



**MPG** | MADISON PARK GROUP

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## Maritime Software Ecosystem

September 2021

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# MPG's Industrial Technology Focus

Right People, Right Narrative, Right Time.

Leaders in the technology economy trust our commentary, analysis, and advice when it comes to their most critical operational, financial, and strategic decisions

## Partnership Approach



We specialize in impacting growth strategies to optimize shareholder value creation



High-touch, confidential, targeted process



Buyers appreciate our process management and transparency on recent deals



We have momentum and are uniquely positioned to drive value



Access to firm-wide resources and relationships across +1,300 investor relationships



Approach marries thoughtful corporate strategy planning with stalwart transactional execution



Founded on domain expertise and focus on strategic themes within our core practices



Solely focused on M&A and capital raising in the mid-market; \$100 million to \$500 million focus



Strategic Sale



Strategic Sale



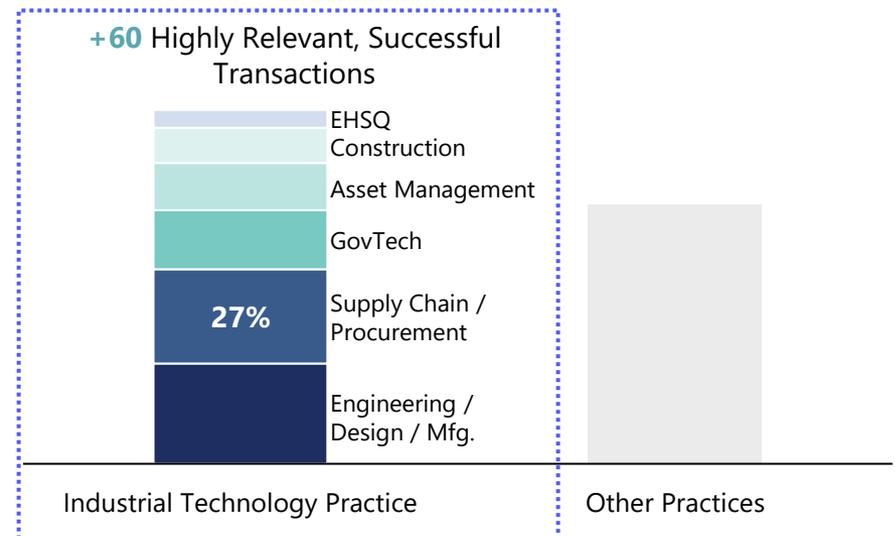
Minority Recap



8<sup>oo</sup> EIGHT ROADS™

Founding Team

## Our Deep Domain Expertise Drives Better Outcomes<sup>(1)</sup>



Note: (1) Select deals completed in last ten years, categories are not mutually exclusive<sup>1</sup>

# Supply Chain Technology Practice

## Strategic Financial Advice for Transformative Transactions

Constant dialogue with leaders and disruptors supported by rigorous primary research



[See our 2021 Report](#)

### Procurement

- ✓ Spend Management
- ✓ Purchasing
- ✓ Supplier Management
- ✓ Sourcing



2021 Report  
Coming Soon!

### Supply Chain Planning

- ✓ Optimization
- ✓ ERP
- ✓ Inventory Management
- ✓ Risk Management



2021 Report  
Coming Soon!

### Supply Chain Execution

- ✓ Transportation Management
- ✓ Warehouse Management
- ✓ Logistics
- ✓ Global Trade Management



MPG's Dedicated Supply Chain Technology Coverage

# Our Thesis

## Increasing Container Data Visibility Will Drive Efficiency in the Global Supply Chain

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*Maritime data proliferation and connectivity will help close measurable inefficiencies while use cases emerge for intelligent vessel solutions, big data, and new approaches to unlocking capacity*

The maritime logistics industry is aggressively recalibrating to address long-standing technology issues that trace to the pre-pandemic world



