

BCN/M&A PEG Product: Sector Scan and Target Screening

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A G E N D A

Objective and SKU's

1 Day Scan Template

2 Day Scan Template

4 Day Scan Template

6 Day Scan Template

Sector Scans

BCN sector scan and target screening product overview

OVERVIEW & OBJECTIVE

Objective


• Sector Scan


- Identify acquisition opportunities for Funds/Corporates **across a range of prioritized sectors/sub-sectors across geographies**


• Target Screening


- **Identify acquisition opportunities for Funds/Corporates** based on industry, region, financial performance and other requirements; Also, prepare deep-dive profiles on key potential targets

Process

-  Build a **customized target list** using **best-in-class** proprietary tool-enabled service (Helix Find) and secondary search (databases and lit. search)

-  Leveraging **quantitative and qualitative metrics** to calibrate and arrive at **potential acquisition opportunities, vetted manually for high accuracy**

-  Defining **potential target attractiveness** through sector/company deep-dives

-  **Leverage OpenAI** to make the process faster and add depth to the analysis, wherever feasible

-  Deliver **client-ready, potential target profiles**

Key sources leveraged

Bain platform

Helix Find
BAIN & COMPANY 

Generative AI

 OpenAI

PEGAR ClassifAI
BAIN & COMPANY 

Databases

S&P Capital IQ  PitchBook  CBINSIGHTS

dun & bradstreet  Gartner  amadeus

crunchbase  statista  AVCJ
An Acuris company

 DOW JONES FACTIVA  THOMSON REUTERS  zoominfo

 IDC  dealogic  EMIS
In, On and For Emerging Markets

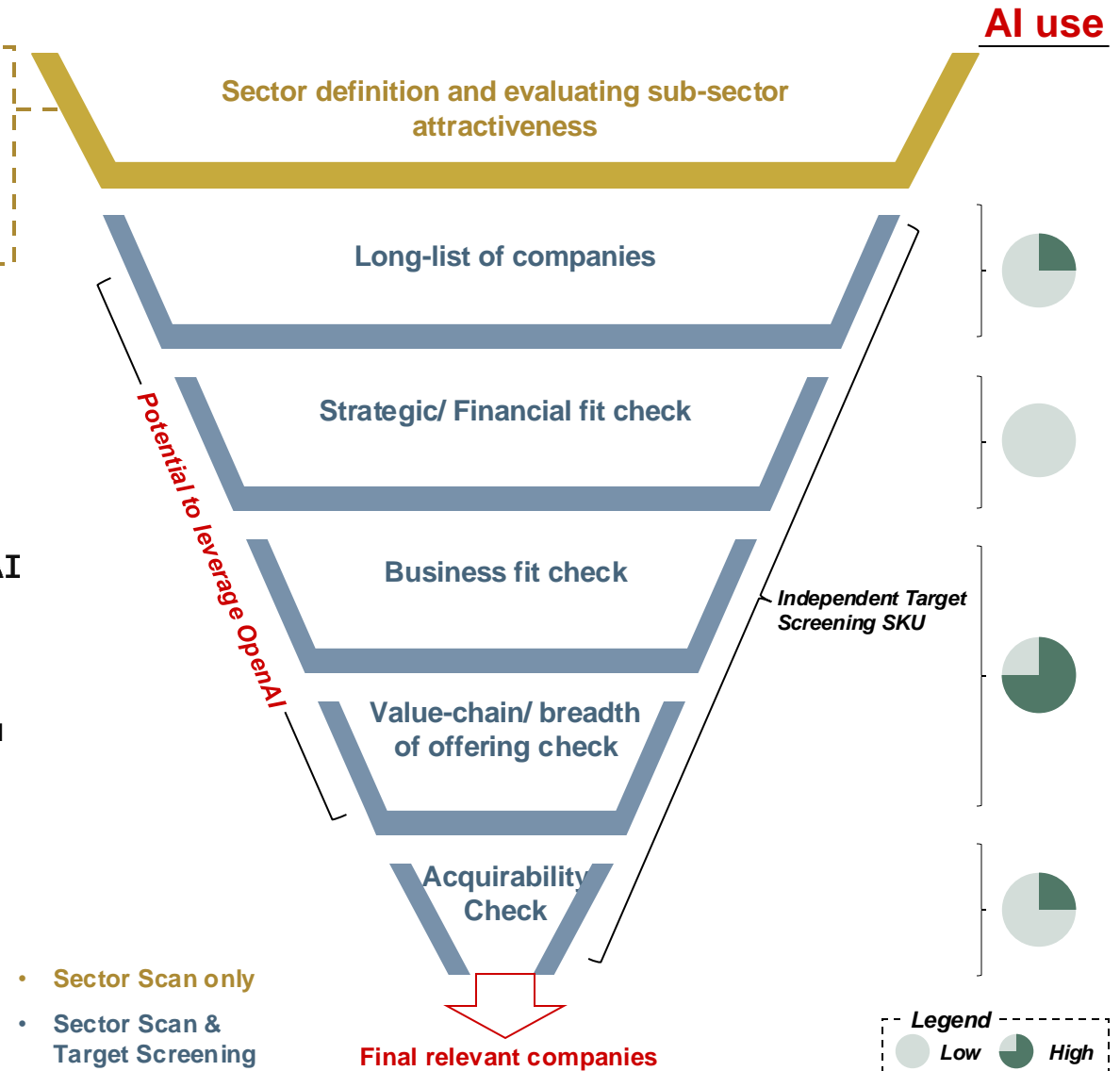
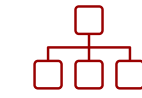
Note: *Helix Find is an internal Bain tool that provides company data fetched from multiple sources such as: CapIQ, Crunchbase, D&B, Zoominfo, etc.; ^Not an exhaustive list, however data availability may vary as per subscription available. Certain databases may have an extra charge beyond RDS billed hours

4-step process – identifying sectors & sub-sectors, creating a long list of companies, prioritizing based on selection criteria, and detailed assessment

PROCESS

- 1** Align on the **definition of sector** being analyzed and **select sub-sectors** to be scanned

• **Evaluate sub-sector attractiveness to create a heatmap** analyzing several factors such as sector CAGR, sector growth indicators, structure, expert interviews, industry trends, etc.
- 2** **Create long list of companies, basis high-level screen** for industry, geography (headquarters), relevant keywords, etc.
 - Use **Helix Find** to arrive at a long list of companies.
Alternatively, a long list can be created using multiple sources^
 - **Corroborate with secondary research/ Open AI** to find additional companies which may not be in the databases
- 3** **Prioritize companies based on a customized screening framework:**
 - **Strategic fit:** company type (public/private), ownership structure (PE/VC owned), customer base (B2B/B2C), business model, etc.
 - **Financial fit:** Revenue, funding raised, other financial metrics
 - **Business fit:** sub-industry/sector mapping, relevant keywords in BD
 - **Relevance and segmentation/ value chain mapping** using a combination of AI and manual screening
- 4** **Assess target attractiveness and actionability** to get final relevant companies and run company deep-dives
 - **Acquirability check** basis stakeholder pattern and transaction history
 - Run checks for **willingness to transact** basis status of the company, recent developments, acquirer's ability to transact, etc.



Note: ^Only when Helix data is inadequate; overall depth of analysis would vary on a case-to-case basis;

BCN Target Screening and Sector Scan Product SKUs

Please note: Target screening/sector scan is an iterative process, and the scope/end deliverable might vary on case-to-case basis, which might impact the timelines to a certain extent

