



**Private Equity  
Capital Markets Seminar**  
26 September 2022





# Agenda and introduction

**Simon Borrows**  
**Chief Executive**

# Agenda



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14.00- 14.10	Agenda and introduction	Simon Borrows Chief Executive
14.10- 14.50	BoConcept Q&A	Boris Kawohl Partner, Managing Director Benelux, Head of Consumer
14.50- 15.30	Healthcare sector update and Cirtec Medical Q&A	Richard Relyea Partner, Managing Director North America, Head of Healthcare
15.30- 16.10	WilsonHCG Q&A	Rahul Lulla Partner, North America
16.10- 16.30	Closing remarks and final questions	Simon Borrows Chief Executive

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- Investment portfolios continue to make good progress in challenging markets
- Private Equity portfolio:
  - Assets in value for money consumer, healthcare, specialty industrial and business and technology services have generated strong earnings growth and have good momentum as we head into H2 FY23. We also see sustained increase in demand across travel related assets in the portfolio
  - Assets exposed to discretionary spending continue to see headwinds, but encouraged by pricing power shown by a number of the more challenged companies, as well as ability to use other levers to partially mitigate inflation impacts
- Action's impressive performance continues with very strong sales and EBITDA growth; significant new customer flow driven by very low prices and good product availability
  - YTD sales at over €5.8bn are over 26% ahead of the same period last year
  - Expect LTM EBITDA to the end of P9 to be c.€1,035m compared to €765m at September last year and €506 million at September 2019
  - Continued strong cash generation with net debt now standing at less than 2.1x run-rate EBITDA
  - 142 new stores opened to date in 2022; on track to open more new stores in 2022 than in 2021
  - Energy costs for 2022 estimated to total less than 0.4% of sales
- International investments (non-sterling) account for 87% of 3i's investment portfolio

# Today's seminar



**BoConcept**<sup>®</sup>

2016

Urban living designer



2017

Outsourced medical device manufacturing



2021

Global winner in talent solutions

# Today's presenters



**Boris Kawohl**

**Partner, Managing Director Benelux, Head of Consumer**

Joined 3i in 2005 and is responsible for 3i's global Consumer sector.  
Based in Amsterdam.



**Richard Relyea**

**Partner, Managing Director North America, Head of Healthcare**

Joined 3i in 2007 and is responsible for 3i's global Healthcare sector. Has led 3i's North America Private Equity team since 2015. Based in New York.



**Rahul Lulla**

**Partner, North America**

Joined 3i in 2012. Focused on the Business & Technology Services, Industrial Technology and Healthcare sectors. Based in New York.



# BoConcept

## Boris Kawohl





# 3i in the Benelux



## 3i Benelux - overview

- Core market for 3i
- Office in Amsterdam since 1998
- 11 investment professionals
- Invested c.€2.4bn of equity in 24 deals in the Benelux since 2001, generating >€15bn in value (8.7x<sup>1</sup> Money Multiple) and a >40% IRR
- No loss on investments in last 15 years



1. Including cash returns and current valuations.

## 3i Benelux - current portfolio

**ACTION**

**BASIC-FIT**

**BoConcept**  
Urban Danish Design since 1952

**deVakantie  
Discounter**

**dutchbakery**

**konger slojd**

**MEPAL**

**nexeye**

**ROYAL SANDERS**  
ESTABLISHED 1831  
PERSONAL CARE PRODUCTS

**WPW**  
innovative packaging

**YANGA**  
SPORTS WATER

## Selection of realised investments 3i Benelux

**Refresco**

**HYVA**

**ABX**  
ABX LOGISTICS

**element**

**DOCKWISE**



# Consumer is a key sector for 3i

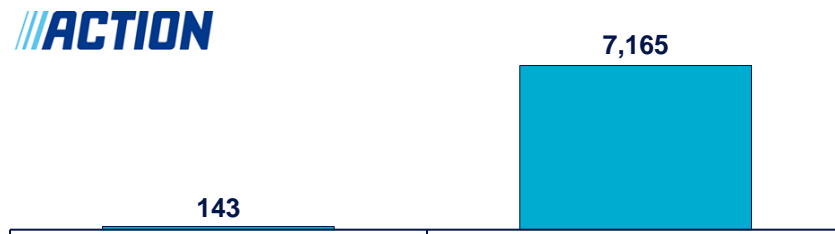


## Investment focus

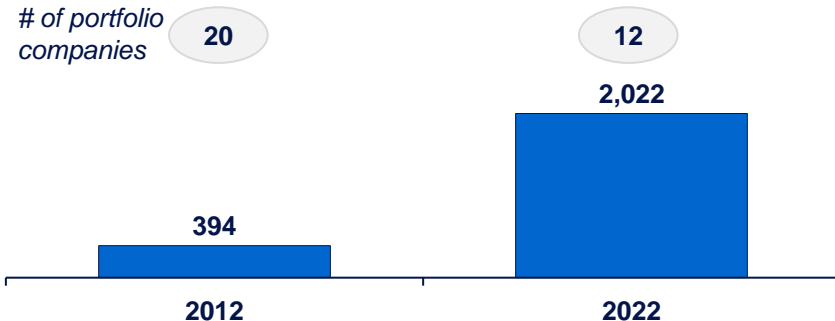
- Winning propositions
- Structurally differentiated
- International growth as key value driver - organic and inorganic
- Capital-efficient business model

## Strong growth in value of 3i's consumer investments

Value of 3i stake in £m (FY 2012 / 2022)



## Consumer investments (excl. Action)



# BoConcept today

## Global interior design brand



### Purpose

Transforming spaces into extraordinary places

### Vision

Grow the business by bringing inspiration and a better living experience to people's homes, leisure and workspaces around the world

# BoConcept

**70 years**

Brand heritage



**316**

Brand stores  
(95% franchised)



**c.140**

Franchisee  
partners



**67**

Countries

**93%**

Of customers  
intent to repurchase

**€200m**

Net revenue

**€37m**

Reported  
EBITDA

**18%+**

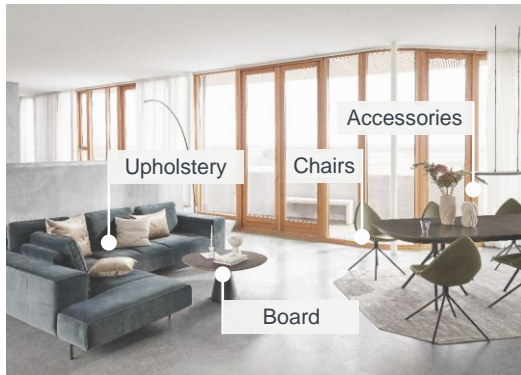
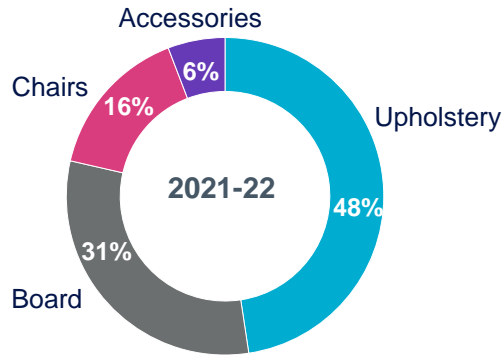
Reported  
EBITDA margin

# BoConcept today (cont'd)

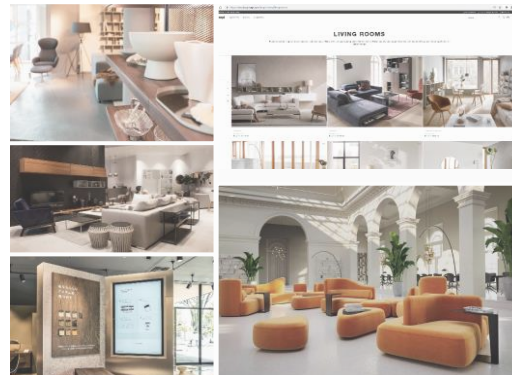
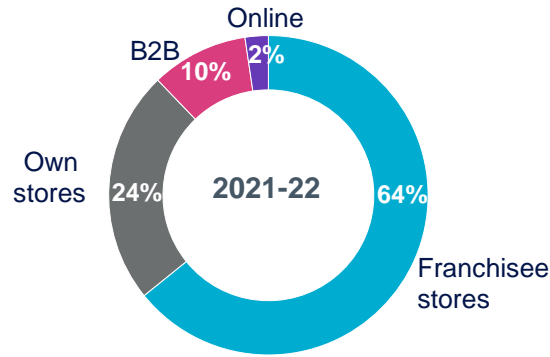
## Global interior design brand



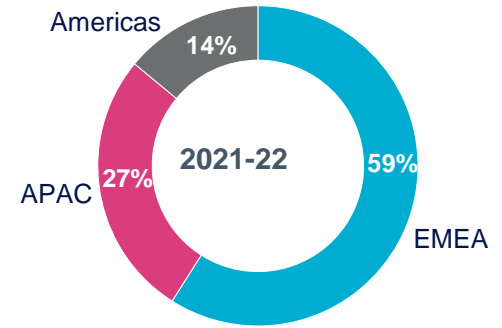
### Products<sup>1</sup>



### Channels<sup>2</sup>



### Geographies<sup>1</sup>



1. Based on retail order entry.  
2. Based on net revenue.

## Transaction highlights

- Public to Private in 2016
  - 3i invested c.£130m in BoConcept
- Value drivers
  - Operational upside
  - Cash generation
  - International growth



**VIDEO**

# Key investment highlights



- A** Global affordable premium furniture brand ✓
- B** Best-of-breed franchisor with globally proven appeal ✓
- C** Stable, low-risk and highly cash generative model ✓
- D** Asset-light and highly scalable ✓
- E** Large and growing addressable market ✓
- F** Strong management team with proven growth roadmap ✓
- G** Long term growth track-record with demonstrable global white space ✓

## BoConcept



# A The leading global affordable premium furniture franchisor brand

## Contemporary Danish design with a tailored offering unique at its price point

### Collaborating with world-class furniture designers



Morten Georgsen



Anders Nørgaard



Nendo

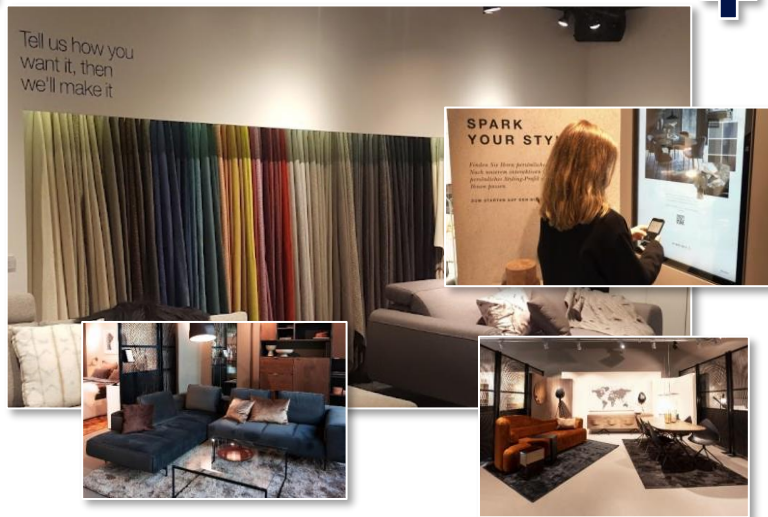


Henrik Pedersen

- Leading Nordic and contemporary designers
- Timeless
- Global appeal

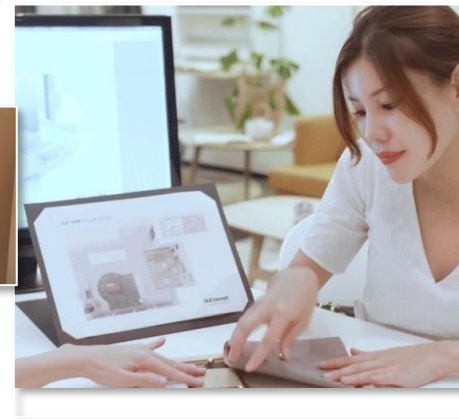
Note: 1 For majority of markets.