Ports face significant capacity and spatial constraints driving the need for **adaptive, real-time intermodal solutions** that enable the flow of goods



Shippers and fleets seek to optimize operations and trade efficiency with **preventative maintenance, insurance, and risk management** solutions



Shippers and carriers have invested heavily in **real-time visibility and tracking solutions** at the SKU level in pursuit of accurate ETA data



IoT-enabled capabilities and **real-time data collection** open new opportunities to optimize vessel and LSP performance



Constant supply chain fluctuation are driving need for **real-time, dynamic logistics solutions** that can navigate “black swan” supply chain disruptions



A complete system-level overhaul with **new energy-efficiency technologies** is changing the way shipping assets are constructed and maintained



Meaningful changes to distribution strategies have created a unique **window of opportunity for drayage technology vendors**



End-point growth has collided with dated operating systems, **multiplying the number of security threat vectors**

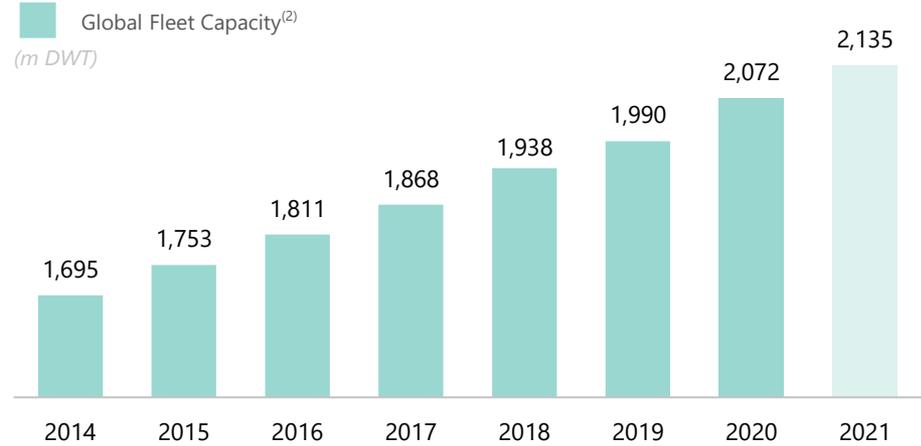
# Maritime Transport is the Backbone of Global Trade

95% of all Globally Manufactured Goods Travel in a Container<sup>(1)</sup>

Global seaborne trade continues to rise after COVID-related slowdown...



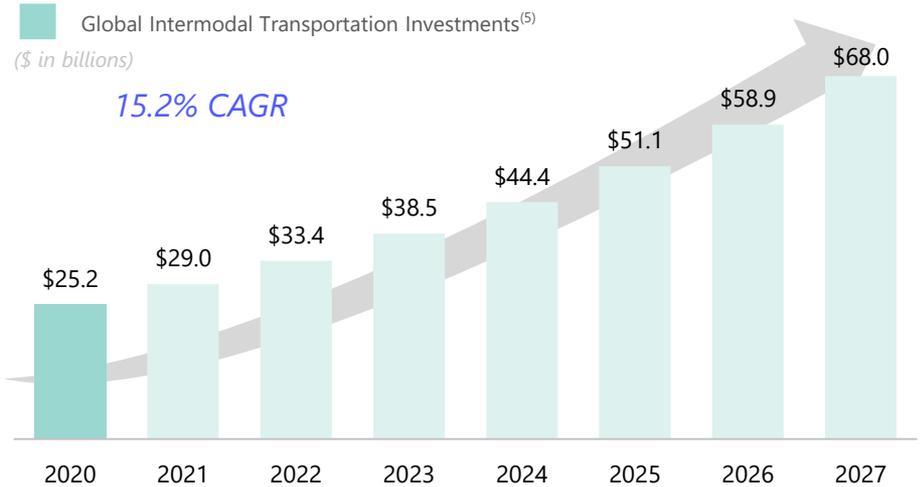
...however, fleet capacity growth has failed to keep up with demand...