SKU'S







	Key SKUs>>	SKU 1: SnapScreen	SKU 2: Long Listing	SKU 3: Deep dive scan	SKU 4: Detailed profiling	SKU 5: Sector scan
Case Scoping	Scope	List of potential acquisition opportunities that fit a certain screening criteria	Build a long list of companies and shortlist companies bucketed as per fitment	Deep dive into qualitative metrics for priority companies* for additional industry specific information	Provide detailed 1-pagers for priority companies	Build a dashboard providing detailed 360 view on selected sector/sub-sectors
	Details	<ul style="list-style-type: none"> Long-listing (~300-350 companies) using Helix Find (filtered for sector focus, scale and location) Leverage OpenAI to screen the long list using a structured and detailed prompt to get a preliminary list of relevant companies 	<ul style="list-style-type: none"> Long-listing using databases such as: Helix Find, AVCJ, Pitchbook, D&B Shortlist companies by running customized screening (including checks such as: strategic fit, financial fit, business fit, value-chain/breadth of offering check, acquirability check, etc.) 	<ul style="list-style-type: none"> BCN team can create strip profiles depending on the depth of analysis required Additional qualitative metrics such as breadth of offering, value chain placement, pedigree of investors, geographies served, marquee clients, industry awards, customer ratings, acquirability assessment, industry specific KPIs basis case scope 	<ul style="list-style-type: none"> BCN team can create detailed views depending on the depth of analysis required Detail profiles can include: product portfolio description, geographic coverage, financial performance, valuation & funding, key milestones/awards and leadership, etc. 	<ul style="list-style-type: none"> Industry definition and creating heatmap for sub-sector attractiveness Long-listing using databases Shortlist companies by running customized screening Deep dive into qualitative metrics for 10-15 high-priority attractive companies incl. high-level acquirability check
Timeline and fees	Timeline	1 Day (with 0.5 BCN Team)	2 Days	4 Days	6 Days	2 weeks++; Pricing TBD basis scope
	BCN Fees	~\$2K	~\$6K	~\$12.5K	~\$18.5K	
Proposed Output	Description	<ul style="list-style-type: none"> List of companies in excel format, with relevance tagging and firmographics available in Helix Find/ relevant databases 	<ul style="list-style-type: none"> List of companies in an excel format, split by priority of fitment Strip profiles for relevant companies based on data availability in source databases 	<ul style="list-style-type: none"> In addition to SKU-1 output, strip profiles showcasing above metrics and backup model including sources 	<ul style="list-style-type: none"> In addition to SKU-2 output, detailed 1-pager of high priority companies 	For each sub-sector analyzed: <ul style="list-style-type: none"> Heatmap of sector/sub-sector attractiveness List of companies, in an excel format, split by priority of fitment Strip profiles/company 1-pagers showcasing priority companies
OpenAI	AI Use case	<ul style="list-style-type: none"> Initial business fit (relevancy) check for all companies pulled from Helix Find will be conducted solely using AI Companies marked as relevant based on AI scan will be manually checked 	<ul style="list-style-type: none"> Depending on the specifics of the case, the potential to leverage AI during the process of business fit mapping and value chain / breadth of offering check will be assessed 	<ul style="list-style-type: none"> - 	<ul style="list-style-type: none"> - 	<ul style="list-style-type: none"> AI use case for sector definition and evaluating sub-sector attractiveness would depend on the parameters

BCN team to collaborate with Helix Find across SKUs and provide end-to-end solution to Bain case teams

Note: *Number of companies/potential targets would vary on a case-to-case basis; ^BCN Fees will be charged at \$3.1K per day. For SKU 4, additional fees of \$15K for Helix Find

Metrics snapshot by SKU

SUMMARY OF SCOPE

	Section	Key metrics	Snap Screen	Long Listing	Deep dive scan	Detailed profiling	Sector scan
	Company profile	Company Description (Includes short Business description, HQ, Year founded, Website, Company type etc.)	✓	✓	✓	✓	✓
		Key Investors	✗	✓	✓	✓	✓
		Geographies served	✗	✗	✓	✓	✓
	Financial information	Key Company Financials (Revenues, EBIT, Number of employees)	✓	✓	✓	✓	✓
		Total funding and latest funding	✗	✓	✓	✓	✓
		Growth Category (Revenues/Employees etc.) and Growth %	✗	✗	✓	✓	✓
		Financial performance deep dive (over time if available)	✗	✗	✗	✓	✓
		Valuation	✗	✗	✗	✓	✓
	Product & Business model	Breadth of offering	✗	✗	✓	✓	✓
		Value Chain Placement	✗	✗	✓	✓	✓
		Detailed product portfolio details/Business division details	✗	✗	✗	✓	✓
	Market	Key Customers and # of customers	✗	✗	✓	✓	✓
		Customer advocacy	✗	✗	✗	✓	✓
	Workforce	Leadership Information	✗	✗	✗	✓	✓
		Employee breakdown by function and geography (Representative view)*	✗	✗	✗	✓	✓
		Employee advocacy	✗	✗	✗	✓	✓
	Recent developments	Awards and Recognitions	✗	✗	✓	✓	✓
		Recent M&A	✗	✗	✓	✓	✓

Note: Not an exhaustive list; * Will require LinkedIn recruiter account charges and will include Top Down numbers;

A G E N D A

Objective and SKU's

1 Day Scan Template

2 Day Scan Template

4 Day Scan Template

6 Day Scan Template

Sector Scans

Excel template: Sample output excel for list of potential targets for 1-day output

1 - DAY SCAN

SAMPLE OUTPUT

As provided by the Open AI tool and refined during manual check

Company Name	Website	HQ	Business Description	Revenue	Year	Company Type	Initial Relevance (AI based)	Checked manually	Final Relevance	Comment
Rubikloud	rubikloud.com	Toronto	Rubikloud is a cloud-based...	\$20-50M	2019	Public	Y	Y	Y	Reason for relevance
Vendasta	vendasta.com	Saskatoon	Vendasta provides a sales.	\$20M	2019	Private	Y	Y	N	Reason for relevance
Integrate.ai	integrate.ai	Toronto	Integrate.ai develop AI...	\$20M	2019	Private	Y	Y	Y	Reason for relevance
Avidbots	avidbots.com	Kitchener	Avidbots provides autonomous...	\$20M	2018	Private	Y	Y	Y	Reason for relevance
Tier1	tier1fin.com	Toronto	Tier1 Financial Solutions...	\$20M	2017	Private	N	N	N	Reason for irrelevance
MindBridge	mindbridge.ai	Ottawa	MindBridge provides real-time data...	\$20M	2019	Private	N	N	N	Reason for irrelevance

As provided by the Open AI tool

Note: Total N screened = X
Source: Helix Find, Lit Search.

A G E N D A

Objective and SKU's

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Sector Scans

Excel template: Sample output excel for list of potential targets (*focus on headers*) for 2-day output

2 - DAY SCAN

SAMPLE OUTPUT

Priority	Company Name	Website	HQ	Business Description	Revenue	Year	Total funding	Latest funding	Company Type	Investors	Sources
P1	Rubikloud	rubikloud.com	Toronto	Rubikloud is a cloud-based...	\$20-50M	2019	-	-	Public	-	Links
P2	Vendasta	vendasta.com	Saskatoon	Vendasta provides a sales.	\$20M	2019	\$120M	\$20M	Private	ABC Capital, X Ventures	Links
P3	Integrate.ai	integrate.ai	Toronto	Integrate.ai develop AI...	\$20M	2019	\$120M	\$20M	Private	ABC Capital	Links
P4	Avidbots	avidbots.com	Kitchener	Avidbots provides autonomous...	\$20M	2018	\$120M	\$20M	Private	ABC Capital, X Ventures	Links
P1	Tier1	tier1fin.com	Toronto	Tier1 Financial Solutions...	\$20M	2017	\$120M	\$20M	Private	ABC Capital, X Ventures	Links
P2	MindBridge	mindbridge.ai	Ottawa	MindBridge provides real-time data...	\$20M	2019	\$120M	\$20M	Private	ABC Capital, X Ventures	Links

Note: Total N screened = X
Source: Lit search and Crunchbase/Dealogic/CapIQ/Traxcn etc.

A G E N D A

Objective and SKU's

1 Day Scan Template

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4 Day Scan Template

6 Day Scan Template

Sector Scans

Excel template: Sample output excel for list of potential targets (focus on headers)

for 4-day output – Deep dive

4 - DAY SCAN

SAMPLE OUTPUT

Priority	Company Name	Domain	HQ	Business Description	Products/ Use case	Revenue	Year	# of customers	Growth category	Growth %	Period of growth	Total funding	Latest funding	Investors	Recognitions	Summary performance	Sources
P1	Rubikloud	rubikloud.com	Toronto	Rubikloud is a cloud-based...	Employees: Feedback surveys...	\$20-50M	FY 2018-19	17.5k	Employee	28%	FY 2018-19	\$120M	\$20M	ABC Capital	2018: Cool Vendor	Marquee customers, differentiation	Links
P1	Vendasta	vendasta.com	Saskatoon	Vendasta provides a sales...	Centralize product information ...	\$20M	FY 2018-19	17.5k	Revenue	50%	FY 2018-19	\$120M	\$20M	ABC Capital, X Ventures	2018: Cool Vendor	Market attractive with expected increased demand	Links
P1	Integrate.ai	integrate.ai	Toronto	Integrate.ai develop AI...	Provides analytics ...	\$20M	FY 2018-19	20k	Customer	90%	FY 2018-19	\$120M	\$20M	ABC Capital	2018: Cool Vendor	Marquee customers, differentiation	Links
P2	Avidbots	avidbots.com	Kitchener	Avidbots provides autonomous...	Reporting and compliance	\$20M	FY 2018-19	24k	Employee	28%	FY 2018-19	\$120M	\$20M	ABC Capital, X Ventures	2018: Cool Vendor	Limited differentiation vs new-age players	Links
P2	Tier1	tier1fin.com	Toronto	Tier1 Financial Solutions...	Helps calculate and reduce	\$20M	FY 2018-19	50k	Revenue	50%	FY 2018-19	\$120M	\$20M	ABC Capital, X Ventures	2018: Cool Vendor	Moderate competition with strong customer advocacy	Links
P2	MindBridge	mindbridge.ai	Ottawa	MindBridge provides real-time data...	Managers: Dashboard	\$20M	FY 2018-19	15k	Customer	90%	FY 2018-19	\$120M	\$20M	ABC Capital, X Ventures	2018: Cool Vendor	Marquee customers, differentiation	Links

Note: Total N screened = X
Source: Lit search and Crunchbase/Dealogic/CapIQ/Traxcn etc.

