

**Are you
ready
for a
quantum
leap?**



Monroy Petersen

Firm Overview

December, 2022

Step **1**



Gain perspective.



Since 1984, Monroy Petersen has been helping senior executives across multiple industries stand back and gain perspective. We have offices in the United States and Mexico, and a seasoned team ready to provide strategic planning, transaction advisory, and systems integration services.

Get in touch and let's take that first step.

Firm Overview

Monroy Petersen, a boutique advisory firm, was founded in 1984 by the first Latin American Partner of McKinsey & Co.

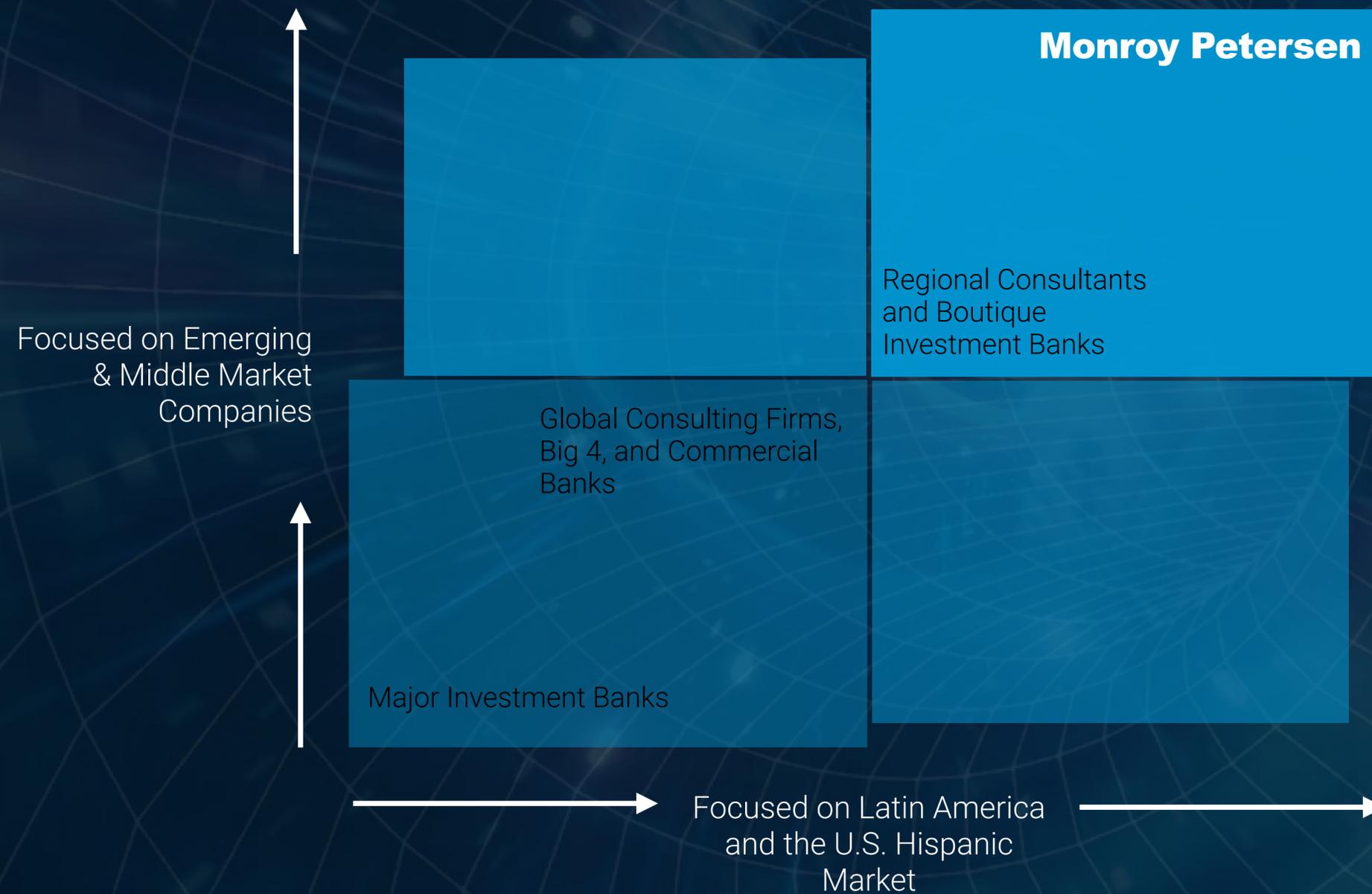
We have offices in San Francisco and Mexico City, and over the years, we have worked in numerous engagements covering a wide range of industries.

