



Project: Mobile Elevating Work Platform

Prepared by: Reciprocus International
Date: October 2016

Executive Summary	2
Macroeconomic Outlook of the Industry	3
Opportunity Spotlight and Analysis	4

Reciprocus is delighted to present to you our initial views on potential growth of Mobile Elevating Work Platform in APAC market

- Our indicative view is predicted on publicly available information and our knowledge of Mobile Elevating Work Platform in APAC region.
- Our high-level research has identified a sustained and substantial overall demand from the APAC region for Mobile Elevating Work Platform
- We have identified four potential growth opportunities in APAC across our observation – mainly China, Japan, Korea and Indonesia
- This growth is supported by the key driver, which is mainly spurred by the increasing needs of telecommunication infrastructure and real estate investments
- The APAC market is predicted to grow at a CAGR of over 18% from 2016 to 2024
- The booming demand for scissor lifts and boom lifts in construction activity owing to elevate work force as well as equipment is likely to fuel demand over the forth coming years.
- However, the lack of authorized trained personnel among developing countries is expected to hamper the growth potential.
- Aside from potential growth opportunities in APAC region, we see optimistic signs in global market market overview as well.
- Overall, global physical security market is forecasted to grow steadily at a CARG of more than 18%, as there is a need to offer workers a safe and stable platform to work.
- Given the exciting prospects in both global and APAC markets, we would recommend company to explore and expand into other markets in APAC region.

Business Overview

Product Analysis:

Growing investments in the infrastructure and real-estate is expected to drive the global MEWP market. Rapid developing telecommunication sector as a direct consequence of economic growth in developing countries has driven demand for these machines. Incorporation of safety features, ease of handling, and maneuverability is estimated to propel MEWP market size as well. Increasing material handling demand in factories and manufacturing units is estimated to contribute positively towards revenue.

Region Analysis

APAC MEWP market share is predicted to grow at 18.7% CAGR from 2016 to 2024 owing to increasing number of cell phone users and rising need for good telecommunication infrastructure. U.S MEWP market size is expected to be driven by increasing private investment coupled with renovation activities.

The construction sector is expected to witness high penetration and growth over the forecast timeline, which may be attributed to increasing government and private investment in this sector. Growing infrastructure activities coupled with real estate investments especially in China, India, Brazil and Indonesia is estimated to escalate demand significantly. Rising demand for boom lifts and scissor lifts to elevate workers and equipment throughout the construction process may fuel industry growth. In addition, growing concerns pertaining to worker safety is also expected to propel consumption..

Geographical Segments

Population: 127.3 million
Total GDP (2015): US\$ 4.41 trillion
MEWP Import (2014): US\$225.5 million
10- Year CAGR: 5.73%

Japan



Population: 1.3 Billion
Total GDP (2015): US\$ 11.4 trillion
MEWP Import (2014): US\$228.7 million
10-Year CAGR: -1.49%

China



Korea



Population: 50.2 million
Total GDP (2015): US\$ 1.3 trillion
MEWP Import (2014): US\$ 428.2 million
10-Year CAGR: 11.27%



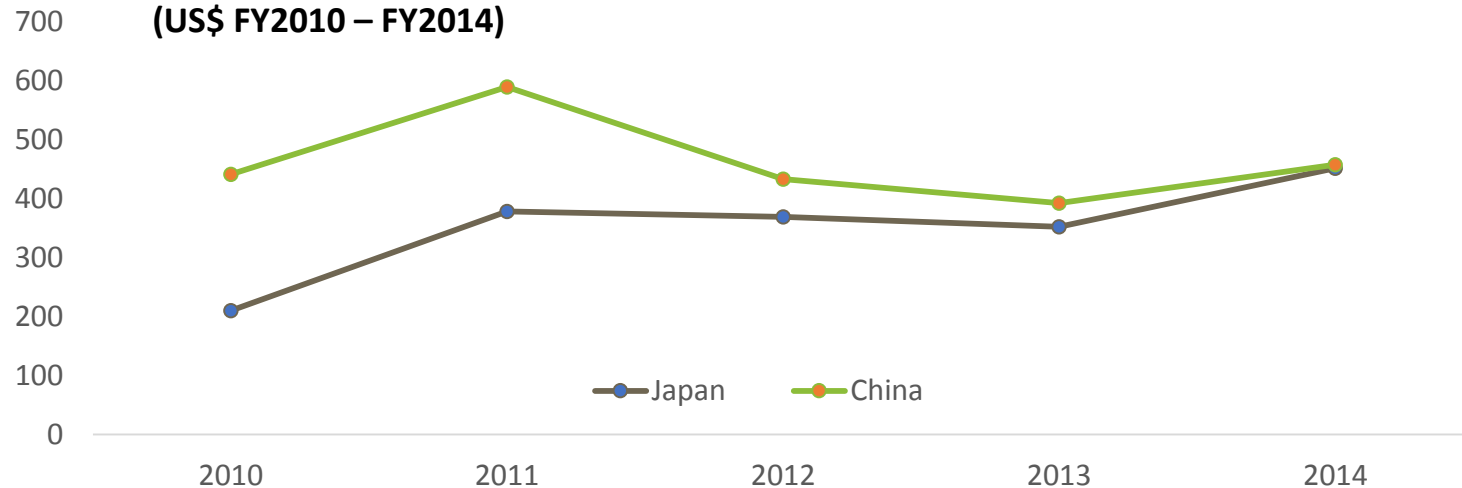
Indonesia

Population: 249.9 million
Total GDP (2015): 0.94 trillion
MEWP Import (2014): US\$183.4 million
10-Year CAGR: 24.19%



