

## Lessons Learned as a Result of a Management Buy-out

Joop Kraijesteijn  
President  
3angles, Inc.  
Albany, NY

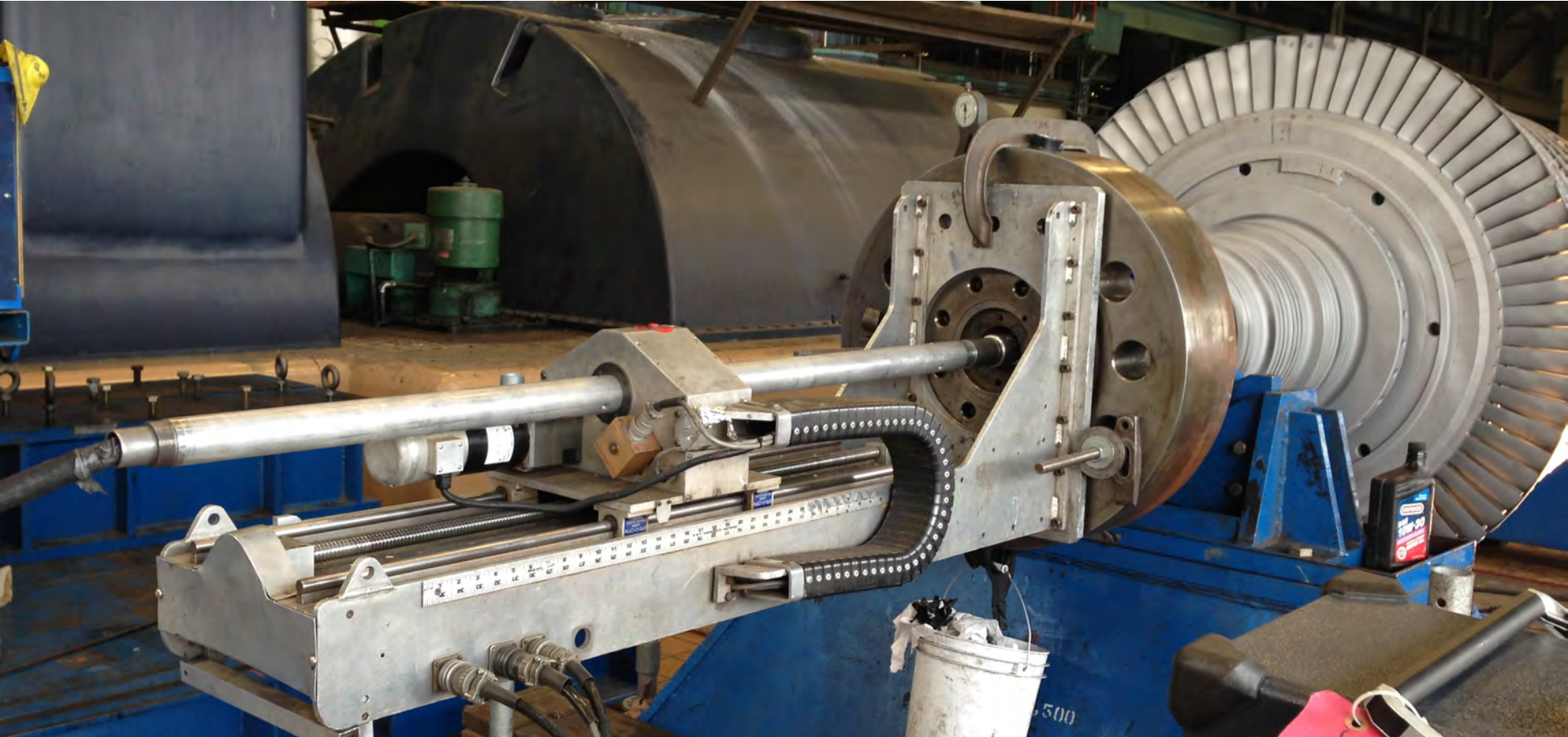


## Agenda

- About 3angles
- Management Buy-out Framework
- The Opportunity
- Lessons learned
- Next steps

## About 3angles

- Support maintaining a safe and reliable energy infrastructure
- Become a leader in advanced NDT and monitoring solutions for the energy market
- Steam Turbines, Generators, Gas Turbines
- General NDT
- Automated and Advanced NDT







## Management Buy-out Framework

- MBO refers to the process of management acquiring a majority or significant minority stake in a company
- Exit strategy for owners looking to retire
- Corporations seeking to divest of a non-core business segment

## Management Buy-out Framework

- Initial discussions
- Initial valuation
- Preparing the confidential information memorandum
- Identifying financial investors
- Preliminary due diligence
- Negotiating the terms of the deal
- The term sheet
- Closing



## The Opportunity

- Joined KEMA in 2001
- Started in the US in 2003 to grow KEMA's Power Generation Services business
- Acquisition of Northeast Inspection Services, Inc. in 2008
- DNV acquired KEMA January 2012
- Divest KEMA's fossil and nuclear power generation activities
- Phone call October 2012 ...

