

Untapped Potential

Finding Hidden Deals in 2024

7 February 2024



Meet The Panel



Nadim Malik

FOUNDER & CEO
SPS BY BAIN & CO

Nadim is CEO of SPS by Bain & Co., an information services firm that helps private equity firms, lenders, and M&A advisors and service providers optimize their business development effectiveness.

Nadim founded SPS in 2009 after 6 years in the business development group of American Capital, where he created and managed distinctive market research tools that drove the firm’s deal origination, investor development, and strategic growth.

Nadim’s background is in financial research and includes The Deal and Thomson Reuters, where he helped launch a financial information product on public companies.



Robert Creighton

MANAGING DIRECTOR
ONEX TRANSPORTATION
PARTNERS

Rob is a MD with Onex Transportation Partners, a new platform focused on investing in transportation-related assets used for land, air, marine and industrial applications.

Rob has more than 15 years of experience in private equity and advisory services. Prior to joining Onex, Rob was a Principal at Littlejohn & Co. where he was responsible for the sourcing, execution and management of LBO and structured equity investments in middle-market businesses in the transportation and logistics sector.

Previously, he served at Brantley Partners, a middle-market growth equity firm. Prior to that Rob worked in investment banking at UBS.



Tanguy Lesselin

CEO & CO-FOUNDER
FINQUEST

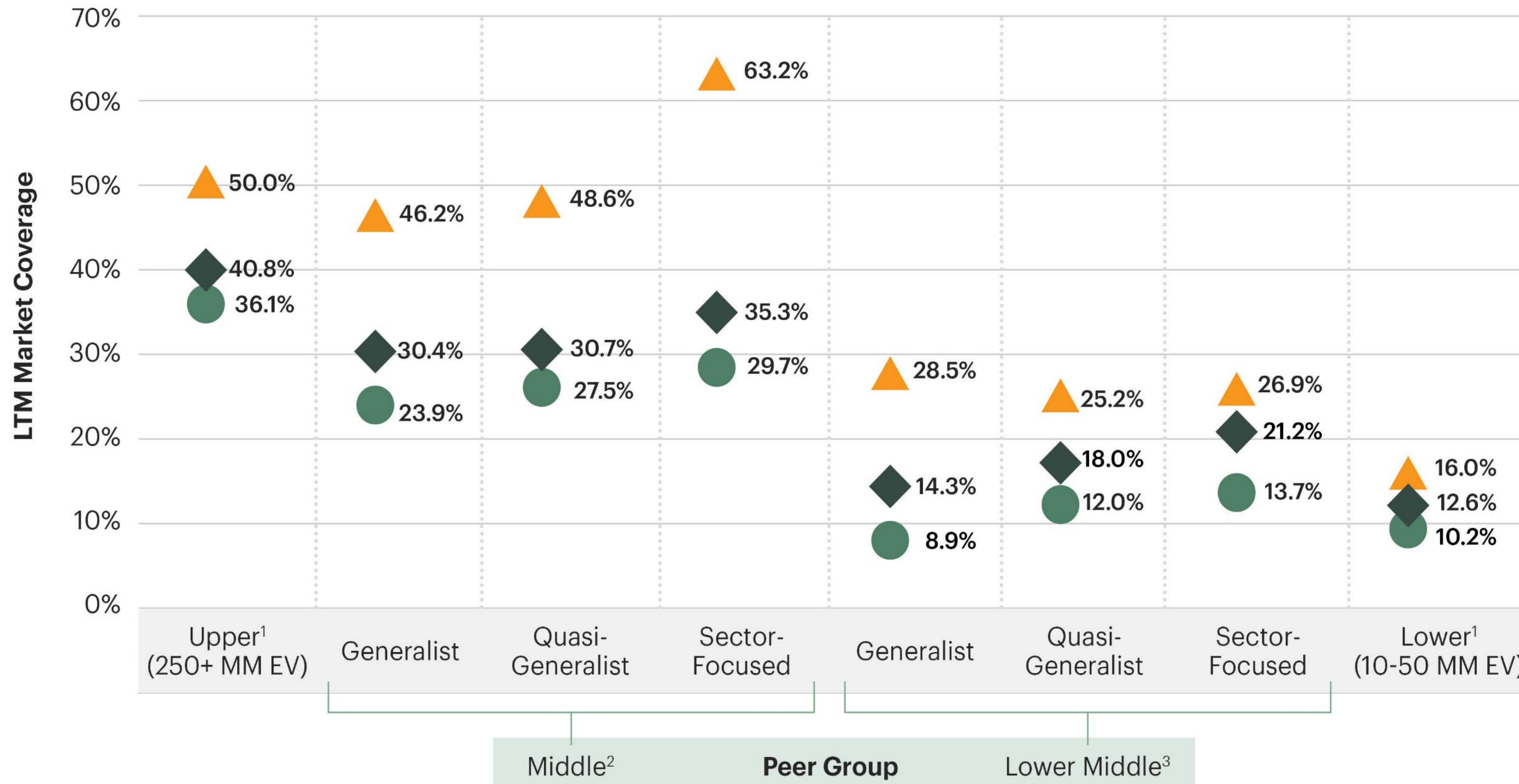
Tanguy is CEO and Co-founder of Finquest, a Fintech he set up to disrupt the world of deal sourcing in the middle market.

