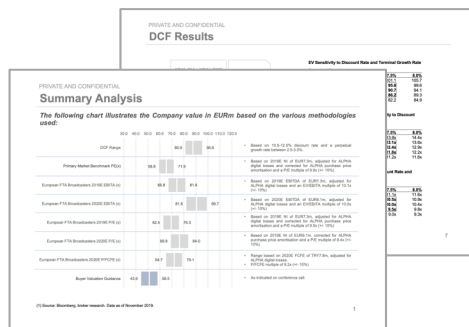
- 1 Kick-off & organisation
- 2 Commercial and financial due diligence by Akseki & Co.
- 3 Business analysis
- 4 Financial analysis
- 5 Investor Audience Analysis
- 6 Presentation to the Company re valuation and Sale structure
- 7 Approval by the Company of potential investors list

Stage 2: Marketing

- 8 Preparation of marketing documents
- 9 Preliminary contact with potential investors
- 10 Discussion of investor feedback with the Company
- 11 Approval of investor list
- 12 Selection of legal counsel and other transaction service providers
- 13 Preparation of the information memorandum
- 14 Distribution of information memorandum
- 15 Q&A With Investors
- 16 Non-binding bids collected
- 17 Discussion of results with the Company

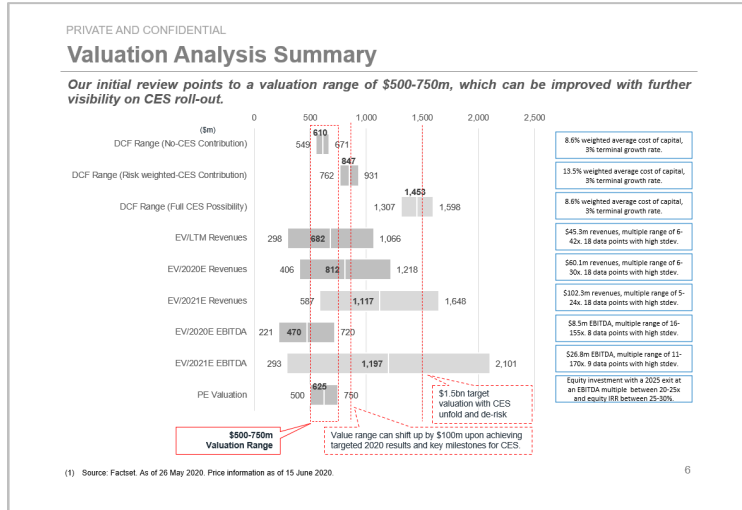
Stage 3: Execution

- 18 Preparation of a management presentation
- 19 Signing of term sheet with selected investor
- 20 Management presentation and sharing of sensitive information
- 21 Circulation of draft Share Purchase Agreement (SPA)
- 22 Contract negotiations
- 23 Signing of the SPA and other ancillary agreements
- 24 Fulfilment of conditions for closing
- 25 Closing



Strategic Review

Decision Dashboards



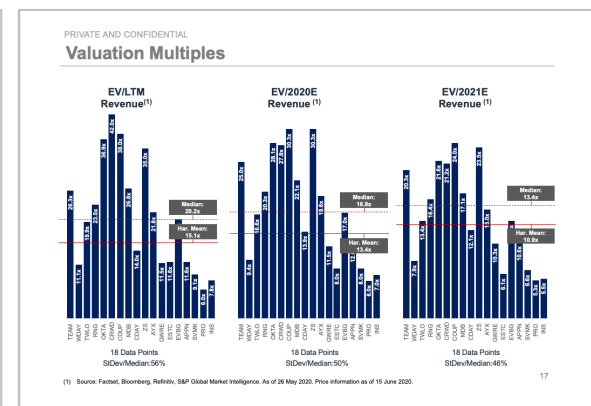
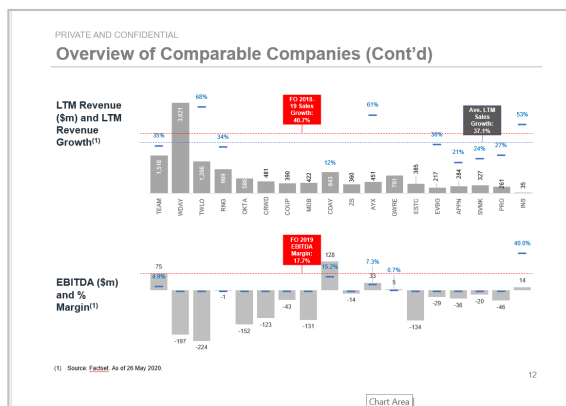
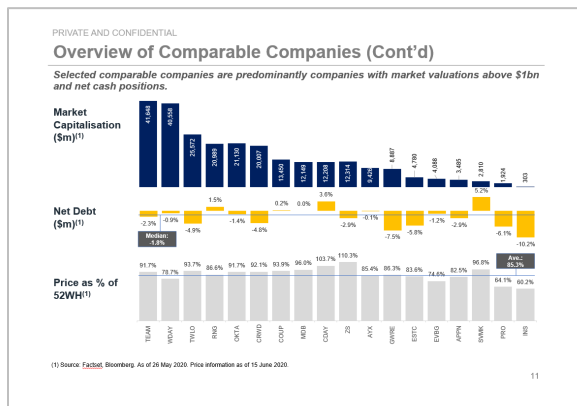
Criteria

