

Investment analytics

Valuation Modelling Solution
Corporate Context



Our clients are faced with increased challenges to profitability, market pressures as well as navigating various social complexities, while devising and implementing their strategies:

Business segment analysis

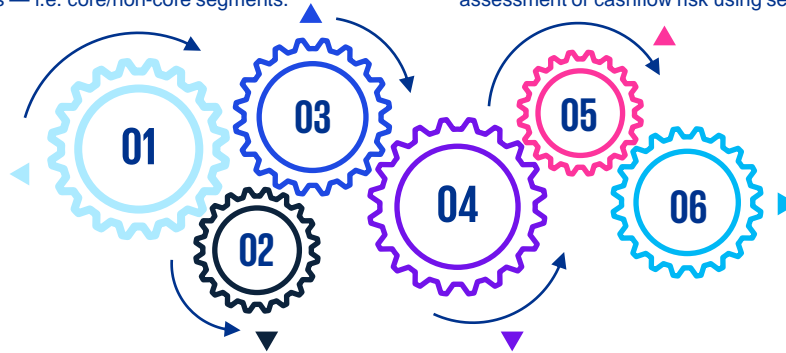
Periodic analysis of business segments including KPI benchmarking (budget, previous periods, across segments), 80-20 strategy options and classification updates — i.e. core/non-core segments.

Value monitoring

Periodic review of the impacts of updating for actuals, macro/microeconomic factors and changes in strategy, as well as assessment of cashflow risk using sensitivity, scenario and risk analysis.

Target vs. peers

Periodic analysis of industry trends, performance & capital structure and initiatives and returns.



Mergers & Acquisitions

Assessing in real time the impact of strategic options (pre-deal), strategy updates & negotiated terms (in-deal) and updates in actuals, assumptions and strategy (post-deal).

Capital allocation

Periodic review of capital allocation for both existing and new projects.

Strategy analysis

Periodic review of strategy, including of stretch goals, benchmarking to peers and development and updating of key value drivers.

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.



Business as usual (bau)

Integrated and holistic view of the business and the market

- Provide key insights into the main drivers of value in the business,
- Provide key insights into the key drivers of growth for competitors, and
- Articulate the impact from the market trends on the business.



Strategy

Speedy go/no-go decision on strategic options through rapid assessment of valuation

- Utilise a “smell-test driven” light model to rapidly assess strategic options and their returns and
- Benchmarking and market outlook analysis in the respective strategic scenarios.



Implementation

Strategy implementation support including

- Preparation of a road-map for how to implement the chosen strategy to maximise value and
- Further support with the help of the wider KPMG Deals Advisory team (including M&A, integration & separation, 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.

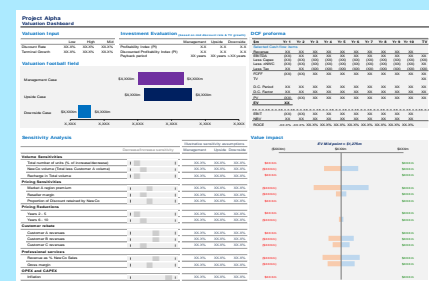
The valuation dashboard from Exhibit 1 allows users to:

- 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 in built into the valuation based on the probability distributions of the main key value drivers.

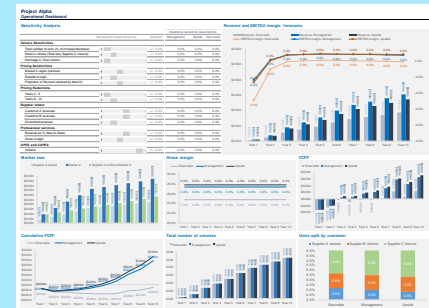
The operational dashboard from Exhibit 2 allows users to:

- 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>



Matthew Warren

Partner - Head of UK Valuations
KPMG in the UK
T: +44 (0)7717 301762
E: matthew.warren@kpmg.co.uk



Caroline Bott

Partner - Transaction Advisory
Services, Valuations
KPMG in the UK
T: +44 (0)7717 301790
E: caroline.bott@kpmg.co.uk



Lyudmila Sokolova

Partner - Transaction Advisory
Services, Valuations
KPMG in the UK
T: +44 (0)7974 308598
E: lyudmila.sokolova@kpmg.co.uk



Natalie Mueller

Partner - Transaction Advisory
Services, Valuations
KPMG in the UK
T: +44 (0)7901 331881
E: natalia.mueller@kpmg.co.uk



Farhaz Magan

Partner - Transaction Advisory
Services, Valuations
KPMG in the UK
T: +44 (0)7818 588576
E: farhaz.magan@kpmg.co.uk



Areej Ahmed

Associate Director - Transaction
Advisory Services, Valuations
KPMG in the UK
T: +44 (0)2076 943630
E: areej.ahmad@kpmg.co.uk

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