...resulting in explosive shipping costs...



...and investment to fortify the global intermodal transportation market



Note: Deadweight Tonnage (DWT) is a measure of a ship's carry capacity

Sources: (1) Intermodal Association of North America; (2) United Nations Conference on Trade and Development; (3) Drewry; (4) Shanghai Shipping Index; (5) Global Industry Analysts

# Technology Opportunities

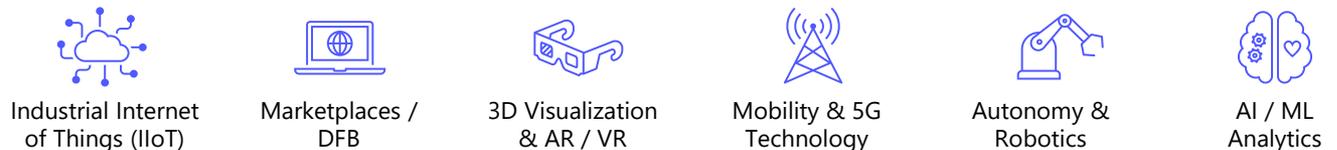
## Innovation From Port to Port, and Beyond

Multiple Functions Across the Maritime Ecosystem are Integrating via Technology Initiatives



Real-Time Container Visibility	Vessel Tracking	Remote Operations	E-Bill of Lading	Terminal Operating Systems	Customs Solutions	Energy Management	Drayage Solutions	Warehouse / Yard Management	Short-Line Rail Transport
Collision Avoidance	Bunker Management	Predictive Maintenance	Online Booking Systems	Port Call Optimization	Integrated Billing	Safety Analytics	Autonomous Transport	Single View of Stock	Demand Analytics
Supply & Delivery Analytics	Crew Management	Commodity Data Analytics	Empty Container Repositioning	Asset Management	M2M Communication	Mobile Workforce	Cross-Platform Collaboration	Pricing Analytics & Automation	Vendor/Spend Optimization

