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DESCRIPTION OF THE COMPANY

“””””””LA INFORMACION CONTENIDA EN ESTE DOCUMENTO PROPIEDAD DE IDM ESPAÑOLA, S.A. ES ESTRICTAMENTE CONFIDENCIAL, QUEDANDO PROHIBIDA SU REPRODUCCION O UTILIZACION INDEBIDA SIN SU CONSENTIMIENTO POR ESCRITO, RESERVANDOSE LAS ACCIONES LEGALES A QUE HUBIERA LUGAR EN FUNCION DE LOS PERJUICIOS OCASIONADOS A IDM ESPAÑOLA, S.A. O A SUS CLIENTES ”””””””THE INFORMATION CONTAINED IN THIS DOCUMENT IS PROPERTY OF IDM ESPAÑOLA, S.A. AND IS STRICTLY CONFIDENTIAL. NO PART OF IT MAY BE REPRODUCED OR UNDULY USED WITHOUT ITS WRITTEN PERMISSION. ACCORDINGLY ANY DAMAGES INFLICTED TO IDM ESPAÑOLA, S.A. OR ITS CLIENTS WILL BE ADEQUATELY PROSECUTED”””””””

STRATEGIC CONSULTING

Strategic advice to Spanish or foreign companies interested in the international development of their activities into or from Spain

COMMERCIAL DUE-DILIGENCE AND MANAGEMENT SUPPORT FOR ACQUISITIONS, NEW INVESTMENTS OR DIVESTITURES

Advice based on the strategic auditing of new ventures/target companies, in order to assess/ improve their full economic value, and support geared to the achievement of the objectives sought by the new investment, acquisition or divestment process, in particular for private equity groups

BOARD MEMBERSHIP/ASSISTANCE AND INTERIM MANAGEMENT

Collaboration on a complementary or temporary basis with management as a strengthening resource for current operations or the development and monitoring of new projects/decisions

LBO/TURNAROUND/NEW VENTURES

Development of the consulting activity focusing in projects including the introduction of new management/products/services/technologies into Spanish companies

STRATEGIC CONSULTING

* Analysis of potential for international development of a Spanish **metal alloys** company with sales of €40 million
* Feasibility analysis of a €15 million diversification investment project for a Spanish **mining** company
* Analysis for **ICEX** of the potential for international development of the Spanish **dimension stone** industry (marble, granite, slate), including detailed evaluation of penetration mechanisms for Germany and the USA
* Strategic survey of the snacks subsidiary for a Spanish **food industry** holding with sales of €550 million
* Strategic analysis of the Spanish **telemarketing** industry for the launching of a joint operation with a British group with revenues over €14 million
* Awareness and perception survey for **ICEX** of the Spanish **machine-tool** industry in the American market, including effectiveness evaluation of the different promotional activities already developed
* Strategic analysis and redesign of the distribution structures for a leading Spanish **paper** manufacturer, in collaboration with an international Merchant Bank
* Quick assessment of the European market for **clinical thermometers** in collaboration with an American consulting group
* Collaboration in the development of a strategic business-plan for the Spanish operations of a leading Swiss **Bank**
* Analysis of the Spanish market and development of restructuring recommendations for the Spanish subsidiary of a leading British **logistic services** group, in collaboration with a British consulting company
* Assistance to the management of the Iberian **lubricant** activities of a leading international oil group, in reviewing and developing new strategies
* Strategic analysis of the market and development of recommendations for the Spanish **cava** production and **alcoholic drinks** import/distribution activities, with joint sales of €16 million, of a French leading luxury products holding
* Analysis for a leading French building materials manufacturing holding of the potential in the main Western markets for a new type of **water-pipe**, in collaboration with a French consulting company
* Strategic evaluation of commercial targets and of restructuring/expansion recommendations for the Spanish subsidiary, with sales over €105 million, of a leading French **building materials** group
* Quick assessment from a sample of Spanish distributors on some **insulation materials,** for a leading French building materials manufacturing holding, in collaboration with a French consulting company
* Design of the assessment methodology for the subsequent evaluation of the **economic and social values of the Magna Plan**, **IGME's** (1972 - 2002) 1:50,000 scale geological mapping program of Spain

