

ACQUISITION OF WYMA NZ LTD

28TH FEBRUARY 2023





**World leading
designer and
manufacturer of
post-harvest
vegetable and fruit
handling equipment.**

OVERVIEW

- ▶ Wyma is based in Christchurch, NZ, with operations in Australia, UK and Europe. It is owned by Andrew and Angela Barclay.
- ▶ MHM has signed a conditional agreement to acquire Wyma at a valuation of up to \$60m.
- ▶ The transaction is conditional upon shareholder approval, finance and final due diligence.
- ▶ Settlement date is scheduled for 3 April 2023. We will be releasing further information relating to shareholder approval process over the next 1-2 weeks.
- ▶ The purpose of this presentation is to provide shareholders and investors further details on Wyma and its fit with MHM.



COMPANY SNAPSHOT



FOUNDED
1962

170+
EMPLOYEES

50+
COUNTRIES

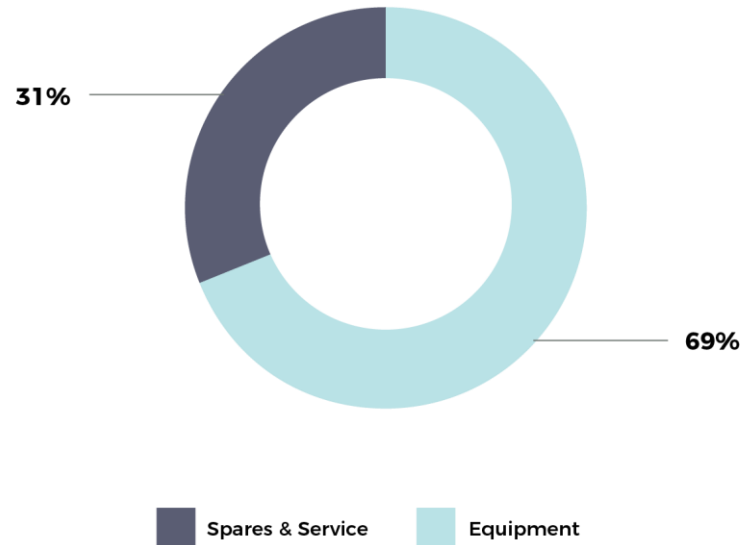
\$57m
REVENUE

15%+
EBITDA

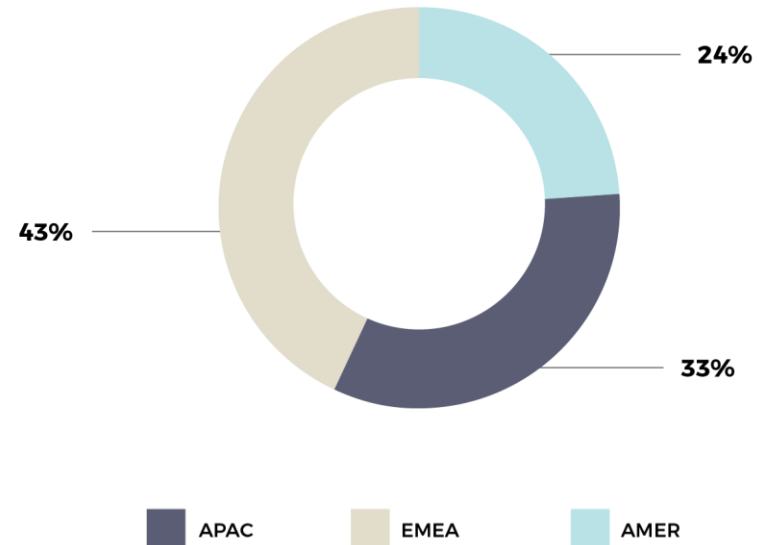
- Wyma is one of the world's leading manufacturers of post harvest vegetable and fruit handling equipment.
- Headquartered in Christchurch, NZ. Moving into a new world class facility in March 2023.
- Sales and service offices in UK and Australia
- Manufacturing, sales and service facility in Czech Republic.
- Operate through agencies in other countries.

COMPANY SNAPSHOT

Revenue by segment 2022



Revenue by Region



PRO-FORMA REVENUE AND IMPLIED VALUATION

Terms structured to be fair value and align interests between the parties.

