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30+ YEARS IN VIETNAM & CAMBODIA

Preliminary Financial Analysis

Why you need Preliminary Financial Analysis

The context

- You are **considering making an equity investment**.
- **Early in the Target identification and assessment** stage, you have had no or limited contact with the potential investees.
- However, **you have certain financial information** relating to the potential investees because it is either publicly available or because it has been provided to you.

Target identification/ assessment → Due diligence → Negotiation → Closing

Your considerations and your need

- You need to make an initial assessment of the potential investees. You need **an assessment that adds value to your process, be completed quickly and cost-efficiently**.
- Your **in-house resources** for financial analysis are **limited**.
- Therefore, you need **experts to conduct a Preliminary Financial Analysis** based on the available information. You need an analysis that is contextual, linked to your assessment process and can be built on as the deal progresses.

Our offer

Scope of work: Primary Financial Analysis

A set of **procedures that cover basic aspects of the financials** of the target.

- **Quality and limitations** of the financial information made available
- **Financial performance**, revenue and cost composition, unusual items.
- **Financial position** trends and composition.
- **Working capital** components and key metrics.
- **Fixed assets**, non-current assets and historical capital expenditure.
- **Cash and debt** profiles.
- **Cash flow** components.
- **Related party** transactions and balances.

Timelines and reporting

- **Flexible** work commencement. After being engaged, we will start at your request.
- **Draft report available in 5-7 working days** after financial information is provided to us.
- The work is **performed solely based on the financial information**. There will be **no Q&A with management** of the target company.
- **Reporting in KPMG-standard format**, on a short-and-concise basis focusing on significant matters, in English or Vietnamese, with one presentation session if required.

Further transaction services and support, as you may request

- After completion of the service, we would **listen to your concerns** and **consider any gaps** in the analysis and **discuss how we can provide further support**

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Service Notice

- Confidential information relating to the target company and its business that is provided to us for the purpose of performing the agreed scope of work shall be treated as strictly private and confidential and we shall take all reasonable steps necessary to preserve such confidentiality.
- While some of the procedures may be relevant for assessing information integrity, the fundamental purpose of our work is analytical in nature and the procedures that we perform will not constitute an audit, a review or an assurance engagement made in accordance with any standards on auditing, review engagements or assurance engagements.
- Our appointment to undertake the Preliminary Financial Analysis would, in all respects, be subject to the negotiation, agreement, and signing of a specific engagement letter or contract including agreement of the scope of services and to the satisfactory completion of applicable client and engagement acceptance procedures, including independence and conflict of interest checks and, where applicable, audit committee approval.

Contact us

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