## Framework – versus The Opportunity

- Initial discussions
- Initial valuation
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## Lessons Learned

- Clients and market
- Key personnel
- Understand your business
- Keep it simple
- Cash flow management

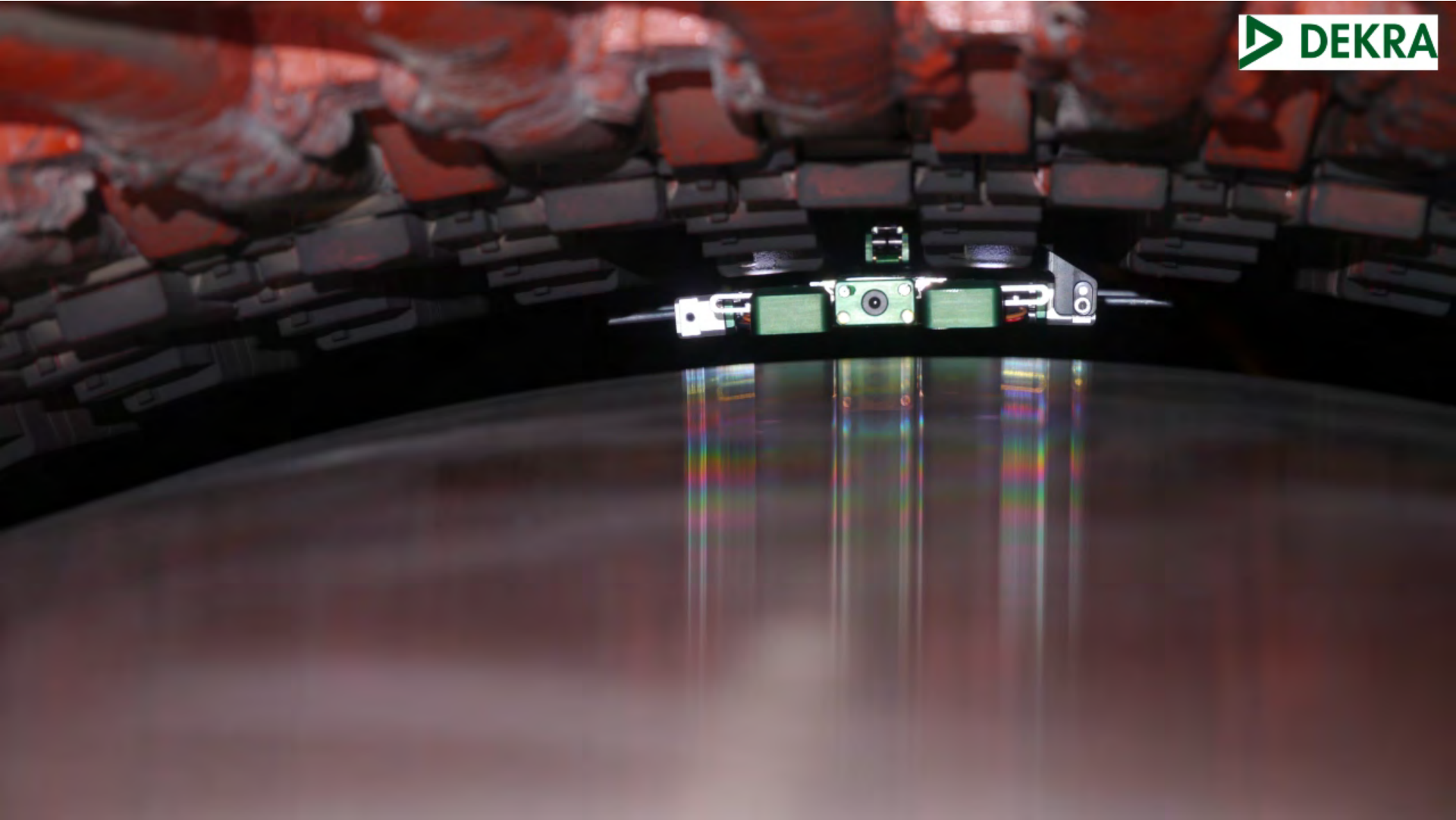
## Next Steps

Growth strategy focused on :