CONDITIONAL TERMS:

Valuation: \$60m

To be funded:

- Cash **\$28m** (new debt facilities BNZ Credit approved)
- Shares **\$17m** @ \$0.75 per share (Barclay to 19.9% and other Wyma staff remainder)
- Earn out **\$15m** paid in three equal tranches at 12, 24 and 36 months based on Wyma achieving forecasts

PRO-FORMA REVENUE AND IMPLIED VALUATION

PRO-FORMA COMBINED MHM & WYMA:

Revenue **\$125m**

EBITDA **\$15.3m**

Debt **\$25m**

12 MONTHS TO	AUDITED	UNAUDITED	Proforma
	MHM 30 June 2022	Wyma 31 March 2022	
Revenue snapshot (\$ millions)	67.7	57.3	125.0
EBITDA ¹ (\$ millions)	4.8	10.5	15.3
EBITDA percentage of Revenue	7.0%	18.3%	12.2%

¹ EBITDA normalised for share based payments

PRO-FORMA SHARES ON ISSUE: \$89M

MULTIPLE ¹	8x	10x	12x	14x
Enterprise Value (m's)	122	152.5	183	213.5
Less Debt (m's)	25	25	25	25
Equity Value (m's)	97	127.5	158	188.5
Shares on Issue (m's)	89	89	89	89
Implied Share Price \$	1.09	1.43	1.77	2.12

¹ Source: Jardens Market Multiples (FY-2) 3-Oct-2022

STRATEGIC FIT WITH MHM

- Increases diversification through exposure to post harvest vegetable and fruit handling markets.
- Increased scale – nearly doubles the size of MHM at the revenue line and more than doubles profitability.
- Wyma has an established footprint in Europe, a market that MHM sees growth in existing business.
- Strong alignment of automation offering and business model.

OPERATIONAL SYNERGIES

- In house manufacturing at new world class facility in Christchurch
- Supply chain and inventory management
- Cost efficiencies through procurement and scale
- Talent and technology transfer across the wider Group

MARKET SYNERGIES:

- General automation cross selling to Wyma solutions
- Service and spares cross selling of capabilities

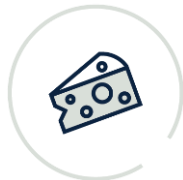
Wyma fully aligns with the acquisition strategy: Haden & Custance (H&C) in 2016, Milmeq in 2019 and SCE in 2021.

SECTORS AND PRODUCTS

CURRENT CORE MARKET SECTORS FOR MHM:



Meat



Dairy/Cheese



Agriculture



Horticulture



Timber



Logistics

CURRENT KEY PRODUCT CATEGORIES FOR MHM:



**Chilling &
Freezing**



Packaging



**Reverse Packaging
& Materials
Handling**



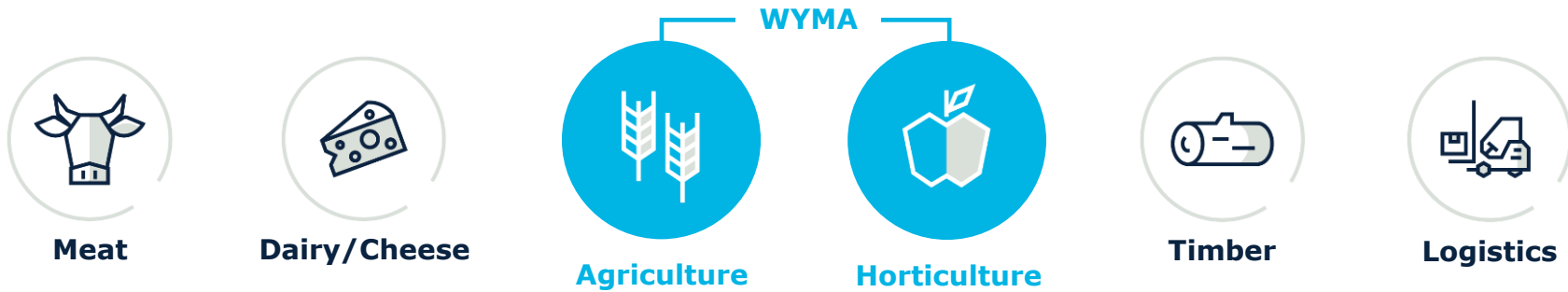
**Timber
Processing**



**Industrial &
Fabrication**

SECTORS AND PRODUCTS

CORE MARKET SECTORS INCLUDING WYMA:



KEY PRODUCT CATEGORIES INCLUDING WYMA:



STRATEGIC FIT BUSINESS VALUE DRIVERS

- ▶ High calibre management team and workforce
- ▶ Access to lower cost manufacturing
- ▶ Robust systems and internal processes
- ▶ Enabler to scale and increase visibility in Europe
- ▶ Further diversification
- ▶ Complimentary expertise in controls and IoT4
- ▶ Aligned company cultures
- ▶ Increased capability for customer services
- ▶ EPS accretive
- ▶ Increases exposure to automation mega trend

VEGETABLE PROCESSING MARKET

Fruit and vegetable processing equipment market, segments:

- Pre-processing
- Peeling/inspection/slicing
- Washing & dewatering
- Fillers
- Seasoning system
- Packaging & handling + others

Key: ●  ● 

Related:

- Chilling & freezing
- Storage
- ASRS

The after-harvest market is segmented into six major categories. Wyma sell equipment and integrated solutions to all these utilising key partners.