Additional metrics
in 4 day SKU

Strip profiles (Version 1): Sample output slide for list of P1 potential targets

4 - DAY SCAN

SAMPLE OUTPUT

Company	Description	Year founded	HQ	Company attractiveness				Comments
				Growth (Revenue or Employee)	Total Funding	Notable Investors	Marquee Customers	
Logo	<ul style="list-style-type: none"> Sapling offers core HRIS and onboarding solutions Key features include employee self-service portal, automated workflows, dashboard and custom reporting; Strong integrations with other modules/tools 	2016	San Francisco, California	~25%, Employee CAGR CY18-19	\$4M	Gradient Ventures Tuesday Capital	Serves Aclara, KPMG, Digital Ocean	• Relevant business; size fit as per revenue criteria; PE owned
Logo	<ul style="list-style-type: none"> Sapling offers core HRIS and onboarding solutions Key features include automated workflows, dashboard and custom reporting; and Strong integrations 	2014	San Francisco, California	~20%, Employee CAGR CY18-19	\$10M	Bachman Ventures	Serves McK, EY, Digital Ocean	• Relevant business; size fit as per revenue criteria; PE owned
Logo	<ul style="list-style-type: none"> Sapling offers core HRIS and onboarding solutions Key features include employee self-service portal, automated workflows, dashboard and custom reporting; Strong integrations with other modules/tools 	2010	San Francisco, California	~15%, Employee CAGR CY18-19	\$4M	Gradient Ventures Tuesday Capital	Serves Digital Ocean	• Relevant business; size fit as per revenue criteria; PE owned
Logo	<ul style="list-style-type: none"> Sapling offers core HRIS and onboarding solutions Key features include automated workflows, dashboard and custom reporting; and Strong integrations 	2017	San Francisco, California	~40%, Employee CAGR CY18-19	\$20M	Accel Partners	Serves BCG, EY	• Relevant business; size fit as per revenue criteria; PE owned


Note: Companies for which revenue growth data was not available, we have taken employee growth as proxy





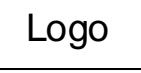
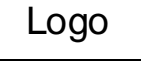
Source: CapitalIQ, Lit. Search, LinkedIn

Strip profiles (Version 2): Sample output slide for list of P1 potential targets

4 - DAY SCAN

SAMPLE OUTPUT

 Pursue on priority

				Company attractiveness			Industry attractiveness		
Company	Description	Year Founded	HQ, Funding	High Growth (>50% YoY)	Notable investors	Recognitions	No. of customers/ Marquee cust. base (referenceability)	Competitive Intensity	Market Attractiveness
 	Content management system aggregating content across multiple sources	Berlin, Germany (\$78M)	Berlin, Germany (\$78M)	High (100%, Revenue, FY18-19)	Salesforce Ventures, OMERS	Accel Top 100 SaaS startups in Europe, 2019	200 (Samsung, Heineken)	High (Competes with large players like Adobe)	High (\$35B current market, growing at 15-20% CAGR)
	Employee engagement software running surveys and analyzes metrics	Copenhagen, Denmark (\$69M)	Copenhagen, Denmark (\$69M)	High (200%, Revenue, FY18-19)	EQT, Idinvest Partners	Employee Engagement Analytics, 2019	100 (BMW, Verizon)	High (Competes with leaders such as NICE)	High (\$~1B current market, growing at 10-15%)
 	Provider of website content management solution	London, UK (\$65M)	London, UK (\$65M)	Moderate (100%, Revenue, CY14-15)	Columbia Lake, Octopus Ventures	Strong performer Forrester Wave, Q4 2018	200 (Apple, Heineken)	High (Competes with large players like Adobe)	High (\$35B current market, growing at 15-20% CAGR)
	Provides solutions to scan digital channels for content	Barcelona, Spain (\$64M)	Barcelona, Spain (\$64M)	High (100%, Revenue, CY17-18)	Summit Partners, Eight Roads	Accel Top 100 SaaS startups in Europe, 2019	100 (BMW, Verizon)	High (Competes with MarkMonitor, dotNice with comprehensive offering)	High (\$35B current market, growing at 15-20% CAGR)

Source: Lit search and Crunchbase/Dealogic/CapIQ/Traxcn etc.

A G E N D A

Objective and SKU's

1 Day Scan Template

2 Day Scan Template




4 Day Scan Template

6 Day Scan Template

Sector Scans

Company name – Industry

One-page (version 1): Sample output slide for potential targets

Sector attractiveness	Target attractiveness	Ability to execute
		
Moderate	High	High

6-DAY SCAN

SAMPLE OUTPUT

Asset attractiveness



ASSET OVERVIEW

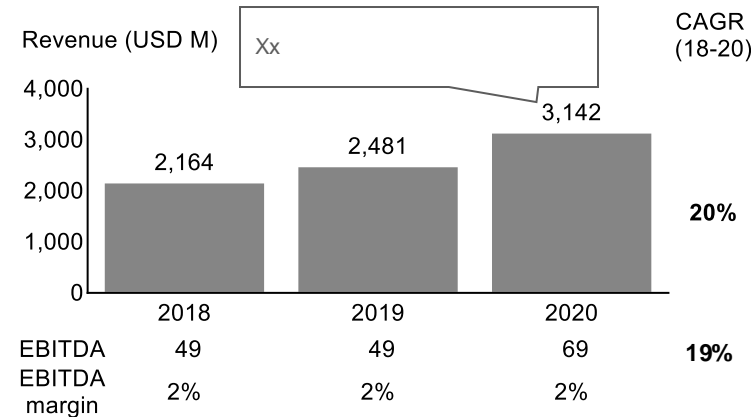
- Founded in 2002, **largest wholesale pharma and medical device distributor in Korea**
- Serves more than **250** multi-national and domestic **pharmaceutical and medical device companies**, distributing to **17K+ pharmacies** and **50+ hospitals** and clinics
 - Management services across **orders, customers, payments, returns, inventory, goods receipt, storage**
 - Operates **17 regional centers** across Korea

WILLINGNESS TO TRANSACT









- High transactability** - Blackstone acquisition was a secondary deal; history of PE deals
- In 2019, **Blackstone acquired a controlling, 46%, stake in Geo Young** from Anchor Partners
 - Deal value **\$945M** with approx. **~43 EV/EBITDA** multiple; Anchor sold for **3X** initial investment
 - Currently, **Blackstone reportedly has ~70% stake, with founders Cho and Lee having ~22% and ~7% stake resp.**
- In 2013, **Anchor Equity Partners acquired 47% stake in Geo Young** from Goldman Sachs PIA
 - Goldman Sachs PIA invested ~\$35M in 2009**

Note: 1 KRW = 0.00084 USD; * Taken 2018 net debt and EBITDA as proxy for calculations
Source: Company website; Analyst Reports, secondary research

FINANCIAL PERFORMANCE



INFRA CHARACTERISTICS

Key criteria	Prelim. assess.
Essential Service	
High Barriers to Entry	
Asset backing	
Recurring Customer Base	
Stable Competition	
Stable & Predictable Cash Flows	
Resistance to Economic Downturn	
Value Creation	

Investment thesis



INVESTMENT THESIS

Thesis	Commentary
Competitive positioning	<ul style="list-style-type: none">+ Geo-Young is market leader in Korean pharma distribution market, controlling ~70% of retail distribution in Korea+ Poised to benefit from expected consolidation of comp. due to incr. scale economics in Korea (similar to US/JP)
Business expansion	<ul style="list-style-type: none">+ Opp. to enter data-driven businesses given easing laws around use of drug purchase data; Co. has strong in-house IT capabilities incl. 2nd largest pharmacy POS sol. provider in Korea as its affiliate
Regulatory risk	<ul style="list-style-type: none">+ Govt. regulations have been towards indirect control (consumption control incentives); price pressure passed directly to pharma cos. than distributors

