

**Strategy, Efficiency & Corporate Finance Advisory**


**Russia - Asia Pacific region; Healthcare**

**Advisory Services Presentation**



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1. About us
  2. Service offering for cross-border opportunities
  3. Our view of Russian market opportunities



# 1. About us (1/2)

## Who we are

- A team of accomplished directors and experts in strategy and management consulting, and transaction advisory
- Working together for 10 years, our advisory practice uniting around 30 consultants in Russia, Japan, Republic of Korea, and China/Hong Kong, has successfully executed well around 150 advisory projects and transactions. Numerous production facilities, clinics and other businesses have been launched by our clients
- We utilize the skills and experience of full-time team members and a well-developed circle of experts in complementary areas, allowing us to cater to diverse business development needs

## Service focus

- We offer clients a full range of advisory products facilitating market entry and business expansion:
  - Strategy and operating model design
  - Market analysis and entry consulting
  - Buy-side and sell-side M&A advisory
  - JV and strategic partnerships

## Our approach

- For us, the client's business success is the end goal, driving us to excel in service quality and effectiveness
- We develop goal-reaching solutions and provide full support in execution
- Our experience and commitment ensure that you get customized solutions fortified with advisory best practices and streamlined work processes



# 1. About us (2/2)

## Strengths

- Credibility: profound skills; comprehensive experience; extensive market and industry knowledge
- Individual approach: comprehensive range of customized service packages
- Commitment to quality: utilization of best practices and attention to detail
- Extensive market reach: vast business network and circle of industry experts

## Advantages

- Reliability: we substantiate our advice with thorough market, operating model, and financial analyses
- One stop-shop: integration of multi-disciplinary teams' experience for market entry and expansion
- Result orientation: all work processes target clients' success and business efficiency
- Independence: we represent only our clients' interests as an advisor

## Key partners

- |                     |                      |                 |                    |
|---------------------|----------------------|-----------------|--------------------|
| • Meridian Capital  | • Althaus            | • KPMG          | • Skolkovo Fund    |
| • FinPoint Advisers | • ACT Global (Japan) | • Ernst & Young | • Liniya Prava LLC |
| • First ICG         | • RPI                | • Turn-arounds  | • FIVIO Consulting |

## 2. Service offering for cross-border business opportunities

### Strategy advisory

- In-depth industry analysis for elaboration of market entry, expansion plans
- Designing implementation mechanisms for companies' strategic interests in new market segments
- Economic, political, business risk analysis and mitigation solution development
- Existing strategy review and competitive response analysis to ensure effectiveness of sales & distribution network, marketing activity, and business planning
- Detailed financial modeling of existing businesses and potential projects

### Transaction advisory

- Full-fledged assistance for transactions in Russia and other markets, including strategic options analysis, partner selection, financial modeling, due diligence, deal structuring and closing
- Broad range of deal mechanisms for M&A; joint ventures; and strategic partnerships including distribution agreements, franchises, outsourced R&D and service centers, and licensed production
- Proven methodologies and fine-tuned deal-making procedures at every transaction stage

We strive to become an advisory partner of choice for Russian and APR companies expanding their business and developing cooperation in the Russian market and beyond

### 3. Russia-APR cooperation drivers and opportunities (1/2)

#### Russia-APR investment & cooperation drivers

##### Russian companies' plans:

1. Investment in business scaling after building successful operating model in region or market segment
2. World best practice obtainment and technology transfer to secure competitive edge
3. New product/technology development and commercialization
4. International market access through strategic partnerships



##### Potential investors' goals:

1. Access to Russian market in the course of international business diversification
2. Launching production in Russia due to weak RUB, for exports to European and other markets
3. Value chain integration utilizing Russia's natural resources and skilled workforce
4. Outbound investment in product and technology R&D for creation of new, promising products

### 3. Russia-APR cooperation drivers and opportunities (2/2)

#### Key opportunities

##### M&A for market entry

- A large number of companies attracting investors are in good financial shape, aiming to further scale their business
- Most 2<sup>nd</sup> and 3<sup>rd</sup> tier companies managing to hold on amid economic turbulence, having optimized their businesses
- Plenty of companies with interesting products for investors seeking to gain competitive edge

##### JV for new product development:

- Joint venture creation of interest for Russian companies needing additional capital, expertise to expand into new markets at home and abroad
- Russian companies have noticeably improved their go-to-market skills, allowing foreign investors to capitalize on Russia's R&D potential both inside Russia and beyond

##### Foreign trade diversification:

- Russian market players trying to gain competitive edge amid weak RUB and decreased purchasing power in key markets
- Russian exporters actively raising state and private investor funding for world market entry
- Foreign players can benefit from opportunities in Russia, as some local competitors weaken

##### Production and R&D localization:

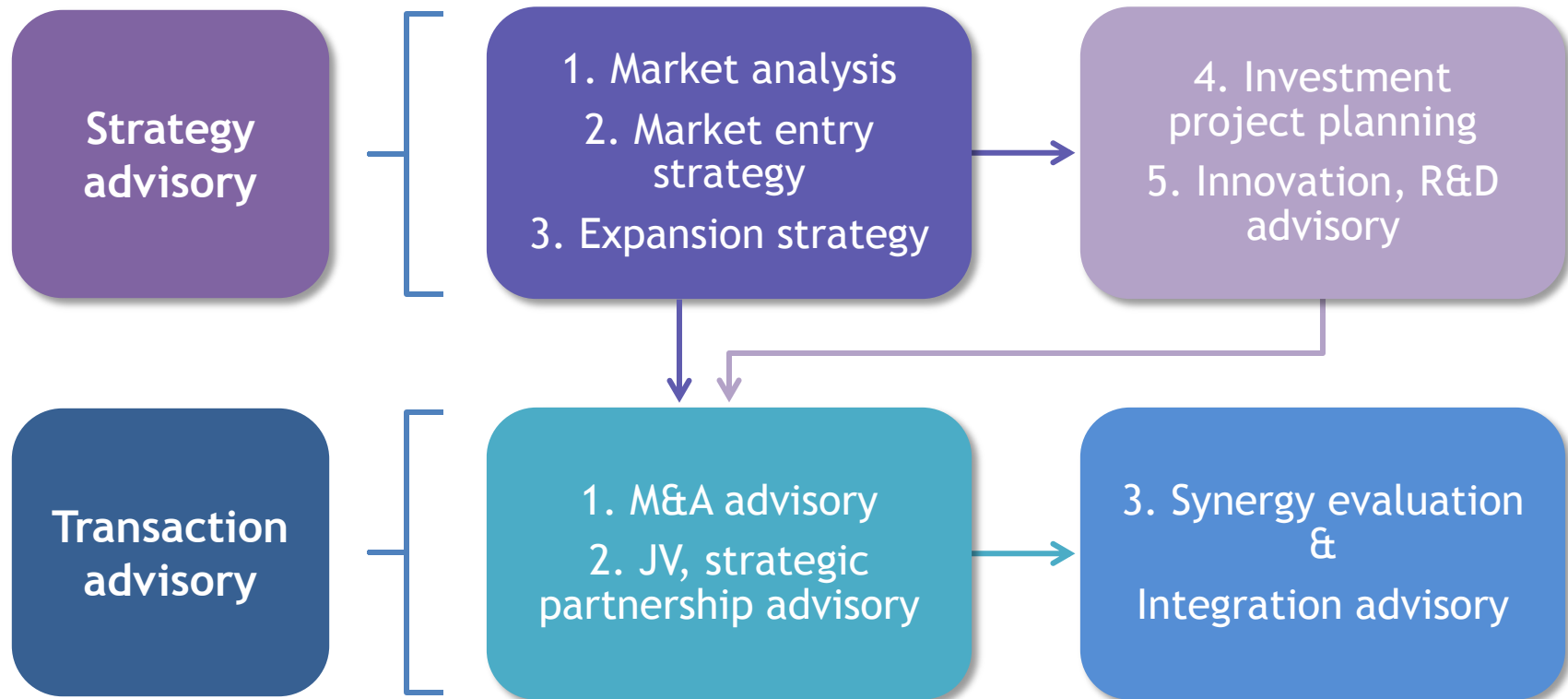
- Russia can become alternative production platform for world players eyeing European, CIS markets, especially due to weak RUB
- Authorities trying to attract Asian manufacturers into eastern part of Russia
- Russian government provides ample R&D, production localization stimuli for various technology and industrial parks and clusters

