

DATE

April 04, 2017

SECTORS

Industrials

DEAL TYPE

M&A Advisory

DEAL LOCATIONS



DEAL TEAM



Shao Ping Lee

Managing Director, Head of
Investment Banking, Singapore

DC Advisory advised Mitsui O.S.K. Lines, Ltd on the acquisition of a stake in PKT Logistics Group Sdn. Bhd.



Mitsui O.S.K. Lines



BACKGROUND

- Mitsui O.S.K Lines, Ltd (MOL) is listed on the Tokyo Stock Exchange and is one of the largest ocean shipping companies in Japan
- PKT Logistics Group Sdn Bhd (PKT Group) is a leading Malaysian logistics company that provides end-to-end logistics solutions comprising freight forwarding, customs brokerage, contract logistics, haulage, distribution and others, to its customers from diverse market sectors

PROCESS

- MOL engaged DC Advisory (DC) to act as exclusive financial advisor to negotiate and structure a minority investment in PKT Group, through the acquisition of new shares
- DC ran a comprehensive due diligence process including a number of detailed work streams - financial modelling, key business due diligence, structuring, with full support in negotiations until closing

OUTCOME

- The transaction provided MOL with an opportunity to significantly enhance its operational capabilities in Malaysia, by leveraging the synergies between MOL Logistics (Malaysia) Sdn. Bhd., MOL's group companies and PKT Group
- The transaction also paved the way for MOL's broad expansion in the Asian region, as part of its commitment to serve its customers' needs for quality logistics solutions, in the Asian region
- The strategic alliance allowed MOL to leverage on PKT Group's customer network, local know-how, as well as expertise in end-to-end logistics solutions, including specialised solutions in automotive, cold chain, etc
- At the same time, PKT Group was able to leverage on MOL's global customer base and expertise in shipping services, to enhance its end-to-end logistics solutions