### Premium tailored products at affordable prices



- Premium quality at affordable pricing
- Fully customisable
- Made-to-order
- Must have “studios” set up

### Unmatched service



- Interior Design Service (IDS)
- Digital preview in 3D
- No charge for service, delivery and assembly<sup>1</sup>





# A The leading global affordable premium furniture franchisor brand

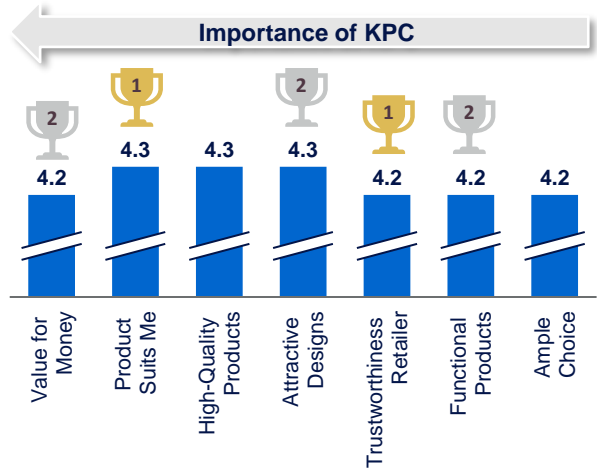
Consumers rank BoConcept as the number one affordable premium furniture brand



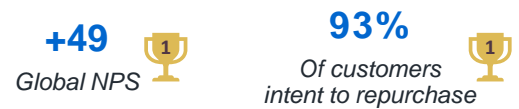
## Truly global footprint



## Best-in-class performance on key purchase criteria



## Strong customer NPS and repurchase intent across the globe



Source: OC&C customer survey.



## B Best-of-breed franchisor with globally proven appeal

FOR  
FRANCHISEE

- ✓ **Regionally exclusive brand sales rights of #1 consumer ranked affordable premium furniture brand**
- ✓ **Proven model globally**
- ✓ **Best-in-class tools and support** to drive performance
- ✓ **Low up-front investment**
- ✓ **Minimal NWC (made-to-order, customer)**
- ✓ **High-margin business** with strong commercial upside and incentive to grow

**BoConcept**

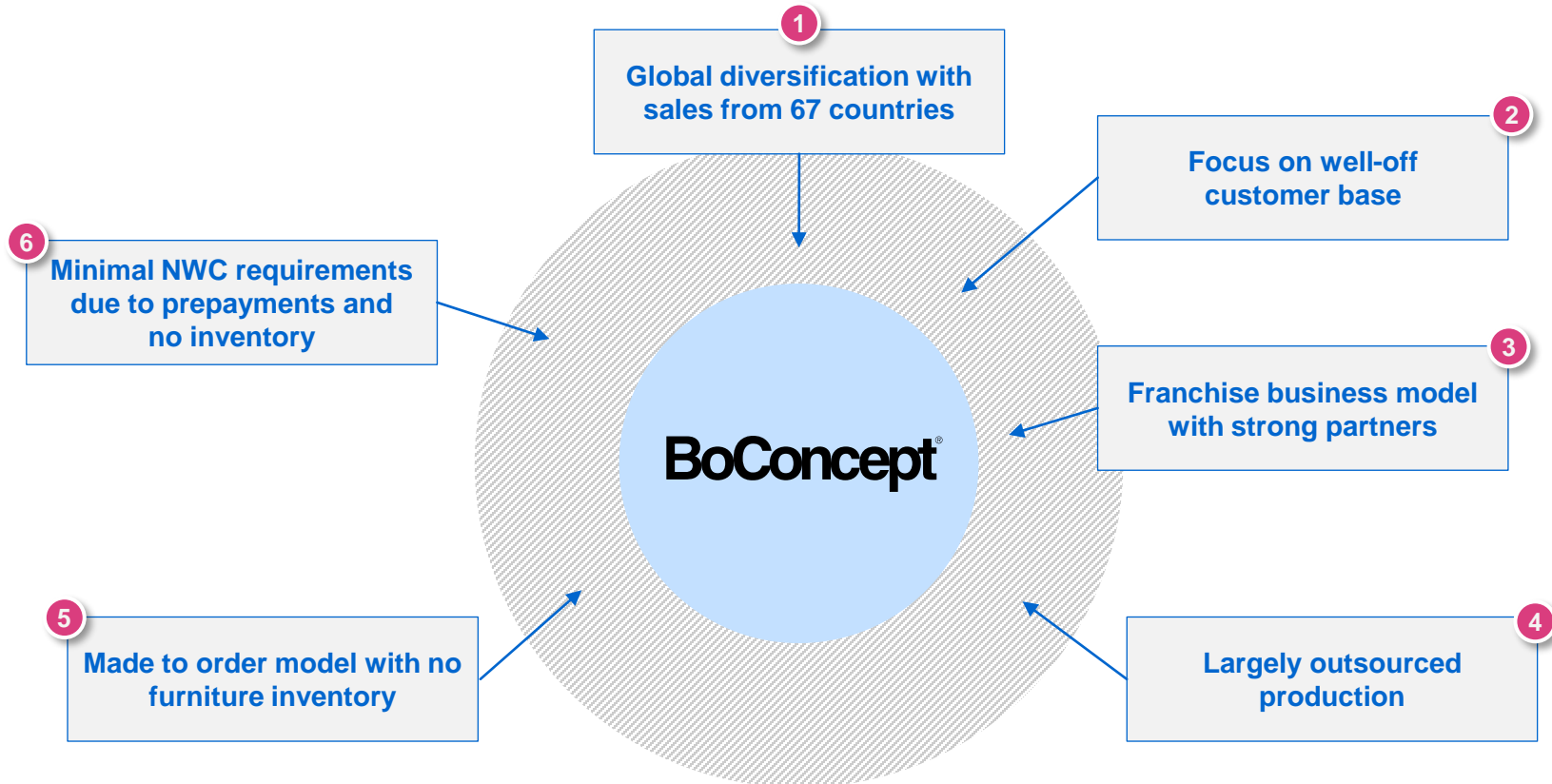
FOR  
FRANCHISOR

- ✓ **Stable revenue with good margin**
- ✓ **Global growth options** due to globally proven concept
- ✓ **Attractive growth economics** due to limited capex, negative NWC (made to order)
- ✓ **Highly scalable platform**
- ✓ **Stable and growing franchises base** (100% of franchisees would re-sign)





## C Stable, low-risk and highly cash generative model





## D Asset-light and highly scalable

■ *Mainly in-house*

■ *Mainly outsourced or in partnership*

### *Value chain*



**120%+**  
ROCE<sup>1</sup>

**<1% of sales**  
Maintenance Capex  
per year

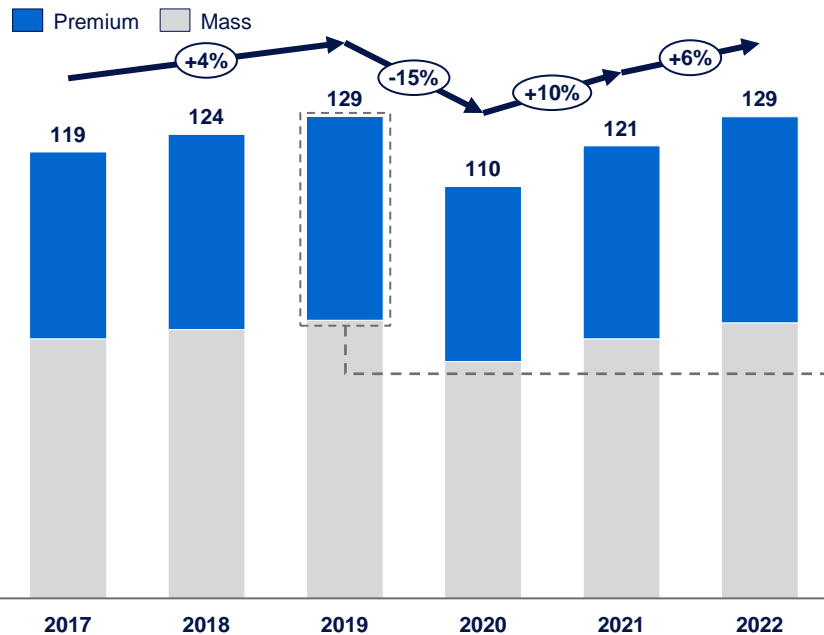
**<3% of sales**  
Growth Capex  
per year



## E Large, global market – providing significant white space

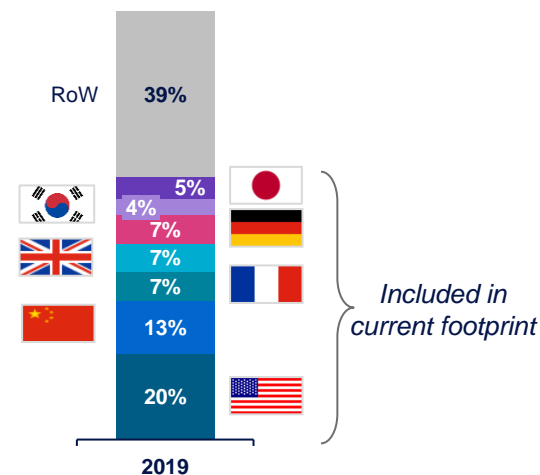
Spending on furniture is growing. Premium is outperforming the overall market CAGR by 0.4-0.5pp

### Global furniture market (in EURbn)



### Significant penetration opportunity in all regions

#### Premium furniture market size by core region (2019, % of total)



White space analysis **identified c.700 white spots**, of which most in **current focus countries**