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## **4. Key services**

- 4.1. Strategy advisory**
- 4.2. Transaction advisory**

## 4. Key services



Our service structure is based on comprehensive understanding of clients' needs and key success factors

# Market analysis

1

### Market analysis

2

### Entry strategy

3

### Expansion strategy

#### 1. Current situation

- Corporate news flow, sector statistics, company financials
- Competitive landscape
- Customer segmentation and pricing environment
- Government regulations overview

#### 2. Future trends

- Key growth drivers and business risks
- Market structure development forecast
- Production dynamics; input, output price growth forecasting

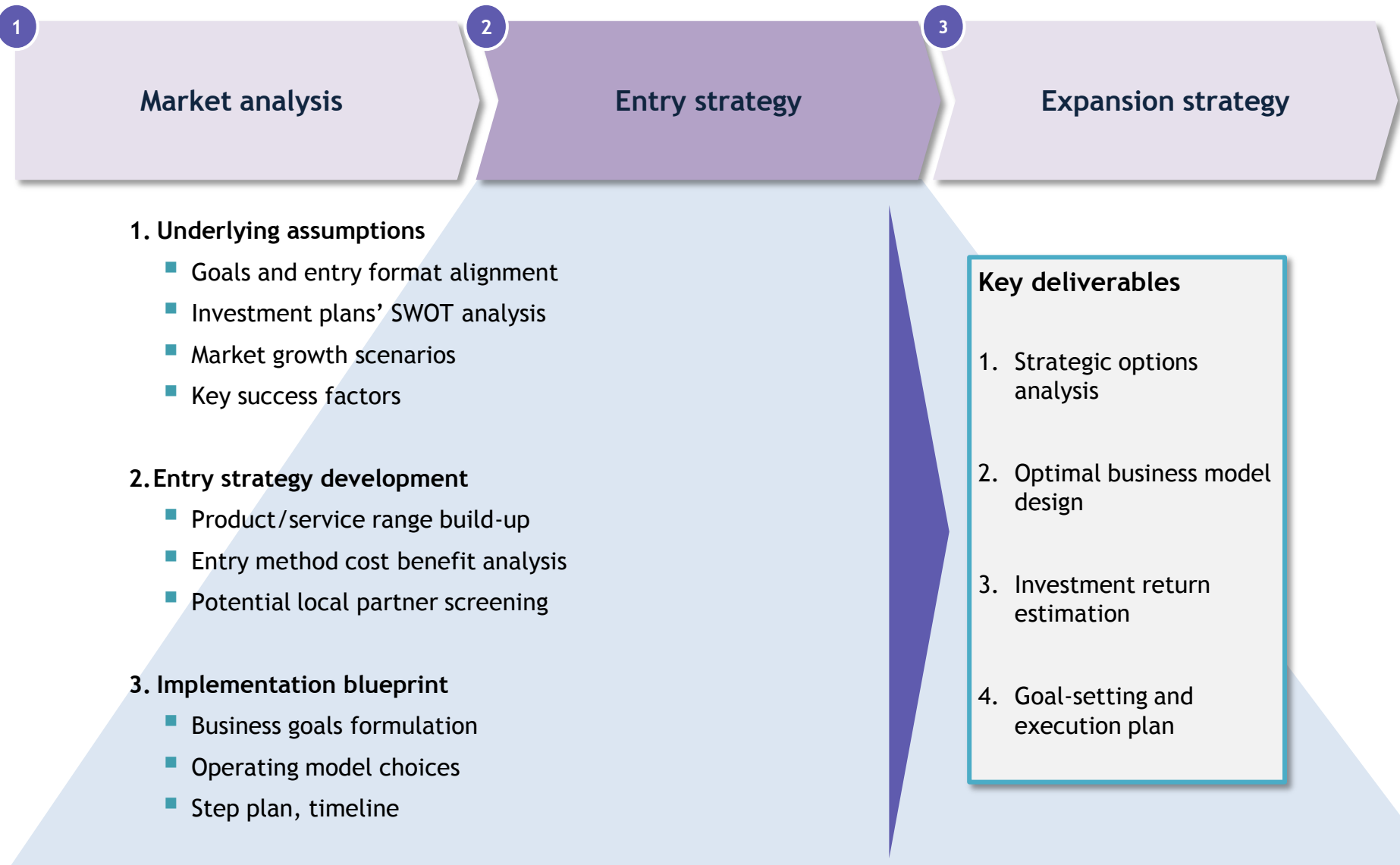
#### 3. Business case

- Most attractive market segments
- Operating model choices
- Baseline profit margins

#### Key deliverables

1. Detailed market data and trend analysis
2. Market segment growth and inflation forecasts
3. Business development and risk minimization recommendations