1. Personnel Development
2. Service Development
3. Tools and Equipment
4. Image
5. Financial Performance



# NDTMA 2017 Annual Conference



Golden Nugget Hotel, Las Vegas, NV February 14-16, 2017

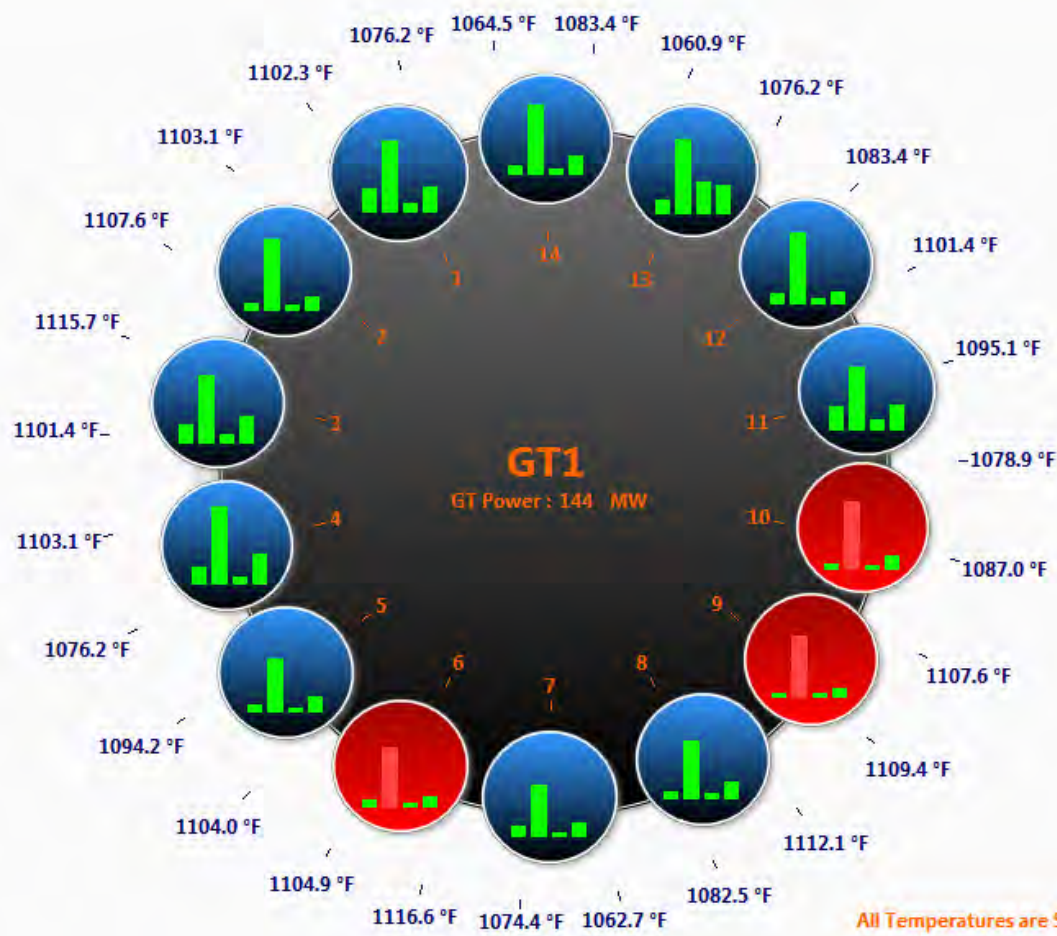
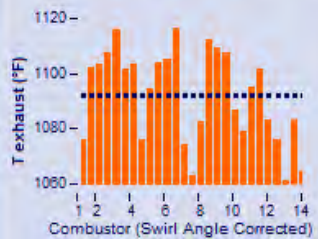
# GT1 Combustion OverView

STATE: Waiting



## Turbine DATA

GT Gross Power	▼	143.8
NOx [ppm]	▼	9.0
CO [%]	▼	1.7
O2 [%]	▼	11.8
GT Parameter 1	▼	1066.2
GT Parameter 2	▼	173.0
GT Parameter 3	▼	69.8
GT Parameter 4	▼	11.0
GT Parameter 5	▼	1.7
GT Parameter 6	▼	11.8
GT Parameter 7	▼	0.0
GT Parameter 8	▼	16.1
GT Parameter 9	▼	273.3
GT Parameter 10	▼	11.0
GT Parameter 11	▼	322.0
GT Parameter 12	▼	25.4
GT Parameter 13	▼	25.0
GT Parameter 14	▼	24.1
GT Parameter 15	▼	151.5
GT Parameter 16	▼	146.4
GT Parameter 17	▼	118.5



All Temperatures are Swirl Angle Corrected

Latest Log Update : 2013-10-16 00h09m34 SPT-ALARM, can 10 exceeded : 2.00 psi peak At 424 Hz with P ( psi peak ) = 2.40 GT-Power (MW) : 143.8

## Questions and Discussion