ACQUISITION AND DIVESTITURES MANAGEMENT

Some of IDM Española´s investment clients include **3i Plc**, **AC Desarrollo, Advent International, Benito y Monjardín**, **Bridgepoint Capital, Corpfin Capital**, **CVC Capital Partners**, **Electra Fleming, GE Capital**, **Granville Ibérica, Morgan Stanley, Nazca, Nmás1 Electra**, **SBC Warburg and TCR**

* Screening of the Spanish **insurance** industry with acquisition objectives for an American Investment Bank
* Strategic evaluation of a diversification option by acquisition for a Spanish **mining** company with sales over €26 million

(IDM ESPAÑOLA, GIVEN THE NATURE OF ITS SERVICES, KEEPS THE IDENTITIES OF MOST OF ITS CLIENTS CONFIDENTIAL)

ACQUISITION AND DIVESTITURES MANAGEMENT (cont.)

* Feasibility analysis, development of investment mechanisms and joint-venture partners search for an **agri-business project** promoted by the **Borges Group**, with investments estimated at €140 million
* Strategic analysis and valuation of a Spanish **textile** company for the purpose of association with a foreign textile manufacturer
* Strategic evaluation for a Spanish Private Equity group of an investment opportunity in a new technology **ceramic-tiles** producer with annual sales over €23 million
* Strategic evaluation for the Spanish Venture Capital arm of an American Bank of a leveraged investment opportunity in a producer of domestic **glassware** with annual sales over €19 million
* Strategic audit of a Spanish **textile services** company with annual revenues over €25 million, subject of a LBO from three international Private Equity groups
* Analysis of the Spanish industry of some **construction materials** with acquisition objectives for a British Merchant Bank
* Strategic audit of the potential merger of the Spanish **lubricant** activities for two leading oil groups
* Strategic analysis of the Spanish market for **temporary work** services, for two international Private Equity groups considering the investment opportunity in a Spanish company with annual sales of €9 million
* Strategic analysis of the Spanish **direct selling** industry for an international Venture Capital group with acquisition objectives, in collaboration with a British consulting group
* Valuation in collaboration with the leading Spanish industrial property agency of a Spanish **FMCG brand** with annual sales over €72 million
* Strategic analysis of the Spanish **ice-cream** market for an international Private Equity group with acquisition objectives, in collaboration with a British consulting group
* Strategic evaluation for three international Private Equity groups of a Spanish **biscuits** producer with annual sales over €160 million, in collaboration with a British consulting group
* Basic strategic analysis on the Spanish **IT Services** Industry for an international Private Equity group with acquisition objectives, in collaboration with a British consulting group
* Strategic evaluation for a Spanish Private Equity firm of the investment opportunity in a Spanish producer of **ready meals** with annual sales over €12 million
* Economic and business-plan model design for an international **B2B exchange** of an **agricultural commodity,** with annual trade over €5.4 billion, in collaboration with an American consulting group
* Strategic evaluation for a Spanish Private Equity group of the investment opportunity in a Spanish manufacturer of stainless steel welded **tubes and fittings** with projected annual revenues over € 82 million
* Strategic evaluation for an International Private Equity group of the potential acquisition of a Spanish manufacturer of **commercial equipment** with annual sales over €18 million
* Strategic evaluation for a Spanish Private Equity group of the investment opportunity in a Spanish manufacturer of **industrial handling and wind energy equipment** with annual revenues over €55 million
* Selling memorandum drafting and potential acquirers search for a Spanish **food wholesaler** with annual sales over €10 million
* Advice to a Spanish **sports club** during the negotiations for its acquisition by a British quoted group