- Commercial scenarios that maximise stakeholder value
- Contingencies underlying scenarios
- Risk profiles of tested scenarios
- KPI targets in light of benchmarking analyses
- Selection of KPI to pivot around

Strategic Impact

- Revision of commercial direction
- Spend decisions towards value maximisation
- Capital structure optimisation
- Alignment of commercial decisions with corporate strategy

Benchmarking Analyses



Sector Depth

We strive to be original thinkers and make an extra effort to stay ahead of sector developments. We produce intelligence and analyses related to certain sectors.

European Debt Management

Commentary: Managing the Cycle
September 2016

European Debt Management

Investor Analytics
May 2019

- Valuation Sheet
- Share Price Performance
- Debt Purchase Analytics
- Insiderhoods
- Revenue Composition

Valuation Sheet

Country	Results Date	EV/ EBITDA	EV/ EBITDA	EV/ EBITDA	EV/ EBITDA	EV/ EBITDA	EV/ EBITDA	EV/ EBITDA	EV/ EBITDA	EV/ EBITDA	
Amcor Global	UK FY 2018	3.0	48.4	10.0	18.9%	8.26	11.40	6.00	11.10	4.90	1.90
Axcelor	Norway FY 2018	19.5	309.5	97.1	31.0%	29.0%	0.00	0.00	5.10	0.90	7.10
Echovision	Norway FY 2018	12.1	585.5	1,528.9	26.0%	15.4%	7.80	6.30	4.90	4.00	1.20
Banca FTB	Italy FY 2018	14.3	788.8	n/a	n/a	n/a	5.20	4.60	4.20	3.50	0.50
Cellulose	Italy FY 2016	12.2	390.0	938.5	19.9%	19.9%	10.00	25.10	12.20	10.40	2.20
ECO	USA FY 2018	29.0	799.5	3,698.1	6.0%	10.8%	8.50	5.10	5.30	n/a	1.10
Hovet Finance	Sweden FY 2018	40.9	340.3	1,448.7	6.0%	10.4%	5.50	5.50	4.90	0.80	5.40
Intnum	Sweden Q1 2019	242.6	2,969.3	6,996.1	9.8%	6.3%	12.30	9.30	7.60	7.70	1.20
Kiwi	Poland FY 2018	19.8	371.8	1,231.4	1.9%	0.4%	9.60	10.10	9.80	5.80	5.50
PIA Group	USA FY 2018	28.8	1,188.2	3,232.1	20.9%	22.7%	16.10	15.20	9.90	n/a	1.20
Median							9.00	6.30	5.50	5.20	5.30
Average							11.40	8.70	6.70	6.10	1.50
Harmonic Mean							9.20	7.30	6.10	5.40	1.10

Source: Company Reports, Factset.
 (1) Prices as of May 2019. Operating and Financial Results Summary is shown in the respective reporting dates. Both values, EV and Investment periods holding values as of Period Ends.
 (2) EV/ EBITDA based on EBITDA (excluding interest) (EV) as reported for Group on historical and calculated by adding EBIT expenses to equity book (operational EBIT change) (EV) and P&L (expenses) (see available for 2011).
 (3) EV/ EBITDA based on EBITDA (including interest) (EV) as reported for Group on historical and calculated by adding EBIT expenses to equity book (operational EBIT change) (EV) and P&L (expenses) (see available for 2011).
 (4) EV/ EBITDA based on EBITDA (including interest) (EV) as reported for Group on historical and calculated by adding EBIT expenses to equity book (operational EBIT change) (EV) and P&L (expenses) (see available for 2011).
 (5) Banca FTB and Kiwi EV/ EBITDA figures estimated assuming EV/ EBITDA unchanged from 1H 2018.

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Banca FTB	14.3	26.0%
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Bulge Bracket Product Quality
and Rigour

Sector Depth

Flexible Time Allocation

Cost Efficient

Project Oriented

Akseki & Co.