

BCN PEG Financial Services Overview

BCN PEG FS center of excellence



Experience & expertise

We have unrivalled PE deal experience; we mobilize sector and functional **expertise** and understand the trends disrupting the FS sector



Dedicated resources

Our dedicated FS practice assures high quality and well-trained teams



Proprietary insights faster

We have deep primary research and advanced analytic capabilities, enabling us to get at better insights faster



Access to cutting-edge data

We leverage a wide variety of data sources through an ecosystem of data partners to generate accurate and reliable insights for clients

Broader partnerships with data partners —



Delivered 150+ FS cases in '23-24

% OF CASES



REGION

Others -S Market Infrastructure Cards &

Payments

Banking

Wealth & Asset Management

Insurance

SECTOR

Expertise in FS market modelling

Expertise in creating in-depth market size models containing precise current estimates and reliable future forecasts. Examples include:



Global Specialty Insurance Brokerage:

Global GWP and Brokerage revenue model split by LOBs



Wealth Management:

Market size and revenue pool estimation in terms of AUMs split by channel and customer segment



Fund Administration. Trust & Corporate Services (T&CS):

Market size estimation and forecasts split by geography, type of fund and jurisdiction

BCN PEG FS leads



Ira Kaur Vice-president BCN PEG



Reuben Dantes Director BCN PEG



Hemant Khosla Senior Manager **BCN PEG**



Kavi Nanda Manager **BCN PEG**

BCN PEG FS teams have worked across a broad range of sub-sectors within FS

FINANCIAL SERVICES

MARKET MAP

Banking				
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Banking				

Traditional SME Banking

Corporate Banking

Portfolios/ NPLs

Asset / Wealth Management

Private Banking

Mutual funds/Unit trusts

Traditional Asset Management

Alternative Assets

Retirement Services

Administrative services

Retail Wealth Management

Insurance

Life and Annuity

Non-life (underwriting)

Re-insurance

Distribution

Insurance Services

Warranties

Portfolios

Payments & Cards

Credit card issuers

Debit/pre-paid card issuers

Merchant acquirers/ processors

Card associations/ payment networks

Gateways

Remittances

Alternative payments

Capital Markets

Proprietary trading

Investment Banking

Brokerage

Research

Securities Exchange

Specialty Finance

Consumer specialty Finance

Commercial Lending

Leasing

Asset Based Finance (shipping, aircraft, etc)

Real estate ABF

Factoring

Fintech

Provided support

Engage BCN PEG to answer key questions on your FS case

BCN PEG

FINANCIAL SERVICES

NOT EXHAUSTIVE







Survey analytics++

Workforce analytics

Digital analytics

Industry PoV

BCN offering

BCN FS examples

- End-to-end survey ownership from questionnaire design, vendor/ panel coordination, coding/ testing and analytics (automated cutter/ slides)
- Benchmarking talent pool, quality and org structure to identify optimization opportunities
- Outside-in assessment of target across digital marketing and sales channels
- Provide forward-looking perspective on the industry/ sector leveraging secondary sources

- Questionnaire design & launch support: Specialty insurance, Broker, POS/terminal providers, etc.
- Automated survey cutter/ slides across FS sub-sectors with notable expertise in Payments, Insurance, & Wealth **Management**
- TAM estimation basis # of professionals and/ or brokers/ advisors
- Talent quality/ hiring/ attrition KPIs for **FS-specific roles**, e.g., operations vs investment professionals, # insurance agents, # client-serving roles, etc.,
- Talent flows into emerging areas such as digital payments, NFT, & crypto DeFi
- Est. AUM per investment professional supplemented by secondary research
- Developing an extensive view of digital competitiveness for FS sub-sectors (e.g., consumer oriented FS, fintech, loan/ insurance, banking) including brand assessment, offerings and pricing, sales/channel, marketing
- Digital diagnostic & social media analysis for crypto exchanges

- Developing POVs on nascent FS areas such as Tokenization & Web 3.0
- Determine **fund strategy** driven by "sweet-spot" analysis & peer comparison
- Multi-dimensional trend analysis to identify risks and opportunities

Key tools/ sources



























Engage BCN PEG to answer key questions on your FS case

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Sector scans/ target screening