EXECUTION CONSIDERATIONS

- High growth but low margin business:** Revenue and profits grew by ~20% CAGR since '18 but despite COVID, margins have remained low at ~2%
 - Some major competitors operating at losses
 - Potential to increase profitability by leveraging existing distribution network to expand into other products such as cosmetics and foods. Indication of such plans in 2019
- Network expansion via govt. partnerships**
 - 1 of 2 distributors selected by govt. for mask dist. at a fixed price that guaranteed 10-20% profits per mask; Potential to expand network with such future partnerships

One-page (version 2): Sample output slide for potential targets

6 - DAY SCAN SAMPLE OUTPUT

Company information

- General

 - Founded 20XX, Private with 120 emps.
- Operational presence

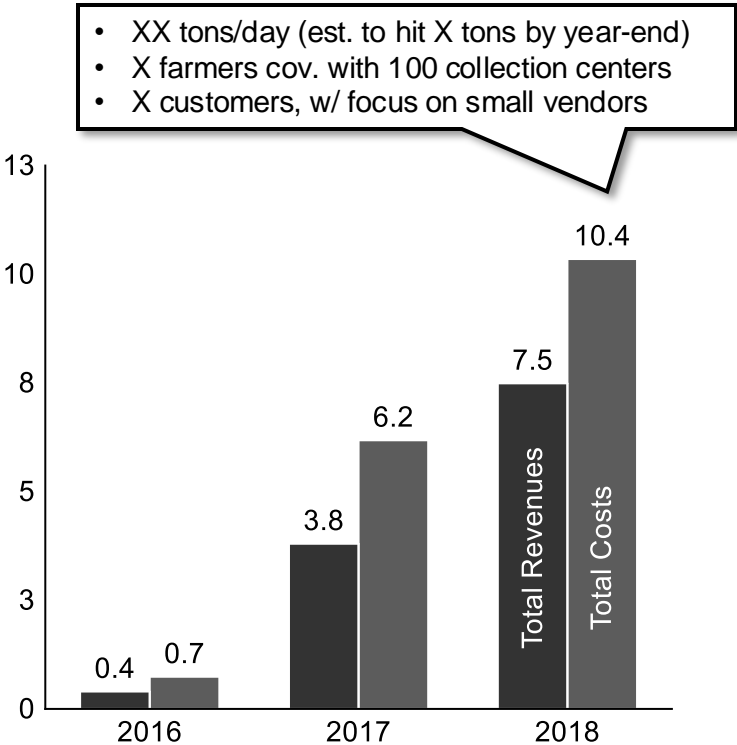
 - State – City (HQ)
 - State A, State B, State C
- Business Description

 - Fruits & vegetables supply-chain management:**
 - Suppliers: Farmers (supply farm produce)
 - Customers: Small vendors
 - Key elements of business:**
 - Customers place order online, Target purchases harvest from farmers based on orders received
 - Target collects produce, sorts and packs, then delivers to customers
 - Leverages data science to increase efficiency of logistics network (e.g. route-planning to increase truck utilization)
 - Value Proposition:**
 - Customers get visibility on available produce and benefit from doorstep delivery
 - Farmers get increased revenue due to disintermediation in value chain / removal of middlemen (~20% higher realization)
- Business model description

 - Monetization:**
 - Buys produce at rural mkt prices and sells to urban customers at a mark-up

Financial Performance

Revenues and costs (USD M)

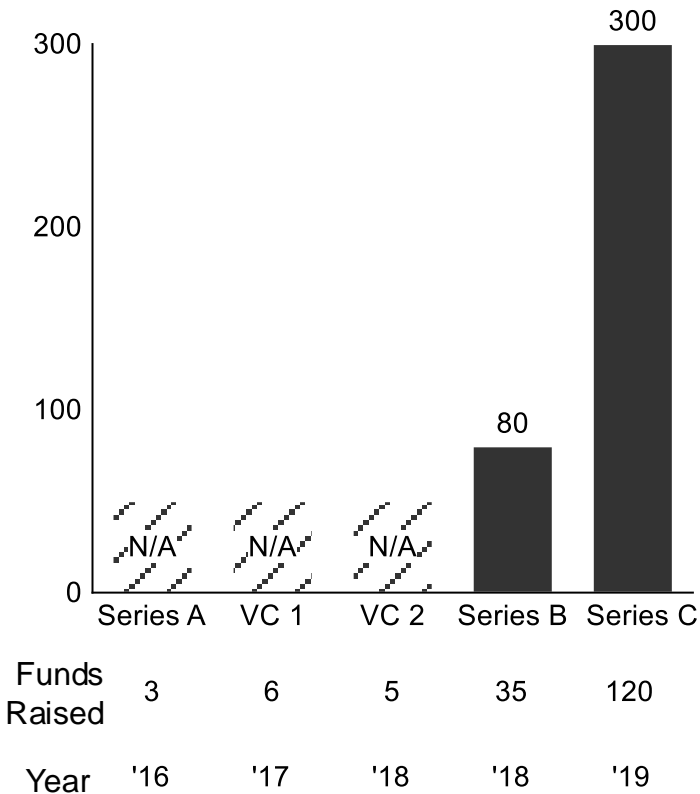


Gross profits

-0.3 -2.4 -2.9

Valuation and Funding

Valuation (USD M)



One-page (version 3): Sample output slide for potential targets

6 - DAY SCAN

SAMPLE OUTPUT

Business overview

- **Overview:** Medical Care primarily provides **dialysis care products** and **services** to people with **chronic kidney failure** along with other healthcare products and services
- **Established:** **1996** (through merger of Company X's dialysis business with Company Y); Company X founded in **1952**
- **HQ:** Heidelberg, Germany
- **# of employees (2017):** ~120,000
- **Geographic presence** with employees in ~**50 countries** across **Americas, EMEA** and **APAC** and products/services sold in ~**150 countries**

Strategy

Growth of Dialysis business

- **Growth driven through inorganic means** (mergers and acquisitions)
 - **5+ acquisitions** of dialysis product/service providers over last 5 years

Expansion of non Dialysis business

- **Increased focus on integrated healthcare services** on account of **increasing customer demand** and **increasing margins**
- **Competencies** to undertake service **acquired inorganically** (e.g. acquisition of X AG in 2015)

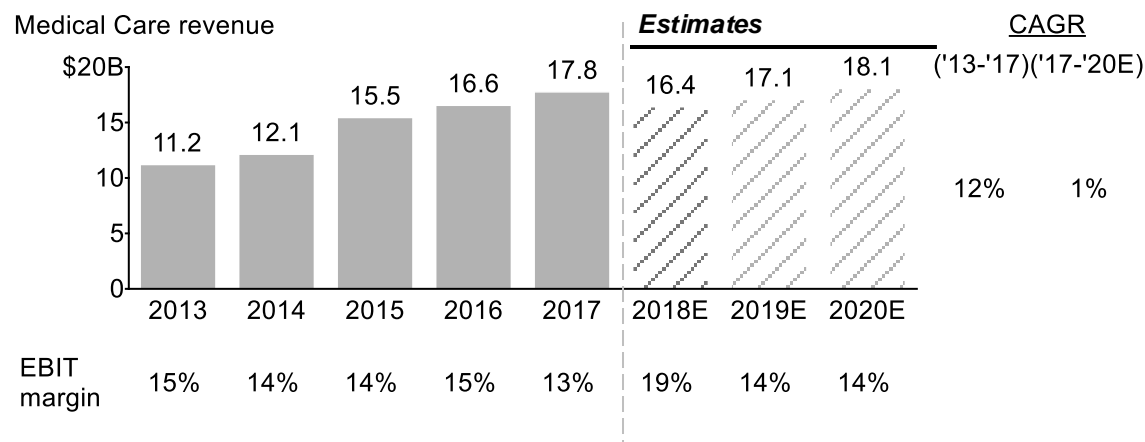
Focus on Innovation/Data Driven solutions

- **Regionally coordinated R&D efforts** and **external partnerships** to develop **standardized medical products**
- Increasing **acquisitions of medtech** companies
- Focus on **data driven solutions** through **data base management** and **predictive analyses**

Financials

Medical Care revenue

\$20B



EBIT margin

Investment thesis



- **Favorable size and profitability** (2015): ~\$XXB company with 22% profitability



- **Existing relationship:** Have presence in South Africa through T&L (sole distribution partner)



- **Portfolio expansion and strong market position:** Adjacency expansion into **pectin** (market leading apple pectin producer globally)
 - Also have dairy and beverage end product uses



- **Wide geographic coverage through distributors:** Network in 33 countries (Europe, Americas, Africa, APAC)
 - Focused on Europe and North America



- **Unfavourable ownership:** >60 year old family run group with well established market position; uncertainty around divesting in any of its subsidiaries or overall business

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Sector Scans

Multi-step process – identifying sectors & sub-sectors, creating a long list of companies, prioritizing based on selection criteria, and detailed assessment

SECTOR SCAN

PROCESS

1 Sector definition and sub-sector attractiveness

- Align on the **definition of sector** being analyzed and **select sub-sectors** to be scanned (eg. Tech can be a vast sector and hence a specific definition within tech would be required)
- Evaluate sub-sector attractiveness to create a heatmap** analyzing several factors:
 - sector CAGR
 - sector growth indicators
 - structure (consolidated vs fragmented)
 - expert interviews
 - industry trends, etc.

