



HELLENIC REPUBLIC ASSET  
DEVELOPMENT FUND

## INVITATION FOR EXPRESSION OF INTEREST

### TO ACT AS FINANCIAL ADVISOR TO THE HELLENIC REPUBLIC ASSET DEVELOPMENT FUND ("HRADF") FOR THE CONCESSION OF THE RIGHT TO USE, OPERATE, MANAGE AND COMMERCIALY EXPLOIT THE TOURIST PORTS (MARINAS) OF CHIOS AND KALAMARIA (THE "TRANSACTION")

10.10. 2016

#### Introduction

Pursuant to:

- i. the provisions of Law 3986/2011 (Government Gazette A' 152/2011), whereby HRADF was established with the sole object of developing assets belonging to the Hellenic Republic, which are included in the Privatization Program under 1.1 I and 1.1. II that provides, inter alia, the privatization of small regional ports and marinas by means of granting concessions to third parties of the right to use, operate, manage and exploit the movable and/or fixed assets within the upland area and/or the sea area of said small regional ports and tourist ports/marinas,
- ii. the provisions of Law 4046/2012 (Government Gazette A' 28/2012) that updated the aforementioned Privatization Program included in Annex IV,
- iii. the provisions of Decision No. 218/13.08.2012 of the ICARP (Government Gazette 2322/B'/13.08.2013), as amended by its decision No. 237/05.07.2013 (Government Gazette 1668/B'/05.07.2013), according to which the Hellenic Republic transferred to HRADF the right to grant concessions to third parties of the right to use, operate, manage and exploit the movable and/or fixed assets within the upland area and/or the sea area of 23 regional ports and marinas, including the tourist Ports/Marinas of Chios and Kalamaria,
- iv. the provisions of paragraph C of article 3 of Part B of Law 4336/2015 (Government Gazette A'94/2015), and in particular subparagraph 4.4.iv and Annex 1 of said Law, which refer to the Asset Development Plan as decided by the Board of Directors of HRADF and endorsed by means of a relevant decision by the Government's Council for Economic Affairs and Policy on July 30<sup>th</sup> 2015 (Government Gazette A'93/14.08.2015), including specifically the exploitation of the tourist Ports/Marinas of Chios and Kalamaria,
- v. the provisions of the updated Asset Development Plan of HRADF as decided by the Board of Directors of HRADF on April 26<sup>th</sup> 2016 and endorsed by means of a relevant decision by the Government's Council for Economic Affairs and Policy on May 20<sup>th</sup>

2016 (Government Gazette B'1472/25.05.2016), referring also to the exploitation of the tourist Ports/Marinas of Chios and Kalamaria (Aretsou),

HRADF hereby invites highly experienced financial advisors to submit a proposal in relation to the scope of work described herein (the Invitation).

## 1. Scope of Work

The assignment will include the following:

During the **Preparatory Period** (inter alia):

- 1.1. Review any relevant available data, including all existing historical, financial, strategic and operational work done to date relating to Tourist Ports/Marinas, any information memoranda, studies, reports, business plans, models and forecasts relating to the development and operation of Touristic Ports, and more particularly data on infrastructure, investment, maintenance and services offered as well as tariffs applied in Touristic Ports/Marinas within the Eastern Mediterranean Sea.
- 1.2. Review and assess the current status quo and financial situation of the Tourist Ports/Marinas of Chios and Kalamaria(Aretsou);
- 1.3. In conjunction with HRADF's other advisors, submit a recommendation to the HRADF in respect to the anticipated (new) tender process and the foreseen transaction, which will include, among other things, a set of options and the Advisors' recommendation from a strategic, business, financial and operational point of view, in relation to the proposed course of action to be consider by HRADF, relating to the proposed structure of transaction, taking into account, inter alia: value maximization, infrastructure complementarity, Stakeholder's interests and synergies for the optimization of potential Investor's interest. Prioritize, prepare and present the optimal Transaction structure with its key assumption parameters and respective time-lines for its execution (the "**Recommendation**");
- 1.4. Determine the value of the expected future revenues and other economic rights accruing to the HRADF from operation of the Tourist Ports/Marinas of Chios and Aretsou Kalamaria under the best applicable structure;
- 1.5. Develop, along with the HRADF's other advisors, and regularly update the appropriate financial forecasts and models, as well as perform valuation and financial analysis (including sensitivity analysis) required for the implementation of the proposed structure of the transaction and for the definition of the anticipated maximum duration of the concession agreement as per the requirements of Law 4413/2016 that incorporated/transposed in the Greek legal order the EU Directive 2014/23, , as well as identify the universe of potential investors, explore and evaluate potential interest for the offered asset;
- 1.6. Design, prepare and coordinate, together with HRADF's other professional advisors, all necessary procedures required for the implementation of the tender process and the anticipate Transaction such as, indicatively: due diligence process, virtual data room establishment and administration, preparation and coordination of presentations to potential investors and any other action required in relation to the proposed course of action to successfully implement the Transaction;

During the **Implementation Phase** (inter alia):

- 1.7. Assist, in co-operation with any other professional advisors, in the co-ordination of the Transaction process from initial preparation to the final negotiation and closing of the Transaction, which may include, but is not limited to, the following:
- 1.8. Advise and where appropriate assist the HRADF to develop the appropriate sell story, identify any key potential investor requirements, attract proposals, offers or bids from potential investors, assess any such proposals, offers or bids and advise the HRADF on their relative merits;
- 1.9. Coordinate and prepare of site visits with potential investors to the site.
- 1.10. Work with the HRADF's other professional advisors to prepare any and all customary tender documentation and organize all relevant tender procedures required for the Transaction (including but not limited to, Invitation for the Expression of investors' Interest, Request for investor Proposals and drafting the Concession Agreement);
- 1.11. Together with HRADF's other advisors, assist in collecting necessary Government approvals and/or other approvals from Greek and/or European Institutions as are deemed necessary in relation to the Transaction.
- 1.12. In conjunction with HRADF's other advisors where appropriate, evaluate from a financial/business point of view any proposal or business plan made by any potential purchaser/investor, and submit their written recommendations to the HRADF;
- 1.13. Provide to the Board of Directors of the HRADF any required recommendation justifying the proposed course of action in the different steps of implementation of the Transaction up to Closing;
- 1.14. Assist and advise the HRADF in relation to all financial or non-financial steps pertaining to the closing of the Transaction and the fulfillment of any conditions precedent thereof.