Prior to Finquest, Tanguy was a consultant at The Boston Consulting Group and advised on post-merger integration and JV projects in pharma and aerospace.

He has built Finquest to become the leading deal-sourcing provider, harnessing the power of data, AI, and people to help their private equity and corporate clients identify off-market M&A opportunities across the globe.

Market Coverage Summary Chart

All PE Firms and Peer Groups



*As of the LTM period ending 6/30/2023, based on SPS' 167 clients that qualified for the annual Deal Origination Benchmark Report.

Foot Notes

1 Percentage of completed deals with a PE buyer and sell-side advisor in relevant industries and size ranges, reviewed by a PE firm.

2 Mkt Cov of transactions in a PE firm's target market represented by sell-side advisors that closed 1-2 deals to PE firm buyers in the LTM 6.30.23 period.

3 Mkt Cov of transactions in a PE firm's target market represented by sell-side advisors that closed 3 deals or more to PE firm buyers in the LTM 6.30.23 period.

4 PE firms considering 67%–100% of deals to be in relevant industries, within target size ranges.

5 PE firms considering 34%–66% of deals to be in relevant industries, within target size ranges.

6 PE firms considering 0%–33% of deals to be in relevant industries, within target size ranges.

Deal Sourcing Metrics

All PE Firms and Peer Groups

Market Coverage

	Median	Max	Min	Top Quartile
Coverage by Intermediary				
All types	17.8%	63.2%	1.8%	27.6%
Boutique	13.1%	69.2%	0.0%	21.0%
Most Active	19.9%	62.5%	2.2%	29.5%
Percent Change (all int.)				
6M Prior	0.1%	9.8%	-8.9%	1.0%
12M Prior	0.0%	10.1%	-14.1%	2.6%
Coverage by Sell-Side Process				
Limited	0.0%	20.0%	0.0%	1.0%
Moderate	4.3%	63.6%	0.0%	9.0%
Broad	32.3%	78.3%	3.4%	44.8%

Deal Sourcing

	Median	Max	Min
New Investments			
Platforms	2	12	0
Addons	3	37	0
Dealflow Metrics			
Pipeline Closing % ¹	31%	54%	6%
Annual Dealflow ²	740	5,834	91
Unique Intermediaries ³	195	877	19
Deals sourced per Unique Int. ⁴	2.8	8.4	1.2
Macro Metrics			
BD Professionals ⁵	1	15	0
Int. Fragmentation Ratio ⁶	3.1	3.7	2.2
Target Market Relevancy % ⁷	44%	100%	6%

*As of the LTM period ending 6/30/2023, based on SPS' 167 clients that qualified for the annual Deal Origination Benchmark Report.

Foot Notes

1 Percentage of a PE firm's pipeline that successfully closes to any investor. Date Seen range lags 12 months to account for closing time.