Country 1 business services heatmap



2 Long list of companies across sub-sectors

- Create long list of companies, basis high-level screen** for industry, geography (headquarters), relevant keywords, etc.
 - Use **Helix Find** to arrive at a long list of companies.
Alternatively, a long list can be created using multiple sources^
 - Corroborate with secondary research** to find additional companies

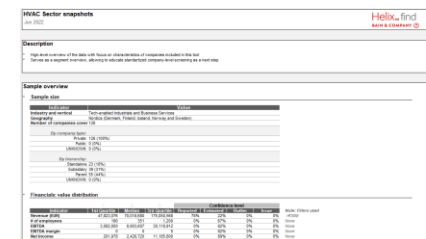
Identifiers				
Company name	CDP ID	Helix Find ID	CIQ ID	CB ID
self_firmo_name				
API Group Corporation	1279900281601	396	537620097	2814525-4306-4cd
Atlantic Constructors	387406055647	1085		
Wayne J. Griffin Electric, Inc.	1176821039621	364	4271267	2414956-fa58-4d81
Maintenex International Service Management Group, Inc.	73014448129	234	52342080	
G.W. Berkhimer Co., Inc.	446878603633	148	35487932	526951ee-25d-418f
Lee Company Inc.	131425999421	405	4203592	
ImageOne Industries, Inc.	962072681724	295	5203082	
Peppo Energy Services, Inc.	1176821039601	363	1080445	
KIRA	4020884371400	1284		
Goyette Mechanical Company, Inc.	824833721722	262	4360156	
Chas Roberts Air Conditioning, Inc.	661424964369	212	4260911	64b4c5ba-ada3-403
Heating	3831110037903	1043		

3 Customized screening framework

Prioritize companies based on a customized screening framework:

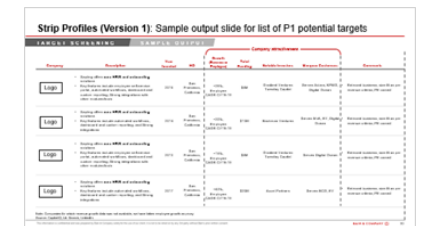
- Strategic fit:** company type (public/private), ownership structure (PE/VC owned), customer base (B2B/B2C), business model, etc.
- Financial fit:** Revenue, funding raised, other financial metrics
- Business fit:** sub-industry/sector mapping, relevant keywords in BD
- Value-chain and breadth of offering check**

Check #	Check type	Approach
Check 1	Relevance check	Mix of manual + keyword based approach - basis end objective (high accuracy, time consuming manual process vs relatively low accuracy, keyword based approach). Manual basis BD ~ 400 entries per day. Basic keyword approach ~ 3x per day should be doable. However, it would vary on a case-to-case basis.
Check 2	Subsidiaries/duplicates check	Manual, can prioritize companies basis name similarity and website match.
Check 3	Merging check	We can possibly get formula based similarity score for the entries and only run manual check on the entries with 95%+similarity score.
Check 4	Firmographics - data gaps	Manual process, little-to-no efficiency gains.
Check 5	BQ data	We can possibly get formula based similarity score for the entries and only run manual check on the entries with 95%+similarity score.
Check 6	Outliers - revenue check	We can possibly skip this check, as revenue data availability of private players is scarce on secondary (excluding databases). However, flagging out outliers is still important. We can possibly run the check for employee count basis LI.



4 Assess target attractiveness for each sub-sector

- Assess target attractiveness** to get final relevant companies and run company deep-dives
- Run high-level actionability check** based on traditional and alternative signals built through Bain PE experience
- Programmatic results refined by analysts + Bain deal & sector experts



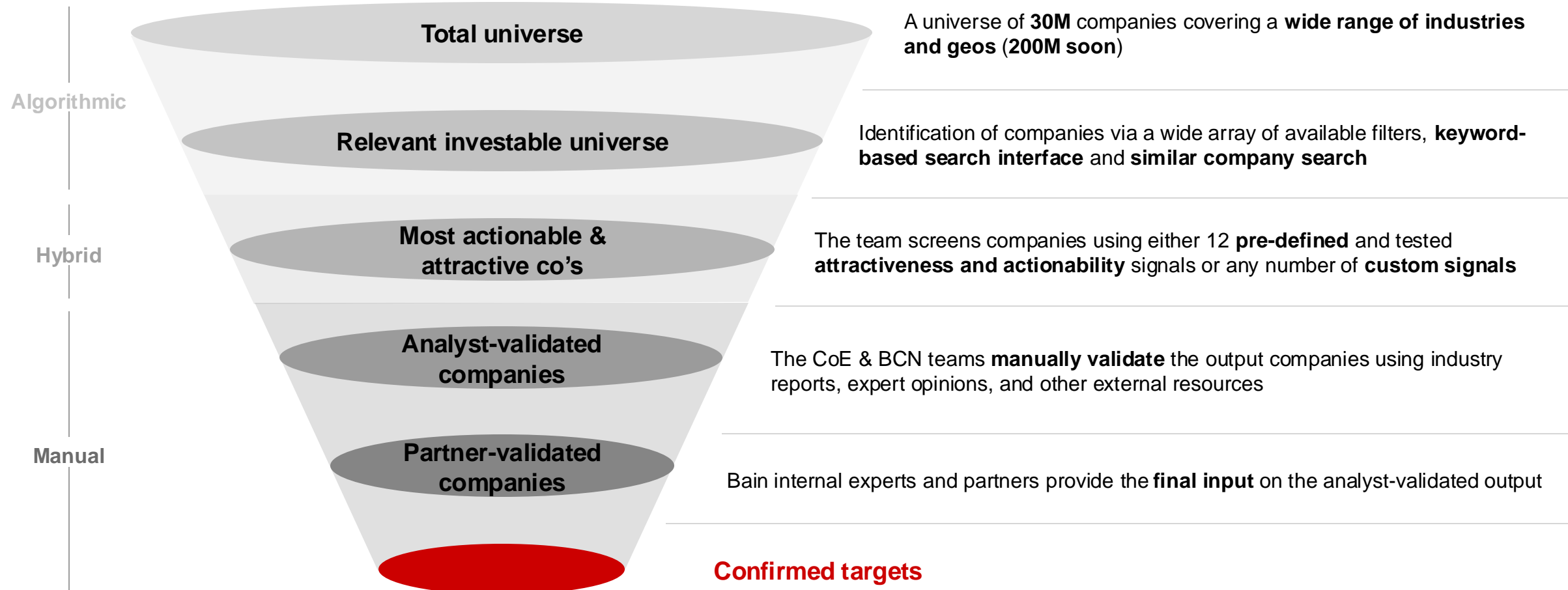
Note: ^Only when Helix data is inadequate; overall depth of analysis would vary on a case to case basis

Its features allow Helix Find to reduce its database of 30M companies down to a list of actionable potential targets with sophisticated investment logic quickly

SECTOR SCAN

PROCESS

Steps available via Helix Find enabled CoE sector screen service



Country 1 business services heatmap

More attractive Selectively attractive Less attractive

SECTOR SCAN

HEATMAP

Operators identified with >\$500M revenue

Operators identified with \$100-500M revenue

/ NOT EXHAUSTIVE

Overarching services

Industry specific services for Healthcare, Energy, etc.

