



## Introduction to Genstar Capital

# Executive Summary



- Genstar (the “**Company**”) has been investing in the North American middle-market since 1988 through seven funds managing \$5.0+ billion of capital commitments
- Genstar are a cohesive group of sector specialists, executing control transactions in growth-oriented companies in the Financial Services, Software, Industrial Technology and Healthcare sectors
- **Consistent strategy around driving transformational change:**
  - **Vertical Focus:** Sector immersion and expertise: 40 sector specialists within the Genstar family
  - **Specialists Partnering with Specialists:** Collaboration between the Genstar Investment Team, an exclusive Strategic Advisory Board (“**SAB**”), and senior operating executives
  - **Talent Management:** Dedicated Genstar resources staffed with vetting and recruiting top-tier management
  - **Effectuating Change:** Specialist knowledge and relationships enables higher impact initiatives to transform businesses
  - **Exit as a Skill:** Exit planning from the beginning
- **Strong historical returns with an emphasis on realized returns**
  - Returned over \$2.6 billion of capital since January 2015
  - Closed Genstar Capital Partners VII at \$2.1 billion in August 2015
- **Strong Genstar Culture: Experienced and cohesive team**
  - Apprenticeship model – growing through the ranks
  - **One office, one culture, one asset class**

# Genstar Capital Investment Team



**J-P Conte**  
Chairman and  
Managing Director

**Ryan Clark**  
• President and  
Managing Director

**Rob Rutledge**  
• Managing  
Director

**Tony Salewski**  
• Managing  
Director

**Eli Weiss**  
• Managing  
Director

**Melissa Dickerson**  
CFO & CCO

**David Golde**  
• Director

**Geoff Miller**  
• Principal

**Katie Solomon**  
Director,  
Human Capital

**Mark Davis**  
Senior Controller

**Grace Gu**  
Fund Controller

**Ben Marshall**  
• Vice President

**Rob Clark**  
• Vice President

**Gordon MacNeill**  
• Vice President

**Sid Ramakrishnan**  
• Vice President

**Stephen Bianca**  
VP, Compliance

**Gretchen Robinson**  
Vice President,  
Investor Relations

**Dom Martellaro**  
Senior Associate

**Suzanne DeTore**  
Associate

**Michael Manno**  
Associate

**Matt McCabe**  
Associate

**Steve Upham**  
Associate

**Robert Wahl**  
Associate

**Nick Weido**  
Associate

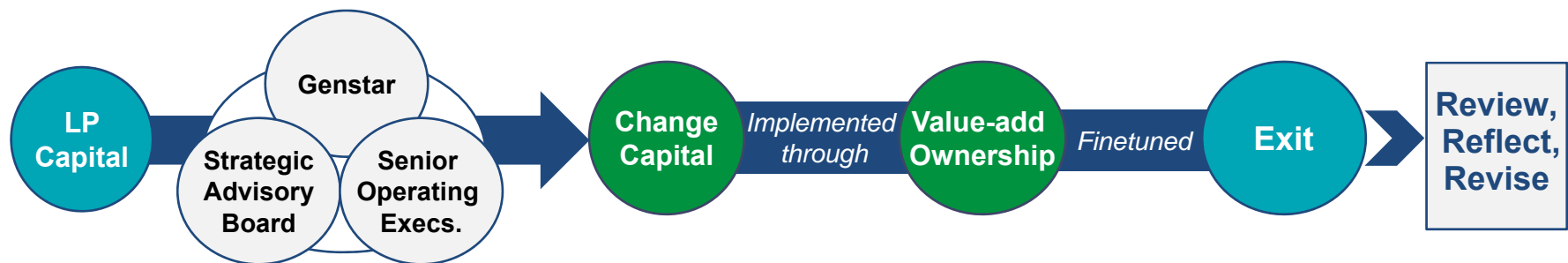
- Individuals who have been with Genstar since Vice President or prior

*Note: 2 Vice Presidents to start in Fall 2017*

# We've Built a Repeatable Model



Deep Vertical Expertise    Proactive Company Outreach    23 SAB Members    Operating Improvements M&A Strategy    Human Capital Network    Defined Exit Vision from Day 1



Note: Genstar's allocation strategies and targets depend on a variety of factors. Please refer to disclaimer section for important disclosures and information.