### Advanced Enabling Technologies



# Strategic Themes

## Disruption of Established Business Models within the Maritime Industry



### Advanced Design

Modernize ship construction through design to production integration



### Safety & Efficiency Initiatives

Achieve energy efficiency in support of environmental targets



### Connected Global Supply Chain

Connecting shippers and carriers to navigate trade disruptions



### Predictive Operations

Reduce failures and operating costs with superior crew and maintenance insight



### Vessel Tracking and Intelligence

Real-time SKU-level visibility from the shipper to the customer



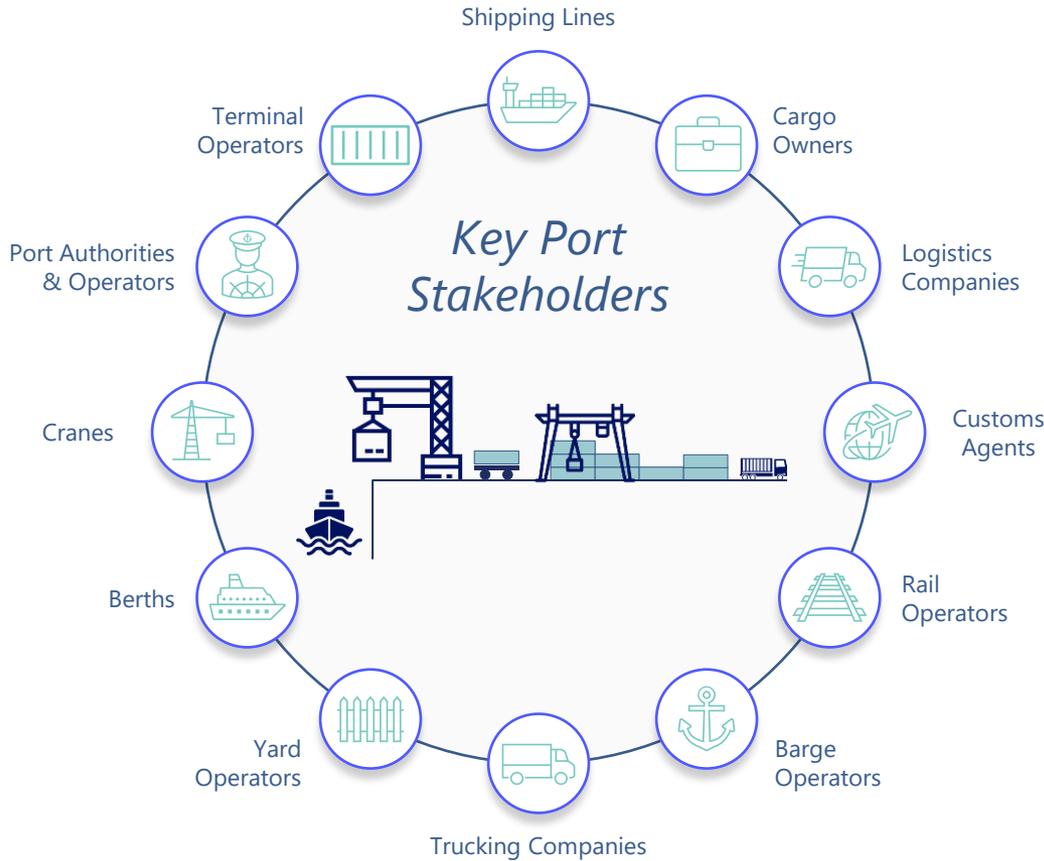
### Risk and Compliance

Changing financial and operational risk in a dynamic global supply chain



# The Connected Container

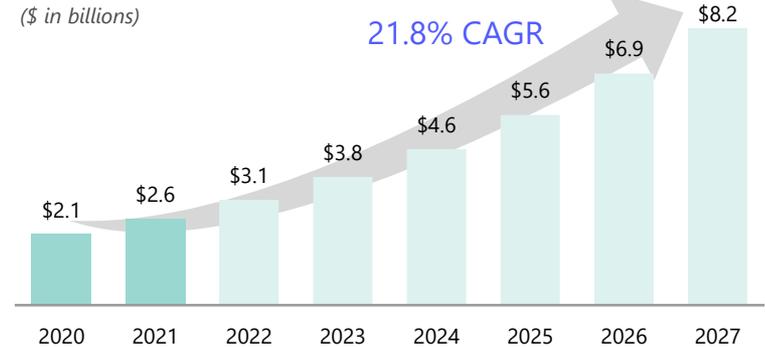
The Cloud is Connecting All Port Stakeholders to Improve Efficiency



## Technology Highlight

- Ports worldwide continue to suffer from congestion, labor shortages, space limitations, and reduced hauling capacity
- COVID has catalyzed the emergence of smart ports
  - Smart ports digitize traditional port infrastructure through the deployment of AI, IoT, blockchain, and process automation technologies
- Notable developments include increased deployment of AI, IoT, blockchain, process automation, and robotics
- Yard and terminal solutions are increasingly integrated with transportation and data visibility providers, creating significant efficiencies

