

Investment analytics

Valuation Modelling Solution

Private Equity Context

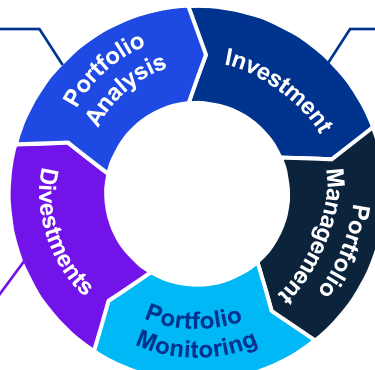
Our clients are faced with increased challenges for making in/divestment decisions, portfolio management and monitoring and effective capital allocation, including:

01 Current portfolio analysis

Periodic review of the portfolio structure, key risks and value enhancement opportunities (e.g., ESG, synergies and new projects).

05 Divestments

Periodic review of recent comparable transactions, investor sentiment and preliminary divestment analysis



02 New Investments

Overview of impact on value of key assumptions, synergies, capital allocation options and risk-return analysis

03 Portfolio Management

Periodic review of the value of the portfolio, including key movements, risk levels and mitigating action

04 Portfolio Monitoring

Periodic review of the impact in value of updating for KPIs, actuals and for strategic changes in the business plan

We support our clients to cut across significant volumes of data and benefit from quantitative insights into various outputs, while taking into account qualitative aspects as well, which will help shake the portfolio strategy and ensure optimal investment decisions.



IN/DIVESTMENTS

Understand the **current portfolio and strategy**, determine **key Management goals** and **quantify the impact** of making key strategic decisions

Develop a process and framework to identify:

- key analysis,
- key considerations,
- key options available, and
- Impact of key decisions.



PORTFOLIO MANAGEMENT

Analysis of strategic portfolio options considering:

- Strategic options appraisal tool (smell-test),
- Other wider considerations (ESG factors, mandates, existing contracts),
- Focused analysis towards the key areas critical to achieve Management goals, and
- Provide asset-level tear sheet for relevant assets.



PORTFOLIO MONITORING

Investment appraisal, monitoring and reporting

- Devise a recurring process with the Client team to update the strategic portfolio analysis – end-to-end support, and
- Further support with the help of the wider KPMG Deals Advisory team (divestment, separation, transaction, strategy, industry-expertise).

Our tailored approach

Our Investment Analytics Solution will pull together all the key value drivers from our collective analyses and experience, translating them into value implications for the strategic objective.

We draw on our extensive experience to provide the desired level of assurance that the valuation model is robust to satisfy the required purpose (for decision making, reporting, performance management and investment appraisal purposes, as well as being lean enough to be used as the main tool in day to day strategic analysis).

In particular, our solution will include the following:



Commercial and industry deal expertise, in addition to technical modelling



Tailored complexity to meet your requirements



Robust, transparent and well-structured Excel-based visualisation



Advice to shape the end product models into appropriate deliverables



Tailored for a stand-alone project as well as a portfolio of projects



Model Specification Document for clarity to the solution structure

Illustration of our deliverable

Our analytics solution is visualised in a way that it cuts through a significant volume of cross-functional data, provides “One-Integrated Insight” and allows users to perform comprehensive scenario, sensitivity and risk analysis.

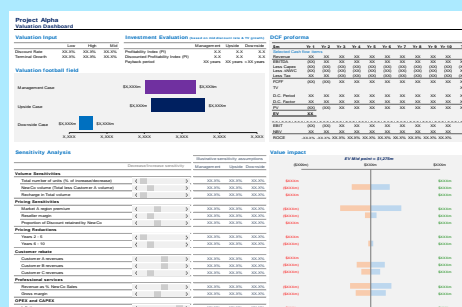
The valuation dashboard from Exhibit 1 allows users to:

- Understand and articulate key value drivers, risks and return for effective investment and divestment decisions,
- Test the value impact from flexible and adjustable scenarios and sensitivities real-time (both from a historical performance perspective and future performance perspective with forward-looking insights), and
- Estimate the risk built into the valuation based on the probability distributions of the main key value drivers.

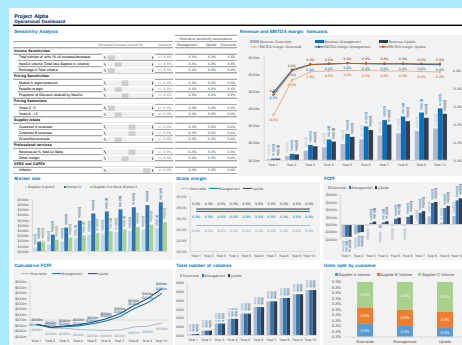
The operational dashboard from Exhibit 2 allows users to:

- Track value delivery and monitor key financial and operational KPIs,
- Test the impact on key financial and operational KPIs through the use of flexible and adjustable scenarios and sensitivities real-time,
- Understand and articulate how key financial and operational KPIs are translated into value, and
- Streamline processes to satisfy reporting requirements.

<Exhibit 1: valuation dashboard>



<Exhibit 2: operational dashboard>



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