# Financial Services

## Targeted Subsectors

- Insurance Services & Specialty Insurance
- Asset Management & Financial Technology
- Payments
- Specialty Finance

## Investments

### Current Investments

- 
  - Technology-enabled service provider focused on recordkeeping and administration of 401K and 529 Plans
  - Investment date: December 15 (Fund VII)
- 
  - Leading customer acquisition marketing company serving the insurance industry
  - Investment date: June 15 (Fund VI)
- 
  - Leading independent RIA with over 30 years of wealth management experience
  - Investment date: May 15 (Funds VI)
- 
  - Leading provider of critical business intelligence data and information services to the U.S. and global mutual fund, ETF, and annuity industries
  - Investment date: Jul 14 (Funds VI)
- 
  - Specialty insurance company that underwrites residential and commercial earthquake insurance in earthquake-exposed states including California and Oregon
  - Investment date: Feb 14 (Funds V, VI)
- 
  - Leading marketer, administrator, and underwriter of vehicle protection products sold through automobile dealers
  - Investment date: Dec 11 (Fund V)
- 
  - Distributor of insurance products and other financial services in Canada
  - Investment date: May 10 (Fund V)

## Investments (Cont'd)

### Realized Investments

- 
  - Leading retail insurance brokerage agency based in the Midwest
  - Investment date: Feb 13 (Funds V, VI); Exit date: Nov 16
- 
  - Consists of two businesses, AssetMark and Altegris, which together are a leading wealth management platform and alternative investment solutions provider
  - Investment date: Aug 13 (Funds V, VI)
  - Closed sale of AssetMark in Oct 16 (3.8x MOIC)
- 
  - Leading provider of policy administration software solutions for the property and casualty (P&C) insurance industry
  - Investment date: Nov 11 (Fund V); Exit date: Oct 14
- 
  - Leading provider of mission critical, life expectancy information for the life settlement industry
  - Investment date: Jun 07 (Fund IV)
- 
  - Provider of healthcare payments technology
  - Investment date: Jul 10 (Fund V); Exit date: Jul 14
- 
  - Commercial finance company focused on middle market lending to the healthcare industry
  - Investment date: Oct 08 (Fund V); Exit date: Nov 13
- 
  - Insurance distribution company focusing on key Hispanic markets
  - Investment date: Jan 08 (Fund V); Exit date: Nov 12

# Software

## Targeted Subsectors

- Vertical market application solutions
- Information services, data and analytics
- Payments
- Niche Infrastructure software

## Investments

### Current Investments

**accruent**

- World's largest provider of real estate, facilities, and asset management software
- Investment date: May 16 (Fund VII)

**sphera™**

- Software driven solutions to manage and optimize companies' environmental, health, safety, and sustainability processes
- Investment date: May 16 (Fund VII)

**telestream**

- Leading provider of digital video software and workflow solutions
- Investment date: Jan 15 (Fund VI)

### Realized Investments

**Ministry Brands**

- Leading provider of cloud-based software solutions for faith-based organizations
- Investment date: Nov 15 (Fund VII)
- Exit date: Dec 16

**constructconnect™**  
Powering connections. Improving results.

- Leading provider of cloud-based software tools, data and analytics to the construction industry
- Investment date: Oct 14 (Fund VI)
- Exit date: Oct 16

**ERT®**  
Getting It Done. Right.

- Global provider of health outcomes research services
- Investment date: Jul 12 (Fund VI)
- Exit date: May 16