Global Smart Ports Market<sup>(1)</sup>



**+60 million**



**+95%**



**\$1.1 trillion**



**40%**



Drayage movements each year in North America<sup>(2)</sup>

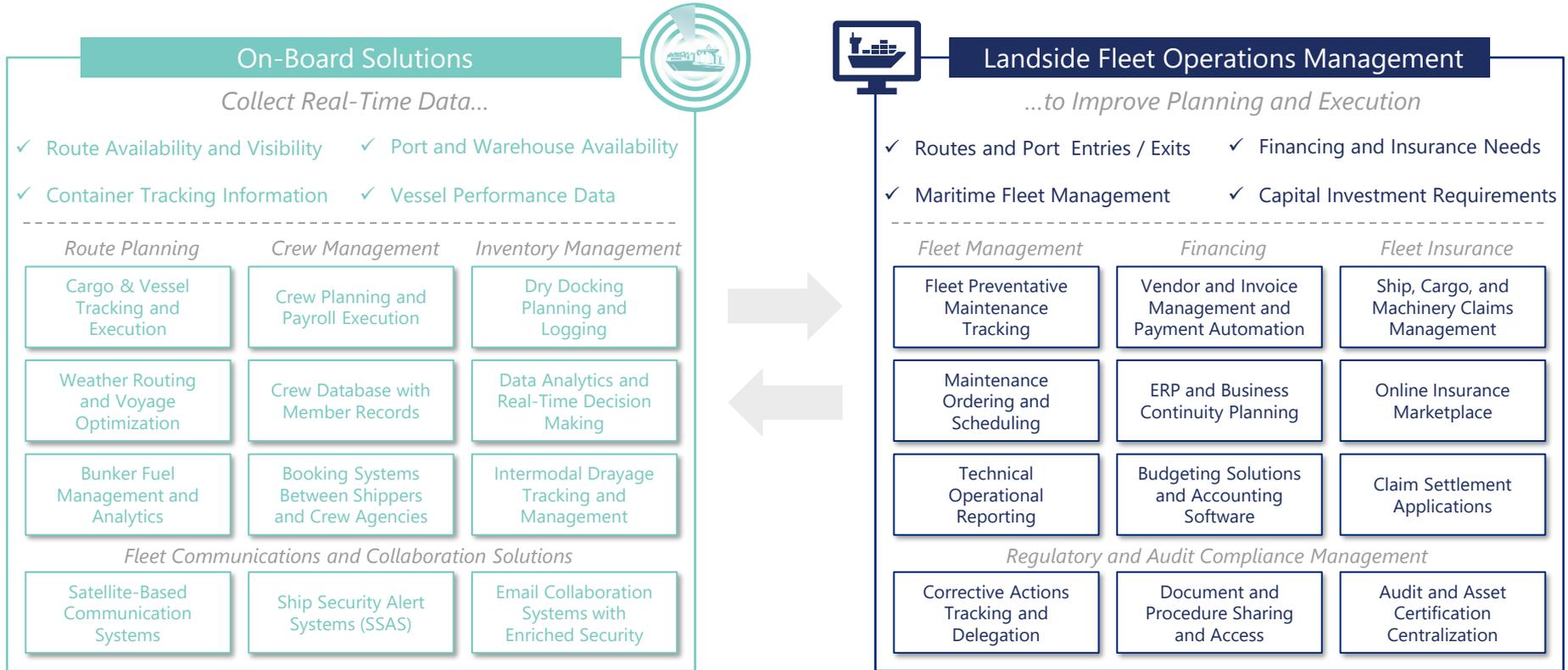
Of global goods travel in a container at some point<sup>(2)</sup>

