INVESTMENT SUMMARY:

投资总结：

Vega Ventures has identified an opportunity to acquire an established home healthcare agency based in the Greater Los Angeles Area, California (“Project Echo”), which has established strong relationships with several large hospitals and medical facilities throughout southern California. With significant upside potential already proven by similar-sized competitors, coupled with a proprietary training program to minimize risk for their partner facilities, Vega Ventures Fund III (“VV Fund III”) shareholders are positioned to realize a healthy return on invested capital.

Vega Ventures已经确定了一个收购位于加利福尼亚州大洛杉矶地区的一家已成立的家庭医疗机构的机会（“Echo项目”），该机构与南加州的几家大型医院和医疗设施建立了牢固的关系。由于类似规模的竞争对手已经证明了巨大的上行潜力，再加上专有的培训计划，以最大限度地降低其合作伙伴设施的风险，Vega Ventures Fund III（“VV Fund III”）股东的定位是实现投资资本的健康回报。

Vega Ventures has sourced this prospective deal through continued leads generated through its established professional network of healthcare professionals and business owners throughout Southern California. The General Partners intend to lead Vega Ventures’ pre-transaction and post-transaction interactions with Project Echo to help protect shareholder interests. In an effort to secure this prospective investment opportunity, Vega Ventures is expanding its shareholder base and accepting new investments in order to facilitate the size of this investment opportunity. As soon as enough capital commitments are secured to pursue this investment, Vega Ventures will commit additional time, energy and resources to move this deal to the finish line.

Vega Ventures通过其在南加州建立的医疗保健专业人员和企业主专业网络产生的持续线索，获得了这一预期交易。普通合伙人打算领导Vega Ventures与Echo项目的交易前和交易后互动，以帮助保护股东利益。为了确保这一潜在的投资机会，Vega Ventures正在扩大其股东基础并接受新的投资，以促进这一投资机会的规模。一旦有足够的资本承诺来进行这项投资，Vega Ventures将投入额外的时间、能源和资源，将这笔交易推向终点。

|  |  |
| --- | --- |
| Capital Required:  所需资金： | $10.5 MM USD  10.5美元 |
| Fundraise Timeline:  筹资时间表： | Expected to close financing round by July 2019  预计到2019年7月结束融资回合 |
| Use of Proceeds:  收益用途： | Acquisition capital for VV Fund III’s acquisition of Project Echo  VV Fund III收购Echo项目的收购资金 |
| Investment Timeline:  投资时间表： | Exit expected before the end of 2025  预计2025年底前退出 |
| Targeted ROI:  目标投资回报率： | Potential for 3x-5x return on capital over a 4-6-year period  4-6年内资本回报率可能达到3-5倍 |

This information has been prepared to give investors a better understanding about Project Echo. The goal of this Investment Summary is to give a general overview of the field, of the company and of the opportunity. Upon request, we can provide additional analysis as due diligence continues to progress, which may help investors understand the opportunity in greater detail.

这些信息旨在让投资者更好地了解Echo项目。本投资摘要的目标是对该领域、公司和机会进行概述。应要求，我们可以在尽职调查继续进行时提供额外的分析，这可能有助于投资者更详细地了解这一机会。

Investment Opportunity Highlights:

投资机会亮点：

* The structure of the investment will follow a traditional private equity model, wherein limited partners’ (“LP”) investments will be managed by the fund’s general partners (“GP”). Aligning incentives between GP and LPs increases the likelihood of a successful outcome for all parties.

投资结构将遵循传统的私募股权模式，其中有限合伙人（“LP”）投资将由基金的普通合伙人（“GP”）管理。在普通合伙人和有限合伙人之间调整激励措施，可以提高所有各方取得成功的可能性。

* The acquisition and management of Project Echo will be coordinated and directed by the general partner deal team at Vega Ventures, LLC, VV Fund III. Having an experienced and dedicated team of executives and deal professionals will increase the likelihood of a successful outcome for VV Fund III’s shareholders.

Echo项目的收购和管理将由Vega Ventures，LLC，VV Fund III的普通合伙人交易团队进行协调和指导。拥有一支经验丰富、专心致志的高管和交易专业人员团队将增加VV Fund III股东取得成功的可能性。

* Project Echo is a proposed acquisition of an established home healthcare company in a growing industry which is set to continue growing at 10%+ for the next 30 years due to the rapidly aging population of the United States.