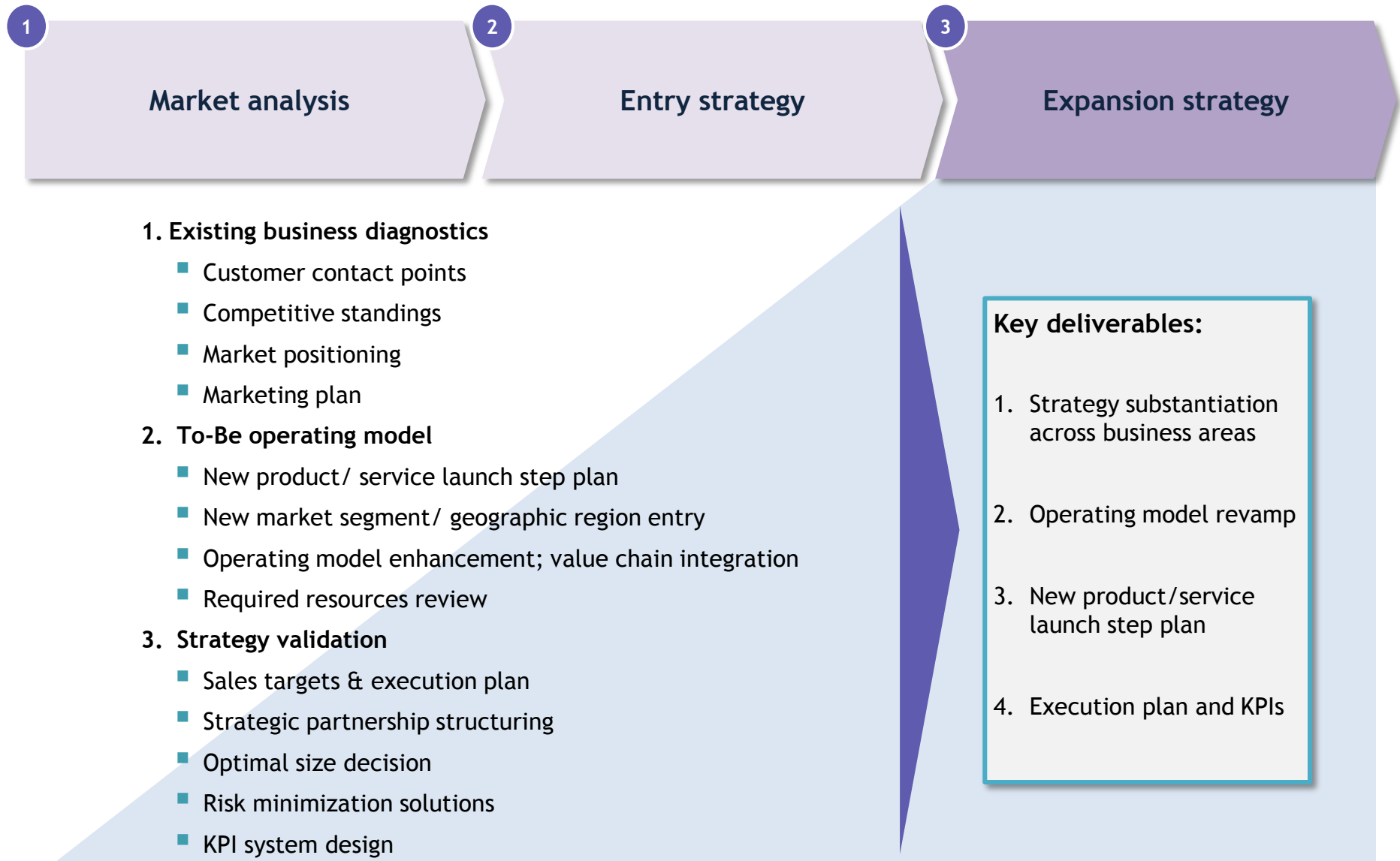
# Entry strategy





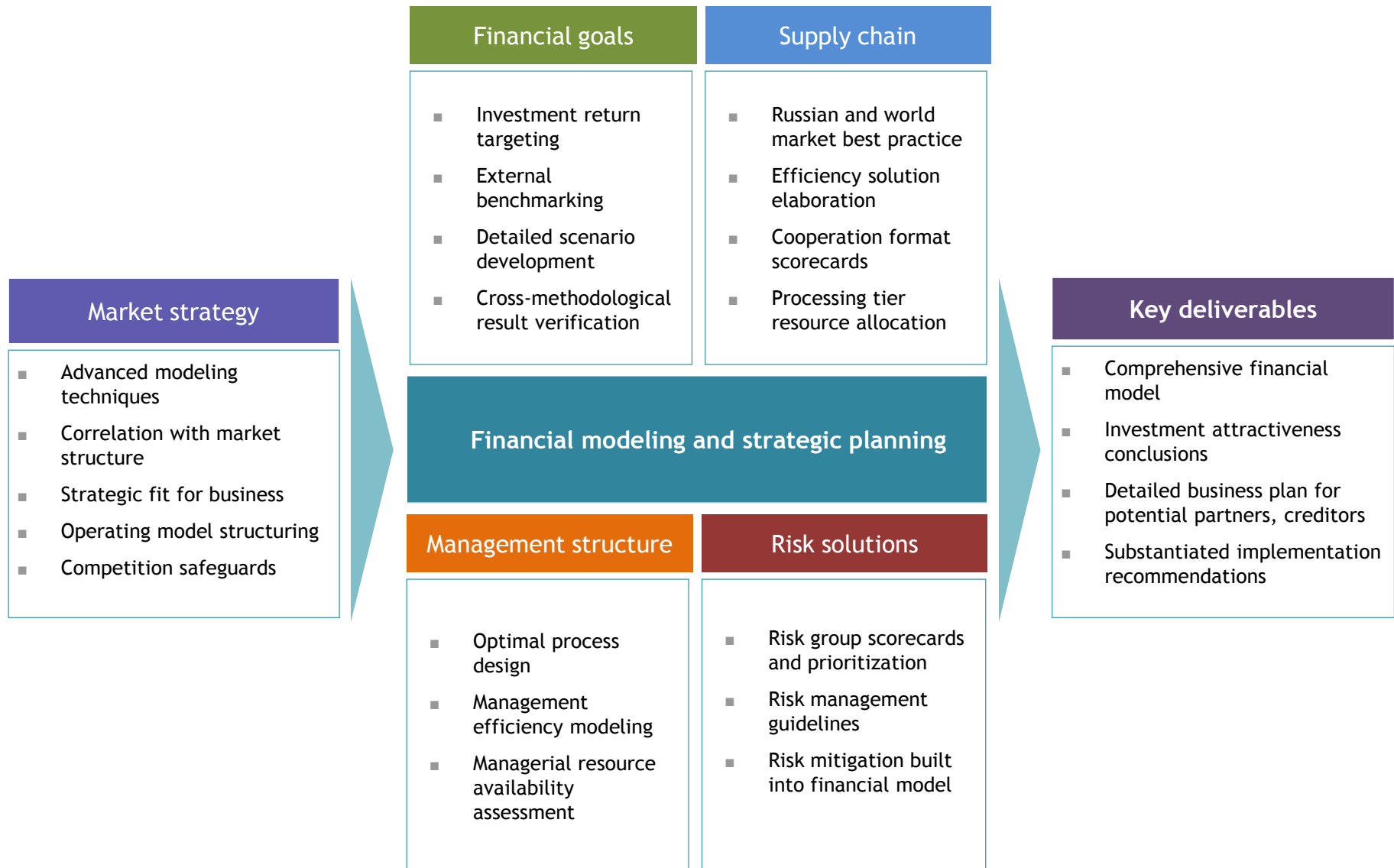
## 4.1. Strategy advisory (3/5)

# Expansion strategy



## 4.1. Strategy advisory (4/5)

# Investment project planning



## 4.1. Strategy advisory (5/5)

# Innovation, R&D advisory



We provide comprehensive service packages for innovation project initiators and investors, as well as innovation centers

### Core strengths

#### Experience

- Established team with fine-tuned business processes
- Extensive knowledge of structuring, executing and closing transactions
- Proven track record in service quality and deal closing

#### Industry focus

- Solid industry knowledge and key sector specialization
- Efficient and reliable execution, as well as substantiated valuations based on industry expertise

#### Broad local network

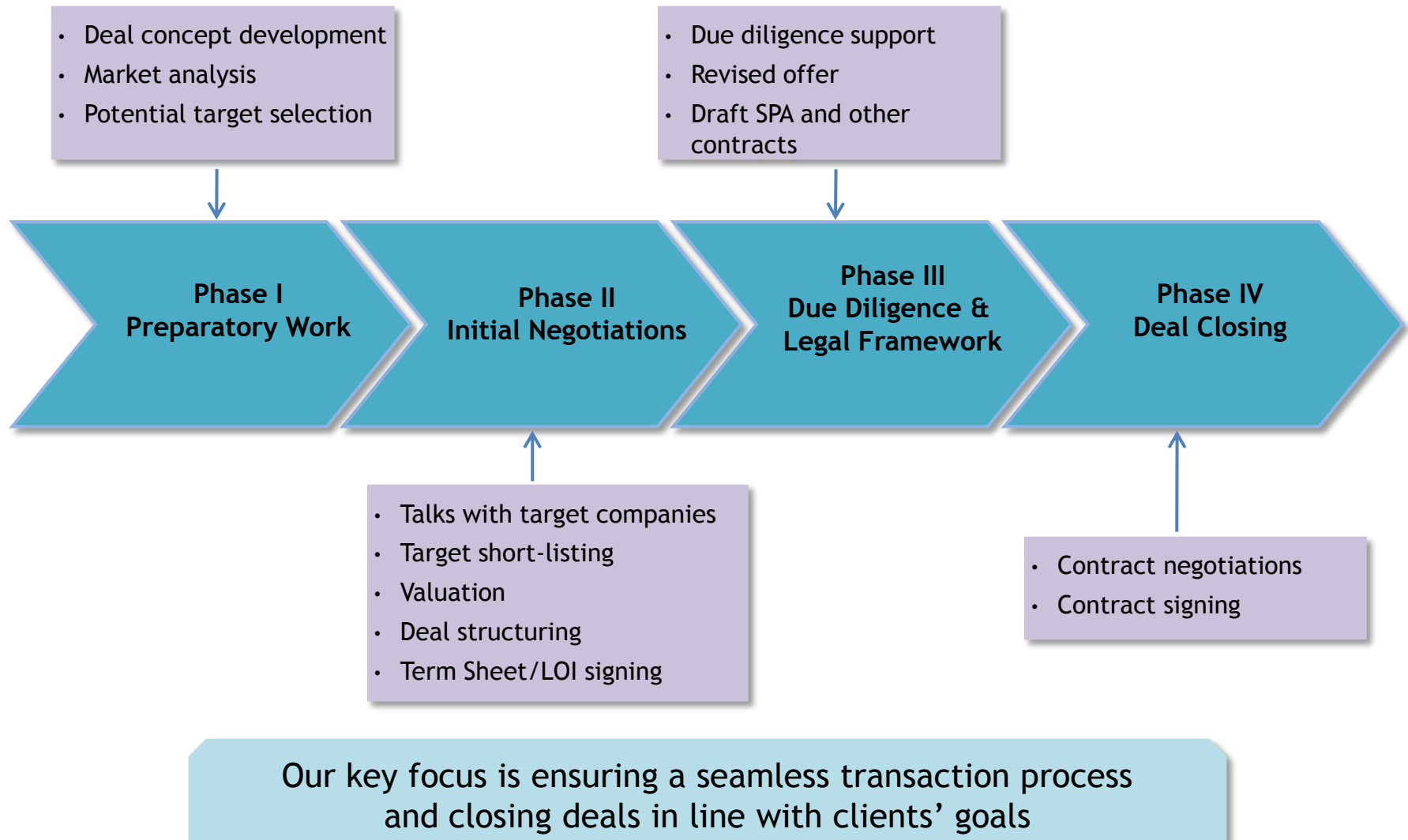
- Access to key decision makers across economic sectors
- Broad circle of market/industry experts
- Professional co-advisers: lawyers, auditors, appraisers, and taxation experts