Customer Sentiment

Disruption Assessment/ start-up scans

ESG/ Carbon Assessment

BCN offering

BCN FS examples

- Build a customized target list for potential acquisition in a phased approach
- Assessing customer sentiment for the target, driven by earmarked review sourcing & emerging trend analysis
- **POV on disruption** & innovation, identifying key risks from new entrants, value chain shifts, etc.
- Benchmarking target's ESG performance against peers on key metrics, leveraging sources

- Overview of deal activity within FS sub-segments such as Payments, Banking, Fintech, etc. covering all major aspects of the transaction
- Identifying key/attractive players within each FS sub-segment in SEA
 - Developing the taxonomy for FS segments (Banking - Digital Banks, Niche Banks etc; Asset & Wealth - Private Investment, Digital Brokerages, etc.)
- Thematic analysis of customer perception, leveraging OpenAl capabilities to identify improvement opportunities for FS players
- Start-up scan to identify emerging tech advancements & gauge investor attraction within nascent segments (InsurTech, WealthTech, etc.)
- Mapping tokenization players' penetration across the PE value chain
- Identifying prioritized ESG themes within specific FS sub-segments and conducting peer comparison
- *Quantify **ESG upside value creation** potential across the FS value chain and investment needed

Helix Find

Analysis







Tools/ Databases used

























Sample case 1: EMEA and UK Specialty Insurance market landscape

SAMPLE CASES

Key questions



Challenges/ Issues

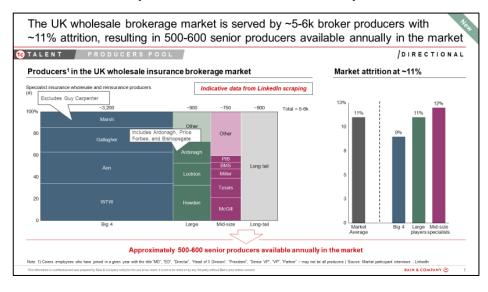


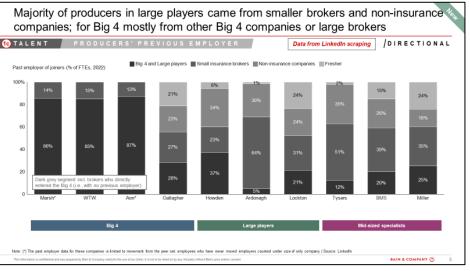
Approach & results



- What is the size of the UK and EU specialty insurance market in terms of the talent pool, specifically comparing Brokers and Senior Brokers?
- What are the key talent pool development indicators by Line of Business in the specialty insurance market?
- What does the global deal landscape look like for the key European players in the specialty insurance market?
- Varying organizational structures and roles make it difficult to clearly segment Brokers from Non-Brokers
- Diverse Lines of Business and highly varied product offerings add complexity
- High deal volumes across sub-brands and regions make tracking market activity challenging
- Analyzed the commercial insurance market landscape by mapping key competitors and their offerings across various Lines of Business, providing a clear market overview
- Developed a comprehensive list of roles and responsibilities for the top 10 commercial insurance brokers in the EU, successfully identifying key broker segments by Line of Business
- Analyzed regional deal activity, segregating Private Equity and Corporate deals for deeper insights.

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Sample case 2: SEA FS sector scan

SAMPLE CASES

Key questions



Challenges/ Issues

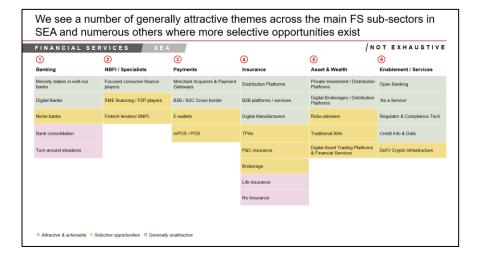


Approach & results



- What is the L1/L2/L3 taxonomy for the Financial services industry? What are the key sectors and sub-sectors?
- Develop a long list of players within FS verticals and subsectors?
- Identify the key/attractive players within each sector and sub-sector
- Overlap in product offerings among FS players (i.e., players offering both insurance and wealth mgmt. services), leading to making subjective calls to identify primary sector
- Limited knowledge/ understanding of the FS taxonomy, consequently, lead time in understanding the market and generating insights for our clients is higher
- Limited data available (funding, revenue, FTEs) for private players within the FS space
- Crafted the taxonomy for Financial services highlighting the 6 major sectors (Banking, NBFI, Payment etc.) and their sub-sectors/ key capabilities
- Collated the long list of companies highlighting the primary sector, and identified top performing companies using several qualitative (key services/ solutions offered etc.) and quantitative (funding, revenue, FTEs etc.) metrics