Containerized freight moved in 2019, ~27% of total freight<sup>(3)</sup>

Value of U.S. freight trade imports conducted by water<sup>(3)</sup>

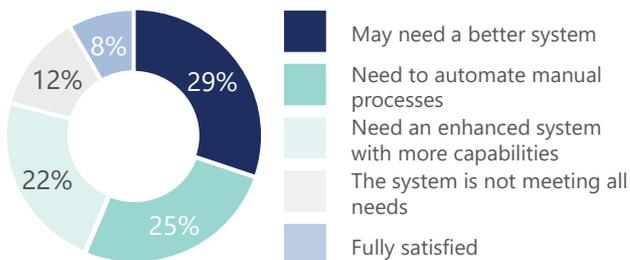
# Evolving Maritime Execution

## Connecting The Entire Ecosystem with On-Board and Landside Data Visibility



### Maritime Ecosystem Poised for Significant Future Expansion

Satisfaction with Current Ocean Freight Management System<sup>(1)</sup>



**61%**  
of organizations want to improve their quotation management and track and trace visibility<sup>(1)</sup>

**60%**  
of organizations are looking to better their document management<sup>(1)</sup>

**56%**  
of organizations wanted to increase the efficiency of their booking management<sup>(1)</sup>

Global Maritime Software Market<sup>(2)</sup>



Sources: (1) FourKites; (2) Markets and Markets

# Rapidly Changing Landscape

## Transformative Outcomes Across the Entire Maritime Ecosystem

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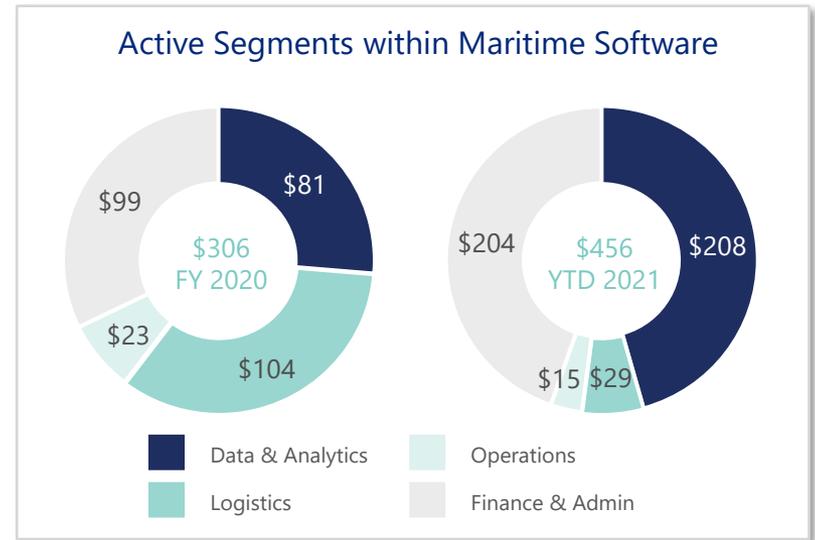
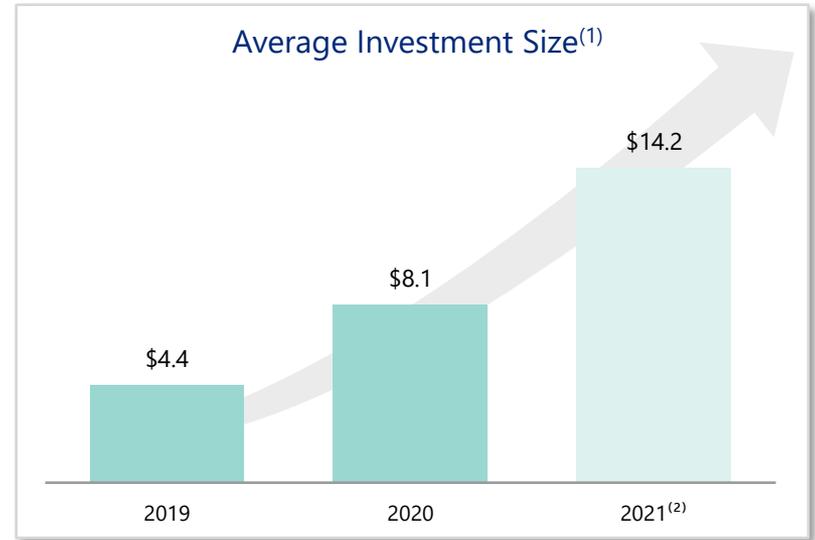
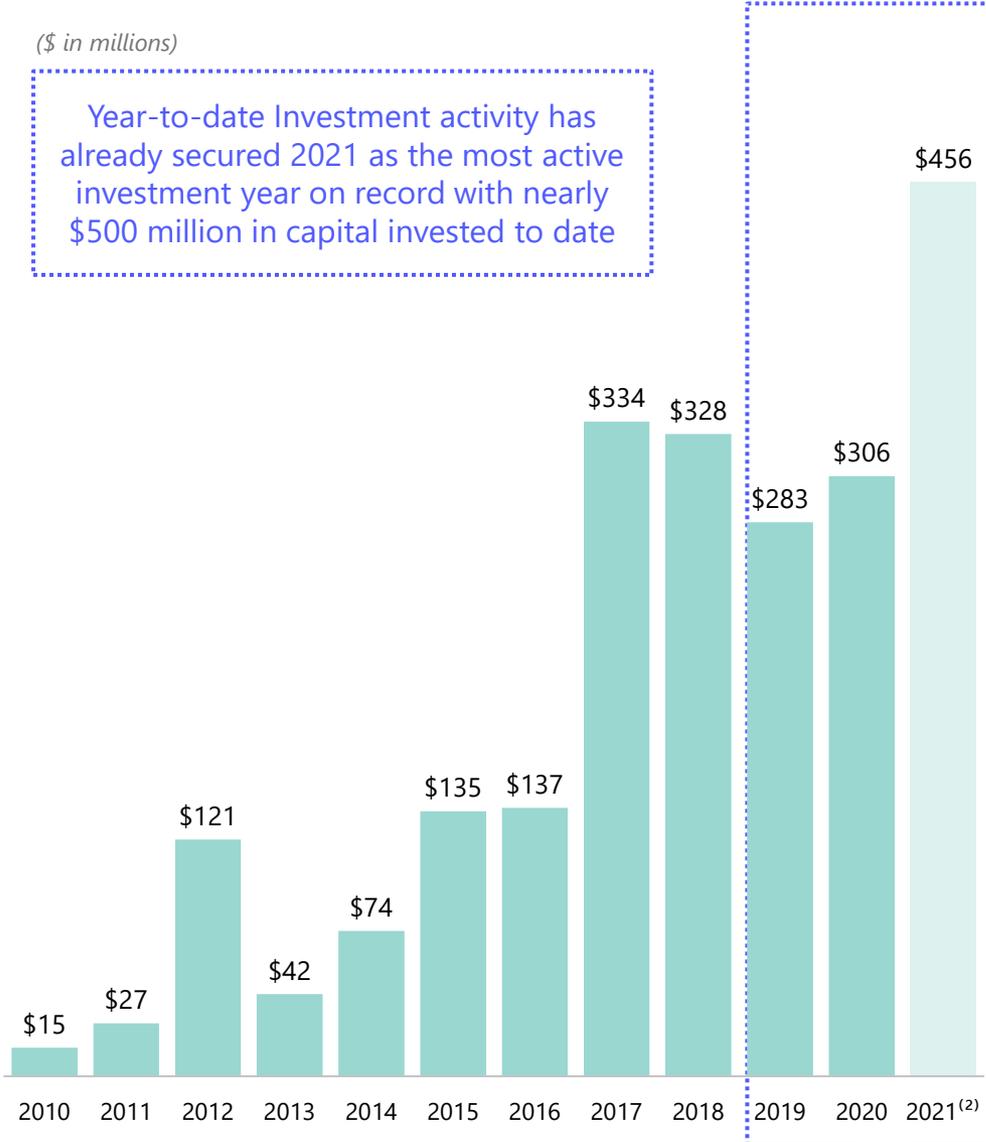
Buyer/Investor	Magaya	SIEMENS	AKKR <small>ACCEL-KKR</small>	DESCARTES <small>(NASDAQ:DSGX)</small>	FOURKITES	GI PARTNERS	project44
Transaction Type	Acquisition	Acquisition	Acquisition	Acquisition	Acquisition	Acquisition	Acquisition
Target							
Closing Date	September 2021	Pending	July 2021	May 2021	April 2021	April 2021	March 2021
Deal Size	n/a	n/a	\$457 million	\$25 million	n/a	\$909 million	n/a
Commentary	<ul style="list-style-type: none"> <li>SimpliShip is a freight marketplace focused on API connectivity and procurement</li> <li>Qwyk is a freight forwarding platform</li> </ul>	<ul style="list-style-type: none"> <li>Foran is CAD/CAE/CAM software, used for designing, building and engineering marine structures and ships</li> </ul>	<ul style="list-style-type: none"> <li>Navis provides a terminal operating system, carrier