Our services are best suited for middle-market companies in acceleration and transition periods, and established firms that are looking to diversify operations or regain momentum by repositioning their core businesses.

We add value to your company by helping you make better decisions on strategy, operations, mergers and acquisitions, technology and organization.



Positioning

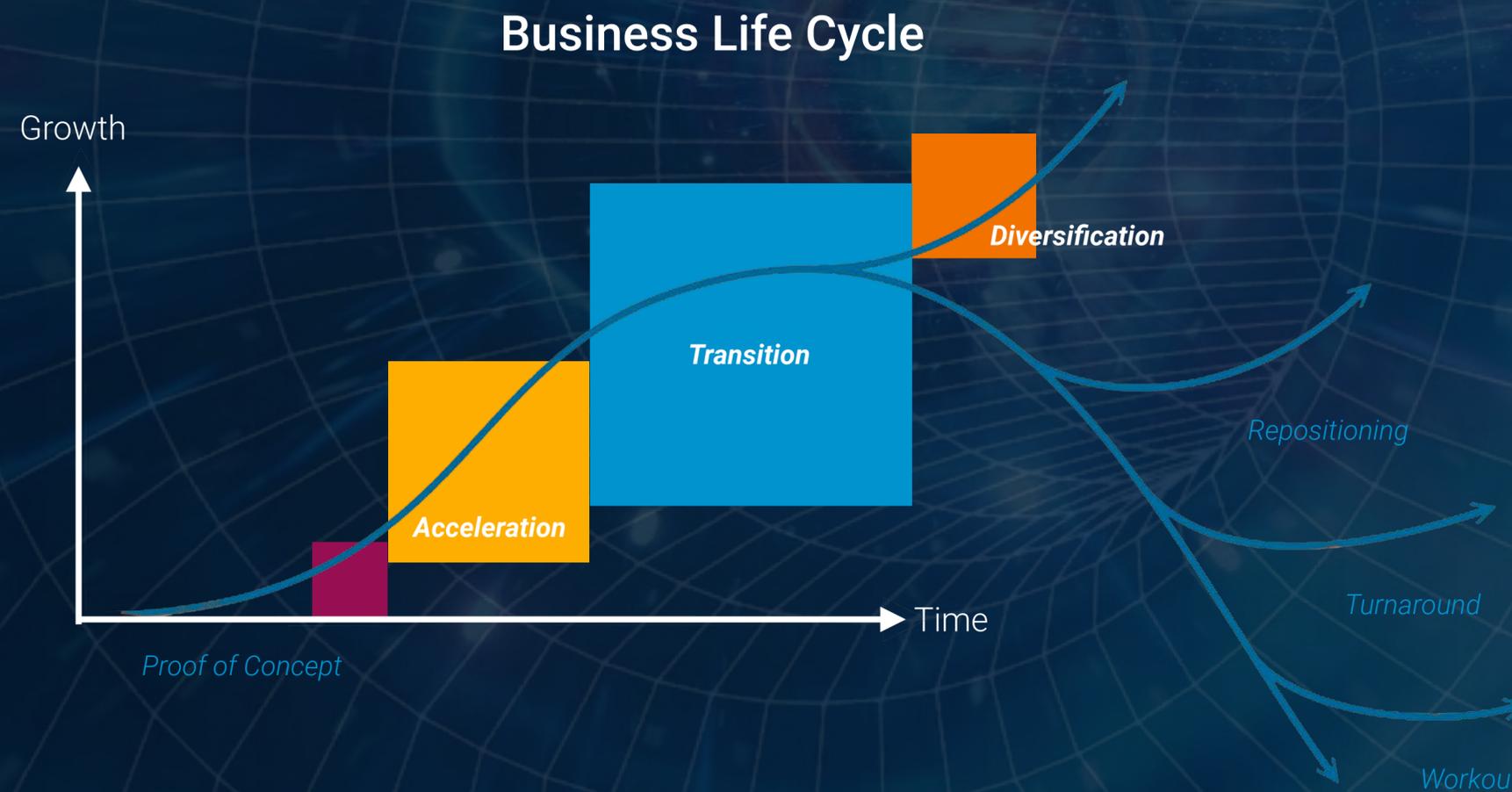


Scope of Services



Our Focus

Our services are best suited for emerging companies in an acceleration stage and established firms that are looking to diversify operations or regain momentum by repositioning their core businesses.



Key Strengths

- **Financial Advisor, Not a Broker**

Our Firm's reputation is one of a highly trusted strategic and financial advisor. We uphold that reputation by examining our clients' realistic alternatives, and working closely with them to choose the best course. We will only advise our clients to pursue transactions when it suits their best interests.

- **Objectivity and Independence**

Our professional reputation rests on our objectivity and independence. Our clients entrust us with the role of corporate advisor because they have confidence in our professionalism and business judgment. We generate ideas that respond to your needs because we do not sell "off the shelf" financial products or underwrite securities.

- **Confidentiality**

We establish relationships for the long-term. As a respected, independent, professional services firm, we are uniquely positioned to make discreet inquiries to capital sources without revealing a client's identity, limiting its options, or impairing the value of the transaction.

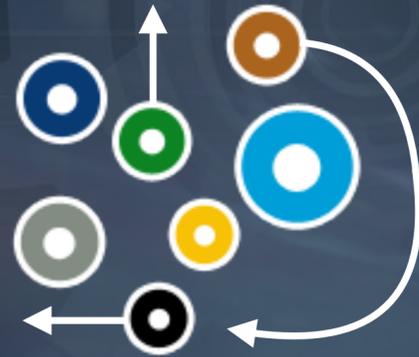
- **Investment Banking Alternative**

Often times our firm is a better option to retaining the advisory services of an investment bank. We identify viable alternatives and empower our clients to execute capital markets transactions while realizing significant savings in up-front expenses and transaction fees and commissions. We only recommend hiring a major financial institution when their underwriting and institutional distribution capabilities are a requirement for a transaction to succeed.