BLUE COLLAR

WHITE COLLAR

Facility management

- Property services
- Security
- Fire detection
- Washroom & sanitisation
- Pest control
- Sanitation services
- Waste management
- Cleaning
- Catering

- Healthcare
 - Medical disposal
 - Critical facilities cleaning
- Energy
 - Sustainability & energy management

Distribution & logistics

- Integrated logistics
- Parcel & express
- Bulk freight (air, sea, train)
- Freight forwarding
- 3rd party logistics
- E-commerce enablers

- Transport
 - Airport & airline services
 - Marine services
 - Specialty logistics
 - Highway toll collection
- Energy/ Transport
 - Charging station operator

Industrial & Technical services

- TIC
- MRO
- Equipment rental/leasing
- Resources & infrastr.

- Construction
 - Building/constr.
- Energy
 - Energy brokerage
 - Smart metering
 - Oilfield/ mining services
- Telecom
 - Satellite operators
- Healthcare
 - HC equipment & leasing
- Transport
 - Aircraft leasing

BPO

- LPO
- Regulatory & compliance
- Trust & corporate
- HRO
- Finance & accounting
- Customer management
- Conferences & events
- R&D
- Corporate travel
- Procurement
- Healthcare
 - Healthcare BPO/ Claims & billing
- Other
 - Financial services BPO

Professional services

- HSE consulting
- Market research
- HR, recruitment, staffing
- Technical manpower
- Education services
- Legal services
- Accountancy
- PR, marketing & advertising
- Operational & strat. consult.
- IT consulting
- Real estate agents
- Business information services
- Healthcare
 - Healthcare staffing
 - Non-clinical intensive care

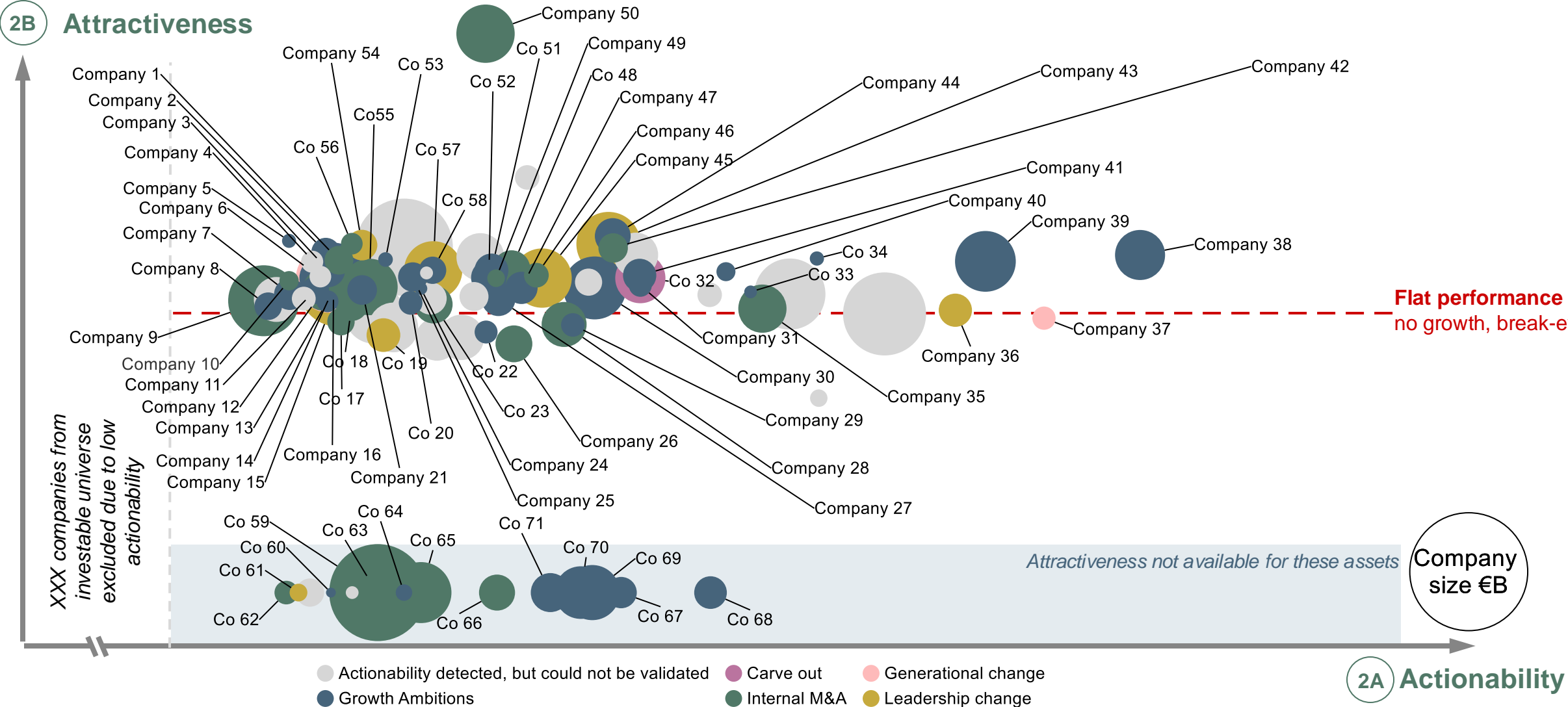
Source: Bain analysis

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Prioritization sample output slide

SECTOR SCAN

PRIORITIZATION



Source: Helix Find; Lit. search

Strip profiles (Version 1): Sample output slide for list of P1 potential targets

SECTOR SCAN

STRIP PROFILES

Company	Description	Year founded	HQ	Company attractiveness				Comments
				Growth (Revenue or Employee)	Total Funding	Notable Investors	Marquee Customers	
Logo	<ul style="list-style-type: none"> Sapling offers core HRIS and onboarding solutions Key features include employee self-service portal, automated workflows, dashboard and custom reporting; Strong integrations with other modules/tools 	2016	San Francisco, California	~25%, Employee CAGR CY18-19	\$4M	Gradient Ventures Tuesday Capital	Serves Aclara, KPMG, Digital Ocean	• Relevant business; size fit as per revenue criteria; PE owned
Logo	<ul style="list-style-type: none"> Sapling offers core HRIS and onboarding solutions Key features include automated workflows, dashboard and custom reporting; and Strong integrations 	2014	San Francisco, California	~20%, Employee CAGR CY18-19	\$10M	Bachman Ventures	Serves McK, EY, Digital Ocean	• Relevant business; size fit as per revenue criteria; PE owned
Logo	<ul style="list-style-type: none"> Sapling offers core HRIS and onboarding solutions Key features include employee self-service portal, automated workflows, dashboard and custom reporting; Strong integrations with other modules/tools 	2010	San Francisco, California	~15%, Employee CAGR CY18-19	\$4M	Gradient Ventures Tuesday Capital	Serves Digital Ocean	• Relevant business; size fit as per revenue criteria; PE owned
Logo	<ul style="list-style-type: none"> Sapling offers core HRIS and onboarding solutions Key features include automated workflows, dashboard and custom reporting; and Strong integrations 	2017	San Francisco, California	~40%, Employee CAGR CY18-19	\$20M	Accel Partners	Serves BCG, EY	• Relevant business; size fit as per revenue criteria; PE owned


Note: Companies for which revenue growth data was not available, we have taken employee growth as proxy





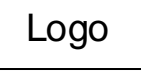
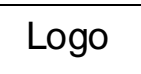
Source: CapitalIQ, Lit. Search, LinkedIn

Strip profiles (Version 2): Sample output slide for list of P1 potential targets

SECTOR SCAN

STRIP PROFILES



 Pursue on priority

				Company attractiveness			Industry attractiveness		
Company	Description	Year Founded	HQ, Funding	High Growth (>50% YoY)	Notable investors	Recognitions	No. of customers/ Marquee cust. base (referenceability)	Competitive Intensity	Market Attractiveness
 	Content management system aggregating content across multiple sources	Berlin, Germany (\$78M)	Berlin, Germany (\$78M)	High (100%, Revenue, FY18-19)	Salesforce Ventures, OMERS	Accel Top 100 SaaS startups in Europe, 2019	200 (Samsung, Heineken)	High (Competes with large players like Adobe)	High (\$35B current market, growing at 15-20% CAGR)
	Employee engagement software running surveys and analyzes metrics	Copenhagen, Denmark (\$69M)	Copenhagen, Denmark (\$69M)	High (200%, Revenue, FY18-19)	EQT, Idinvest Partners	Employee Engagement Analytics, 2019	100 (BMW, Verizon)	High (Competes with leaders such as NICE)	High (\$~1B current market, growing at 10-15%)
 	Provider of website content management solution	London, UK (\$65M)	London, UK (\$65M)	Moderate (100%, Revenue, CY14-15)	Columbia Lake, Octopus Ventures	Strong performer Forrester Wave, Q4 2018	200 (Apple, Heineken)	High (Competes with large players like Adobe)	High (\$35B current market, growing at 15-20% CAGR)
	Provides solutions to scan digital channels for content	Barcelona, Spain (\$64M)	Barcelona, Spain (\$64M)	High (100%, Revenue, CY17-18)	Summit Partners, Eight Roads	Accel Top 100 SaaS startups in Europe, 2019	100 (BMW, Verizon)	High (Competes with MarkMonitor, dotNice with comprehensive offering)	High (\$35B current market, growing at 15-20% CAGR)

Source: Lit search and Crunchbase/Dealogic/CapIQ/Traxcn etc.