#### Teaming with clients

- We act in accordance with our clients' needs
- We work as one team with our clients, adhering to a customized approach and ensuring desirable quality

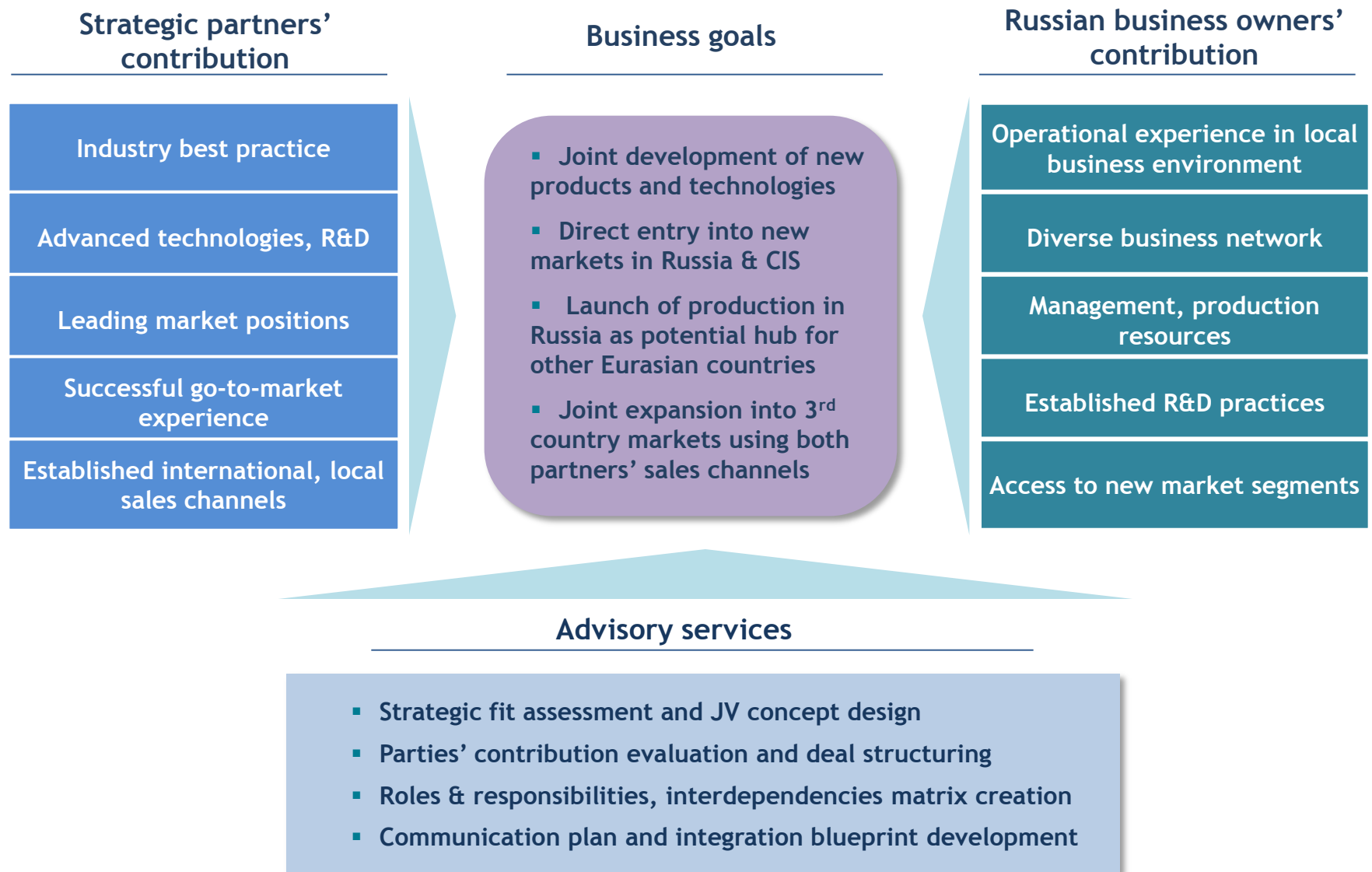
We offer clients the full breadth of our accumulated expertise and deal execution methodologies

#### Acquisition process



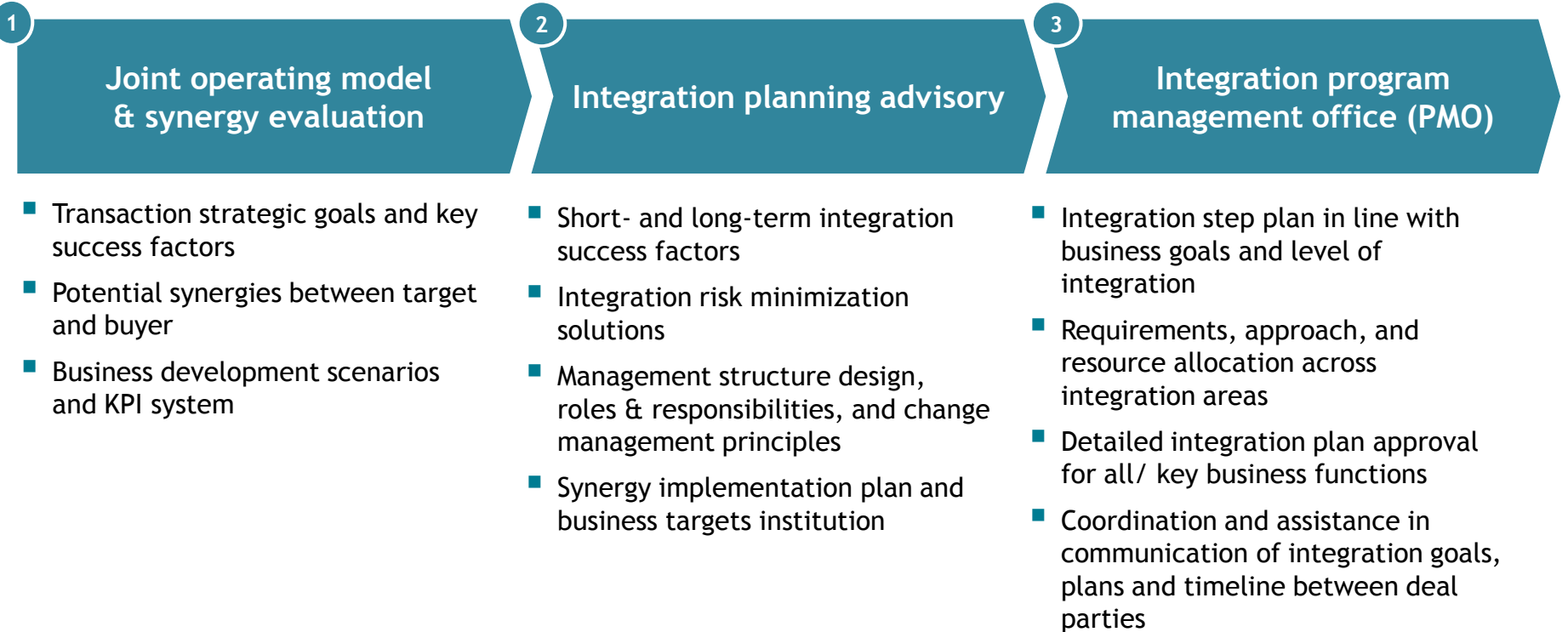
## 4.2. Transaction advisory (3/4)