Empower your decision makers.

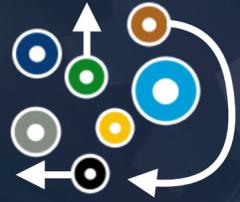
Monroy Petersen gives you strategic insights to meet the challenges and seize the opportunities of an always evolving marketplace. Our hands-on team will work with your executives and senior managers to craft a plan and set a winning course for your organization. We look forward to becoming a part of your decision-making team.

Strategic Planning



Success in an unpredictable world demands leaders with the ability to create clear visions for their organizations as well as appropriate courses, with contingencies, for them to get there. While various business improvement techniques (such as Total Quality Management and Re-engineering) are often extremely beneficial to the ongoing progress of a business, correct strategic focus remains the single most important element in a company's success.

Monroy Petersen can provide the tools and leadership required to obtain superior strategic results. Our dedicated team of consultants acts as a sounding board to validate vision statements, assists decision makers in determining the most appropriate direction for the enterprise and helps them to effectively focus their resources in support of that course.



Strategic Framework





Transaction Advisory

Monroy Petersen acts as your advisor as you expand or consolidate your operations through strategic alliances, joint ventures, acquisitions, divestitures, and sales. We look forward to maximizing the value of your transaction by identifying synergies, engaging strategic counterparts, and assisting through the due diligence, negotiations and closing processes.



win-win

The world is increasingly interconnected. We believe that developing lasting business relationships usually brings greater benefits than maximizing short-term and one-time gains. To the greatest extent possible, we advise our clients to adopt a “win-win” philosophy.