and vessel solutions, and rail planning and intermodal operations</li> </ul>	<ul style="list-style-type: none"> <li>Portrix provides shipment routing, pricing, rating and capacity allocation management</li> </ul>	<ul style="list-style-type: none"> <li>Haven provides TMS, document management, trade compliance, and visibility solutions to global shippers</li> </ul>	<ul style="list-style-type: none"> <li>Orbcomm provides IoT and M2M communication software used to track vessel location</li> </ul>	<ul style="list-style-type: none"> <li>Ocean Insights offers real-time supply chain visibility solution for container tracking</li> </ul>
Company							
Round	Growth Investment	Series B	Series C	Series B	Growth Investment	Series C	Series B
Lead Investor							
Closing Date	September 2021	July 2021	June 2021	April 2021	April 2021	April 2021	February 2020
Investment Size	Undisclosed	\$34 million	\$29 million	\$24 million	Undisclosed	\$55 million	£15.4 million
Commentary	<ul style="list-style-type: none"> <li>Blume's digital operating platform enables multimodal supply chain</li> </ul>	<ul style="list-style-type: none"> <li>Sedna provides an intelligent email communications system, widely used in the maritime sector</li> </ul>	<ul style="list-style-type: none"> <li>Xeneta is an ocean freight rate benchmarking and market analytics platform</li> </ul>	<ul style="list-style-type: none"> <li>Unseenlabs provides a maritime satellite surveillance system</li> </ul>	<ul style="list-style-type: none"> <li>Pole Star is a data analytics platform providing the maritime sector with risk mitigation and compliance solutions</li> </ul>	<ul style="list-style-type: none"> <li>HawkEye 360 uses formation-flying satellites to optimize maritime security and vessel monitoring</li> </ul>	<ul style="list-style-type: none"> <li>Concirus provides real-time risk management across key segments of marine market for insurance underwriting</li> </ul>