# JV & strategic partnership advisory



## 4.2. Transaction advisory (4/4)

# Synergy evaluation & Integration advisory



### KEY BENEFITS

- Synergy effect maximization
- Detailed integration step plan
- Business target fulfillment program development and communication

**Added value creation and retention via integration**

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## **5. Team credentials**

**5.1. Completed projects**

**5.2. Brief bios**



## 5.1. Projects completed by firm and team members

### Asia Pacific experience (1/6)

#### Strategy and M&A advisory

- Viability assessment; optimal format, priority product selection for expansion of reagents' and other solutions' production localization in Russia for major Japanese diagnostic equipment manufacturer (2020-2021)
- Concept development, industry, project selection; structural potential strategic partnerships for Russian-Asian VC fund portfolio companies' next commercialization phase in new Asian markets (2020-2021)
- Turkmenistan macroeconomic, political and oil&gas and petro-/gas chemical industry situation and trend analysis, outlook development; major investment project feasibility analysis and performance review for leading Japanese bank (2018-2019)
- Regulation analysis, defining optimal course of conduct for investigations into Chinese active substance for major Russian pharmaceutical manufacturer (2019)
- Analysis of project for launching women's oncology center in Russia, review of Russian subsidiary's performance, elaboration of key directions for new strategy development for major Japanese producer of radiology equipment and supplies (2016-2017)
- Market entry and investment opportunity analysis, potential deal structuring for two separate Japanese investors in Russian healthcare - Central European Russia and Far East regions, respectively (2017)
- Market, project risk, regulatory framework, financial viability analysis; regulation simplification proposal, roadmap development for Russian authorities; business model selection, deal structuring advisory for two Japanese investors in Russian healthcare; support for clinic launch - JV created, rehabilitation clinic launched in Vladivostok (2017)
- Expansion strategy development for major Chinese trade intermediation, logistics firm active in Russia; structuring, implementation advisory for key business projects, including expansion of automotive component plant in Russia with Chinese car major (2015-2016)

## 5.1. Projects completed by firm and team members

### Asia Pacific experience (2/6)

#### Strategy and M&A advisory

- Concept, realization plan and financial model development for large transportation infrastructure project in Russia in the interests of leading engineering and industrial companies of an APR country (2012-2015)
- APR oil&gas data and analytics market analysis, concept and entry strategy development for leading Eastern European market player (2015)
- Russian oil&gas engineering market entry strategy, client segmentation, M&A and strategic partnership advisory for leading Japanese engineering company (2014)
- Major Russian LNG project market, financial, technology and political risk analysis for Japanese EPC operator in the wake of Ukraine political crisis (2014)
- Russian Far East greenhouse horticulture market analysis; selection of region, operating model; financial model development, taking into account choice of technology; JV creation support for leading Japanese engineering company (2013-2014)
- Russian beauty drink market entry advisory for leading Japanese soft drink maker (2013)
- Russian, world market entry strategy; B2B video conferencing, storage product shaping; business plan for SaaS VCS subsidiary of financial services major - product launched (2012)
- Market research, business strategy, integration advisory, and M&A advisory for mHealth company entering APR markets - deal closed, expansion underway (2010-2012)
- Russian agriculture, fodder feed, meat processing sector analysis and forecasting for major Southeast Asian agribusiness holding's acquisition of meat processing plants in Russia (2010)
- Analysis of broad range of economic sectors in China, Hong Kong, India and Southeast Asia; market entry strategy advisory for Asian, Western strategic, portfolio investors (2006-2008)
- Sell-side advisory for venture projects and buy-side deal structuring advisory in China (2006-2008)

## 5.1. Projects completed by firm and team members

### Asia Pacific experience (3/6)

#### JGC & Hokuto Social Medical Corp.

Market entry advisory, project viability assessment and structuring for two Japanese investors launching a rehabilitation clinic in Vladivostok

- One of the investors, Hokuto Social Medical Corporation, already has an outpatient clinic in the city. The other, JGC, is a leading Japanese engineering firm active in healthcare globally as an EPC and investor
- **As result of the project, the partners decided to set up the clinic, creating a JV in Japan and a Russian subsidiary, investing USD 3mn at the starting phase. The company has become a resident of the Free Port of Vladivostok, obtained a medical license, and launched the clinic in May 2018. This can be the first phase in expansion toward a multi-functional clinic and/or hospital in Vladivostok**
- Advisor's role:
  - ✓ Local market and best practice analysis
  - ✓ Project concept proofing, multi-faceted viability assessment and risk analysis
  - ✓ Detailed regulation analysis and simplification proposal, roadmap development for Russian authorities
  - ✓ Business model selection and deal structuring for JV creation

#### JGC Evergreen

Far East greenhouse market and investment project analysis, financial modelling, local partner assessment for Japanese engineering major JGC

- JGC intended to enter Khabarovsk and Vladivostok vegetable markets and to conduct a feasibility study of a greenhouse investment project in order to choose the optimal product range, region and business model
- **As a result, JGC approved and invested around USD 14mn in the first phase of the project (2.5 ha) near Khabarovsk, setting up a JV with a local partner. Production was started in Feb 2016. The second phase (an additional 2.5 ha and up to USD 25mn investment), which the Advisor also assessed originally, was launched in Nov 2017, with sales now targeting neighboring Vladivostok and Primorsky Krai**
- Advisor's role: market analysis; selection of region, technology and operating model; financial model compilation; assessment of local partner and support in JV deal structuring

## 5.1. Projects completed by firm and team members

### Asia Pacific experience (4/6)

#### Agab Group

- Agab Group was the leading Russian distributor of non-professional medical equipment
- In 2005 the company controlled 70% of the digital blood pressure monitors segment
- One of the company's shareholders decided to sell her controlling stake to either a financial or strategic investor
- **After securing an offer from Singapore-based Temasek investment fund, 100% in the company was sold for USD 80-90mn to Japanese publicly traded company A&D in 2006**
- Advisor's role:
  - ✓ Deal negotiation and structuring
  - ✓ Due Diligence support
  - ✓ Legal work coordination
  - ✓ Deal closing and execution

#### Computer game Drop-Drop

- Computer game Drop-Drop (Tetris type) was designed by Russian IT company Russ
- **The game was sold to Japanese computer games developer Data East in 1995**
- **Data East localized Drop-Drop and developed its versions for different game platforms including Coin Machine, Sega Saturn, Sony PlayStation, Game Boy etc.**
- Role:
  - ✓ Deal negotiation and closing
  - ✓ Operations monitoring, including license payment control

## 5.1. Projects completed by firm and team members

### Asia Pacific experience (5/6)

#### Innovative mHealth device maker

**Product concept and market strategy development, 2<sup>nd</sup> and 3<sup>rd</sup> round fundraising for Russian mHealth device manufacturer's foray into the global market (2010-2013)**