Buy-Side Engagements

Acquisitions play a key role in a company's growth by broadening its lines of business and allowing it to access and expand into new markets. We assist clients in maximizing value through all phases of a transaction, including the following:

- Developing merger/acquisition criteria
- Matching acquisition criteria with specific target entities
- Contacting targets
- Establishing a value range for identified targets
- Conducting in-depth financial analysis to assess the economic impact of the transaction
- Structuring a transaction
- Conducting due diligence
- Negotiating and closing a transaction



Sell-Side Engagements

Planning and executing a sale or divestiture of a company or division is a complex process. It requires both a financial and strategic knowledge of the industry and of how buyers evaluate acquisition opportunities. A sales transaction must be an intense, focused, competitive process managed by professionals.

Monroy Petersen's corporate finance professionals have the experience to advise on all steps in the process, including the following:

- Evaluating alternatives for liquidity and diversification
- Identifying and developing the strategic growth story
- Preparing a confidential information memorandum
- Assessing fair and strategic market values
- Identifying and contacting prospective purchasers
- Structuring a transaction
- Managing the due diligence process
- Negotiating and closing a transaction



Fund Raising

The financing of major transactions has become increasingly complex. There are numerous options for sourcing growth capital, refinancing existing debt, recapitalizing a company's balance sheet, and realizing value, but not all of these options are right for every client.

We are able to provide creative and objective advice to meet the specific financial needs of our clients. In order to develop a strategy and choose the right option to ultimately realize shareholder value, we assist clients with the following:

- Evaluating capital market alternatives
- Determining the availability of capital, costs, and underwriting criteria
- Conceptualizing and analyzing alternative capital structures for a transaction
- Preparing financial analyses to evaluate the economic impact of a transaction
- Identifying ways to enhance both short- and long-term value
- Developing and implementing a plan to access capital
- Creating an ownership succession plan



Fund Raising (cont.)

Upon identifying the optimal mechanism, Monroy Petersen can assist clients in obtaining new capital from a wide array of private and institutional investors. The key is packaging and marketing your strengths while managing the risks to your business.

In accessing the private market, we assist clients with the following:

- Analyzing pricing, underwriting criteria, and structural issues
- Preparing a confidential information memorandum and/or offering documents
- Identifying and contacting prospective investors
- Delivering a compelling story
- Supervising due diligence
- Negotiating and closing a transaction



Valuation Services

We utilize five approaches which are generally considered to be most meaningful for purposes of establishing value expectations. Each of these approaches is incorporated into the valuation analysis which will determine a reasonable range for the negotiations phase.

- Multiples Approach
- DCF Analysis
- Adjusted Present Value
- Synergistic Valuation
- Cost Approach

Adjusted Present Value (APV) - The DCF approach estimates the fair value of a business based upon the value of the cash flows that can be reasonably expected. This valuation technique also identifies the "value drivers" which support the business' future cash flows, and represents the "Floor Price" at which a financial acquirer, without the benefit of strategic advantages, should be willing to offer. Additionally, we will perform a leveraged transaction analysis to determine if the Company's targeted selling price can support sufficient debt and continue to produce returns required by financial acquirors (MBO value).

Multiples Approach - We identify comparable publicly-traded companies and recent comparable industry transactions (including IPOs, M&A deals, and VC and private equity investments) and use these to estimate the value of the Company. The market multiple approach may not be representative of achievable values due to the dynamics of the public markets and the fact that many industry comparables are private companies or subsidiaries of larger companies.

Discounted Cash Flow (DCF) Analysis - The DCF approach is typically most appropriate for valuing companies for purposes of private transactions. The DCF valuation utilizes operating projections that have been toned down for conservatism, and thus we interpret the resulting value conclusion as a potential "floor." In order to value the company for purposes of a sale, we would revisit management's projections to ascertain the most likely future cash flows that the Company will generate.

Synergistic Valuation - Using the "Floor Price" as a starting point, we will then compare the Company's operations with those of likely acquirors in an effort to identify and quantify potential cost savings, strategic benefits and other value enhancements. This step is vitally important since the Strategic Acquiror must be convinced that synergistic benefits will occur to justify paying an amount higher than the "Floor Price". As a result, having a proactive advisor who has assisted in identifying these synergistic benefits, and who can aggressively communicate these benefits to the Strategic Acquirors, is critical.