The market is competitive and requires ongoing investment in R&D. Wyma have proven solutions that are world leading in their segments.

MHM has directly relevant solutions and expertise in the packaging and handling segment and we see this as complimentary to Wyma, which enhances sustainability for both businesses.

VEGETABLE AND VEG PROCESSING MARKET MACRO METRICS

The global population is projected to reach 10 billion by 2050 - demand for food is only increasing.

THE GLOBAL VEGETABLE MARKET

Revenue in this segment amounts to US \$0.91 trillion in 2022. The market is expected to grow annually by 4.97% (CAGR 2022-2027) (Source: Statista)

THE FRUIT & VEGETABLE PROCESSING MARKET

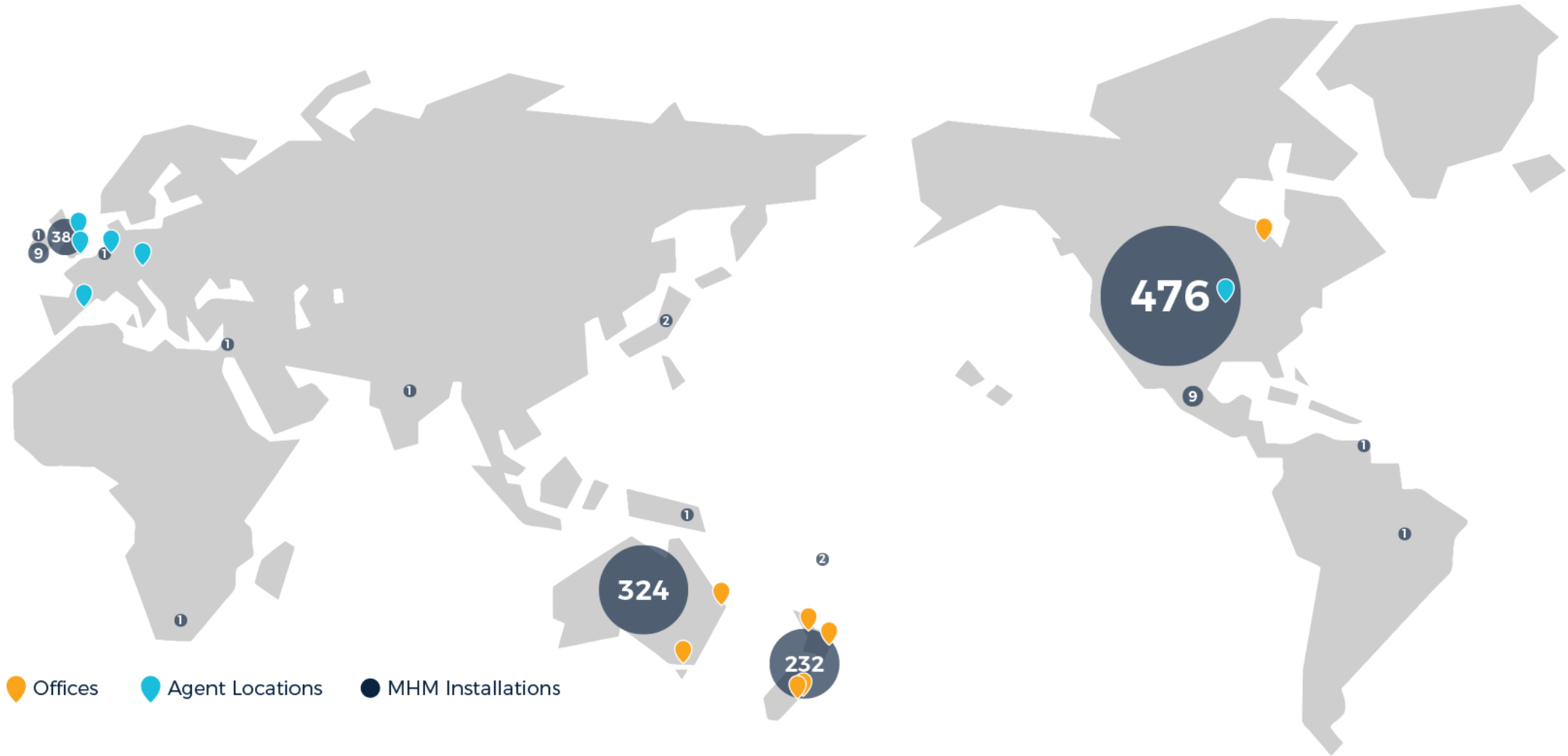
The fruit and vegetable processing market is estimated at USD \$8.7 billion in 2022 and is projected to reach a value of nearly USD \$11.8 billion by 2027, growing at a CAGR of 6.4% from 2022. (Source: Research & Markets)