Company name – Industry

One-page (version 1): Sample output slide for potential targets

Sector attractiveness	Target attractiveness	Ability to execute
		
Moderate	High	High

SECTOR SCAN

COMPANY DEEP DIVE

Asset attractiveness



ASSET OVERVIEW

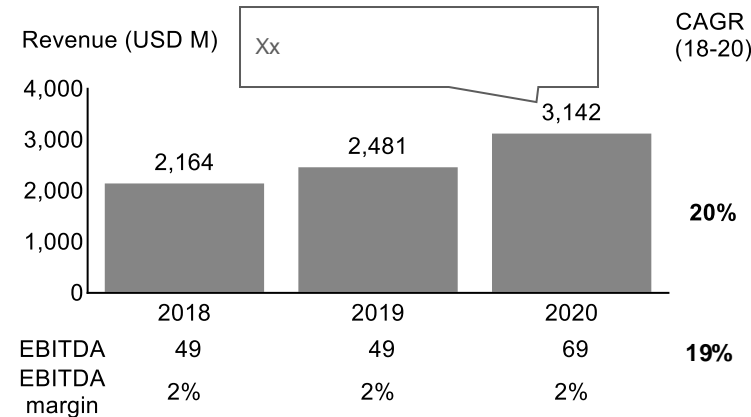
- Founded in 2002, **largest wholesale pharma and medical device distributor in Korea**
- Serves more than **250** multi-national and domestic **pharmaceutical and medical device companies**, distributing to **17K+ pharmacies** and **50+ hospitals** and clinics
 - Management services across **orders, customers, payments, returns, inventory, goods receipt, storage**
 - Operates **17 regional centers** across Korea

WILLINGNESS TO TRANSACT









- High transactability** - Blackstone acquisition was a secondary deal; history of PE deals
- In 2019, **Blackstone acquired a controlling, 46%, stake in Geo Young** from Anchor Partners
 - Deal value \$945M with approx. ~43 EV/EBITDA multiple; Anchor sold for 3X initial investment
 - Currently, **Blackstone reportedly has ~70% stake, with founders Cho and Lee having ~22% and ~7% stake resp.**
- In 2013, **Anchor Equity Partners acquired 47% stake in Geo Young** from Goldman Sachs PIA
 - Goldman Sachs PIA invested ~\$35M in 2009**

Note: 1 KRW = 0.00084 USD; * Taken 2018 net debt and EBITDA as proxy for calculations
Source: Company website; Analyst Reports, secondary research

FINANCIAL PERFORMANCE



INFRA CHARACTERISTICS

Key criteria	Prelim. assess.
Essential Service	
High Barriers to Entry	
Asset backing	
Recurring Customer Base	
Stable Competition	
Stable & Predictable Cash Flows	
Resistance to Economic Downturn	
Value Creation	

Investment thesis



INVESTMENT THESIS

Thesis	Commentary
Competitive positioning	<ul style="list-style-type: none"> + Geo-Young is market leader in Korean pharma distribution market, controlling ~70% of retail distribution in Korea + Poised to benefit from expected consolidation of comp. due to incr. scale economics in Korea (similar to US/JP)
Business expansion	<ul style="list-style-type: none"> + Opp. to enter data-driven businesses given easing laws around use of drug purchase data; Co. has strong in-house IT capabilities incl. 2nd largest pharmacy POS sol. provider in Korea as its affiliate
Regulatory risk	<ul style="list-style-type: none"> + Govt. regulations have been towards indirect control (consumption control incentives); price pressure passed directly to pharma cos. than distributors

EXECUTION CONSIDERATIONS

- High growth but low margin business:** Revenue and profits grew by ~20% CAGR since '18 but despite COVID, margins have remained low at ~2%
 - Some major competitors operating at losses
 - Potential to increase profitability by leveraging existing distribution network to expand into other products such as cosmetics and foods. Indication of such plans in 2019
- Network expansion via govt. partnerships**
 - 1 of 2 distributors selected by govt. for mask dist. at a fixed price that guaranteed 10-20% profits per mask; Potential to expand network with such future partnerships

One-page (version 2): Sample output slide for potential targets

SECTOR SCAN

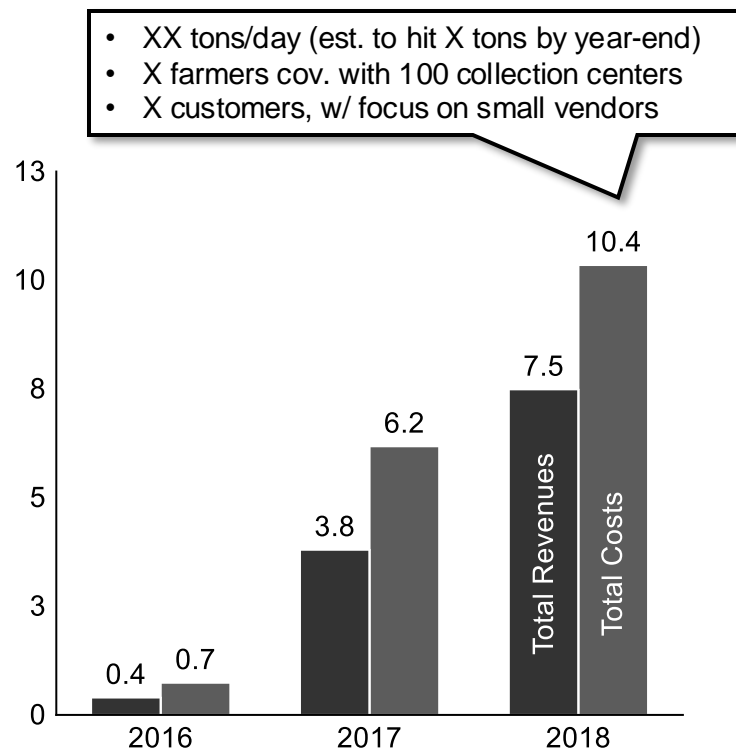
COMPANY DEEP DIVE

Company information

- General**
 - Founded 20XX, Private with 120 emps.
- Operational presence**
 - State – City (HQ)
 - State A, State B, State C
- Business Description**
 - Fruits & vegetables supply-chain management:**
 - Suppliers: Farmers (supply farm produce)
 - Customers: Small vendors
 - Key elements of business:**
 - Customers place order online, Target purchases harvest from farmers based on orders received
 - Target collects produce, sorts and packs, then delivers to customers
 - Leverages data science to increase efficiency of logistics network (e.g. route-planning to increase truck utilization)
 - Value Proposition:**
 - Customers get visibility on available produce and benefit from doorstep delivery
 - Farmers get increased revenue due to disintermediation in value chain / removal of middlemen (~20% higher realization)
- Business model description**
 - Monetization:**
 - Buys produce at rural mkt prices and sells to urban customers at a mark-up

Financial Performance

Revenues and costs (USD M)

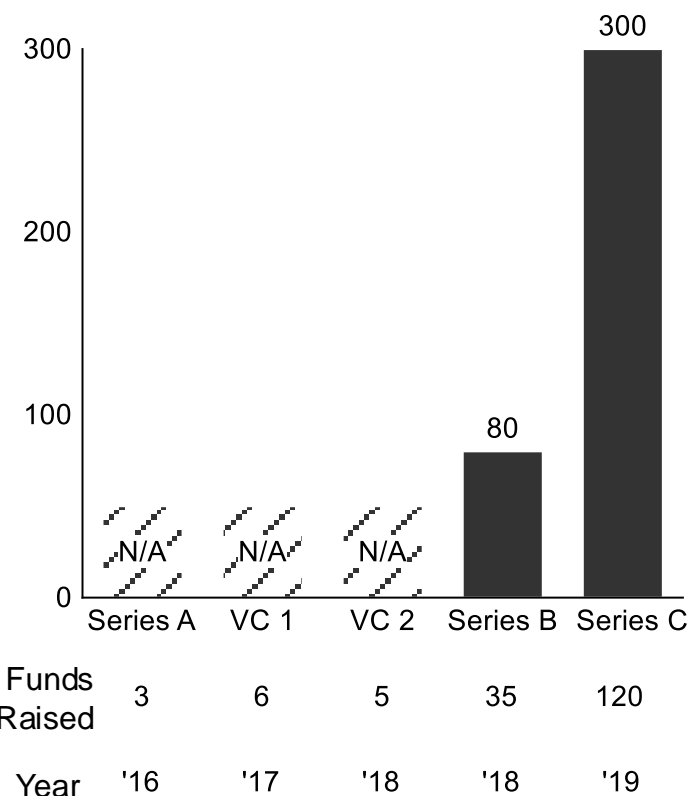


Gross profits

-0.3 -2.4 -2.9

Valuation and Funding

Valuation (USD M)



