Presentation to QG100

Presented by Larry Stevenson, Managing Director, Clearspring Capital Partners

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Clearspring Investment Principles

- Track Record of Success
- Passion for the Business
- Have Built a Solid Team
- Willing to Work With a Partner



Case Study - Demers: Control Investment

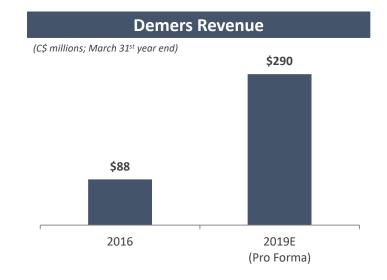


What We've Accomplished

- Solidified our position in the Canadian market through the acquisition of Crestline
- Developed a U.S. growth strategy
- Acquired a top U.S. brand, Braun Ambulances, allowing us to become the clear #2 player in the U.S. (4th player in the U.S. prior to the acquisition)

"Clearspring is an excellent business partner. They like to base their decisions on facts and data, not just financial metrics. And they care about people."

- Alain Brunelle, CEO, Demers Ambulances







Case Study - Logistik: Minority Investment



What We've Accomplished

- Invested \$25M in 2011 to partner with founder and CEO, Louis Bibeau
- Throughout our investment period, we worked in partnership with Louis to:
 - Build a senior team (CFO, President of International Sales)
 - Exit underperforming business units in Europe (UK, Holland, and Austria)
 - Acquire Australian Defence Apparel, the market leader in Australia
- In August 2018, we sold Logistik to a U.S. private equity firm:
 - Louis remains a large and important shareholder
 - Since our investment in 2011, Logistik has more than tripled its bottom line

Managed Uniform Solutions



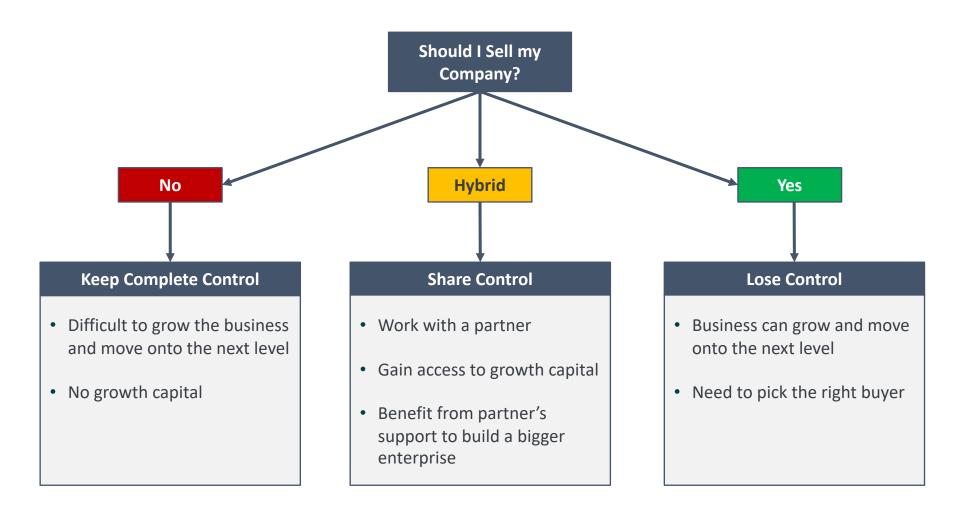
"In the past seven years, Clearspring has been an esteemed business partner for Logistik Unicorp.

Over this time, the company expanded and solidified its position as the market leader in managed uniform services in both Canada and Australia, enhanced its world-class management team and increased its business significantly.

With the support of Clearspring as a partner, Logistik Unicorp was able to notably grow sales and more than triple the bottom line."

- Louis Bibeau, CEO, Logistik Unicorp







Less	We Pay	More
Market follower	← ← ← ← ← ← ← ← ← ← ← ← ← ← ← ← ← ← ←	Market leader
Poor and/or unstable financial performance	Financial Performance	3-4 years of solid financial performance
"One man band" with no succession plan in place	Management Team	Solid team with a succession plan in place
Highly concentrated or high risk customer base	← <u>Customer Base</u> →	Diversified, blue-chip and sticky customer base
Poor free cash flow conversion	Free Cash Flow (EBITDA - CapEx - ΔNWC)	Great free cash flow conversion
"Pipe dreams" and unrealistic plans for growth	← Growth Strategy →	Solid and clear plan for growth (organic and / or through acquisitions)