2 Number of deals logged (origination date) per PE firm in the LTM 6.30.23 period.

3 Number of sell-side advisors a PE firm logged deals from during the LTM 6.30.23 period; only includes names that have closed at least 1 deal as per SPS data.

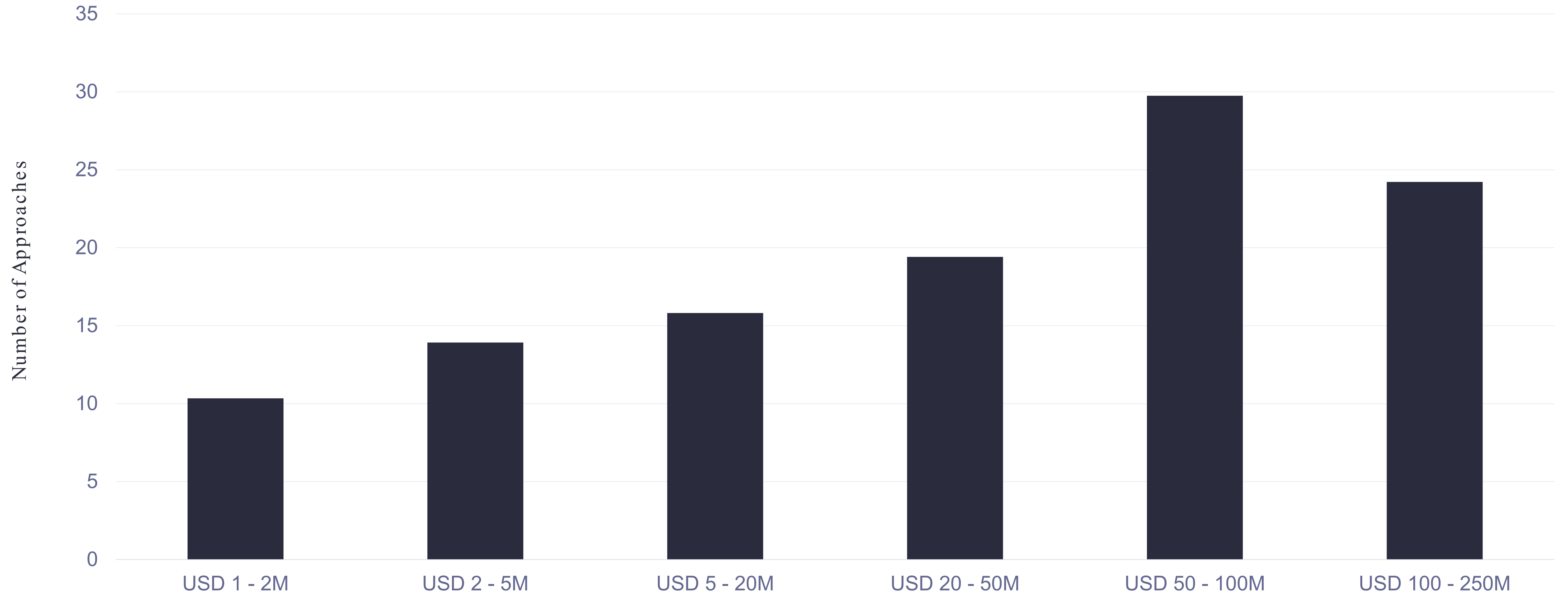
4 Average number of deals sourced per unique intermediary (origination date) during the LTM 6.30.23 period.