## Investments (Cont'd)

### Realized Investments (cont'd)

**Netsmart**  
Technologies

- Leading supplier of enterprise software solutions for health and human services providers
- Investment date: Jun 10 (Funds IV, V)
- Exit date: Apr 16

**insurity**  
Expertise. Innovation. Results.

- Leading provider of policy administration software solutions for the property and casualty (P&C) insurance industry
- Investment date: Nov 11 (Fund V)
- Exit date: Oct 14

**evolution1**

- Provider of healthcare payments technology
- Investment date: Jul 10 (Fund V)
- Exit date: Jul 14

**TravelClick™**

- Leading provider of software, data solutions and marketing services to independent and chain hotels worldwide
- Investment date: Dec 07 (Fund V)
- Exit date: May 14

**ConVergeOne**

- Leading provider of business communications and data solutions
- Investment date: May 07 (Fund IV)
- Exit date: Jun 14 (2.8x MOIC)<sup>(2)</sup>

# Industrial Technology

## Investment Thesis and Targeted Subsectors

Acquire companies that manufacture products and deliver services that demonstrate differentiation through technology, capabilities and scale, generate a significant amount of recurring revenue and exhibit strong growth characteristics.

- Niche Manufacturing
- Packaging
- Process & Motion Control
- Industrial Software & Data

## Investments

### Current Investments



- Market leading supplier of engineering grade radio frequency (RF) technology components
- Investment date: May 16 (Fund VII)



- Designer and manufacturer of highly-engineered, specialty material-based energy management and environmental sealing solutions
- Investment date: Apr 15 (Fund VI)



- Leading manufacturer of customized, high performance rigid plastic bottles and containers
- Investment date: May 14 (Fund VI)



- Leading manufacturer of highly engineered springs and fasteners for OEMs and MROs
- Investment date: Jun 11 (Fund V)

## Investments (Cont'd)

### Current Investments (Cont'd)



- Leading manufacturer of orthopedic implants, surgical instruments and other critical components for medical device and aerospace & defense customers
- Investment date: Dec 13 (Funds V, VI)

### Realized Investments



- Leading provider of cloud-based software tools, data and analytics to the construction industry
- Investment date: Oct 14 (Fund VI)
- Exit date: Oct 16



- Full-line manufacturer of attachments and implements for the lawn and landscape, agricultural and construction markets
- Investment date: Jun 04 (Fund III); Exit date: Sept 11



- Leading supplier of high impact decorative labels
- Investment date: Jun 06 (Fund IV); Exit date: Aug 10



- Global producer of mechanical power transmission and motion control products
- Investment date: Oct-Nov 04 (Fund III); Dec 06 IPO; June 2007 Secondary



- Provider of outsourced construction services to major Alberta oil sands operators
- Investment date: Nov 03 (Fund III); Exit date: Nov 06 IPO, Aug 07 Secondary

# Healthcare

## Targeted Subsectors

- Healthcare IT
- Life Science Technology
- Niche Pharma Services & Life Science Tools
- Payer Cost Containment Solutions
- Niche Distribution & Outsourcing Services
- Specialized Contract Manufacturing and/or Packaging

## Current Investments



- Leading provider of patient prescription medication assistance solutions and payment reimbursement services
- Investment date: Oct 15 (Fund VII)
- Leading manufacturer of orthopedic implants, surgical instruments and other critical components for medical device and aerospace & defense customers
- Investment date: Dec 13 (Funds V, VI)



## Realized Investments



- Leading health outcomes assessment company for clinical trials
- Investment date: July 12 (Fund VI)
- Exit date: May 16



- Leading pharma contract manufacturing and service provider
- Investment date: Apr 07 (Funds III, IV)
- Exit Date: Sep 16

## Investments

## Realized Investments (cont'd)



- Leading supplier of enterprise software solutions for health and human services providers
- Investment date: Jun 10 (Funds IV, V)
- Exit date: Apr 16



