

Corporate/M&A

Year in review

2022

Dear clients and friends,

Now that we are a few weeks into 2023 and have left last year truly behind us, I would like to take a moment to look back and reflect on last year.

I first want to thank our team, our clients, and our friends around the world for their continued trust and collaboration.

2022 was another strong year for the M&A market in the Netherlands, Belgium and Luxembourg, if not at the unprecedented levels of 2021. Following a record-breaking year in 2021, deal volumes and values declined slightly as there was no Q4 surge in M&A activity to round out the year, although for AKD both volumes and values remained well above 2020 and pre-pandemic levels. Buyers became noticeably pickier towards the end of the year as downturn concerns intensified.

But although corporate and financial acquirers started exercising greater caution in their pursuit of targets, they have not closed shop. Not at all. The level of M&A activity we had in 2022 surpassed pre-pandemic levels, despite slowly cooling down compared to 2021's frenzied pace. More 'recession-resistant' targets – particularly in the software and tech fields – continued to find strong interest.

In many sectors, geopolitical tensions have, perhaps counterintuitively, promoted higher deal volumes in 2022. Many companies for instance sought to sever their ties to Russia by selling their businesses to local investors. And many Russian companies and investors, in turn, exited investments in the Benelux and other Western countries.

Over 100 transactions

We advised on and completed over 100 transactions in 2022.

AKD's clients engaged in a wide variety of transactions in our home jurisdictions and around the world, involving interesting businesses in an array of industries.

Our clients kept us busy, and it was our pleasure to work with them and our friends to complete important deals.

In 2022, AKD further strengthened its Corporate & M&A practice with the lateral hire of **Wouter Kros** as a partner and the promotion of **Inan Akdeniz** to partner.

Very proud to have such excellent professionals and even greater people on board.

Technology industry

Representative of one of AKD's key industry focus groups, deals in the technology industry were once again the largest portion of the work of our Corporate M&A and Private Equity teams in 2022, including the acquisition by E2open (NYSE: ETWO) of Logistyx Technologies in Q1.

Other notable deals in this sector included advising and assisting Nasdaq-listed Cogent Communications, Inc. in connection with the restructuring of all its European operations in 26 different jurisdictions, and advising Nordic leading software company Vitec Software Group AB (publ) on its acquisition of ABS Laundry Business Solutions, the global market leader in software for the laundry and textile rental industry and active on 5 continents.

Both of these deals particularly showcased our team's ability to quarterback multinational transactions well beyond our own borders.

Biotech and life sciences

Our active focus on the biotech and life sciences sector saw multiple such transactions completed in 2022, including:

- the sale of CliniChain to Swedish ADDvise Group AB (publ);
- the sale of French biotech firm HTL;
- the acquisition by Ncardia of a GMP facility from Celyad Oncology, and
- the acquisition by Irish-listed Uniphar Group of Dutch pharmaceutical services business BModesto Group.

Transport and Logistics

Transport & Logistics industry transactions were also an important part of our work in 2022, consistent with AKD's leading position in that sector, with this review highlighting our team:

- advising Culina Group, a leading British provider of logistics services for FMCG (fast-moving consumer goods), on the acquisition of International Road Ferry (IRF);
- advising Norwegian listed Oceanteam ASA on the sale of Oceanteam Solutions to Combifloat;
- advising UK-based Uniserve on its acquisition of Dutch air and sea freight forwarder OTX Logistics from China-based YTO Express.

Industrial, recycling and chemical

In the industrial, recycling and chemical fields we handled sector-changing transactions, such as:

- the joint venture formed between Tata Steel and TABB;
- the acquisition of Dolphin Metal Separation Group by Remex-owned HEROS;
- the sale by GMP Group of commercial waste and recycling business PARO to Euronext Amsterdam and LSE-listed Renewi;
- the sale of Pacoma Group;
- the sale of Eni's Pakistan activities;
- the acquisition of Integrated Chemicals Specialties by the Monchy Chemicals Group; and
- the acquisition of Walterscheid Powertrain Group by Italy-based Comer Industries S.p.A. listed at Borsa Italiana.

Private equity

Private equity deals are another chief area of consistent work for us, with our team handling multiple complex and cross-border transactions in diverse industries for private equity sponsor clients.

Last year, this included advising:

- Marlin Equity Partners on its recommended voluntary tender offer to acquire all shares of Meltwater (a Dutch NV listed on Oslo Børs - Euronext);
- on the acquisition by Danish PE fund Axcel of NTI Group;
- Berk Partners on the exit of Aarts Packaging by way of a controlled auction sale to Nasdaq-listed TriMas;
- De Hoge Dennen Capital with a second funding round in Plantlab;
- US-based Kiniciti with its investment in Ncardia and advising on the sale of Atabix to DELTA Equity Partners.

Key clients such as Pictet Alternative Advisors (Europe) SA) and AIMCo pursued numerous private investment transactions in a variety of businesses, on which we very gladly advised.