5 Number of professionals at a PE firm whose time is dedicated to deal sourcing.

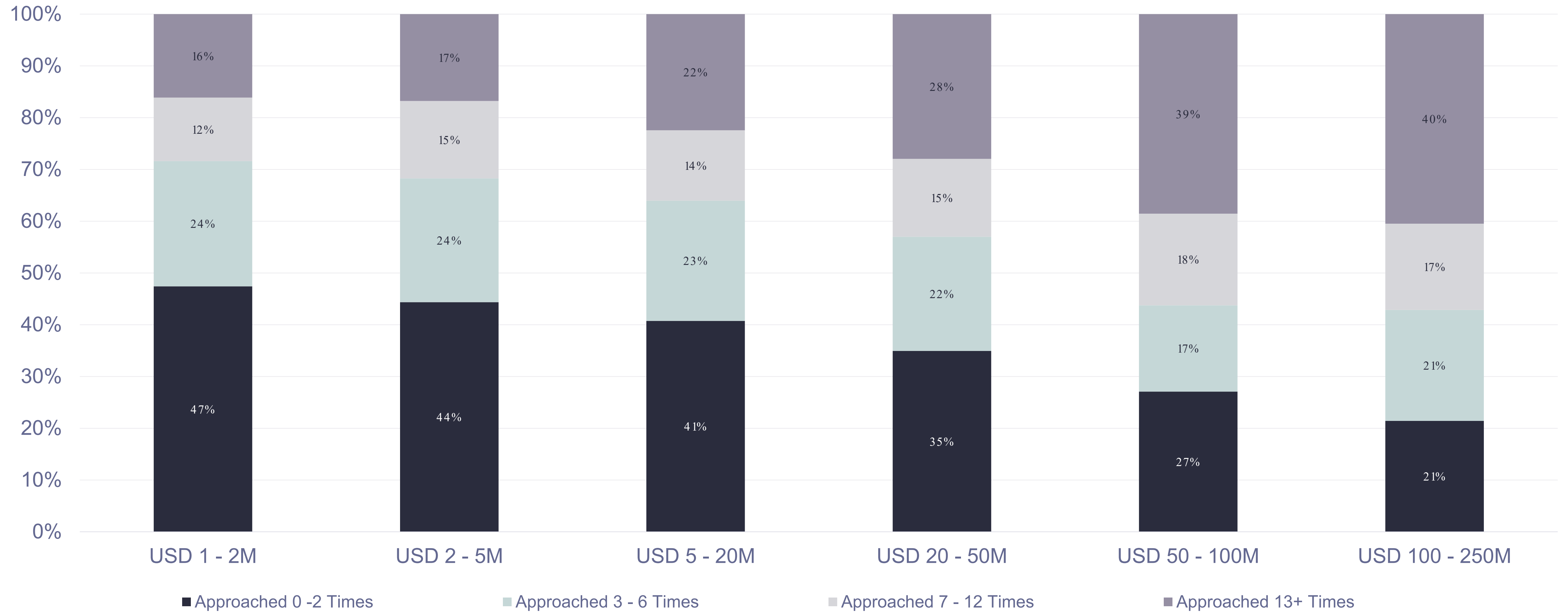
6 Average number of PE transactions closed per sell-side advisor in a PE firm's relevant deal size range, during the LTM 6.30.23 period.

7 Percentage of deals in a PE firm's deal size range that are considered relevant after applying industry and other criteria.

Buyer-Interest by Revenue Size



Buyer-Interest Distribution by Revenue Range



Active PortCos by Sector & Industry Group

Total Market 2012-2019

Table 1: Number of Active PortCos by Sector¹

L1 - Sector	L2 - Industry Group	L3 - Industry	L4 - Subindustry
1,094 Industrials	784 Technology	349 Energy	
		303 Financial Services	
	634 Healthcare	272 Media & Telecom	
		605 Business Services	
1,021 Consumer		83 Utilities	

Table 2: Active PortCos by Industry Group (Industrials, Consumer, Technology, Healthcare)¹