# F Strong management team and board



**Mikael Kruse Jensen**

*Chief Executive Officer*

Joined 2020

**PANDORA**

Danske Bank



**Darren Bett**

*Chief Financial Officer*

Joined 2018

Dansk  
Supermarked  
Group



**Peter Linnet**

*Chief Operating Officer*

Joined 2015



**Vestas**

ReSound GN



**Michael Linander**

*Chief Retail Officer*

Joined 2018

**flying  
tiger**  
copenhagen



**METRO**



**Paula McGuinness**

*Chief Marketing Officer*

Joined 2019



**DIAGEO**



**BACARDI.**



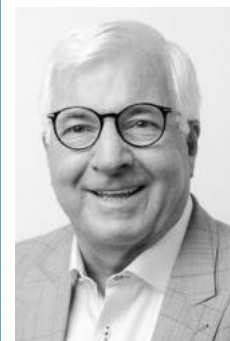
**Sanna Suvanto-Harsaae**

*Chairman of the Board*

Joined 2016

orthex **SAS**

**TCM**  
Group



**Anders Moberg**

*Non-Executive Director*

Joined 2016



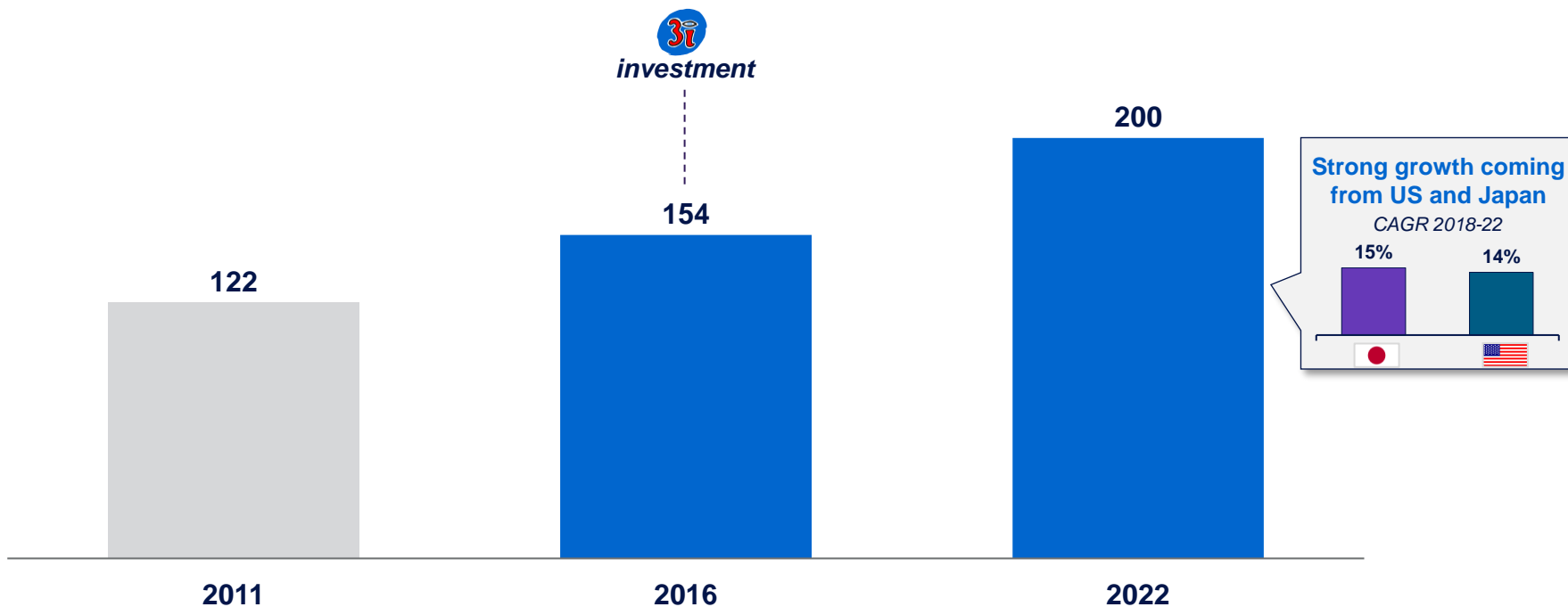
Ahold  
Delhaize





## G Long-term growth track record


Revenue (in € millions)







# Fundamental changes have been realised since investment, which is showing in global NPS scores



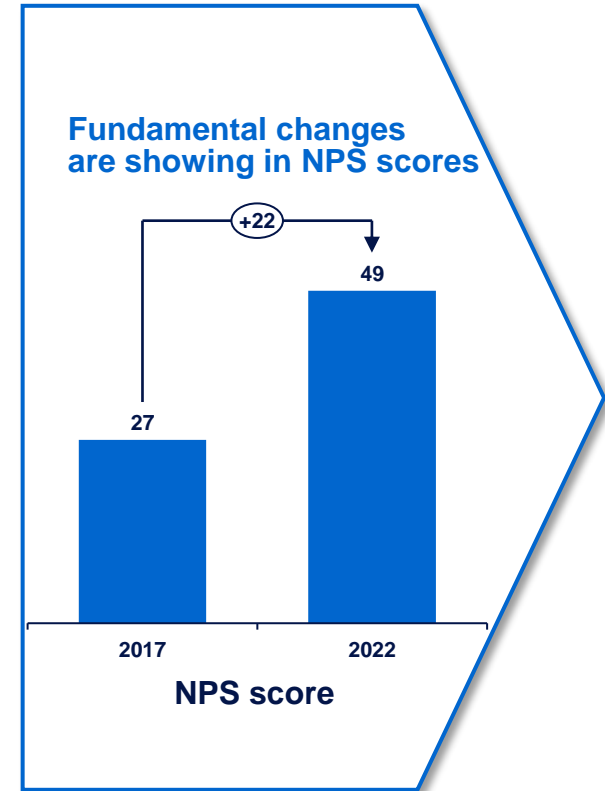
 Experienced global management team

**1**  
 Built well performing franchisee base

**2**  
 Strengthened retail proposition through tools and processes

**3**  
 Built omni-channel experience

**4**  
 Enhanced store format to support omni-channel consumer





1

# Growth is mainly driven by the opening of new stores by multi-unit franchisees

## Focused on building base of successful multi-store franchisees committed to growth

### Upgrade franchisee base

- ▶ Change leadership and approach to partners
- ▶ Strict franchisee management
- ▶ Focus on multi-store franchisees who have the ambition to grow and comply with BoConcept's requirements

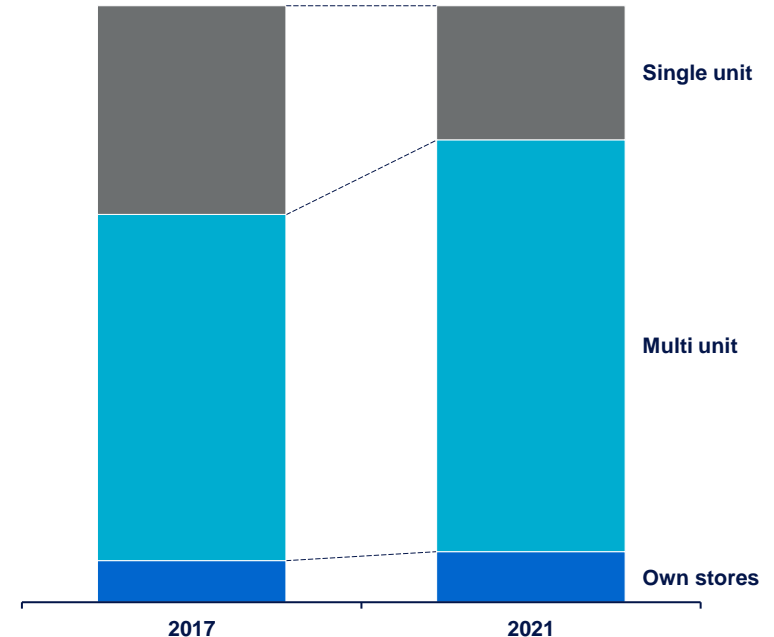
### Scale up and grow

- ▶ Roll-out across the world with existing and new partners

### Accelerate successful partners

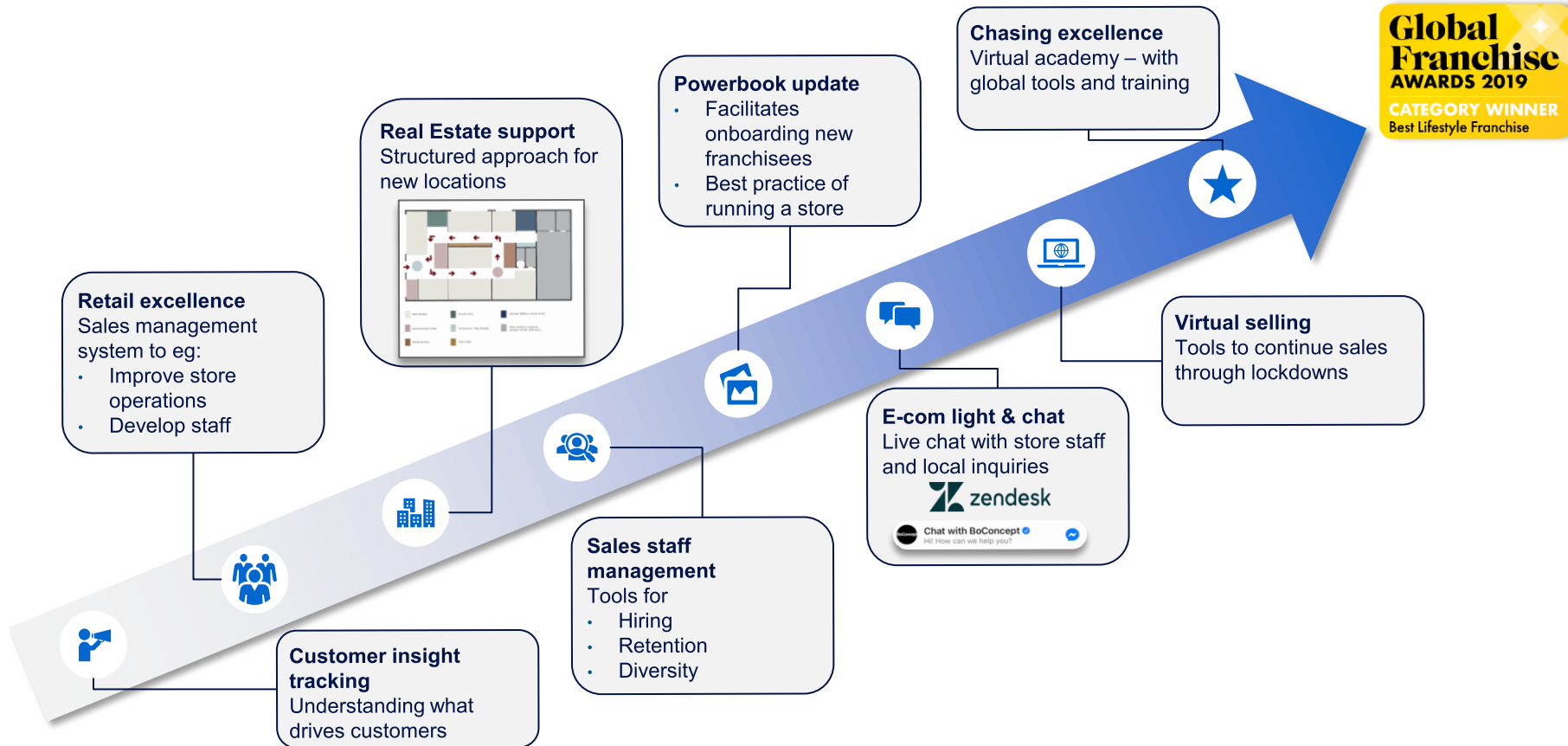
- ▶ Develop new organisational structure
- ▶ Provide franchisee with the tools to be successful
- ▶ Align incentives for franchisee growth

## Stores by franchisee type (#)



2

# Created stronger retail proposition by providing the right tools to our franchise partners



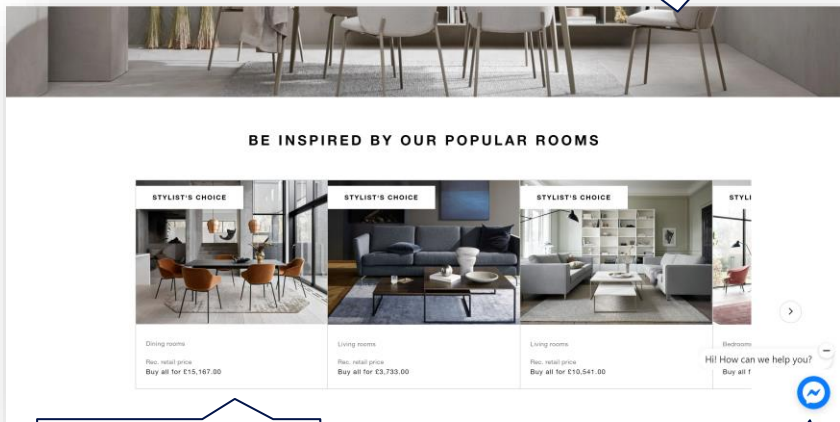
3

# Created a consistent omni-channel experience aimed to increase conversion and leverage global scale



## Website

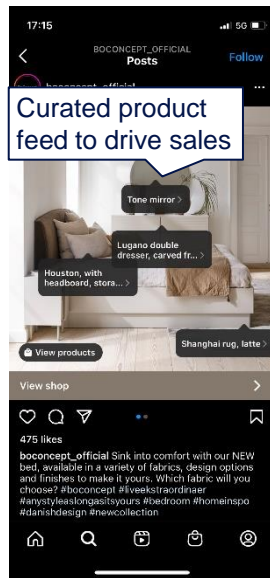
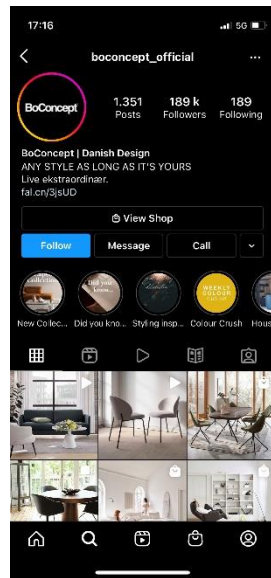
Opportunity to plan a designer appointment