Cost Approach - If the circumstances call for, we are also prepared to do a valuation based on a cost approach, which estimates the market value of all assets and liabilities held by the company. Liabilities are netted against assets to arrive at an indication of equity value. Replacement or reproduction cost is estimated and is reduced to reflect losses in value resulting from physical deterioration, and functional and economic obsolescence.



Due Diligence

Before buying or selling a business, Monroy Petersen can help you analyze and validate critical information to assure that the proposed transaction is executed at a fair price and under appropriate terms. We devote particular attention to identifying and quantifying financial, operational, and legal risks involved in the proposed transaction that may affect your decision to move forward in the process.

Why should I do a due diligence?

Buying a Business - As a buyer, you will assume certain business and financial risks that may not be completely eliminated by a purchase agreement. However, you can understand these risks, and take the necessary steps to mitigate them, by obtaining detailed knowledge of the target company before closing the transaction. Performing a comprehensive due diligence will help you not only to control these risks, but also to confirm that the price you offered for the business is in line with your understanding and expectations.

Selling a Business - As a seller, you may not be aware of the full value of your business, or you may have difficulty convincing a buyer of the synergies and future opportunities created by the proposed transaction. Performing a detailed due diligence may help you to enhance the value of your business and can improve your leverage during the negotiation process.



Due Diligence (cont.)

Because each acquisition is different and you may have specific concerns about the transaction, we tailor our due diligence services according to your needs. We are independent of the transaction; therefore, we can provide you with an objective perspective of the current and potential opportunities and risks. Our general examination and review includes the following areas:

Documents

- Corporate documents
- Financial statements
- Engineering reports
- Market studies
- Key intangibles
- Key tangibles
- Contracts

From Management Team

- Governance information
- Cap table
- Strategic positioning
- Financial planning
- Growth opportunities
- Litigation matters
- Internal/employee issues

From Outside Sources

- Market research
- Optimal leverage / WACC
- Lien search
- Creditor check
- Patent & trademark search
- Certificates of good standing
- Titles / Real property appraisals

We can conduct a full due diligence process or focus on a specific area such as finance and accounting, operations, markets and competition, and contingencies and liabilities.



Consulting & SI

Globalization trends, followed by nationalistic pullbacks, rapid changes in technology, volatile capital markets, and most recently, a global pandemic, are all factors that lead to periods of uncertainty, vulnerability and opportunities in the business world.

In an objective, independent, and non-disruptive manner, Monroy Petersen looks forward to helping your company meet the challenges and seize the opportunities of an always evolving marketplace. Our hands-on team will work together with your executives and senior managers to design and implement the business workflows your company needs to succeed.

Our consulting and system integration services target the following functional areas of an organization:

- Operations
- Technology
- Marketing
- Organization

We provide consulting services to companies of all sizes—from emerging, closelyheld businesses to public, multinational corporations.



Consulting & SI (cont.)

Operations - The forces at work in today's world present businesses with extraordinary opportunities to transform their operations. By leveraging the influence of globalization and technological innovation, your organization has the potential to gain unprecedented performance from each link in the value chain. Monroy Petersen, in coordination with industry leaders, can assist in the following areas:

- Customer Relationship Management (CRM)
- Enterprise Resource Planning (ERP)
- Supply Chain Management (SCM)
- Total Quality Management (TQM) and Reengineering
- Outsourcing

Technology - State of the art information technologies and robust enterprise software applications are playing a major role in business transformation processes and allowing quantum leaps in productivity. The companies that adopt the new technologies are often able to define the new competitive standards and are poised to capture market share from late adopters. Monroy Petersen, in coordination with industry leaders, can assist in the following areas:

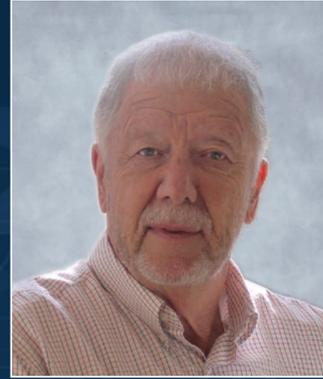
- IT System Infrastructure (hardware and software)
- Enterprise-wide applications (Front-Office, Back-Office and Supply Chain)
- Point Solutions