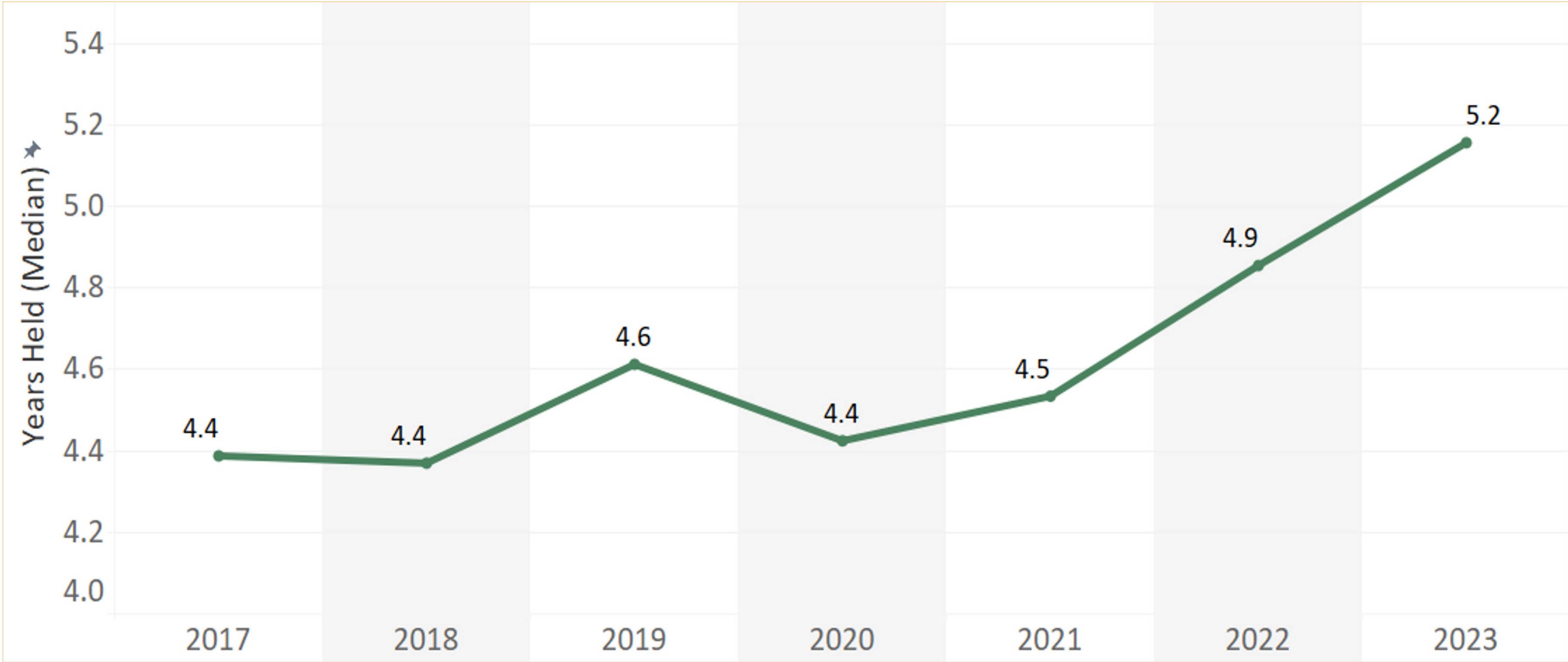
L1 - Sector	L2 - Industry Group	L3 - Industry	L4 - Subindustry	
763 Industrial Goods	Industrials	251 Construction		
		80 Transportation		
	308 Consumer Durables & Apparel	Consumer	261 Food, Beverage & Tobacco	
			72 Household & Personal Products	
308 Consumer Services		44 Retail &	28	
696 Software	Technology	46 IT Services		
		42 Hardware		
	403 Healthcare Provider, Facilities & Services	Healthcare	109 Med Tech & Healthcare Equipment	36
			86 Pharmaceuticals & Biotechnology	

Footnotes
 1 – Active PortCos in North America acquired by PE firms between 2012-2019 in all size ranges and sectors