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B A N K I N G	SEA	TOP DEALS NOT EXHAUSTIVE		
	Target Bank	Investor / Acquiror	Deal value	Year
Indonesia	Bank Allo	Growtheum Capital	Undisclosed	2022
Thailand	Thai Credit Retail Bank	Olympus Capital Asia	\$91M	2019
Vietnam	Techcombank	Warburg Pincus, GIC, others	\$1.3B	2018
	Vietcombank	GIC, Mizuho Bank	\$270M	2018
	Asia Commercial Bank	CVC	\$220M	2018
	HDBank	IFC, LeapFrog Investments, DEG	\$165M	2022
Philippines	Voyager (***original e-wallet, now Digital Bank)	KKR, Tencent, PLDT, IFC, SIG	\$210M	2022
	Bank of the Philippine Islands	GIC	Undisclosed	2018
Singapore	TONIK Financial	Prosus Ventures, Sixteenth Street Capital, others	\$131M	2022
Others	Yoma Bank	GIC, Norfund	\$88M	2018

Sample case 3: FA market model and T&CS

SAMPLE CASES

Key questions



Challenges/ Issues



Approach & results

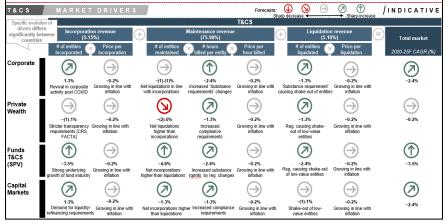


- What is T&CS and Fund Administration market and what are its dynamics, key market drivers and how the macroeconomic factors impact the market?
- What is the market size by region and asset class, and the estimated trajectory for the coming years?
- How are various players placed across the industry in various jurisdictions? How can market leaders leverage Bain expertise?
- Opaque market with limited commentary on secondary; Major answer building through expert interviews and market estimations
- Lead time in understanding the market and generating insights for our clients is higher
- BCN has been at the forefront of collaborating with case teams on FA/T&CS cases across geographies
- Undertook massive exercise of estimating the global market with jurisdiction-level insights; lead numerous expert calls to build a consensus expert interview
- Built a comprehensive primer for case teams to understand the industry and COVID impact on the market

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T&CS serves different types of customers across a select set of jurisdictions, with services including both core entity management services and more specialized ones **Customer segments** Jurisdictions each show MNC/ SME different dynamics Capital marke Quality: Local reputation & expertise of service providers/Convenience to investors or financial (PE/RE) Singapore Stability: Effective taxation Private Clients for customer type/Loca Specialized Outsourced property International Depositar Expansion

2020-25F perspective: Going forward, growth in T&CS markets is expected to be mainly driven by an increase in billed hours due to complex regulatory requirements



Engage a BCN PEG FS team on your next case!

Contact BCNPEGStaffing@Bain.com



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Director, BCN PEG

- 1 Engage BCN at the earliest (include in scoping discussions or latest on Day 1)
- 2 Share scope document to receive suggestions on areas best suited to plug-in the BCN
- 3 Consider embedding BCN as fees, up-front in the proposal (esp. on workstreams requiring one week+ of a BCN team)



BCN PEG: Market models

FS market model ownership



UK Wealth Management:

Market size estimation in terms of AUMs split by channel, customer segment



Global Specialty Insurance Brokerage:

Global GWP and Brokerage revenue model split by LOBs



Fund administration, Trust & Corporate Services (T&CS):

Market size estimation split by geography, type of fund and jurisdiction

Role of BCN

What we accomplished

Defining market landscape by business segment, volume and growth drivers



2 Integrating multiple input sources, including expert interviews and ability to adjust assumptions basis specific requirements



Scenario/ sensitivity modeling, enabling case teams to directly 'plug-n-play' with the model



Benefits for Bain/ case team



Cost/ time efficiencies: Ready version of base model for case team to further build upon/ customize (vs. starting from scratch)



Centralized IP ownership: Model updated on periodic basis to ensure latest and greatest view



Sector expertise codification: Codified Bain view on high frequency/ repeat subsectors

BCN EMEA PEG FS leads

Sponsor



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