INTERIM MANAGEMENT/ LBO/TURNAROUND/NEW VENTURES

* Interim management and restructuring of an **agricultural** concern, with revenues over €1 million and losing money, to achieve high profitability through a 20% costs reduction and over 30% increase in revenues
* Introduction of a **high technology** service into the Spanish market
* Evaluation with LBO purposes of the turnaround potential of a **food distributor** with sales of €30 million

(IDM ESPAÑOLA, GIVEN THE NATURE OF ITS SERVICES, KEEPS THE IDENTITIES OF MOST OF ITS CLIENTS CONFIDENTIAL)

IDM Española was able to **save Prosa** more than **€ 4.3 million,** by advising them to **cancel** the initially perceived as highly profitable, operating margins estimates in excess of 60%, **€ 11 million tobic perbate** mine development **project** planned

INITIAL BACKGROUND

The Board of **Prosa,** a Spanish mining company European leader in its market segment, could not reach an agreement about the decision to diversify by developing a **new tobic perbate mine. Prosa**'s frustrated Chairman, decided then to commission third party strategic advice from **IDM Española,** in order to convince the Board members on the interest of the project and get their unanimous approval for the required investment of **€ 11 million**

Prosa's R&D department, constantly searching for new opportunities, had discovered a high-quality tobic perbate deposit. This component was extensively used by the chemical industry world-wide, allowing for **operating margins** over **25%,** that generated big profits for producers. Preliminary evaluations from Prosa's team, considering solution mining techniques and based on its pilot-plant results, reliably estimated that their **margins** could even reach **60%**

IDM ESPAÑOLA'S INVOLVEMENT AND CONCLUSIONS

IDM Española suggested to undertake a strategic feasibility analysis for the project within the Spanish market. The final report that included information on the evolution of the Spanish production, consumption and foreign trade, the reasons justifying consumption by the detergents, paper-pulp and glass industries and world-wide comparisons on pricing levels, showed a nascent **demand instability** in the USA. This instability was based on deeper shifts in consumption-habits starting to take place and would obviously have a negative impact on prices and profitability for the future

IDM Española recommendation was **not to pursue** the project, as adequate returns could not be guaranteed at the time. **Prosa**'s Board decision was **to cancel** their development plans and to try selling the tobic perbate deposit without committing any additional investment

TOBIC PERBATE INDUSTRY EVOLUTION

Six months after **IDM Española**'s analysis was completed, the **prices** of tobic perbate **collapsed** to levels equivalent to **60%** of the ones of the previous year

Six years later, another new tobic perbate mine, contemporary to Prosa's project, was forced to **reduce** its **share capital** by **92%,** in order to adjust for the over **€ 4.3 million** cumulative **losses** from its inception

(THIS DOCUMENT IS A SELECTION OF INFORMATION FROM A REAL BUSINESS SITUATION, IN WHICH IDENTITIES HAVE BEEN DELIBERATELY ALTERED TO PRESERVE CONFIDENTIALITY)

IDM ESPAÑOLA FINCOMP INVESTMENT OPPORTUNITY IN CERAMICA

IDM Española helped **Ceramica** to become **profitable,** and forecasted with a **96% accuracy** the estimated sales of its **new XYZ** technology **ceramic-tile** in Spain

INITIAL BACKGROUND

Fincomp, an international investment group, had the opportunity of developing a minority equity stake in **Ceramica,** one of the three Spanish pioneers of the **new XYZ** technology **ceramic-tile. Fincomp**'s team, realising the strong dependence of Ceramica's value on the success in the introduction of the new ceramic-tile and on the penetration speed of the Spanish market, requested third party strategic advice from **IDM Española**

The new XYZ technology ceramic-tile was developed in **Italy.** This new tile required at first five years to attain technology and product-design adequacies and three more additional years to succeed market-wise, achieving over **8%** of the **Italian** ceramic floor-coverings **market**