Opportunities Spotlight and Analysis

**MEWP Product Imports into Japan and China
(US\$ FY2010 – FY2014)**

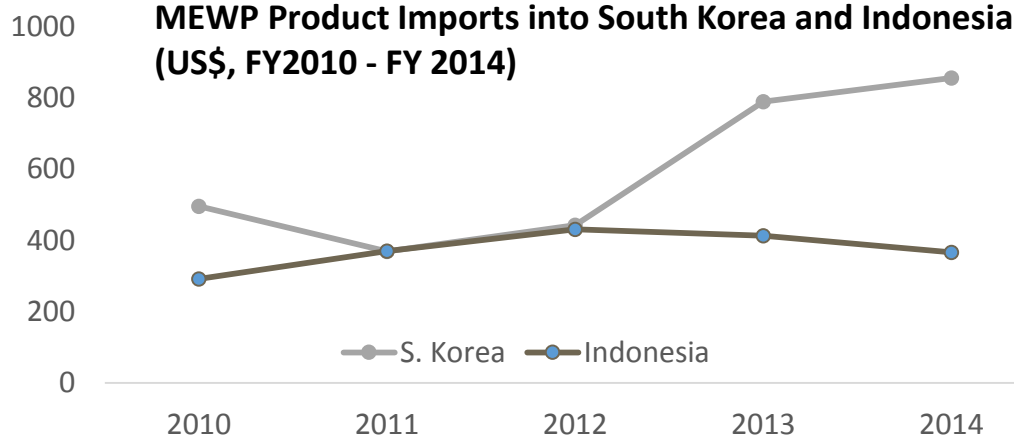


Why Japan?



Why China?

- The government has allocated 30 trillion yen to improve **Japan's** expressways and motorways as part of preparation for Tokyo Olympics 2020. Such an investment has a knock-on effect on demand for MEWP.
- **Japan** is infamously known for being prone to natural phenomenon, such as typhoons, earthquakes and tsunamis. These are regular occurrences, and these are commonly cited as drivers for MEWP demand across a review of literature.
- In 2013, the **Japanese** prime minister launched the "Abenomics", a multi-pronged economic program to kick start the **Japanese** economy which will strongly catalyze the national infrastructure sector, also cited as a major driver.
- In recent years, **China's** national security regulations for aerial work are becoming more and more strict. As such, the country is developing a number of strategies to promote safe and efficient operating methods and MEWP is a feasible option.
- Given that the MEWP market in **China** is still considered immature, there will be a huge space for development and there will be further increase in demand for MEWP



Why Korea?



Why Indonesia?

- The rise of demand for MEWP not only due to safety reasons and the expected rise in cost of labor, but also due to the aging population. There will not be enough young workers to carry out the traditional physical labor.
- The government is looking more into safety regulations and the MEWP business will grow alongside this view. Although the market is still relatively immature in **South Korea**, the market size is expected to double from where it is now in 5 years time.
- The surge in demand across telecommunication and infrastructure sector in **Indonesia** is expected to further drive MEWP industry growth over the coming years, and it is due to the need of meeting the housing demands of Indonesia's enormous population.
- **Indonesia's** government is planning to spend US\$ 450 billion on infrastructure alone between now and 2020, with over US\$ 22 billion of confirmed spending for 2016.

Conclusion:

We have shortlisted Japan, China, Korea and Indonesia as our key potential opportunities, which, in our opinions, generally fits company's business strategy. We are open to exploring other markets in the APAC region as well.



About Reciprocus

We specialize in assisting small and medium-sized businesses with expansion into overseas markets:

- Selecting and Structuring Route to Entry;
- Mergers, Acquisitions, Joint Ventures;
- Distributorships, Franchising and Licensing;
- Capital Raising.

For more information about our practice, visit our website at: www.reciprocus.com.



IE Singapore Assistance

The Singapore Government co-funds up to 70% of the third party professional fees for internationalization activities under the following schemes:

Market Readiness Assistance Grant: Market assessment, market entry and business matching activities.

Global Company Partnership Grant: Market research, scouting for overseas partners and due diligence activities.

More information available at:
<http://www.iesingapore.gov.sg/Assistance>.

Reciprocus International

International Plaza
10 Anson Road #10-22
Singapore 079903

Tel: +65-6225-9986
Fax: +65-6225-8223

Reciprocus Americas

Empire State Building
350 5th Ave, Suite 7610
New York, NY 10118

Tel: +1-212-565-0600
Fax: +1-646-349-3532

Reciprocus Europe

Taefernstrasse 22a
5405 Baden-Daettwil
Switzerland

Tel: +41 56 470 42 70
Fax: +41 56 470 42 72



David Emery

Chairman

david@reciprocus.com



Robert MacPherson

Junior Partner

robert@reciprocus.com