Echo项目是对一家成长中的家庭保健公司的收购，由于美国人口的快速老龄化，该公司在未来30年内将继续以10%以上的速度增长。

* The company is located in, and provides service to, one of America’s most populated urban areas, which also happens to be a retirement destination for many wealthy individuals due to the moderate climate and the robust network of healthcare services located throughout southern California.

该公司位于美国人口最多的城市地区之一，并为其提供服务。由于气候温和，加上遍布南加州的健康医疗服务网络，该地区恰好也是许多富人的退休目的地。

Industry Overview:

行业概况：

According to a recent Economic Census, there are 22,975 home health care service establishments in the U.S., employing nearly 1 million people and generating revenues of over 46 billion dollars. The main receivers of home healthcare services are seniors who require skilled and non-skilled assistance, including help with ADLs (activities of daily living) and IADLs (or instrumental activities of daily living), but they are not the only group that requires care and companionship. Additional home healthcare service recipients may include: anyone with a terminal illness who wishes to die at home; disabled or chronically sick adults or infants; and, adults who need assistance because they are disabled or recuperating from a hospital stay.

根据最近的一次经济普查，美国有22975家家庭保健服务机构，雇用了近100万人，收入超过460亿美元。家庭保健服务的主要受益者是需要技术和非技术援助的老年人，包括ADL（日常生活活动）和IADLS（或日常生活工具活动）的帮助，但他们不是唯一需要照顾和陪伴的群体。其他家庭保健服务接受者可能包括：希望在家中死亡的终末期疾病患者；残疾或慢性病成人或婴儿；以及因残疾或住院疗养而需要帮助的成人。

The number of people using home healthcare services is set to continue to grow as population statistics show that in 2010 over 45 million people in the U.S. were aged over 65, up from nearly 37 million in 2000. As shown in the table below, supplied by the Population Division of the U.S. Census Bureau, by the year 2020, nearly 62 million people will have reached retirement age. This is the largest group of retirees in the history of the U.S. and will create continuing demand for home healthcare services and facilities.

由于人口统计数据显示，2010年美国超过4500万人的年龄超过65岁，比2000年的近3700万人增长，使用家庭医疗服务的人数将继续增长。如下表所示，由美国人口普查局人口司提供，到2020年，将有近6200万人达到退休年龄。这是美国历史上最大的退休人员群体，并将继续创造对家庭医疗服务和设施的需求。

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Age  年龄 | 2010  二千零一十  (in thousands)  （数以千计） | 2020  二千零二十  (in thousands)  （数以千计） | 2030  二千零三十  (in thousands)  （数以千计） | 2040  二千零四十  (in thousands)  （数以千计） | 2050  二千零五十  (in thousands)  （数以千计） |
| 65+  65 + | 40,229  40,229 | 54,804  54,804 | 72,092  72,092 | 81,238  81,238 | 88,547  88,547 |
| 85+  85 + | 5,571  5,571 | 6,597  6,597 | 8,745  8,745 | 14,198  14,198 | 19,041  19,041 |
| 100+  100 + | 79  79 | 105  105 | 208  208 | 298  298 | 601  601 |
| Total  合计 | 46,059  46,059 | 61,536  61,536 | 81,045  81,045 | 95,734  95,734 | 108,189  108,189 |

Additionally, the companies that provide home healthcare services are only just beginning to discover franchising as a method for growth. Of the current businesses, only 17% are franchises. Since the year 2000, the number of franchise brands that are in this sector has quadrupled to over 3,000 franchised businesses, representing a clear growth path for companies with the right strategy, team, and financing to capture the franchising opportunity.

此外，提供家庭医疗服务的公司才刚刚开始发现特许经营是一种增长的方法。在目前的业务中，只有17%是特许经营。自2000年以来，该行业的特许经营品牌数量翻了两番，达到3000多家特许经营企业，这对于拥有正确战略、团队和融资以抓住特许经营机会的公司来说是一条清晰的增长道路。

Financial Highlights:

财务亮点：

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | 2016  2016  (millions)  （百万） | YoY Growth  同比增长 | 2017  2017  (millions)  （百万） | YoY Growth  同比增长 | 2018  2018  (millions)  （百万） | YoY Growth  同比增长 |
| Revenue  收入 | $21.64  21.64美元 | TBD  TBD | $23.73  23.73美元 | +9.7%  + 9.7% | $26.97  26.97美元 | +13.6%  + 13.6% |
| COGS  齿轮 | $15.34  15.34美元 | TBD  TBD | $16.84  16.84美元 | +9.8%  + 9.8% | $18.88  18.88美元 | +12.1%  + 12.1% |
| Op Ex  欧普 | $4.57  4.57美元 | TBD  TBD | $5.61  5.61美元 | +22.8%  + 22.8% | $5.35  5.35美元 | -4.6%  - 4.6% |
| Net Income  纯收入 | $1.73  1.73美元 | TBD  TBD | $1.28  1.28美元 | -26.0%  - 26% | $2.74  2.74美元 | +114.1%  + 114.1% |
| EBITDA  EBITDA | $3.16  3.16美元 | TBD  TBD | $2.92  2.92美元 | -7.6%  - 7.6% | $4.10  4.10美元 | +40.4%  + 40.4% |
| Margin  边缘 | 14.6%  14.6% |  | 12.3%  12.3% |  | 15.2%  15.2% |  |

Potential Exit Alternatives:

潜在出口备选方案：

* Management Buyout

管理层收购

* + Once a professional management team is in place at the company, VV Fund III may seek to identify key personnel who have a vested interest in the long-term success of the business. Depending on the talent and interest level of these key personnel, we may choose to groom, train, and prepare this group of key personnel for an eventual management buyout.

一旦公司成立了专业的管理团队，VV Fund III可能会寻找对公司长期成功有既得利益的关键人员。根据这些关键人员的人才和兴趣水平，我们可以选择培训、培训和准备这组关键人员，以便最终进行管理层收购。

* Sale to a PEG, Family Office, or Other Professional Investor

出售给PEG、家族理财办公室或其他专业投资者

* + The home healthcare industry is currently a highly sought-after acquisition target, attracting the interest of many fund managers and professional investment groups. The attractive long-term trends of this industry will continue to attract attention from professional investors for several decades.

家庭医疗行业目前是一个备受追捧的收购目标，吸引了许多基金经理和专业投资集团的兴趣。几十年来，这个行业具有吸引力的长期趋势将继续吸引专业投资者的关注。

* Sale to Industry Competitor

面向行业竞争对手的销售

* + The highly fragmented nature of this industry lends to a strong strategic growth strategy via consolidation and tuck-in acquisitions. We’ve seen significant M&A activity in this space amongst existing competitors. Several large healthcare groups are actively growing their portfolio of services/geographies by acquiring or merging with established home healthcare operations.

该行业高度分散的性质，通过合并和大量收购，形成了强大的战略增长战略。我们在现有竞争对手中看到了这一领域的重大并购活动。一些大型医疗保健集团正在通过收购或合并已建立的家庭医疗保健业务，积极扩大其服务/地区组合。

* Initial Public Offering (IPO)

首次公开发行（IPO）

* + An IPO will become a viable exit alternative once the company is able to implement a successful franchise strategy, capturing a nation-wide footprint.

一旦公司能够实施成功的特许经营战略，并在全国范围内占领市场，IPO将成为一种可行的退出选择。

Reasons to Invest and Future Growth Potential:

投资理由和未来增长潜力：

* Professional and experienced executives and deal teams managing the due diligence, deal close, management transition, and ongoing operational efforts required to ensure a timely and successful outcome for VV Fund III’s LPs.

专业且经验丰富的高管和交易团队，负责管理尽职调查、交易结束、管理层过渡以及持续的运营工作，以确保VV Fund III的有限合伙人能够及时成功地取得成果。

* Potential for larger scale franchising operations.

更大规模特许经营的潜力。

* Growth of a rapidly aging population ensures steady flow of patient referrals for the next 20-30 years

快速老龄化人口的增长确保了未来20-30年患者转诊的稳定流动。

* Substantial government support for the home healthcare industry due to the strain and rising costs of traditional healthcare networks in the United States.

由于美国传统医疗网络的压力和成本上升，政府对家庭医疗行业提供了大量支持。

* Current market need for home healthcare services to support and supplement hospital-based care.

目前市场需要家庭医疗服务来支持和补充医院护理。

* Vega Ventures Management Team has identified potential, future investment opportunities through strategic technology development in support of healthcare services. Following initial fund success, an expanded and interconnected provider “network” may create an attractive environment for additional product and service offerings.

Vega Ventures管理团队通过支持医疗保健服务的战略技术开发确定了潜在的、未来的投资机会。在最初的基金成功后，一个扩大的、相互联系的供应商“网络”可能为额外的产品和服务提供一个有吸引力的环境。

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