One-page (version 3): Sample output slide for potential targets

SECTOR SCAN

COMPANY DEEP DIVE

Business overview

- **Overview:** Medical Care primarily provides **dialysis care products** and **services** to people with **chronic kidney failure** along with other healthcare products and services
- **Established:** **1996** (through merger of Company X's dialysis business with Company Y); Company X founded in **1952**
- **HQ:** Heidelberg, Germany
- **# of employees (2017):** ~120,000
- **Geographic presence** with employees in ~**50 countries** across **Americas, EMEA** and **APAC** and products/services sold in ~**150 countries**

Strategy

Growth of Dialysis business

- **Growth driven through inorganic means** (mergers and acquisitions)
 - **5+ acquisitions** of dialysis product/service providers over last 5 years

Expansion of non Dialysis business

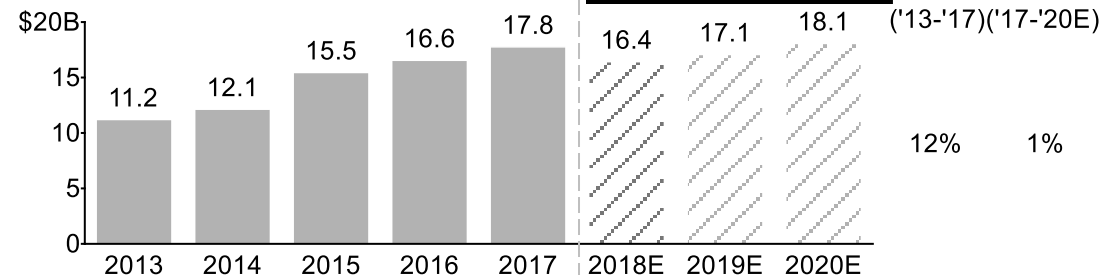
- **Increased focus on integrated healthcare services** on account of **increasing customer demand** and **increasing margins**
- **Competencies** to undertake service **acquired inorganically** (e.g. acquisition of X AG in 2015)

Focus on Innovation/ Data Driven solutions

- **Regionally coordinated R&D efforts** and **external partnerships** to develop **standardized medical products**
- Increasing **acquisitions of medtech** companies
- Focus on **data driven solutions** through **data base management** and **predictive analyses**

Financials

Medical Care revenue



EBIT margin

15%	14%	14%	15%	13%	19%	14%	14%
-----	-----	-----	-----	-----	-----	-----	-----

Investment thesis



- **Favorable size and profitability** (2015): ~\$XXB company with 22% profitability



- **Existing relationship:** Have presence in South Africa through T&L (sole distribution partner)



- **Portfolio expansion and strong market position:** Adjacency expansion into **pectin** (market leading apple pectin producer globally)
 - Also have dairy and beverage end product uses



- **Wide geographic coverage through distributors:** Network in 33 countries (Europe, Americas, Africa, APAC)
 - Focused on Europe and North America



- **Unfavourable ownership:** >60 year old family run group with well established market position; uncertainty around divesting in any of its subsidiaries or overall business

Back-up

PROCESS

HelixSM Find
BAIN & COMPANY 

Signal customization possible

The screenshot displays the HaloFind web application. At the top, the logo 'HaloFind' is visible. Below it, there's a search bar containing the IP address '10.10.10.10'. To the right of the search bar, there's a button labeled 'Search'. Below the search bar, there's a table with the following columns: 'IP', 'Host', 'Port', 'Service', and 'Status'. The table contains one row with the IP address '10.10.10.10', the host '10.10.10.10', port '80', service 'HTTP', and status 'Open'. On the left side of the page, there's a sidebar with navigation links: 'Home', 'Search', 'Results', and 'Settings'. The 'Results' link is currently selected.

[illegible]

150+ sourcing projects per year

400+ senior deal experts across all sectors

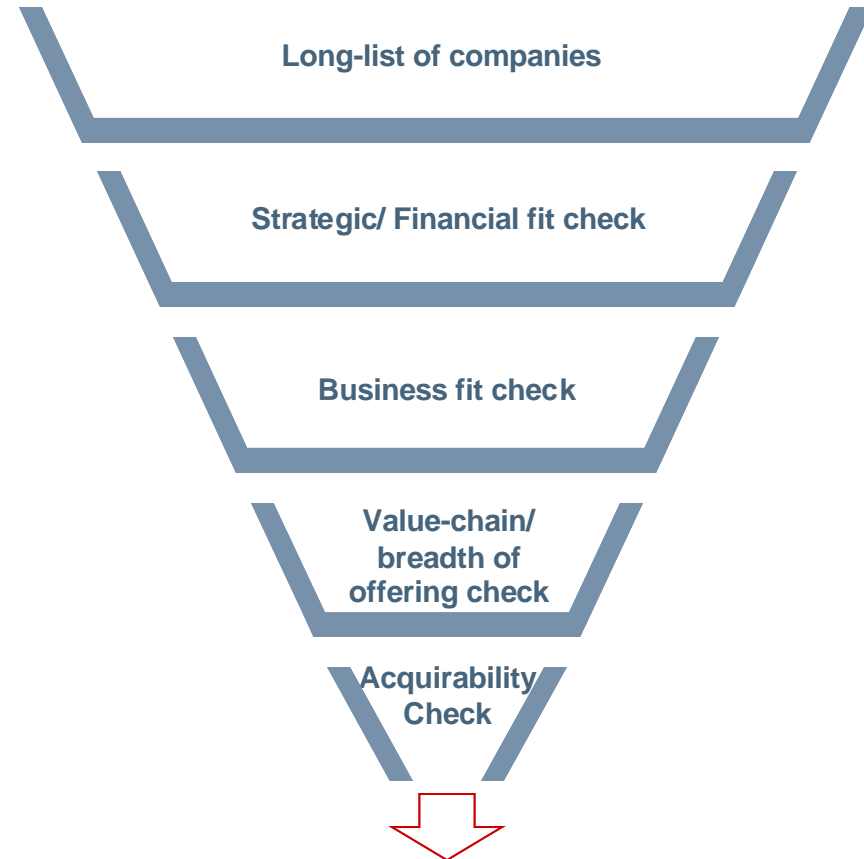


Companies with fundamentals **200M+**
Companies with multi-year financials **15M+**

Traffic Reviews Talent Custom sources

We leverage AI to accelerate the screening process leading to increased productivity (by 1.2x -1.5x depending on sector/confidence level)

PROCESS USING AI



Final relevant companies

Without OpenAI

- Build a list of relevant keywords by **scanning sample companies' websites and lit search**. Use these **keywords to pull a long list of companies** from Helix Find/ other databases
- **Prioritize companies** based on strategic fit (company type, ownership structure, customer base, business model) and financial fit (revenue, funding raised and other financial metrics)
- **Map relevance basis company website scans** using criteria such as products/ services offered, business model (e.g., manufacturer/ dealer), clients and other case-specific criteria
- **Map** relevant companies **across segment/sub-segments, value chain** basis company website scans
- **Leverage Pitchbook, Crunchbase, Dealogic, CapIQ and AVCJ for deal data** to run **acquirability checks** basis stakeholder pattern, transaction history, recent developments, etc.

With OpenAI

- Get additional relevant keywords for an industry to build a more comprehensive list
- The **"Smart search"** feature on Helix Find uses AI to **build a string automatically** through a query
- **Limited scope to leverage AI** as majority of the metrics used to prioritize companies at this stage are quantitative
- Get an **initial answer on relevance and segmentation/ value chain mapping** using a structured and detailed prompt
- Accuracy may vary based on industry/ company type, level of nuance, etc.
- Conduct comprehensive or random checks depending on the level of confidence required
- **Limited scope to leverage AI**. Can run an AI scan for information that may not be available via databases

AI use



OpenAI helps in minimizing manual effort, leading to accelerated turnaround times and reduced costs