Directly showing cost of full room designs

Live chat

## Instagram

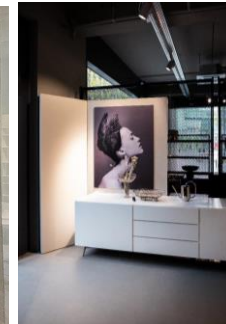
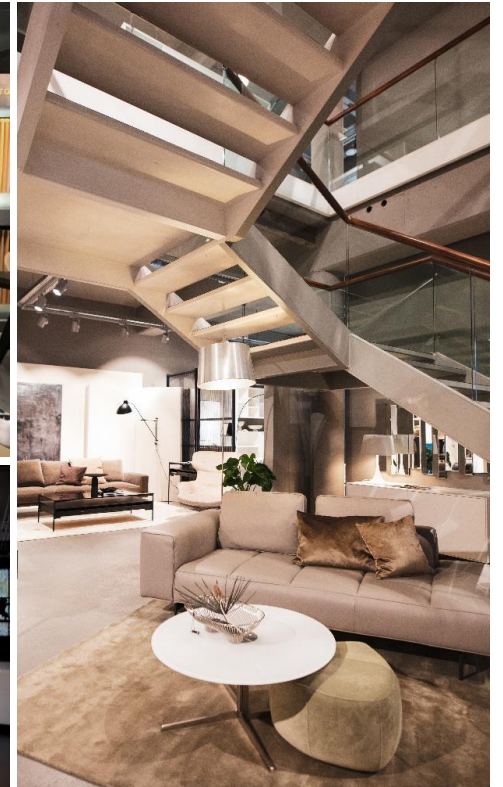


- **Website** : 1.5m+ sessions p/m
- **Pinterest** : 10m+ views p/m

- **Instagram** : 200k+ followers
- **facebook** : 1.0m followers

# 4 Enhanced store format to support today's omni-channel consumer

## Focusing on co-creating extraordinary spaces using IDS and inspirational guidance





## BoConcept

**Scale with strong partners** incentivising and helping franchisees to operate multiple stores driving mutual profitability and capturing white space



**Create and maintain fans** through a modern approach to marketing with more digital, brand, consistency, and higher focus on retention



**Raise our retail proposition** making our store staff, interior design service and store concept work as one to deliver the best proposition



**Strengthen our affordable premium offering** in our design concept with an accessible price architecture, high quality products and good lead times



**Unlock B2B** through our Haworth partnership serving multinationals and local Centres of Excellence of selected franchisees



We are on a journey to evolve BoConcept to an 'extraordinary retail franchisor'



## Environment

- ✓ **High-quality, custom made products**
- ✓ **Scope 1 and 2 reporting in place, ambition to reduce emissions by 25% by 2030**
  - Green electricity and reduced energy consumption
  - Reduction in heat consumption in production
  - Changing diesel and gas trucks to electrical
- ✓ **Focus on minimising use of harmful materials in packaging and products**
  - Implement FSC™ certification
  - Minimise use of polystyrene in packaging



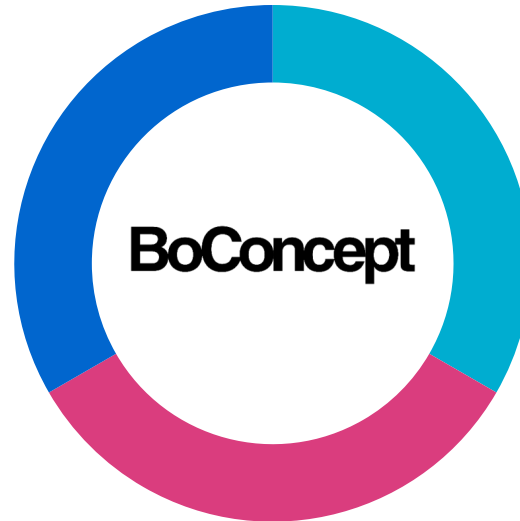
## Suppliers, customers and society

- ✓ **All suppliers need to adhere to BoConcept's code of conduct**
  - KPI and audit structure in place to review compliance with the code of conduct
  - Process in place to support suppliers in improving responsible production



## Employees

- ✓ **Employee engagement surveys show consistent motivation, and willingness to recommend BoConcept as employer**
  - Focus on gender equality and working environment
- ✓ **Awareness of GDPR and data security**





# Strong recent results...



- **Positive year with good momentum in rollout** of the global business
  - **316 stores in 67 markets on 6 continents**
- **FY2021/22 (Apr FYE)**
  - **Highest revenue, earnings realised** (sales DKK 1,490m (+23% y-o-y), EBITDA DKK 275m (+8% y-o-y))



- Successfully **completed strategic initiatives** which strengthened the company for the future
  - **Highest number of new store openings**, while the key markets are delivering significant growth
  - **Implemented franchisee toolbox** to further drive good customer experience and healthy operations
  - Launched a completely **new brand platform**

# ...but also challenges ahead



	Challenges	Mitigants
	<ul style="list-style-type: none"><li>• <b>Remaining Covid impact</b> (largely overcome)<ul style="list-style-type: none"><li>- Potential for isolated store closures</li><li>- Supply chain bottlenecks and product costs impacts remain but are normalising</li></ul></li></ul>	<ul style="list-style-type: none"><li>• <b>Globally diversified sales</b></li><li>• <b>Virtual selling tools, fast management reactions</b></li><li>• <b>Diversified supplier base</b> (Eastern Europe, China, Mexico)<ul style="list-style-type: none"><li>- Successfully reduced lead times back to normal levels</li></ul></li></ul>
	<ul style="list-style-type: none"><li>• <b>Economic downturn / Consumer sentiment / Inflation</b><ul style="list-style-type: none"><li>- Business has managed volatility well</li><li>- Further challenges expected but operational toolbox available to management</li><li>- Business model allows BoConcept to outperform peers</li></ul></li></ul>	<ul style="list-style-type: none"><li>• <b>Globally diversified</b></li><li>• <b>Franchise business model</b></li><li>• <b>Affluent customers</b></li><li>• <b>Made to order, individualised</b></li><li>• <b>Cash generative model</b></li><li>• <b>70-year track record</b></li></ul>



# BoConcept Q&A



# Healthcare sector update and Cirtec Medical

Richard Relyea



# 3i in the US



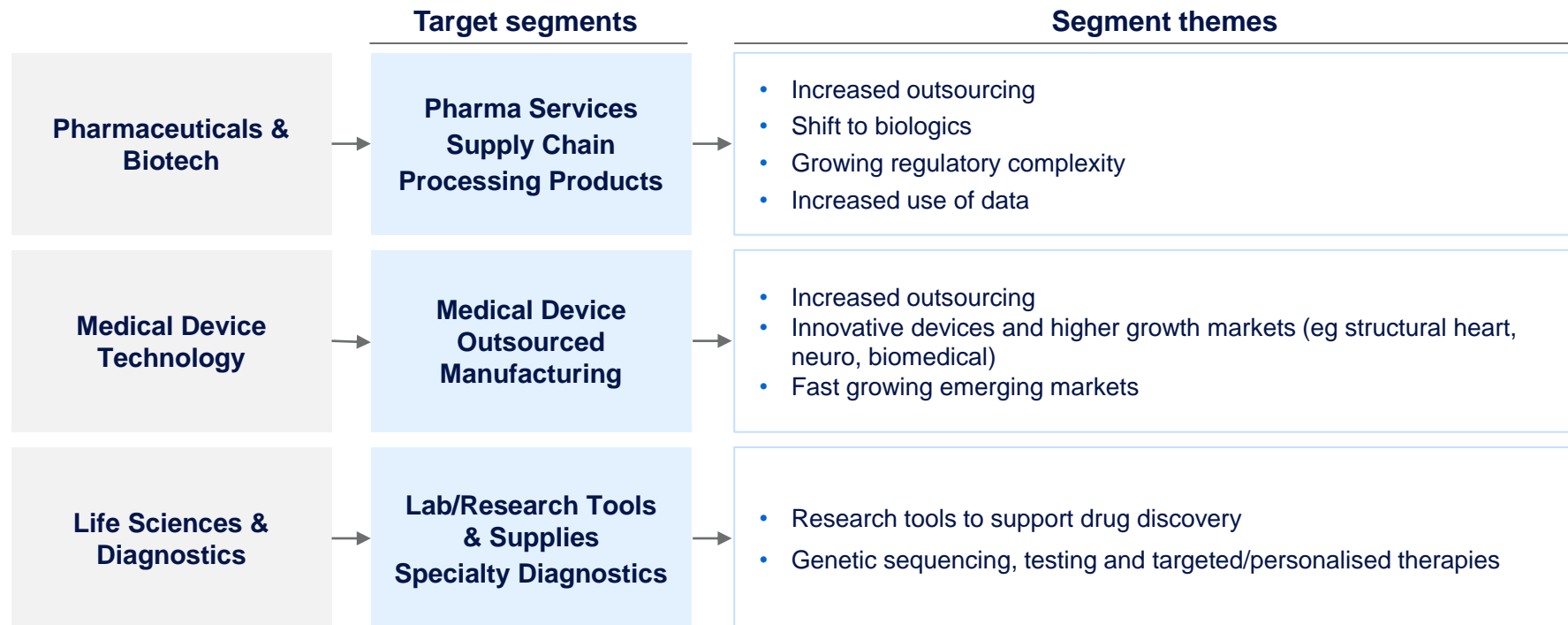
- 3i Private Equity has been investing in the US for c.15 years
- 16 investment professionals
- Focus on Healthcare, Business & Technology Services and Industrials



# 3i Healthcare – primary areas of focus



## Focused efforts in targeted segments with long-term secular tailwinds



# 3i approach – Healthcare ecosystems



## Pharmaceutical & life science supply chain



Single-use bioprocessing



Biologics CDMO

## Medical technology & device supply chain



Devices and components



Silicone components and catheters



**c.\$675m of capital deployed\* currently marked at 3.0x as of 30 June 2022**

\* Includes Q Holding, Cirtec Medical, SaniSure and ten23 Health. Sterling money multiple.

# Market updates – Pharma services/CDMO/Bioprocessing

## Sustained growth in biologics and regenerative medicines



### Market update

#### Outlook and drivers

- ~8% biologics growth; 10+% growth in CDMO (contract development and manufacturing) market and 15+% in single-use bioprocessing market
- 50% growth in the mAb clinical pipeline and 10x growth in the cell and gene therapy clinical pipeline over the past five years
- Supply chain ramping capacities (consumables, equipment, manufacturing facilities) to support expected growth in new technologies

#### Covid-19 impact

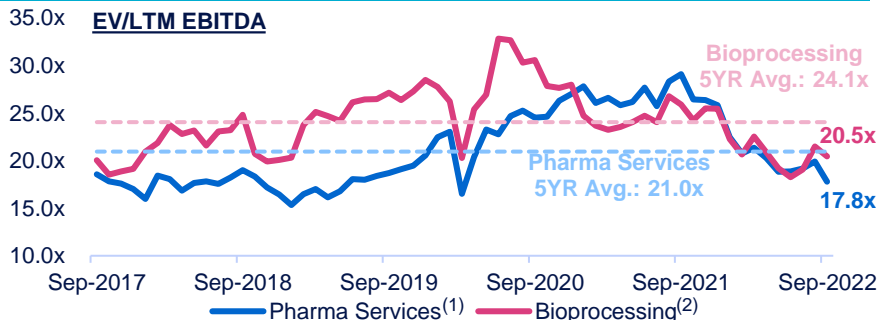
- Related demand winding down across the market, normalising into steady-state volumes for annual vaccines
- Supply chains beginning to normalise

#### Biotech funding

- 2021 represented peak in biotech funding; though down from peak, funding levels remain at 2019 highs
- Smaller biotechs focused on capital preservation – value of service providers to save time/money and improve probability of success

Sources: SVB Leerink equity research, CapIQ; (1) Pharma Services index includes Lonza, Catalent, Charles River, IQVIA, and Syneos; (2) Bioprocessing index includes Repligen, Sartorius, Danaher, Thermo Fisher, and Avantor.

