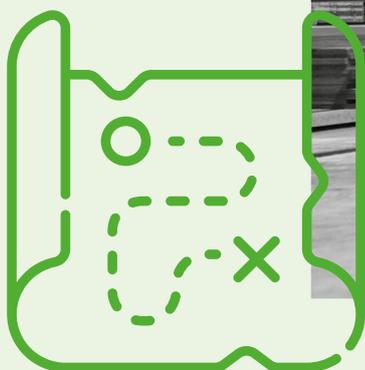


Logistics due diligence and synergy



*Are you planning a
merger or acquisition?*

Groenewout can perform logistics due diligence and help you to identify supply chain synergies.



GROENEWOUT



Have you considered performing a logistics assessment when you acquire a company or when you intend to transform the acquired company?

Groenewout has a strong track record in engaging with private equity funds and investors. We are often requested to:

- Perform logistics due diligence in support of a planned merger or acquisition
- Identify and implement supply chain synergies
- Develop a supply chain growth strategy

Our consultants have extensive expertise and experience in translating today's logistics demands into short and long-term solutions. They can also provide you with insights into the current state of the logistics operation and the impact of your growth ambition on the logistics set-up.

A logistics assessment by Groenewout can support a transaction decision by:

- Providing you with an overview of logistics risks, concerns, opportunities and key findings (before acquisition)
- Conducting a technical screening of the logistics facilities
- Identifying the short and long-term benefits to increase efficiency and facilitate growth (after acquisition)
- Calculating the high-level return on investment of potential investments
- Estimating the necessary investments, future capacities, FTEs and square footage
- Determining future stock coverage and the associated capital investments
- Issuing a conclusion and recommendations for use in the process of securing resources in order to finance the proposed acquisition (such as bank loans)

We outline our approach for each type of logistics assessment.

Logistics due diligence

Every organization is constantly striving for the most efficient, responsive and reliable logistics processes. Groenewout provides state-of-the-art logistics analysis to perform a logistics assessment to support the due diligence process.

 1 - 2 weeks

1 *'As-is' mapping*



- Map 'as-is' warehouse activities & processes (high level)
- Gather available data & information needed for logistics assessment
- Quantify current operations (inbound, outbound and storage), footprint and FTE
- Visit logistic operation and review current layout
- Determine current maximum capacities (orders and storage), productivities and bottlenecks
- Determine current inefficiencies

 1 - 2 weeks

2 *Determine impact strategic decisions*



- Based on growth targets (markets /assortment/etc.) a future logistic set up will be determined
- Based on the 'as-is' situation the potential gaps and opportunities will be determined given this growth strategy
- Determine preconditions to facilitate growth strategy
- Determine future stock coverage
- Review current plans on (logistic) capacity increase in combination with current layout
- Determine impact on current systems (f.e. WMS) and needed MHE

 1 - 2 weeks

3 *Complete logistic assessment*



- List all key findings, risks, concerns and opportunities
- Give benchmark figures in terms of complexity, quality of operation, FTE and costs
- Give a high level overview of needed Capex to accommodate growth (footprint, capacities, FTE, mechanization, etc.), when applicable based on different scenario's
- Determine high level implementation strategy, priorities (short term and long term) and impact

 1 - 2 weeks

4 *Final presentation*



- Align deliverables with financial due diligence
- Set up final presentation with all analysis and findings
- Estimation of investments, future capacities, FTE's and needed m²
- Overview of risks, concerns, opportunities and key findings with short term and long term benefits (to increase efficiency and to facilitate growth)
- Calculate high level return on investment (ROI) of potential investments
- Set up potential implementation schedule

Strategic initiative roadmap

Every organization is constantly striving for the most efficient, responsive and reliable logistics processes. Groenewout provides state-of-the-art logistics analysis to perform a logistics assessment to support the strategic objectives.

 1 - 2 weeks

1 Data validation



- Map 'as-is' warehouse activities & processes (high level)
- Gather available data & information needed for logistics assessment
- Quantify current operations (inbound, outbound and storage), footprint and FTE
- Visit logistic operation and review current layout
- Determine current maximum capacities (orders and storage), productivities and bottlenecks

 1 - 2 weeks

2 Design principles



- Based on growth targets (markets / assortment / etc.) a future logistic set up will be determined
- Based on the 'as-is' situation the potential gaps and opportunities will be determined given this growth strategy
- Determine bottlenecks and improvements (requirements)
- Determine future stock coverage
- Review current plans on (logistic) capacity increase in combination with current layout
- Determine impact on current systems (f.e. WMS) and needed MHE

 1 - 2 weeks

3 Determine opportunities



- List all key findings, risks and concerns
- Give benchmark figures in terms of complexity, quality of operation, FTE and costs (supply profile matrix)
- Set up an overview of TO BE processes
- Give a high level overview of needed Capex to accommodate growth (footprint, capacities, FTE, mechanization, etc.), when applicable based on different scenario's
- Determine high level implementation strategy, priorities (short term and long term) and impact

 1 - 2 weeks

4 Business case and implementation



- Set up final presentation with all analysis and findings
- Estimation of investments, future capacities, FTE's and needed m²
- Overview of risks, concerns, opportunities and key findings with short term and long term benefits
- Calculate high level return on investment (ROI) of potential investments
- Set up potential implementation schedule

Quotes by some of our European private equity clients



Blokker

Blokker enlisted Groenewout's help to make the logistics changes to its DC.

"We were looking for a partner who could help us make decisions about the design, systems and technologies needed for the omnichannel DC. We chose Groenewout because of the necessary expertise and of its background in both logistics and construction".



blokker.



KRAMP

Kramp

To facilitate future's growth, Kramp enlisted Groenewout's help in drawing up a ten-year plan for expanding its supply chain capacity.

"At Groenewout they are specialists in this area, they know what the material handling market has to offer and they can help us to think about various expansion scenarios."

PK OEM Parts

Groenewout helped PK OEM Parts to improve the service level and reduced the inventory value by 15 percent.

"We've known Groenewout for many years and have always been very happy with our relationship with the consultancy firm. Groenewout's people understand the challenges associated with inventory management and take a problem-solving approach."



PK OEM PARTS
The Quality Provider

Are you looking to maximize supply chain synergies during a merger or acquisition?

Please contact Alain Beerens or Mo Lasgaa with any questions or to discuss our approach - and our accomplishments together with some of the leading private equity firms in Europe - in more detail.



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