Market Research / Strategy - Knowing your product strengths and the characteristics of your targeted markets are key for your company's success. Monroy Petersen, in coordination with industry leaders, can assist with the following tasks:

- Industry research (primary and secondary)
- Competitive analysis
- Product feasibility studies
- Marketing strategy

Organization - Providing a clear vision for a company is only the beginning of the process; management teams must also ensure that the organization is well prepared to bring that vision to fruition and that it is able to learn and adapt according to the ever-changing environment. Selecting an organizational structure and developing change-management systems are thus two of the most important processes a firm can undertake. Monroy Petersen, in coordination with industry leaders, can assist in:

- Developing a knowledge management system
- Identifying critical organizational factors
- Redesigning the organization according to internal and external factors
- Implementing performance measurements



Manuel Monroy Petersen

Managing Director, Mexico City

Manuel is the founder of Monroy Petersen. He is a former managing director and shareholder of McKinsey & Company. Over a period of 45 years he has served as a consultant to the public and private sectors.

Manuel has worked for Mexico's Secretaría de Hacienda y Crédito Público (Ministry of Finance and Public Credit), Instituto Mexicano de Comercio Exterior (Mexican Institute of Foreign Trade), Banco Mexicano Somex, and Banpesca. He has also served private businesses in the United States, Europe and Latin America in the areas of financial and strategic planning, organization, operations efficiency, and mergers and acquisitions. His clients throughout the years consist of some of Latin America's largest corporations including Cemex, Grupo Desc, Fresh Del Monte Produce and Merck. He also has been President of Transportacion Marítima Mexicana, Latin America's largest shipping company, and of Fertilizantes Fosfatados Mexicanos, a major chemical company with operations in Latin America, Europe, Africa, India, and the United States.

Manuel founded Monroy Petersen in 1984 and lives in Mexico City, Mexico. He holds Bachelor of Science degrees in Chemistry and Chemical Engineering from Universidad Iberoamericana and a Master's degree in Industrial Engineering from the University of Michigan.



Manuel Monroy Noriega

Managing Director, San Francisco

Manuel brings 20 years of hands-on, Silicon Valley experience, to Monroy Petersen clients. He is an entrepreneur at heart, with a broad understanding of emerging technologies, capable of identifying and assessing trends, assembling and coordinating multi-functional teams, structuring transactions, negotiating investment terms, and bringing new products and services to market.

Manuel joins us from Intel Capital, where he recently worked as an Investment Manager, identifying and evaluating opportunities for Intel's Diversity Fund and for its Software and Services Group. While at Intel, he was also responsible for developing and bringing to market consumer apps in the enhanced photography space, leveraging Intel's RealSense™ technology. Manuel has also served as an advisor to businesses in the United States and Mexico in the areas of strategic planning and mergers and acquisitions. He was part of Andersen's Global Corporate Finance practice in San Francisco, where he managed buy-side and sell-side transactions of high-growth venture-backed companies and worked in deals with Cisco, Microsoft, IBM and Amazon. While at Andersen, he was responsible for identifying emerging growth sectors and for generating the group's proprietary research used throughout the US and European technology corporate finance teams. At Andersen he obtained his General Securities Representative license from the NASD (Series 7 & 63).

Manuel started his career with the Latin America M&A group of New York based Bankers Trust, now part of Deutsche Bank, and also worked for California Commerce Bank, a subsidiary of Citigroup. He holds a Master's degree in Finance and Business Strategy from the Anderson School of Management at UCLA, and a Bachelor of Science degree in Industrial and Systems Engineering from the University of Southern California. He is also an IBA Accredited Business Appraiser. Manuel lives in the Bay Area and heads Monroy Petersen's office in San Francisco.

Godspeed ahead.



- **MÉXICO**
Avenida San Jerónimo 136
Tizapán, San Angel
Ciudad de México, 01090
T (5255) 5616.1532

- **U.S.A.**
1212 Broadway Plaza
Suite 2100
Walnut Creek, CA 94596
T (415) 306.0850

www.monroypetersen.com
info@monroypetersen.com

Monroy Petersen