- Analysis and prioritization of Middle East, APR and Western European mHealth markets for launch of four new medical devices by Russian market leader
- Development of market entry strategy, strategic partnership and distribution network model for each top priority country
- Financial model and investment memorandum development for strategic and financial investors
- Deal structuring, integration advisory for merger and start of operations under a common brand by two Russian R&D firms uniting four groups of shareholders with varying level of interest in the four types of devices - **deal closed in 2011**
- Deal structuring, integration advisory for 2<sup>nd</sup> round funding by Indian PE fund specializing in medicare, Russian eHealth market leader, and Arab mHealth device maker - **deal closed in 2012**
- Deal structuring, integration advisory in preparation for 3<sup>rd</sup> round funding by Indian PE fund and launch of production in India and China



## 5.1. Projects completed by firm and team members

### Asia Pacific experience (6/6)

#### Interactive online education & expertise platform

**Product concept, market entry strategy and business plan development for online education and expertise project launched by Russian SaaS VCS market major (2012-2013)**

- Analysis and selection of 6 out of 13 initially studied country markets in APR and India for launch of interactive online education and expertise platform
- Product concept development, functionality mix selection and prioritization, interface design and operating model creation - **product launched, sales started in Russia**
- Detailed financial model development and investment memorandum compilation for 2<sup>nd</sup> round fundraising from APR portfolio investors
- Advisory on strategic partnership creation and product launch in South Korea, Japan, Hong Kong, Singapore, China PRC and Taiwan

#### Company acquisition, partnership creation in APR

- Deal structuring and acquisition of assets of China M&A research company (China, Hong Kong) - deal closed in 2007, company fully integrated into ISI Emerging Markets
- Creation and management of M&A analysis department uniting 20 analysts in China, Hong Kong, India and Southeast Asia at business data and research major ISI Emerging Markets - 2006-2008
- Creation of strategic partnerships and joint analytical products by ISI Emerging Markets: in China, Hong Kong and India together with Indian Mobius Knowledge Services, and in CEE together with Bulgarian All Data Processing - deals closed, partnerships launched in 2007-2008

## 5.1. Projects completed by firm and core team members

# Healthcare & Medicine

### Strategy & Integration advisory

- Viability assessment; optimal format, priority product selection for expansion of reagents' and other solutions' production localization in Russia for major Japanese diagnostic device maker (2020-2021)
- Analysis of potential Covid-19 treatment options and technologies for Russian clients working in healthcare and biotechnologies (2020-2021)
- Selecting potential partners for Japanese eHealth market leader, arranging negotiations on new products to bring to market in Russia and Japan (2019-2020)
- Regulation analysis, defining optimal course of conduct regarding regulator's investigations into Chinese active substance for major Russian pharmaceutical manufacturer (2019)
- Japanese market entry prospect and optimal method assessment for leading Russian minimally invasive surgical equipment manufacturer (2018)
- Market analysis, segment selection, entry strategy development, market share estimation for launch of groundbreaking ELISA diagnostic equipment by major Russian player (2018)
- Nuclear medicine center project concept development, Russian region selection, viability analysis, support for negotiations with Russian authorities for 3 Japanese investors in Russia (2017-2018)
- Women's oncology center project analysis, Russian subsidiary performance review, turnaround new strategy development for Japanese radiology equipment and supplies major (2016-2017)
- Project risk, regulatory framework analysis; regulation simplification proposal development for Russian authorities; business model selection for two Japanese healthcare investors (2017)
- Concept, strategy, financial model and KPI system development; structuring deals with Japanese investors in leading Russian network of MRI centers and multi-functional outpatient clinics (2016)
- Minority stake purchase in Russian network of diagnostic laboratories and antibody manufacturer by healthcare-focused PE fund and private investor (2013)
- Russian beauty, functional drink market entry advisory for leading Japanese soft drink maker (2013)
- Skin treatment equipment market analysis and forecasting, operating model selection, market entry strategy development for Russian plasma technology company (2012-2013)
- Market analysis; product concept, market and clinical trial strategy development; IP valuation; fundraising for Russian mHealth device maker's global expansion (2010-2013)
- Fundraising, creation of JV between leading Russian eHealth player, Indian healthcare PE fund (2012)
- Russian and global immunology market analysis, market entry and clinical trial strategy development for major Russian pharmaceutical company (2010)

#### Market analysis

- Global grain market investment returns analysis for large Western European investment fund
- Russian radiology equipment and supplies, healthcare IT market and best practice analysis, recommendation development for major Japanese producer
- APR oil&gas data and analytics market analysis, concept and entry strategy development for leading Eastern European market player
- Russian Far East greenhouse horticulture market analysis, product range structuring for leading Japanese engineering company
- Comparative analysis of Stavropol Krai and Krasnodar Krai regions' construction and building materials markets for decision on aerated autoclave concrete plant location
- Outlet and discount center trend analysis and prospect evaluation for Western European outlet center chain entering Russian market
- Market analysis, valuation of component divisions for largest Russian automotive producer
- Post-crisis by-segment real estate market analysis; real estate consultancies' competitive strength scorecard
- Russian railway sector analysis for leading foreign train and component manufacturers
- Bulgarian residential, office real estate, architectural bureau market analysis for Russian developer
- Chinese petrochemical sector analysis for PE funds
- World organic food industry best practice analysis
- Russian & CIS optical fiber country market prioritization, customer segmentation
- Russian beer & vodka sectors' comparative analysis, trend forecasting
- Russian non-food retail by-segment analysis, most attractive sector, store format selection for major German retailer



## 5.1. Projects completed by firm and team members

### Strategy advisory (2/4)

#### Entry & expansion advisory

- Global market UAV investment strategy development for transport-focused PE/VC fund
- Business and medical facility concept development, KPI system elaboration for leading radiology diagnostic center and multi-functional clinic network spanning 40+ regions
- Expansion strategy development for major Chinese trade intermediation and logistics firm active in Russia, structuring and implementation advisory for key business projects
- Oil product storage, transportation and lab services divisions' restructuring advisory; strategy, financial plan development, efficiency advisory for Russian state oil major
- Road service area concept design, financial model and location selection on M1-M11 highways for Russian oil major
- Russian beauty drink market entry advisory for leading Japanese soft drink maker
- M&A-driven market expansion advisory for fast growing 2<sup>nd</sup> tier telecom operator in Moscow
- Repositioning strategy across crop and plant protection chemicals market segments for major Russian pesticide producer
- Concept and strategy development for Federal Guarantee Fund, created to extend guarantees for loans to SMEs, in advisory project for the Russian Economy Ministry
- CIS markets' entry advisory, potential target evaluation for Russian mobile major
- Entry strategy, business plan for first Russian large-scale optical fiber and preform maker
- Logistics strategy to support regional distribution function of global chemical producer
- Market strategy, business line prioritization for large IT integrator
- Chemical intermediates' strategy development for leading Russian petrochemical company
- Product range, repositioning, organizational structure design for Big 4 consultancy
- Market entry, investment advisory in framework of power, railway and utility sector reforms for strategic and institutional investors

#### Investment project planning

- Detailed financial modeling training, process optimization for Russian state corporation's project finance department
- Viability assessment; optimal format, priority product selection for expansion of reagents', other solutions' production localization in Russia for major Japanese diagnostic device maker
- DD, financial model, efficiency improvement program for troubled large Russian bank and biggest independent oil refinery group in Russia
- Feasibility analysis, performance review at 5 major gas chemical plants and biggest gas field in Turkmenistan for leading Japanese bank as main creditor
- Oil refinery feasibility study, performance review, efficiency improvement guidance for Russia's biggest investment fund as minority shareholder and main creditor
- Major oil product terminal project analysis, export and domestic market forecasting, business model development for owner of large oil export terminal in Krasnodar region
- Viability analysis, financial model, marketing strategy development, presentation compilation for biggest commercial real estate project in Latvia
- Investment attractiveness analysis, financial model for prefabricated metal structures plant
- Concept, realization plan and financial model for large transportation infrastructure project in Russia in the interests of leading engineering and industrial companies of an APR country
- Selection of region, operating model; development of financial model taking into account choice of technology for launch of greenhouse horticulture production in Russia's Far East
- Debt and business restructuring plan for major Russian pesticide maker
- Product range diversification, new market entry for polystyrene, polypropylene tape maker
- Project concept, financial model for Belgian/UK major's outlet center in Moscow region
- Value chain optimization at first Russian large-scale optical fiber and preform plant
- Mongolian railway reconstruction and additional line construction for state railway monopoly
- Planning of retail network, petroleum storage depots - target selection, valuation
- Startup wellness and spa clinics project
- Methanol plant due diligence, feasibility study for PE fund