KEY GROWTH DRIVERS INCLUDE

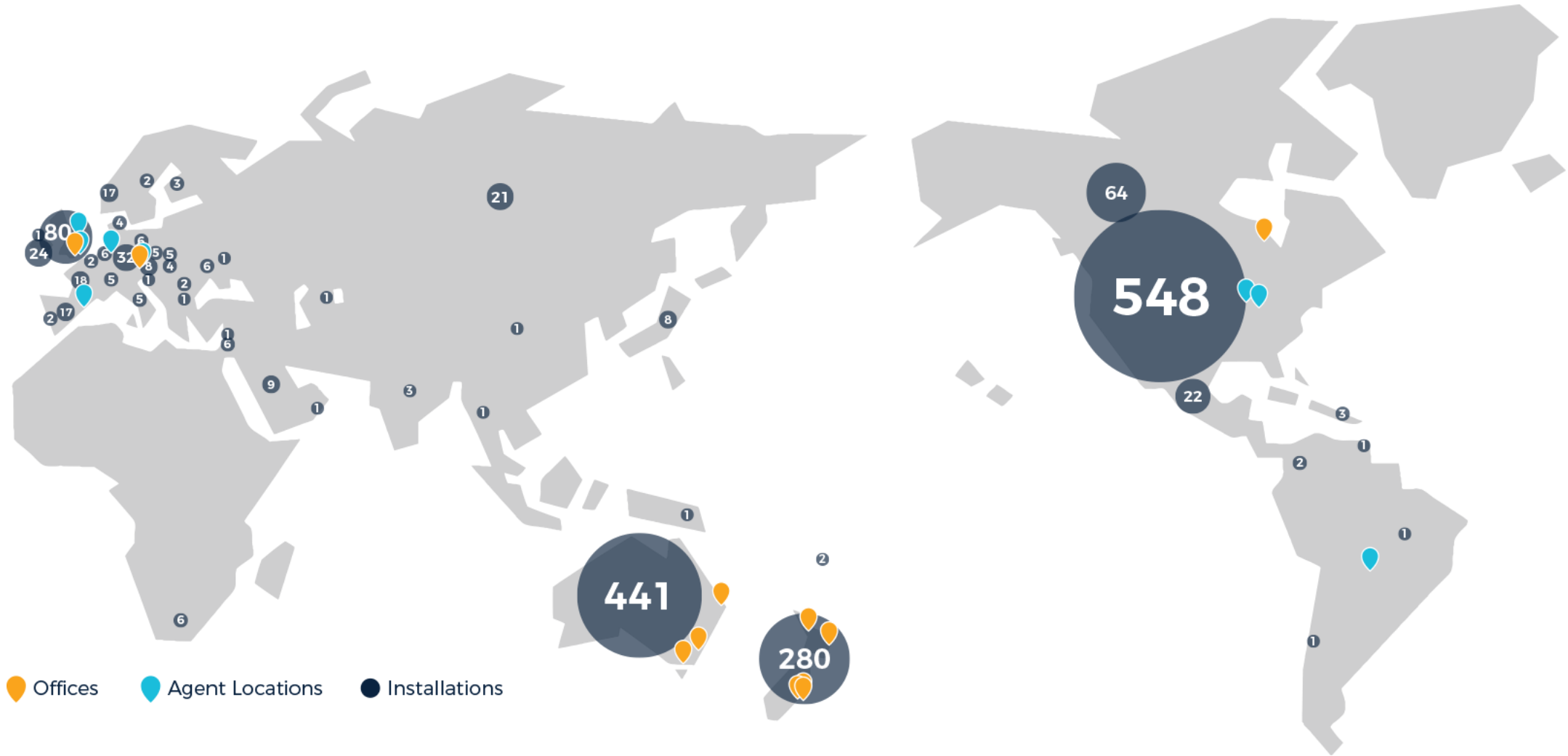
- Increase in the need for convenience food.
- Growth in per-capita income has resulted in greater demand for ready-to-eat and on-the-go food items.
- This, in turn, has led to an increase in demand for processed products.

The outlook for the growth of the fruit and vegetable processing market is expected to remain positive due to the high growth in the industry and increased consumer demand.

WHERE MHM WORKS



COMBINED FOOTPRINT



Mercer 



milmeq



MHM
AUTOMATION

MHMAUTOMATION.COM