

Case Study

Identification and Due-Diligence of M&A targets in the Chinese EP Compounding Market

CLIENT

A US based materials provider engaged Aranca to identify and undertake an assessment of Chinese companies involved in engineering plastic (EP) compounding from an acquisition standpoint.

RESEARCH METHODOLOGY

Desk research for identifying EP compounders.

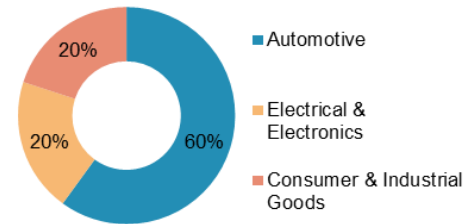
Primary research: 60+ telephonic interviews with employees of companies under study and industry experts

RESEARCH FRAMEWORK & DELIVERABLES

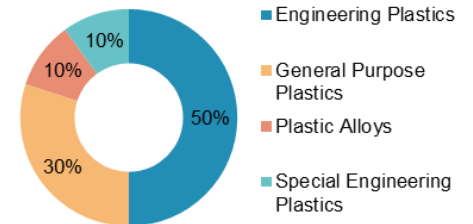
- **Identification and listing of Chinese EP Compounders:** Developed an exhaustive list of EP compounders, having capacity of over 5,000 MT.
- **Brief Profiles of Shortlisted Companies:** Prepared brief profiles of 20 shortlisted companies (independent compounders and ones with consistent work with polyamide – PA6). The profiles covered information pertaining to year of inception, ownership type, number of employees, revenues, business overview, geographic presence, product portfolio, value chain analysis, SWOT analysis etc.
- **Preparing Detailed Profiles of Shortlisted Companies:** Prepared detailed profiles of shortlisted companies covering information pertaining to revenues split by product categories, geography, end use segment; financial profile; capacity split by product; key management executives; distribution channels portrait check etc.

SAMPLE ANALYSIS TEMPLATES

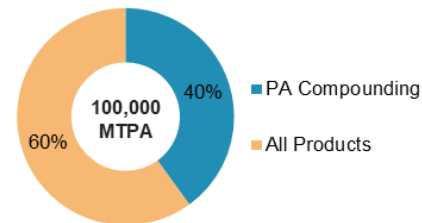
Revenue Split by End-use Segment



Revenue Breakup by Product Portfolio



Capacity Split by Product



Financial Performance: Profitability

Indicators	Profitability (2016)
Operating Margin	9.11 %
Net Margin	7.78 %

Value Chain Analysis