### Trading/recent comps



#### Selected recent strategic and sponsor M&A activities

Date	Acquirer	Target	Txn. Value & Multiple
<b>Pharma Services</b>			
Aug-22	Catalent	Metrics Contract Svcs.	\$475m / n.a.
Oct-21	PCI Pharma Svcs.	LSNE	n.a.
Jul-21	EQT	Recipharm	\$2,100m / n.a.
Feb-21	Charles River	Cognate Bioservices	\$875m / n.a.
Jan-21	Thermo Fisher	Novasep (Viral Vector)	\$875m / n.a.
Nov-20	Permira	Cambrex	\$2.4b / 15.2x '18 Adj. EBITDA
Jul-19	EQT	Aldevron	n.a.
<b>Bioprocessing</b>			
Sep-21	Repligen	Avitide	\$150m / n.a.
Sep-21	Avantor	Masterflex	\$2.9b / ~21x Adj. '22 EBITDA
Jan-21	Sartorius	Novasep Chromatography	€53.0m / 1.4x '20 Sales
Oct-20	Repligen	ARTeSYN	\$200m / n.a.
Sep-19	GTCR	Cole-Parmer	n.a.
Apr-19	Repligen	C Technologies	\$240m
Feb-19	Danaher	GE Biopharma	\$21.4b / 6.7x '19 Sales



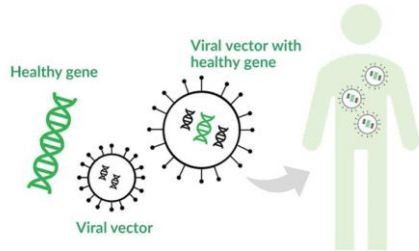
# Innovative and emerging technologies

## 3i focus on serving fast-growth pharma subsegments



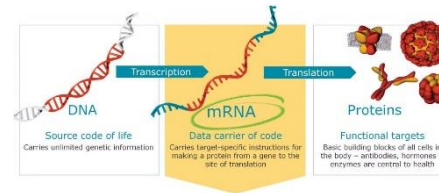
### Viral vector therapies

*Viral-vector gene therapies use modified viruses as drug-delivery vehicles to introduce specific DNA sequences into cells.*



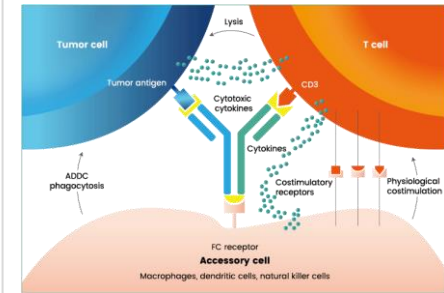
### mRNA

*mRNA teach cells how to make a protein that triggers an immune response inside our bodies.*



### Bispecific mABs

*An antibody that can bind to two different antigens at the same time.*



**Product platforms**

**Portfolio exposures & opportunities**



# Market updates – Medical device/MDO

## Normalised procedure volumes, continued focus on minimally invasive surgery



### Market update

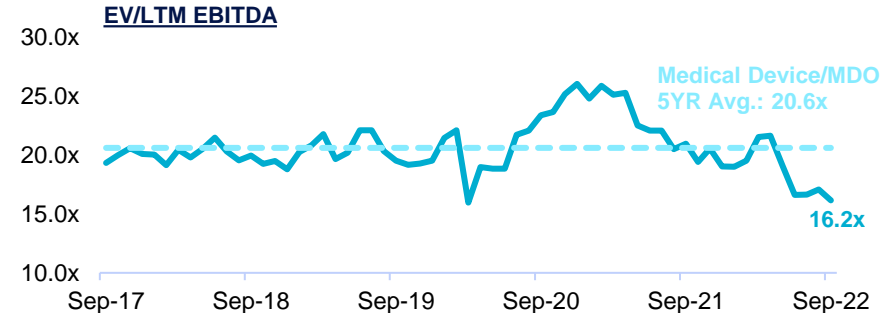
#### Outlook and drivers

- ~5-6% medtech growth, LDD growth in select markets (structural heart, neuromodulation); 10+% growth in MDO (medical device outsourcing) market
- Improving procedure volume and utilisation trends into 3Q
- Hospital capital spending demand tempered by supply chain disruptions limiting production
- Macro headwinds showing signs of stability and in some cases improvement

#### Covid-19 impact

- Impact on procedure volumes largely normalised, though hospital staffing shortages impacting procedure volumes
- Medtronic on procedure volumes:
  - *"For the most part, I'd say we're back to pre-pandemic levels in terms of procedures, couple of pockets where we're not, but for the most part we are."*

### Trading/recent comps<sup>(1)</sup>



### Selected recent strategic and sponsor M&A activities

Date	Acquiror	Target	Txn. Value & Multiple
Aug-22	Trelleborg	Minnesota Rubber & Plastics	\$950m / 10.0x LTM EBITDA
Dec-21	TPG	Confluent	n.a. / n.a.
Dec-21	Carlyle	Resonetics	\$2.25Bn / n.a.
Oct-21	Integer	Oscor	\$220m / 3.9x Rev.
Aug-21	ILC Dover	Flexan	n.a. / n.a.
Oct-19	Carlisle Companies	Providien	\$330m / n.a.
Apr-18	NN inc.	Paragon Medical	\$375m / 15.6x LTM EBITDA
Jan-18	GTCR	Resonetics	n.a. / n.a.
Jan-17	Nordson	Vention - Advanced Tech	\$705m / 14.7x LTM EBITDA
Feb-16	TE Connectivity	Creganna	\$895m / 3.6x Rev.

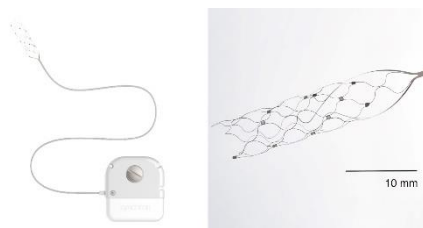








Source: Morgan Stanley equity research, company websites and materials, Capstone Partners Coverage Report, CapitalIQ, A.S. Freeman Advisors, Cision.

(1) Index includes West Pharmaceutical, LivaNova, Stryker, Boston Scientific, Cooper, Merit Medical, Abbott, Teleflex, ICU Medical, Medtronic, Integra LifeSciences, Integer, Gerresheimer, SAES Getters.

# Innovative and emerging technologies

## 3i focus on serving fast-growth medtech subsegments



	Neurostimulation	Structural heart	Robotic surgery
Product platforms	<p><b>Implantable pulse generators</b></p>  <p><b>Example indications:</b> <i>Pain management</i> <i>Brain implants</i></p>	<p><b>Heart valve replacement</b></p>  <p><b>Example indications:</b> <i>Aortic stenosis</i> <i>Mitral regurgitation</i></p>	<p><b>Minimally invasive surgery</b></p>  <p><b>Example indications:</b> <i>GI surgery</i> <i>Joint surgery</i></p>
Portfolio exposures & opportunities	  IPG, leads, PC      Header molds	  Cage tubing delivery devices      Delivery seals	  Machined parts      Trocar seals







- A** Maintain focus on targeted areas, expand sub-segments
- B** Leverage existing portfolio/network to build within our desired ecosystems
- C** Invest organically and inorganically to support strategic evolution
- D** Provide support where needed to help scale operations and systems
- E** Develop ownership mindset and ensure all stakeholders benefit in equity value creation

# Building market leaders



3i has invested organically and via acquisition to expand capabilities, footprint and market exposures as we build market leaders in target segments

	FTEs		Facility square feet		Capabilities and exposures	
	@ Acq.	Current	@ Acq.	Current	@ Acquisition	Additions
	c.485	c.1,125 <b>+130%</b>	c. 141,000	c.411,000 <b>+191%</b>	<ul style="list-style-type: none"> <li>• Active implantable assembly</li> <li>• Metal machining/coil winding</li> <li>• Engineering</li> </ul>	<ul style="list-style-type: none"> <li>+ Nitinol tubing</li> <li>+ Thin film</li> <li>+ ASIC design</li> <li>+ Catheters</li> </ul> <ul style="list-style-type: none"> <li>+ Proprietary IPG systems</li> <li>+ Sterilisation</li> <li>+ FEP tubing</li> </ul>
	c.145	c.436 <b>+200%</b>	c. 100,000	c.197,500 <b>+100%</b>	<ul style="list-style-type: none"> <li>• Customer assemblies</li> <li>• Bottles</li> <li>• Tubing</li> <li>• Connectors</li> </ul>	<ul style="list-style-type: none"> <li>+ Filling needles</li> <li>+ Clamps</li> <li>+ Filling kits</li> </ul> <ul style="list-style-type: none"> <li>+ Bags</li> <li>+ Bottom-mounted mixing</li> </ul>
	–	c.100	c. 40,000	c.117,000 <b>+190%</b>	<ul style="list-style-type: none"> <li>• Formulation development services</li> </ul>	<ul style="list-style-type: none"> <li>+ Prefilled syringe and autoinjector filling</li> </ul> <ul style="list-style-type: none"> <li>+ Bulk vial filling</li> </ul>
	c.294	c.2,400 <b>+700%</b>	c. 157,000	c.304,000 <b>+90%</b>	<ul style="list-style-type: none"> <li>• Silicone and polyisoprene molding</li> </ul>	<ul style="list-style-type: none"> <li>+ PTCA/PTA catheters</li> <li>+ Surgical wound drains</li> </ul> <ul style="list-style-type: none"> <li>+ Urinary catheters</li> <li>+ Kitting and packaging</li> </ul>

# Add-on acquisition activity

Adding capabilities and market exposures, expanding geographic footprint



**Cardea**  
July 2021



**NovelCath**  
December 2020



**GLE Engineering**  
December 2021



**Channel**  
December 2021



**Swissfillon**  
October 2021



**IPG IP**  
March 2020/  
June 2018



**Metrigraphics**  
December 2018



**EPS Clamps IP**  
October 2021



**BioFluid Focus**  
November 2020



2014



**Cactus**  
July 20218



**Vascotube**  
November 2017



**Sani-Tech West**  
July 2020



**Platform Acquisitions**  
Fall 2019



**Degania Medical**  
December 2016



**Silicone Altimex**  
July 2015

### Company overview

- Outsourced manufacturing for complex medical devices
- Leading management team including CEO Brian Highley
- Focus on active implantable devices and interventional therapeutics
- 8 acquisitions completed since 2017
- 10 sites, 1,125 FTEs

### Select target end markets



### Active implantables



Implantable pulse generator ("IPG")