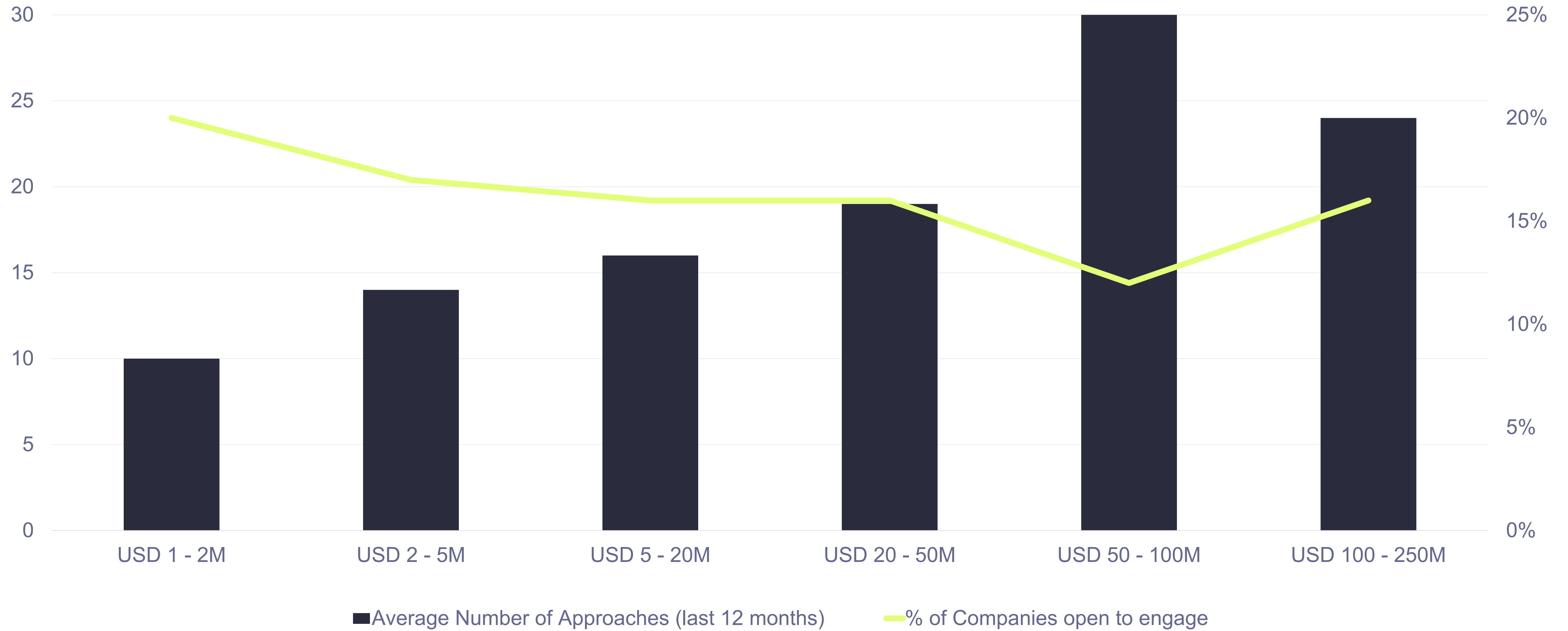
Over 5,100 companies that originally traded to PE investors between 2012-2019 are still being held and may trade again soon. The tables above show the number of active PortCos across all Sectors (left), drilling down to Industry Group for only the top four sectors (right).

Median Holding Periods for PE Platforms by Exit Date

All Sectors & Entry EVs



Seller-Interest over Buyer-Interest, by Revenue Range



Thank You

Most PE professionals only see 10%-30% of deals in their target universe

Why SPS by Bain & Co

- See missed deals and sharpen your sourcing
- Proactively identify attractive targets
- Uncover key deal sources
- Benchmark your performance
- Boost your buy-and-build strategy

Key Features

- SPS Alerts – customized for your target market
- SPS Fusion – integrate SPS into your CRM
- Mobile App – SPS Portal on your mobile
- Conference Evaluator – screen attendees for their transactions in your target
- Query Center – key sourcing analyses

Trusted By



Finquest

Deal Sourcing
using a unique
formula of

Data x AI
+ People

Who We Serve

- Acquisitive Corporates
- Private Equity Funds, and their Portfolio Companies

Why Finquest

- AI-driven deal sourcing
- Uncover hidden companies from a universe of 200 million private companies
- You choose the unique qualifying questions for the executive interviews we do for you
- Map your market and be introduced to proprietary opportunities in weeks. Not months.
- Maintain your confidentiality throughout

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