AKD also continued to have market leading activity handling seed and accelerator investment transactions for key clients, including Newion and EIT InnoEnergy, the latter of which is accelerating sustainable energy innovations throughout the European continent and spearheading the way to a decarbonised Europe by 2050.



Independent Recognition

Awards

After having won the award thrice in recent years, we were pleased that **AKD was again shortlisted** for the 'Law Firm of the Year: Benelux' Award at The Lawyer European Awards 2022, being the only law firm headquartered in the Netherlands reaching the shortlist.

AKD received the #AmChampion 2022 Award presented by the American Chamber of Commerce in Belgium, showcasing our firm's significant contributions to the activities and efforts of AmCham Belgium to promote the interests of American (and other foreign) investors in Belgium.

IFLR1000

IFLR1000, the guide to the world's leading financial and corporate law firms, also announced its firm and individual rankings for 2022, **recognising AKD's leading position** in the fields of financial and corporate law in Belgium, the Netherlands and Luxembourg.

We are proud to have received new rankings (both as a firm and on individual level) and that many practice areas and individuals have bettered or retained their existing rankings.

In addition, Stéphanie Viot was rightfully recognised as a rising star in the Rising Stars Expert Guide of IFLR1000 2022.

CHAMBERS AND PARTNERS

Chambers and Partners, both in its **2022 Global Guide** and its **Europe Guide**, ranked AKD in Band 2 for Corporate/M&A (Mid-Market), stating:

"AKD is a well-known Benelux firm that assists clients with acquisitions and divestments, including by way of auction sales, squeeze-out proceedings, demergers and public takeover offers. The team has vast experience in domestic and cross-border transactions."

"AKD is efficient, knowledgeable and fast." and "the lawyers deliver outstanding work all the time."

Likewise, The Legal 500 highly recommended AKD once again in its EMEA 2022 edition, describing our team as being “noted for its capacity in ‘complex cross-border transactions”, and testimonials saying:

“All lawyers we have been in contact with have provided excellent quality and are always on time.”

‘1. Quick. 2. Transparent about fees (structures) 3. High quality 4. Partner attention 4. Connected to high quality law firms with established connections in most important jurisdictions 5. In-depth knowledge of many industries.’

‘The AKD team expertly handled a very complex cross-border transaction and got the deal over the finish line by resolving difficult Dutch law issues and coordinating with various parties across the world.’

“The AKD team is a very strong team. They are a mix of talent.”

The Legal 500 Green Guide

Last year, The Legal 500 launched its inaugural edition of the Green Guide: EMEA 2022.

This brand-new guide puts a spotlight on law firms across the globe for their contribution to a green transition. It explores firms’ work for clients in connection with climate change mitigation and sustainability, while also highlighting their own internal best practices and green initiatives.

We are proud that AKD was ranked as highly recommended firm from the very outset. **The guide recognises AKD** for its long-standing commitment to ESG, commenting *“thought leadership is a strength for the firm in this field”*.

2023 Outlook

Although still very active, the M&A market has cooled. Soaring inflation, rising interest rates, and a looming recession seem to have put an end to the buying spree that followed the lifting of the lockdowns during the pandemic.

The war in Ukraine and other geopolitical and economic uncertainties continue to be at play at the outset of the new year and may continue to affect how deal parties approach potential transactions.

Looking ahead, savvy buyers and sellers will continue to use M&A to create value even in unfavourable conditions. History has taught that downturns can be a good time for deal hunting as well.

As business leaders seek to surmount the varying challenges, M&A will be a key tool to help them reposition their businesses, bolster growth and achieve sustained outcomes over the long term.

We expect that many companies will be using the coming time to reposition themselves on the market and that investors will strive to make the necessary preparations to exit once the uncertainties reduce as the year progresses.

In addition to the traditional motivations, sustainability and ESG are gaining importance as a reason to acquire or divest businesses. Also, we expect that the overall focus on sustainable and secure energy supply will lead to continued investment in renewables, with infrastructure investors set to remain among the most active financial sponsors.



The overall environment continues to create unique challenges for our clients, making innovative solutions and sound expert legal and tax advice more critical than ever.

One of the key factors that sets AKD's Corporate M&A and PE team apart is that we are part of a truly independent full-service Benelux firm and are able to draw upon the expertise of our top-tier colleagues in AKD's other departments who are embedded in our deal teams, be it from our firm's Transport & Trade Department, our Energy Department, our Regulatory Department, our Data Protection Department or any other department. Setting up core deal teams on this matrix basis enables our clients to benefit from legal and tax advice across the board and from start to finish, with expert know-how of the relevant sector and the ability to look at the process from all relevant angles.

Be in Belgium, the Netherlands, Luxembourg, or anywhere else with the assistance from our friends around the world.

As many of you will know, we have very purposefully and progressively expanded our capabilities over the last few years in all our home jurisdictions to offer a broader set of expert legal and tax services, which are highly relevant and impactful.

Being a full-service firm is critical to being able to provide the best advice. Particularly in today's world.

We welcome the opportunity to engage with you about how AKD can provide legal and tax advice and solutions to assist in determining your strategy and to help navigate this constantly evolving landscape.

Sincerely,



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