Leads



Leadless pacemaker

### Interventional



Nitinol tubes

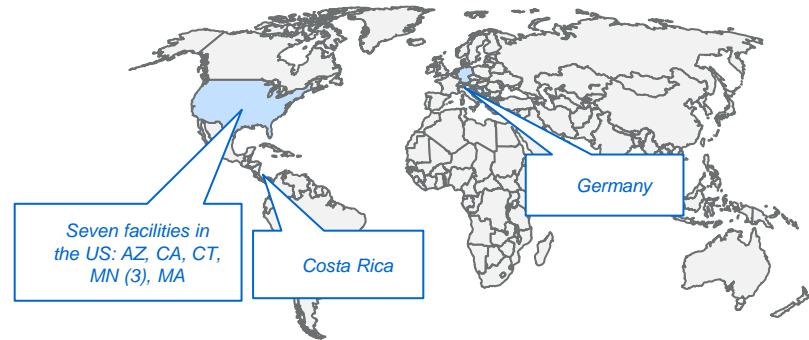


Catheter delivery systems



Micro stents

### Geographic footprint

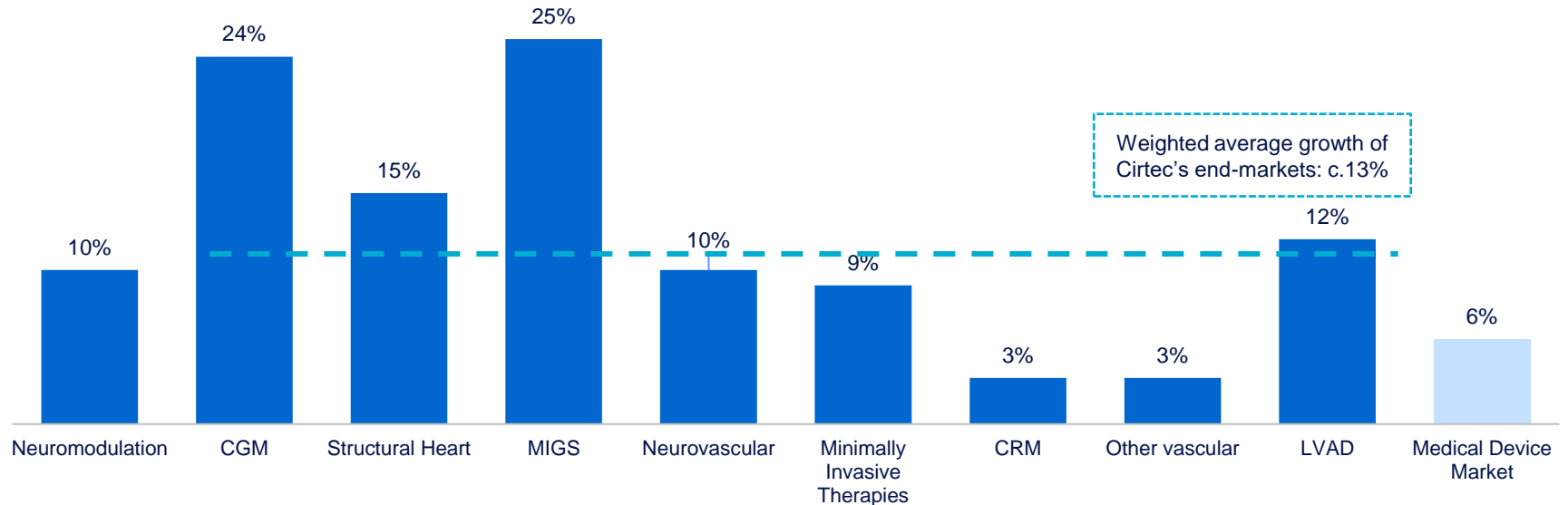


# Cirtec is exposed to among the fastest growing, niche therapeutic areas of the medical device market



## End-market growth

Cirtec's key end-markets are driven by the increased adoption of its customers' products due to their ability to treat serious illnesses in new innovative ways



Source: Equity Analyst Research, Fortune Business Insights, Grand View Research, TechNavio, Transparency Market Research, L.E.K. research and analysis.

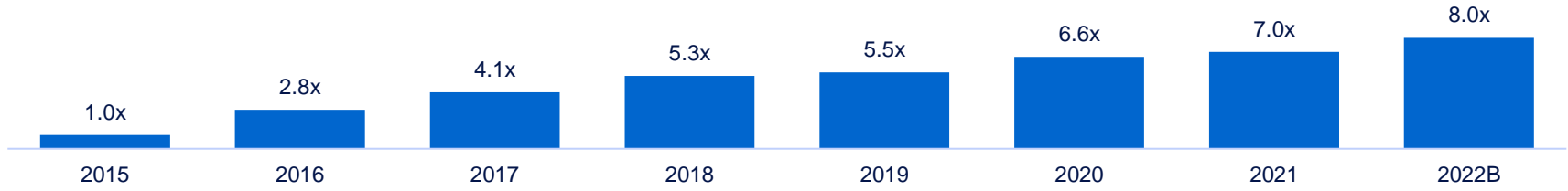


# Building a market leader – Cirtec



Under an experienced management team led by CEO Brian Highley, Cirtec has grown into a global market leader. 3i has partnered with the team over our ownership to significantly expand the company's capabilities, end market exposures and geographic footprint, enabling it to better serve its customers and enhance its market presence.

Scale based off 2015 sales



- Move to Enfield, CT facility with 38,000 sq. ft. and ISO Class 7 clean room
- Significant investments in business development drove a number of new contract wins that fuelled strong organic growth



- Acquired Stellar Technologies, adding significant component and finished device manufacturing capabilities and complementary technologies in neuromodulation



- Acquired VascoTube in November 2017, expanding into fast growing structural heart market
- Vertically integrating with acquisition of Top Tool in August 2017
- Expands 30,000 sq. ft. capacity in Brooklyn Park



- Further vertically integrating in neuromodulation with acquisition of Cactus Semiconductor
- Expanding therapeutic exposure to fast growing diabetes market and adding thin film expertise with addition of MetriGraphics



- Completed build out of Costa Rica facility to serve as low-cost footprint and increase capacity for key machining and leads assembly activities



- Completed acquisition of NovelCath, furthering Cirtec's vertical integration in structural heart market and expands Cirtec's reach into Interventional markets



- Acquisition of Cardea, expanding Cirtec's catheter capabilities and giving the business a west coast Interventional hub



- Completed buildout of Brooklyn Park 2, Cirtec's Neuromodulation Center of Excellence
- Expanding NovelCath facility to support new laser processing capabilities
- Consolidation of Los Gatos and Cardea into new Santa Clara facility

# Cirtec's growth momentum and resilience through Covid



Cirtec has grown at a double digit CAGR from 2019 despite the broader macro environment

Market challenges	Cirtec response
<b>2020: Covid impact on elective procedures, supply chain and hospital labour shortages</b>	<ul style="list-style-type: none"><li>• Robust pipeline of innovative products coming to market during this time drove strong growth despite Covid market headwinds</li><li>• Close alignment and partnership with customers to ensure timely and ample access to products, enabling them to manage through broader market supply chain disruptions</li></ul>
<b>2021: Labour and supply chain challenges across the market</b>	<ul style="list-style-type: none"><li>• Close focus on recruitment and retention, training, team-building, and aligned incentives</li><li>• Active effort to manage external suppliers and leveraging in-house capabilities to minimise supplier risk</li></ul>
<b>2022: Inflation and continued supply challenges across the market</b>	<ul style="list-style-type: none"><li>• Close partnership with customers to manage through input cost increases, including productivity and pass throughs</li><li>• Internal supply chain leverage to deliver optimal performance</li></ul>

# Cirtec investment thesis and journey



Cirtec has significantly progressed a number of aspects of the investment thesis developed by the leadership team and 3i. Cirtec continues to build on these initiatives to better serve the market and customers.



Executed on significant customer programme launches, supporting commercialisation of cutting-edge technologies



Vertically integrated and built on strength in active implantables, providing end-to-end services from early design and development through to high volume manufacturing



Diversified into minimally invasive therapeutics and interventional markets



Established international operations in Europe and in Costa Rica to access local customers, acquire and further invest in high end capabilities, and enhance our compelling cost position



Invested in systems, team and processes to support growth

# Expanding exposures to complementary high growth markets



Continued expansion into the most innovative segments within medtech

@ Acquisition

Under 3i ownership



*Neuromodulation*

## Example indications

Chronic back pain



*Micro stent*

Glaucoma



*Structural heart*

Aortic stenosis



*Neurovascular*

Ischemic stroke



*Continuous glucose monitoring*

Diabetes



*Electrophysiology monitoring*

Arrhythmia

# Interventional strategy update

Organic and acquisition investment driving significant momentum



## STRATEGY

- Complement and diversify areas of strength
  - Expand portfolio of minimally invasive therapeutics
- Focus on high growth minimally invasive segment:
  - Structural heart
  - Electrophysiology
  - Ablation
- Invest in high demand capabilities
  - High value components
  - End-to-end services

## END MARKET EXPOSURES



*Structural heart*



*Electrophysiology*

## INVESTMENTS/ACQUISITIONS



*Electrophysiology  
Structural heart*



*Vascular*



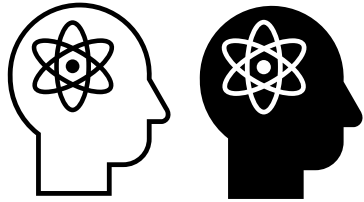
*Structural heart  
Neurovascular*

# Development of most comprehensive capabilities

## Case study – neurostimulation end-to-end capabilities

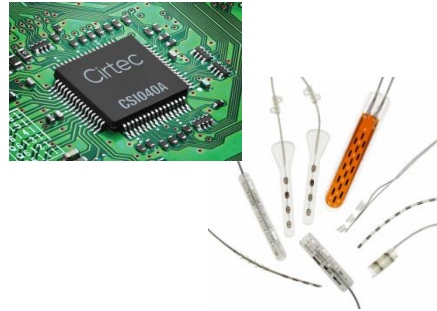


### Engineering



**c.100+  
engineers**

### Vertical capabilities



**Vertical  
capabilities**

### Assembly and supply chain



**Full device assembly  
and supply chain  
management**

### Proprietary platform/IP



**IP for complete FDA  
approved system**

- Best-in-class end to end capabilities – team of engineers with significant experience and domain expertise, vertically integrated capabilities and full device management
- Speed to market and reduced development costs with proprietary intellectual property
- Significant capacity to support commercialisation incl. newly built c.100,000 sqf centre of excellence

# Expansion of footprint, capacity and capabilities

## Case study – Costa Rica site



### VALUE TO CUSTOMERS

- Local to many medical device OEMs
- Experienced and educated labour pool

### CAPACITY

- 30,000 sqf facility
- Class 7 and 8 cleanrooms
- ISO 13485:2016

### CAPABILITES

- Coil winding
- IPG leads assembly
- Device assembly
- Micro-coiling



# 3i partnership

## Supporting Cirtec in implementation of investment thesis



### Strategic alignment

- Clear strategic alignment with CEO Brian Highley and the leadership team from the outset regarding a future vision for Cirtec and the industry
- Nimble approach to evolving in advance of market trends and customer needs

### M&A

- Support identifying target markets and M&A opportunities
- Execution of add-on acquisitions

### Access to resources

- Providing leadership and site GMs with additional resources to assist in driving business improvement and productivity initiatives

### Governance & Risk Management

- Assisting with governance policies and controls in an evolving global risk landscape (eg cyber, international regulations)

### International expansion

- Facilitating the acquisition of European operations and supporting organic investment in Costa Rican footprints





- The medical devices industry places a substantial focus on ESG throughout the value chain of OEMs and suppliers
- By nature of its products, Cirtec and its customers have a daily impact on saving or improving lives
  - Products address several of the most challenging and impactful chronic diseases in the world, including heart disease and diabetes, as well as a wide range of other indications including chronic pain, motor functions, strokes, sleep apnea, incontinence, Alzheimer's and many others
- As a leading provider in the space, Cirtec has well established systems that drive industry leading product quality and safety, which are critical for the company, its customers and ultimately patients
  - Products are manufactured to the highest medical standards, under ISO 13485 and ISO 9001
- As part of an overall focus on efficient manufacturing and sustainability, the company regularly reviews opportunities to reduce energy consumption and to remove other forms of waste/scrap from its production processes, as well as tracks GHG emissions and has established related sustainability targets

# Future goals



- Provide our customers with market leading MDO services and products
- Enable cutting edge technologies to come to market faster and more cost effectively
- Support program lifecycles from engineering/development through commercial
- Continue to vertically integrate to provide enhanced value and supply chain security
- Selectively pursue further strategic M&A to add valued capabilities in focus areas