#### Innovation advisory

- Biotech, cleantech (including hydrogen-related) portfolio company, technology analysis, partnership structuring for commercialization in new APR markets by international VC fund
- Analysis of Covid-19 treatment options, technologies for Russian clients in healthcare sector
- Cutting-edge ELISA microchip diagnostic device production launch for leading Russian medical equipment manufacturer
- Telemedicine projects' concept design, viability analysis for leading healthcare operator
- Feasibility study of new type of power plant for Russian state energy major
- Business concept development, partnership structuring for oncology-focused clinic launch by leading Japanese equipment manufacturer and Russian nationwide radiology diagnostic center and outpatient clinic network
- Skin treatment equipment market analysis and forecasting, operating model selection, market entry strategy development for innovative Russian plasma technology company
- Russian, world market entry strategy; B2B video conferencing, storage product shaping; business plan for SaaS VCS subsidiary of financial services major
- Financial model, organizational structure development for nationwide luminescent lamp production project
- R&D center launch in Russia, assembly launch in Taiwan for German microchip producer
- Strategic options analysis, financial model, branding policy, operating model design for organic food venture
- Market research, business strategy, integration advisory, and M&A advisory for mHealth company going global
- Incoming project flow analysis, operating model design for chemical segment of Russian innovative technologies cluster
- Russian, world market research, strategy development for innovative tire recycling startup

## 5.1. Projects completed by firm and team members

### Transaction advisory (1/3)

M&A advisory					
Year	Company	Business description	Buyer	Country	Price of 100%
2017	Rehabilitation clinic in Vladivostok	JV by two Japanese investors for clinic in Russia	JGC, Hokuto Social Medical Corp.	Japan, Russia	\$3mn
2016	Industrial-scale raspberry producer	Large raspberry-growing business w/R&D base	Diversified strategic investor	Russia	Confidential
2014, 2017	Greenhouse in Khabarovsk region	Non-core asset of machinery manufacturer	JGC Corporation	Japan	\$14+25mn
2013	Network of diagnostic labs	Specialization in antibody production	PE fund in healthcare/ strategic investor	Russia	Confidential
2011	Leading Russian eHealth player and mHealth startup	Presence in Russia, CIS, Western Europe and India	PE fund in healthcare/ strategic investor	India/ Russia	Confidential
2010	Spectrum	B2B telecom operator	EBRD, GIMV	Kazakhstan	Confidential

### Transaction advisory (2/3)

#### JV, strategic partnership advisory

- Concept development, industry, project selection; structuring potential strategic partnerships for Russian-Asian VC fund portfolio companies' commercialization in APR
- Shareholder conflict analysis, recommendation development for Japanese investor in diagnostic and treatment clinic in Vladivostok
- Deal structuring for JV between Japanese engineering major and Russian partner investing in greenhouse horticulture in Russia's Far East
- Manufacturing operations' integration, marketing & production planning departments coordination for JV between leading global car maker and major Russian car manufacturer
- Intangible asset valuation, deal structuring, integration planning for equity partnership between Russian mHealth device maker with technology R&D firm, and business and product integration with two foreign strategic investors
- Joint venture creation by leading Russian truck maker and Western European component manufacturer
- R&D center launch in Russia, assembly launch in Taiwan for German microchip producer
- Strategic partnership creation, product development and commercialization, upstream operations' outsourcing for US, Indian and Bulgarian business analytics companies
- Fixed asset structure optimization, cash flow management analysis for merger between Russian and Ukrainian machinery manufacturers
- Advisory on distribution network development for breweries in Uzbekistan for one of the world's largest brewers
- Value chain integration between Russian and Western European aluminum profile manufacturers



### Transaction advisory (3/3)

#### Synergy evaluation & Integration advisory

- Shareholder agreement, charter, management structure design for two Japanese investors (strategic and financial) opening new medical clinic in Russia's Far East region
- Oil product storage, transportation and lab services divisions' restructuring advisory; strategy, financial plan development, efficiency advisory for Russian state oil major
- Establishing strategic priorities, planning integration of regional telecom operators in the framework of buyer company's market share and product range expansion
- DKD (disassembly knock-down) operations' integration; optimal model launch step plan and schedule development; DKD management process enhancement for JV between leading global car maker and major Russian car manufacturer;
- Integration assessment for acquisition of controlling stake in European alternative energy major by large Russian power sector holding
- Post-merger integration, market repositioning, business process redesign for Nordic European IBs
- Operational performance improvement via maximization of synergies between three subsidiaries of petrochemical major
- Synergy assessment, integration planning for merger between Russian ice-cream and frozen semis market leaders
- Integration structuring for entry of foreign PE fund into textile cluster in Kazakhstan
- Synergy evaluation for integration of seven PU foam plants with upholstered furniture makers for major European PU foam producer
- Integration planning, risk mitigation for cable producers' merger

## 5.2. Brief bios (1/4)

# Andrew Afanasiev



Name	Andrew Afanasiev
Position	Managing Partner, CEO
Education	<ul style="list-style-type: none"> <li>■ Lomonosov Moscow State University, Institute of Asian and African Studies, socio-economic department, 1999</li> <li>Majors - regional economic research, Mandarin Chinese language</li> </ul>
Experience	<ul style="list-style-type: none"> <li>■ Andrew Afanasiev founded the strategy and management consultancy practice in Feb 2009, following a successful career in major international institutions. This period has also included a term as Head of Integration &amp; Separation Advisory and COO of the Strategy Group at KPMG. Altogether, Andrew has 20+ years experience in research, strategy and management consulting, and integration advisory.</li> <li>■ Featured projects: <ul style="list-style-type: none"> <li>• Viability assessment; optimal format, priority product selection for expansion of reagents' and other solutions' production localization in Russia for major Japanese diagnostic device maker</li> <li>• Analysis of potential Covid-19 treatment options and technologies for Russian clients working in healthcare and biotechnologies</li> <li>• Market analysis, segment selection, entry strategy development, market share estimation for launch of groundbreaking ELISA diagnostic equipment by major Russian player</li> <li>• Women's oncology center project analysis, Russian subsidiary performance review, turnaround new strategy development for Japanese radiology equipment and supplies major</li> <li>• Project risk, regulatory framework analysis; regulation simplification proposal development for Russian authorities; business model selection for two Japanese healthcare investors</li> <li>• Concept, strategy, financial model and KPI system development; structuring deals with Japanese investors in leading Russian network of MRI centers and multi-functional outpatient clinics</li> <li>• Stake purchase in Russian antibody manufacturer, diagnostic laboratories by healthcare-focused PE fund and private investor</li> <li>• Market analysis; product concept, market and clinical trial strategy development; IP valuation; fundraising for Russian mHealth device maker's global expansion</li> <li>• DKD (disassembly knock-down) operations' integration; optimal model launch step plan; management process enhancement for JV between leading global car maker and major Russian car manufacturer</li> </ul> </li> <li>■ Throughout 2008 Andrew worked as Head of Research, Chief Strategist, and acting Head of Equities of the Russian subsidiary of Nordic European Glitnir Bank. His primary role was post-M&amp;A integration, including strategy development and efficiency improvement for Icelandic and Finnish shareholders of Glitnir's Russian office. Andrew transformed Glitnir into one of the top three investment banks in Russia in 2008 in terms of net profit margin, enabling the bank to break even against the backdrop of a 70% stock market decline. Completed transactions: <ul style="list-style-type: none"> <li>• Phased earn-out scheme analysis in 3-party media sector deal for minority shareholders - USD 400mn</li> <li>• Financial model and repositioning advisory for sale of blocking stake in major regional bank to Western PE fund - USD 130mn (2.5 x B)</li> </ul> </li> <li>■ In 2001-2008 Andrew worked at US business data &amp; analytics major ISI Emerging Markets, serving as Head of CIS Strategic Analysis (2001-2006), and then Global Head of M&amp;A Research and Management Board member for EMEA (2006-2008). At ISI Andrew was personally responsible for selection of acquisition targets and subsequent business integration (Russia, China/Hong Kong), and also for development of alternative partnership options, including JVs and outsourcing schemes (Bulgaria, India). In addition, Andrew ran a number of projects on both regional and global levels, involving creation of new lines of business and operational efficiency improvement.</li> <li>■ Featured projects : <ul style="list-style-type: none"> <li>• Investment opportunity analysis and integration scheme development for entry of foreign PE fund into textile cluster in Kazakhstan</li> <li>• Market entry, vertical and horizontal integration advisory for major European PU foam producer eyeing seven new markets in CEE</li> </ul> </li> </ul>