- Provider of healthcare payments technology. Jul 10 (Fund V)
- Exit date: Jun 14



- Leading international clinical research organization (CRO). Second Investment date: Dec 07 (Funds IV, V);
- Exit date: Sep 13



- First Investment date: Jun 01 (Fund III); Exit date: Nov 04 IPO, Jun 05 Secondary, Dec 07 Sale



- Develops, manufactures and distributes products used in biomedical research
- Investment date: Jan 00 (Fund II); Exit date: Oct 05



- Provider of health and wellness services to health plans. Nov 04 (Fund IV)
- Exit date: Nov 06



- Provider of labeling and detection systems for life sciences research. Jun 97 (Fund II); Exit date: Jul 00





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- Data from September 30, 2016 is unaudited and subject to change.
- Unrealized amounts have been valued by Genstar, are unaudited, and may not be realized at these values. Actual realized proceeds on unrealized investments will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions on which the valuations reflected in the historical investment performance data contained herein are based. Accordingly, the actual realized proceeds on these unrealized investments may differ materially from the returns indicated herein and there can be no assurance that these values will ultimately be realized upon disposition of the investments. Different methods of valuing investments and calculating IRR may also provide materially different results.
- Gross returns are before the impact of carried interest, management fees and other expenses, which will reduce fund returns.
- Net returns are not available for individual investments because carried interest, management fees and other expenses are calculated based on total fund performance.
- Gross MOIC and IRR reflect the impact of recycled capital.
- Exits include realized and significantly realized investments.
- Portfolio companies that were consolidated into a larger platform are counted as one portfolio company.
- Unless otherwise noted, returns shown include all returns generated by reinvested capital or profit. If such returns were not included, the returns shown could be lower.
- Investment performance is provided for informational purposes only and should not be considered representative of the final returns that may be achieved.
- Net returns include the impact of carried interest, management fees and other expenses.
- Fund Commitments and Capital Invested represent the aggregate capital committed and contributed, respectively, to a particular fund family, including the capital associated with (i) any parallel funds that are a part of such fund family and (ii) both the general partner and the limited partners of the funds in such fund family.
- Fund size referenced through this presentation represent the aggregate capital committed, respectively, to a particular fund family, including those made by any parallel funds that are a part of such fund family.
- Realized Value, Unrealized Value and Total Realized & Unrealized Value represent the aggregate amounts associated with the fund investments made by a particular fund family, including those made by any parallel funds that are a part of such fund family. Total Realized & Unrealized Value is the sum of Realized Value and Unrealized Value. Realized Value is the sum of all amounts received upon disposition of fund investments plus any prior amounts received on the investment. Unrealized Value is the sum of the estimated fair value of all investments held by a fund as of the date indicated, as determined by the fund's general partner and reflected in the fund's financial statements.
- IRR is a measure of the discounted cash flows (inflows and outflows) related to an investment. Specifically, IRR is the discount rate at which (i) the present value of all capital invested in an investment is equal to (ii) the present value of all cash flows and terminal value from the investment (whether or not realized).
- Net IRR includes the effect of management fees, fund expenses and carried interest allocations. Net IRR for a particular fund reflects the cash flows of the fund family (as defined above) and is calculated based on the dates that limited partners are required to contribute capital to the fund and the dates that the fund makes distributions back to its limited partners.
- IRR calculations are unaudited.
- Gross multiple of invested capital ("Gross MOIC") & Gross IRR include contributions made by the LPs, GP and Genstar's side-by-side investment vehicle. These figures do not reflect any deductions for management fees, allocable expenses or carried interest.
- Net multiple of invested capital ("Net MOIC") & Net IRR include contributions made by the LPs, GP and Genstar's side-by-side investment vehicle. This calculation includes deductions for management fees and allocable expenses paid by the limited partners, as well as any carried interest paid to the GP.
- MOIC calculations are unaudited.