Continue to build a business that we are proud to own for the long term

Deliver top tier returns to 3i, Cirtec's management team and employees/other shareholders



# Healthcare sector update and Cirtec Medical Q&A

# Investment overview

Rahul Lulla





## Company overview

- Founded in 2002
- End-to-end talent solutions
  - Talent strategy and consulting
  - RPO (majority of revenue)
  - Contingent search
  - Executive search
- ~1,500 employees in 14 locations across three continents
- Focus on recruiting for high-value positions in sales, tech, engineering, finance, customer service

## Transaction highlights

- First meeting with management in 2017
- Relationship built with CEO and founder over four years
- Direct dialogue with management and lead investor through H2 2020
- Transaction closed in Q1 2021
- Continued strong performance with ~30% CAGR from 2014-2022

# Our investment thesis



1

**Double-digit market growth driven by secular tailwinds**

2

**Leading player with track record of growing ~2x market growth**

3

**Scalable business with strong culture, processes and systems**

4

**Founder-led company with commitment to excellence and strong ambition**

1

Human Capital (HCM) is an industry with significant opportunity



**Evolving employee expectations**



**Shifting labour supply**



**Skills gaps**



**Digitisation of HR**



**Outsourcing**



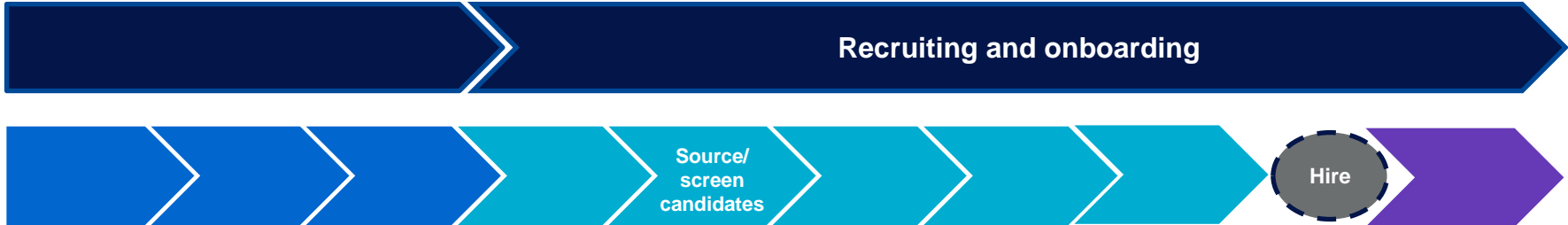
**Elevation of the HR leader**



**Increasing HR budgets**

1

# Within HCM, we identified Recruitment Process Outsourcing (RPO) as an attractive market in 2016

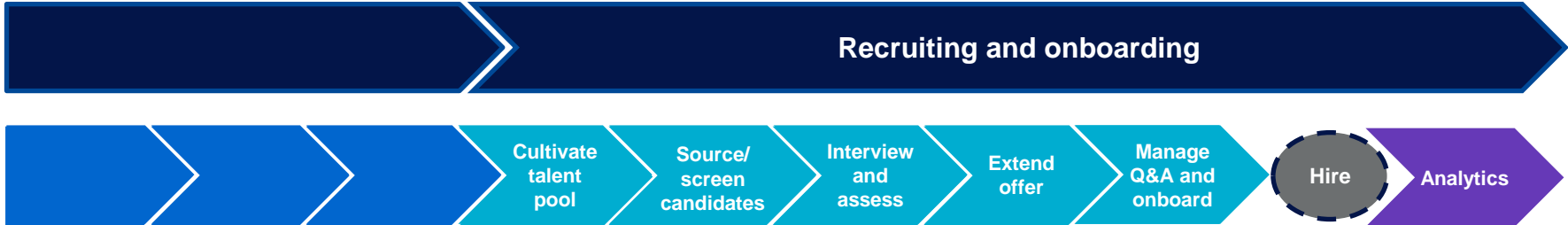


RPO industry 10-15 years ago



1

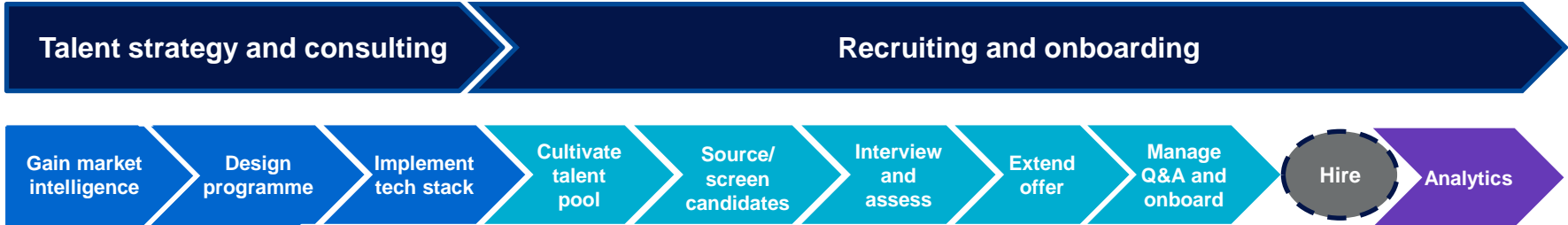
# Within HCM, we identified Recruitment Process Outsourcing (RPO) as an attractive market in 2016




RPO industry over the last 7-9 years

1

# Within HCM, we identified Recruitment Process Outsourcing (RPO) as an attractive market in 2016



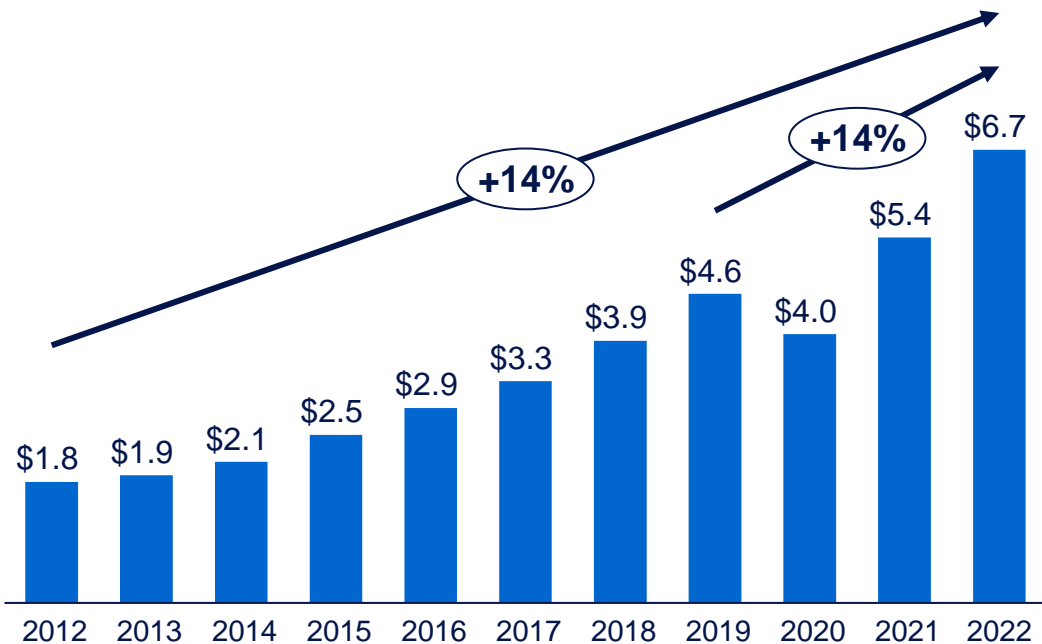
 plays end-to-end across the above value chain of Talent Acquisition Services

1

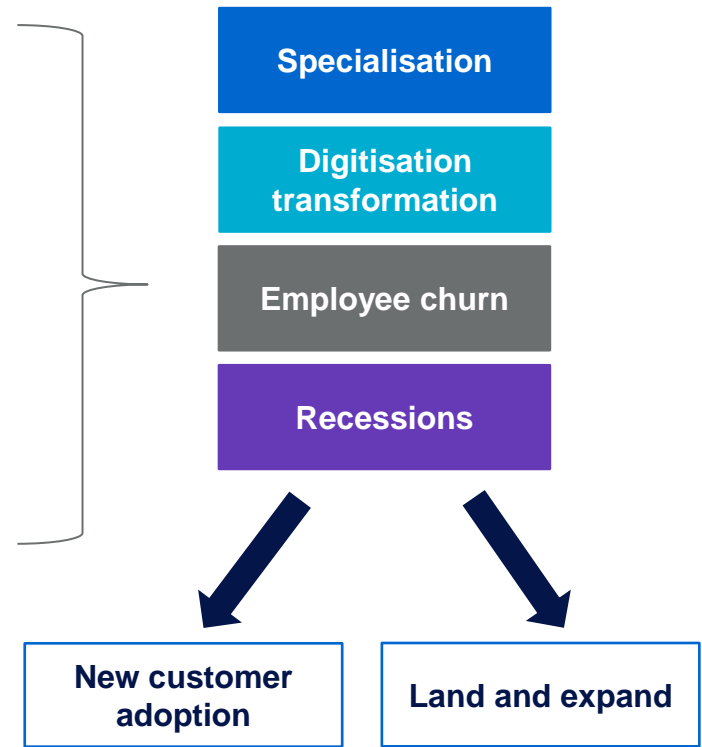
The RPO market has grown double-digits over the last decade with growth reverting to historical levels coming out of the pandemic



### Global RPO Market (\$ billions)



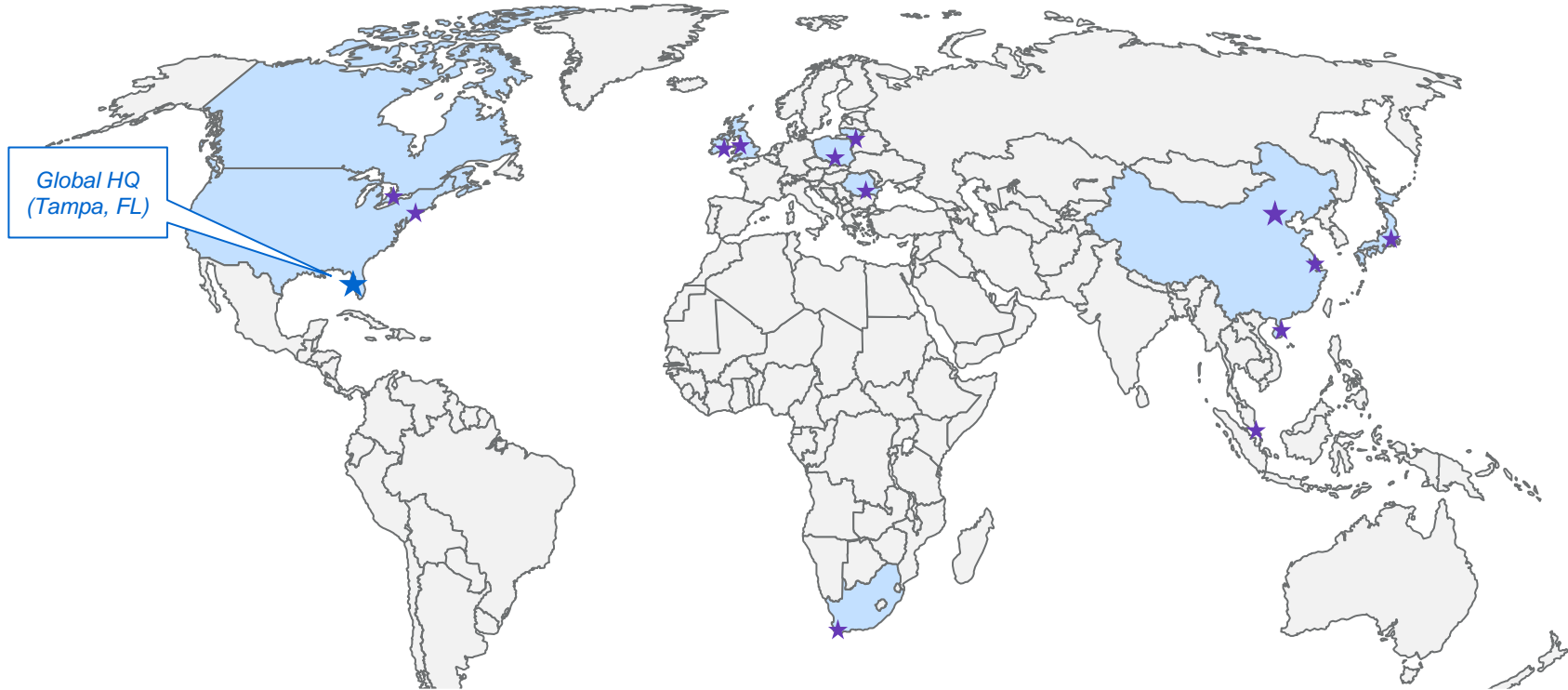
### Market drivers



Source: Third-party market research, 3i analysis.