## **2. Duration**

The Duration of the engagement shall be up to **twenty four (24) calendar months** with HRADF reserving the right to extend such engagement for an additional twenty four (24) **or** until the Transaction closes (whichever event occurs first).

## **3. Necessary Qualifications**

Interested parties should be able to demonstrate their standing and professional experience in

relation to this assignment. Interested parties are kindly requested to submit an offer in writing, which should include the following:

- 3.1. **Track Record & Experience:** Proof of relevant track record and experience in the provision of expert financial advisory services in infrastructure concessions and Touristic Ports in particular. Experience in the Greek market or relevant antagonistic Mediterranean ports will be highly appreciated. The dossier of the Expression of Interest should include obligatorily a catalogue of all relevant projects in which the interested party has participated in the last 10 years. (Dossier A')
- 3.2. **Project Team:** Proposed team composition (and its proposed structure) including relevant experience of the leader and senior members of the team. Expressions of Interest should include CVs of all members of the engagement team. Moreover, a list of all relevant projects proving experience of those individual members should be submitted and included in the Expression of Interest. (Dossier B')
- 3.3. **Methodological Approach:** Interested parties should submit in their proposal a brief description of the proposed approach to the assignment, identification of critical issues, methodologies to be applied as well as its deliverables including an indicative timetable. (Dossier C').
- 3.4. **Budget & Success Fee:** Interested parties should submit in their proposal for a retainer for their services and a success fee. The maximum available amount for both retainer and success fee for the assignment described herein cannot exceed **EUR 195,000** (plus value added tax). The above amount includes any and all expenses for the completion of the assignment. (Dossier D')

The Advisor should propose a success fee, quoted separately. It is provided that 50% of the retainer fees paid for the assignment will be subtracted from the Success Fee. (Dossier D')

All criteria described under 3.1, 3.2, 3.3 and 3.4 should be fulfilled.

Interested parties and the members of the proposed teams must declare in writing that they do not have a conflict of interest. Such declaration as to conflict of interest will be in effect throughout the term of the Advisor's engagement with HRADF.

The Advisor will be obliged to abide by the rules provided for in art. 7 of Law 3049/2002 and specially their professional code of conduct and relevant confidentiality rules even after the conclusion of their engagement.

The Advisor should be aware of the approved expenses policy applicable on reimbursement of Advisors expenses by the HRADF.

#### 4. Selection Process

The assignment will be awarded in accordance with the provisions of Law 3986/2011 and article 2.3 of HRADF's Procurement Regulation (recently amended and codified by Decision 2/16128/0025 of the Minister of Finance, Government Gazette B/476/2014) (the Regulation) as in force .

The HRADF hereby reserves the right to extend or amend the engagement with the Advisor to include complementary services (if necessary), that may be required and can not be identified today and from a technical and financial perspective will prove to be inseparable from the original engagement without causing a major issue or because they are absolutely necessary

for the completion of the Transaction, in accordance with article 2.5.a and 2.5.d of HRADF's Procurement Regulation.

The assessment shall take into consideration the above mentioned in Article 3 qualifications and requirements. HRADF may require any clarification, addition or adjustment of the submitted Expressions of Interest as deemed necessary.

Following the assessment process, up to three (3) candidates may be invited to present their proposals to HRADF. Should the number of candidates that fulfill the abovementioned minimum selection criteria is less than three (3), HRADF may - at its sole discretion - continue the procedure by calling on the candidate(s) that fulfill such criteria.

A candidate that does not comply with the criteria set hereof will not be allowed to participate in the process and thus be disqualified.

HRADF reserves, at the fullest extent possible and at its exclusive discretion, the right to cancel, suspend, amend or postpone until a later time this procedure, without any prior notice, as well as to terminate any negotiations or discussions at any stage of the process, without incurring any liability whatsoever as against any participant and/or any third party.

No responsibility or liability is or will be accepted by either the HRADF or its advisors, or any agents, employees, officers in respect of any error or misstatement in or omission from this document. No person acquires any right or claim for compensation or other from this Invitation or from their participation in the procedure described herein, against the HRADF or its advisors for any reason or cause.

Interested parties should submit their offer consisting of DOSSIERS A' , B, C' and D' and any other documentation that prove the firm's and the team's experience and expertise together with all requested documents as above via e-mail at the e-mail: [info@hraf.gr](mailto:info@hraf.gr), marked **"TOURIST PORTS (MARINAS) of CHIOS AND KALAMARIA: INVITATION FOR EXPRESSION OF INTEREST FOR FINANCIAL ADVISOR"**. Additionally, a hard copy of such offer may also, at the discretion of the interested parties, be submitted, in a sealed envelope, at the offices of **HRADF, Kolokotroni & Stadiou str., 7th floor, Athens 10562, Greece**. If there is any inconsistency between the hard copy and the submission via e-mail, the e-mail submission shall prevail.

The Expressions of Interest containing the offers must be submitted no later than **20/10/ 2016, 17:00, Athens time**, irrespectively of the way of submission.