## 5.2. Brief bios (2/4)

# Vasiliy Marenkov



Name	Vasiliy Marenkov
Position	Project Manager, Strategy Advisory
Education	<ul style="list-style-type: none"> <li>■ Moscow State Forestry University</li> <li>■ Higher School of Finance and Management at RANEPA (The Russian Presidential Academy of National Economy and Public Administration)</li> <li>■ Specialization - management, business restructuring, finance</li> </ul>
Experience	<ul style="list-style-type: none"> <li>■ 2003-2012 - Before joining SCA, served as General Director/Deputy General Director of companies in a number of economic sectors, including real estate development, entertainment industry, production of thermal insulation materials, corrugated packaging production, non-metallic minerals mining, internet services, and others. Has significant experience in business turnarounds; manufacturing, finance, and sales &amp; distribution network optimization</li> <li>■ 2011-2012 - Consultant/mentor in business accelerator for technological start-ups TexDrive</li> <li>■ 2007-2009 - Investment manager in analysis of various investment projects and businesses, and their selection for further investments or M&amp;A activities</li> <li>■ 2003-2007 - Independent business consultant, acting as top manager on request by company shareholders. Main activities: attracting equity investments, investment project development, financial and organizational restructuring, strategy development, etc.</li> <li>■ 2002-2003 - Consultant - Corporate Finance (Business Valuation Group), Ernst &amp; Young <ul style="list-style-type: none"> <li>■ Main projects: business valuation, investment analysis and investment project development, feasibility studies, etc.</li> </ul> </li> <li>■ 1999-2001 - Consultant, Corporate Recovery, Arthur Andersen <ul style="list-style-type: none"> <li>■ Main projects: investment analysis and investment project development; banking sector bankruptcy; manufacturing company bankruptcy; development and implementation of strategy planning systems, budgeting systems, management accounting, internal controls; improving organizational structures; business valuation, improving business operations, etc.</li> </ul> </li> <li>■ 1998-1999 - Deputy Finance Director, major Russian furniture company</li> </ul>



## 5.2. Brief bios (3/4)

# Natalia Kubalova



Name	Natalia Kubalova
Position	Senior Industry Expert, Healthcare
Education	■ Russian State Tourism and Service Industry University, Economics Department, 1994
Experience	<ul style="list-style-type: none"><li>■ Natalia is a highly experienced professional in the areas of finance and management, with a keen focus on healthcare and energy sectors</li><li>■ In 2001-2008, Natalia served as Deputy Head of Accounting and Tax department of power monopoly RAO UES, playing an important role in developing and implementing the program of energy sector restructuring</li><li>■ In 2008-2011, Natalia worked as Head of Treasury and Liquidity Management Department of energy transmission major MRSK, being responsible for financial control over modernization program implementation, and construction of a new energy complex in Krasnodar region during preparation for Sochi Olympics 2014</li><li>■ Simultaneously, in 2008-2011, Natalia acted as a minority shareholder and consultant of aesthetic beauty and recreational medicine clinic Ailano</li><li>■ In 2014, Natalia became a shareholder and director general of a large children's clinic in Moscow, where she was working when she joined SCA in Jan 2017</li><li>■ Afterwards Natalia sold her stake in this clinic to foreign investors from Eastern Europe, specializing in medical rehabilitation. Now she actively helps them further develop the clinic and diversify its service range</li></ul>

## 5.2. Brief bios (3/4)

# Svetlana Kolesnik



Name	Svetlana Kolesnik
Position	Senior Industry Expert, Healthcare
Education	<ul style="list-style-type: none"><li>■ Pirogov Russian National Medical Research University, Pediatrics Department, specialization - pediatrics</li><li>■ Russian Surgery Research Center of the Russian Academy of Sciences, Clinical Residency, specialization - clinical laboratory diagnostics</li><li>■ Doctor of the highest category qualification, active</li><li>■ Continuous medical education, certification and qualification enhancement training courses</li></ul>
Experience	<ul style="list-style-type: none"><li>■ Svetlana joined SCA's healthcare team in early 2018, having built a distinguished career in clinical laboratory diagnostics and adjacent healthcare areas. In her past government roles, Svetlana spearheaded the development of clinical laboratory diagnostics and corresponding methodologies in Russia over the last several decades, and has become a revered medical expert.</li><li>■ She has substantial experience launching and optimizing the work of laboratories and multi-functional clinics, from supply chain to medical R&amp;D, sales network and customer service, diagnostic test logistics, medical IT systems, cooperation with insurers, etc.</li><li>■ Simultaneously with her work at SCA, Svetlana serves as Development Director at ABT Immunology Laboratory, which focuses on new generation tuberculosis tests, produced in cooperation with Oxford Immunotec (UK). Svetlana established and managed the company's operations in Russia, and now works on a broader array of infectious lung diseases, together with leading Russian pharma developer and manufacturer Generium.</li><li>■ Previously, she worked in top management roles at a number of state and private healthcare institutions, including leading diagnostic network Citilab (Medical Director); National Agency for Clinical Pharmacology and Pharmaceuticals (Laboratory Department Director); Dialab Plus, MedLux, LMS Clinic - Bud' Zdorov brand (chief/ deputy chief medical officer, deputy CEO); and Russian Surgery Research Center of the Russian Academy of Sciences (Chief specialist for clinical laboratory diagnostics).</li></ul>

## 5.2. Brief bios (4/4)

# Yuri Nefedov



Name	Yuri Nefedov
Position	Senior Industry Expert, Beauty & Wellness
Education	<ul style="list-style-type: none"><li>■ Moscow State University of Economics, Statistics, and Informatics (MESI), Information systems in economics department, 1997<ul style="list-style-type: none"><li>• Economics PhD</li><li>• Plekhanov Russian Academy of Sciences, Docent, digital economy</li></ul></li></ul>
Experience	<ul style="list-style-type: none"><li>■ “Digital economy multi-modeling” course, academic supervisor, Plekhanov Russian Academy of Sciences</li><li>■ Keune Design international school, Lecturer <a href="https://academykeune.ru/teachers/nefedov-yurij-viktorovich/">https://academykeune.ru/teachers/nefedov-yurij-viktorovich/</a></li><li>■ Specialist in management systems with 50+ successfully completed projects (biggest project in spa salons - Biosfera (2011-2012); current clients have spa zones (Health Club))</li><li>■ Author of proprietary method for boosting net profit of beauty &amp; wellness industry businesses</li><li>■ Author of bestseller “Secrets of the beauty salon: guidance for practitioner directors”</li><li>■ Co-author of book «Administrator: 5 proven steps to success»</li><li>■ Speaker of beauty industry forums and conferences, including KI, NailExpo, Intercharm</li><li>■ 10+ years experience in beauty industry consulting</li><li>■ Held 40+ seminars on managing beauty salons in Moscow, Yekaterinburg, Minsk, Voronezh, Chelyabinsk, Nizhniy Novgorod, and other cities</li></ul>

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