2

Through expansion of offerings and geographic footprint, Wilson has developed into a leading player....



Global HQ  
(Tampa, FL)

Office footprint ★

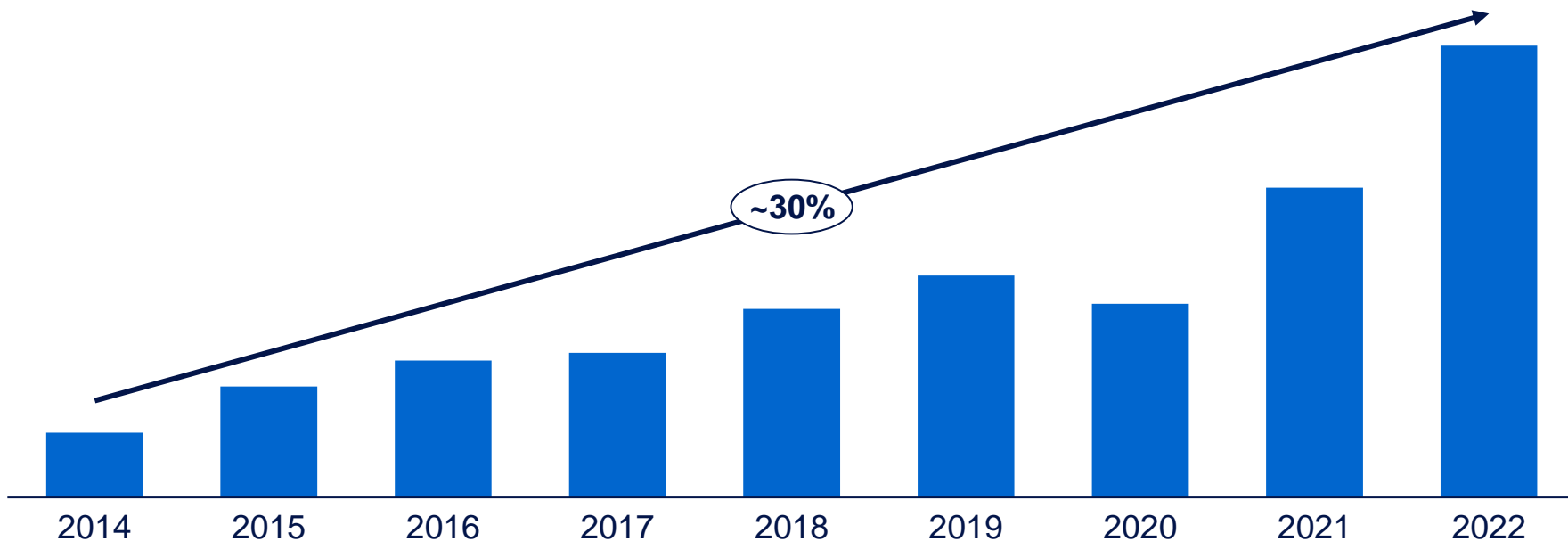
**Americas:** Tampa, New York, Toronto

**EMEA:** Manchester, Krakow, Belfast, Vilnius, Bucharest

**APAC:** Hong Kong, Shanghai, Beijing, Singapore, Tokyo

**Other:** Cape Town

2 ...and has driven revenue growth that is ~2x market growth



### Growth drivers

- 1 Acquisition of new clients
- 2 Scope expansion with existing clients
- 3 Employee churn/growth in headcount
- 4 Cross selling various talent offerings

# Wilson's success and high-performing culture are well recognised by industry participants



## Industry recognition



Star Performer in Everest Group's Global RPO PEAK Matrix



"Leader" in NelsonHall's RPO NEAT Vendor Evaluation



Named to HRO Today's Baker's Dozen list for 10+ years



Highly Commended as the TIARA Talent Solutions Awards



Forbes named WilsonHCG as one of America's Best Recruiting Firms

## Workplace recognition



Great Place To Work® Certified



Best Places to Work: Glassdoor



Tampa Bay Times Top Workplace



Cigna 2020 Well Being Award winner



Bronze Stevie Award at 2019 American Business Awards.™

## DE&I awards



Tampa Bay Business Journal Business of Pride honoree



EVP Marisol Hughes named a 2021 SIA DEI Influencer



EVP Marisol Hughes named a Diversity Leader



Recognised as a best-in-class organisation for successful veteran placement programme



Profiles in Diversity Journal Diversity Leader



**C-level  
relationships**

**High degree of  
client trust**

**Thought partner  
on technology**

**Proprietary  
analytics**

**Long-term  
contracts with  
fixed and variable  
fees**

**Customer-centric  
flexible approach**

**Defined processes  
with commitment  
to excellence**

**Customer and  
employee-driven  
referral model**



***Blue chip customer base***

***Industry leading NPS driving  
high gross and net retention***

***Low customer acquisition costs***

***Significant new customer adoption***

# Founder-led team with deep experience and commitment to excellence



20

**John Wilson**  
*CEO and founder*

Industry recognition:

- Profiles in Diversity Journals' CEO Leadership in Action
- HRO Today's Superstars
- Staffing Industry Analysts 40 Under 40



12

**Kim Pope**  
*COO*

Industry recognition:

- Forbes HR council
- HRO Today's Superstars
- Staffing Industry Analysts 40 Under 40



4

**Ken Bowles**  
*CFO*

Industry recognition:

- Global CFO Excellence Award
- Tampa Business Journal Leadership Trust
- Shortlist for CFO of the Year – 2021 Apogee Awards



13

**Craig Sweeney**  
*EVP, Sales*

Industry recognition:

- Named an "HR Superstar" by HRO Today magazine (three consecutive years)



9

**Marisol Hughes**  
*General Counsel*

Industry recognition:

- Leader in Diversity by Profiles (three consecutive years)
- Tampa Business Journal honoree
- Staffing Industry Analysts 40 under 40



12

**Nicky Newman**  
*Global Director, Operations*



14

**Lesley Taylor**  
*SVP Operations, EMEA*

Industry recognition:

- HRO Today Leadership Award
- Named "Woman Worth Watching" in Diversity Journal
- SIA's Global Power 150 of Women in Staffing



17\*

**Andrew Oliver**  
*Managing Director, Asia*

\*17 years at Profile (co-founder) which was acquired by WilsonHCG in 2020



# Excellence in various areas of ESG is core to how Wilson operates



**Young workforce that is passionate about sustainable business practices and DE&I**



**Flexible hours and remote-working supported well before 2020**

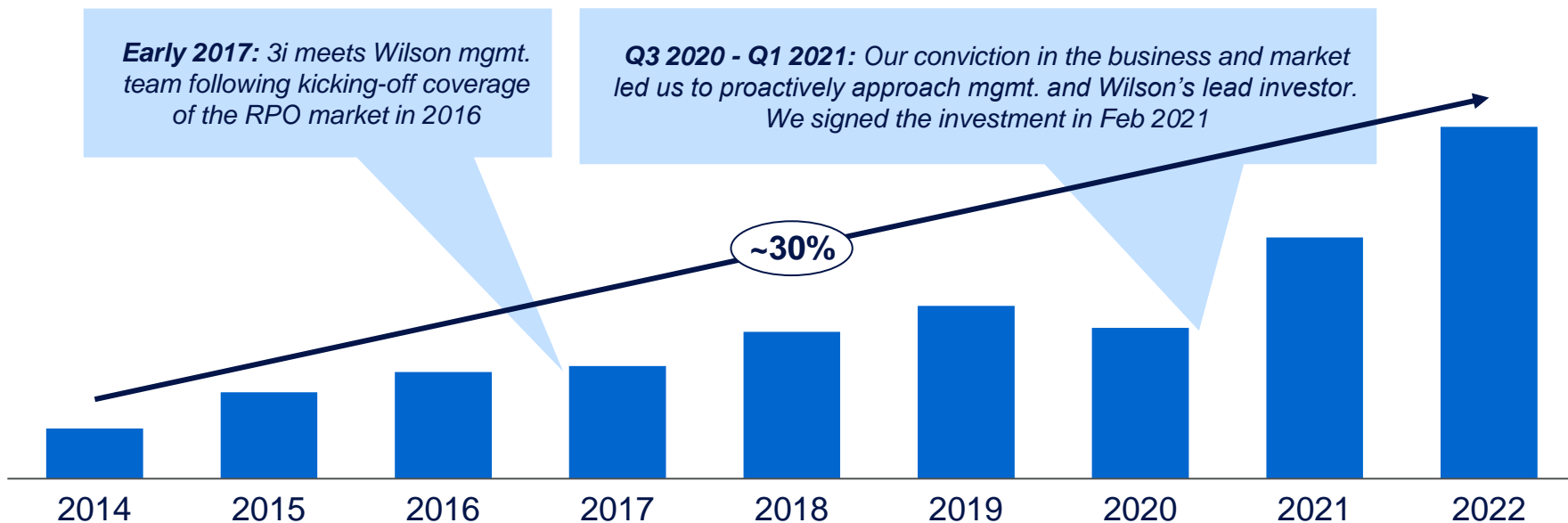


**Diverse senior leadership team and employee base**  
**Growing DE&I offerings/analytics for customers**



**Leadership in veteran and veteran spouse hiring programs**

# Process: 3i had tracked Wilson since 2017 and closed the investment in Q1'21



## Key elements of the process

No investment banker involvement

Creative structure + being management's preferred partner allowed 3i to win against strategics

High management equity rollover

# First eighteen months of our ownership



<b>Business performance</b>	<ul style="list-style-type: none"><li>• Business performance ahead our investment case</li><li>• Outperformance across nearly all KPIs</li></ul>
<b>People</b>	<ul style="list-style-type: none"><li>• More than doubled headcount to support new and existing accounts</li><li>• No changes to the senior leadership team (SLT)</li></ul>
<b>Strategy</b>	<ul style="list-style-type: none"><li>• Developed a plan for a multi-year value creation journey with clear prioritisation of initiatives and key enablers</li></ul>
<b>Footprint/service expansion</b>	<ul style="list-style-type: none"><li>• Opened Japan office; launching operations in two additional low-cost regions</li><li>• Added workforce analytics as an offering through acquisition of Claro in Q1 2022</li></ul>
<b>Systems</b>	<ul style="list-style-type: none"><li>• Increasing use of more modules in ERP to drive scalability in internal workforce planning and analytics, customer billing and collections</li></ul>
<b>Acquisitions</b>	<ul style="list-style-type: none"><li>• Short list of high-priority targets identified and actively tracked</li></ul>

# We share management's ambition to build the market-leading provider of total talent solutions



1. Capitalise on current momentum

2. Expand footprint in certain lower cost locations

3. Strengthen “top-of-the funnel” strategy and consulting offerings to feed RPO and other business lines

4. Expand breadth of roles covered in North America

5. Expand RPO capabilities in Asia

6. Execute on playbook in a recession



# WilsonHCG

## Q&A



# Closing remarks and final questions

**Simon Borrows**  
Chief Executive