IDM ESPAÑOLA'S INVOLVEMENT AND CONCLUSIONS

IDM Española undertook a strategic study on the potential within Spain for the new XYZ technology ceramic-tile, developing thorough comparisons between the Spanish and the Italian ceramic-tiles markets. Additional information included were prices evolution, product selection procedures and some recommendations for potential improvements on Ceramica's operations

IDM Española developed sales forecasts within Spain for the third year after the completion of the analysis, ranging from **2.9** to **4.0 million sqm** of the new XYZ technology ceramic-tile. Additionally, the indicated optimisation measures for **Ceramica,** had a **profit improvement** potential estimated at **€ 3 million**

EVOLUTION OF THE NEW XYZ TECHNOLOGY FOR CERAMIC TILES IN SPAIN

One year later, **Ceramica** achieved sales of € 18.6 million and **profits** for the first time; approximately **€ 0.9 million**

Actual industry **sales** within Spain during the estimated third year, were approximately **3.6 million sqm** (only 4% different than **IDM Española**'s most likely scenario)

(THIS DOCUMENT IS A SELECTION OF INFORMATION FROM A REAL BUSINESS SITUATION, IN WHICH IDENTITIES HAVE BEEN DELIBERATELY ALTERED TO PRESERVE CONFIDENTIALITY)

From June 1986, Managing Director, International Development Management Española (Madrid)

Board member since 2017 of Bicimarket, cycling equipment market-place, helping to more than double revenues to €6.5MM. Advisory board member since 2013 to 2015 of Bacaicoa IP, Spanish plastic film manufacturer, helping to achieve in 2014 first time operating profits since 2000, and from 2001 to 2007 of Spainsoft, Spanish company specialised in inventory control and management of fixed assets

From June 2016 Business Angel and advisor in energy recovery/savings (www.aeinnova.com), recruitment automation (www.b4workapp.com), digital solutions/services (www.digio.es), logistics planning/optimization (www.nektria.com) and perimeter surveillance Spanish start-ups

Member since April 2016 of the I+D+i and CUFE Committees, Instituto de la Ingeniería de España (Madrid)

Lecturer/Professor since 1988 on Entrepreneurship, Finance, Internationalisation, Managerial Accounting, Mergers and Acquisitions, Strategic Evaluation of Investments and Strategic Planning for in-company Training-programs of Isolux Corsán (Madrid), OHIM (Alicante), Daimler-Benz Akademie (Stuttgart), Mercedes-Benz (Spain), Initec (Spain), Shell (Spain and Portugal) and Schindler Group (Spain), as well as for several seminars/courses of AFI (Madrid), MCE (Brussels), CESTE (Zaragoza), IESE (Madrid), Fundesem (Alicante), CECO (Madrid), Open Business School (Milton Keynes), CESCI (Madrid), ESCP (Madrid), ESCA (Madrid), CFED (Washington, D.C.), EOI (Palma and Santander), Icade (Madrid) and IE BS (Madrid)

September 1983 to June 1986, Consultant for Bain & Company (London), Strategic Planning consulting firm. Projects developed include investment decision analysis, acquisitions, strategic development and exports development analysis for different clients and industries, and the restructuring and new product launching for the Spanish subsidiary of a multinational

1982 Summer-intern, The Boston Consulting Group (Paris), collaborated in frozen foods and cement industries studies

February 1980 to August 1981, Project Engineer, Repsol Petroleo (Madrid), designing the first FCC Unit for the Puertollano refinery

Fulbright scholar, Master in Business Administration,graduated with distinction,The Wharton Business School, University of Pennsylvania, September 1981 to June 1983. Courses of Energy Economics, Energy Centre, University of Pennsylvania, January to June 1982

Monbusho scholarship for study in Japan, awarded in February 1981

British Council Scholar, summer 1979

Mining MEng, Universidad Politécnica de Madrid, 1974-79, special field of study Fuels and Energy, graduated first in the class

Born in Madrid, 2nd September 1957. Married. Spanish citizen. Speaks fluently Spanish, English and French, having developed professional assignments in more than fifteen countries worldwide