# Booming Investment Activity

Investors Capitalizing on the Rapid Adoption and Implementation of Maritime Software

(\$ in millions)

Year-to-date Investment activity has already secured 2021 as the most active investment year on record with nearly \$500 million in capital invested to date

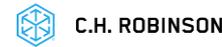


Notes: All data omits \$1B Flexport Series D raise completed April 22, 2019. (1) Includes capital invested from both Early-Stage and Later-Stage Investments; (2) YTD through September 17<sup>th</sup>, 2021

# Maritime Software Incumbents

Enterprise-Class Technology and Services Across the Maritime Ecosystem

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# Maritime Software Disruptors

## Technology Solutions Changing the Balance of Power

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**Fleet Management Systems**









**Visibility & Connectivity**













**Design & Maintenance**











**Administration, Compliance & Finance**











**Logistics & Procurement**






















**Asset, Operations & Performance Management**


















**Analytics & Market Data**
















# Sources & Disclosures

## Madison Park Group, LLC

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### Sources & Notes

#### Data Sources

1. Pitchbook
2. CapitalIQ
3. LinkedIn
4. Public company filings & earnings transcripts
5. Press releases

#### Journals & Other Media

1. Gartner
2. Forrester
3. Bloomberg
4. European Commission
5. UNCTAD
6. BRS Group
7. Drewry Shipping Consultants
8. Shanghai Shipping Exchange
9. Global Industry Analysts
10. Danish Ship Finance
11. International Maritime Organization
12. Markets and Markets
13. U.S. Navy
14. Clarkson PLC
15. Research and Markets
16. Lloyd's Register's Technical Investigation Department
17. Intermodal Association of North America
18. Bureau of Transportation Statistics

### Disclosures

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