

Delivering Deal Value

Your race Our commitment



PRICEWATERHOUSECOOPERS 

Brave new world

The global financial crisis has caused private equity to re-examine its business model.

Brave New World

In the brave new world after the global financial crisis, private equity investing has attracted both controversy and interest in equal measures.

There is a call for more regulations and transparency. Fundraising gets more competitive and the turbulence affecting the “real economy” has made investing more challenging.

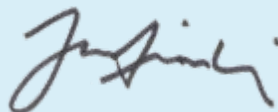
We believe private equity is embarking on a new phase. The industry is at an inflexion point as sustainable growth is now more critical than ever. Creating sustainable value at portfolio companies becomes more urgent than ever.

In the South-east Asia region, there is cause for optimism for more M&A activity in the second half of 2010 and beyond. Driven by rapid economic recovery, improving credit market, liberalisation and the need to deploy private equity capital raised prior to the crisis.

Our Commitment

We strive to deliver a differentiated approach and are committed to deliver deal value in every stage of the deal continuum to private equity houses in the South-east Asia region.

Please read on as we lay out our approach and capability to collaborate with you.



Tan Siow Ming

Transaction Services Leader

PwC SEAPEN Region

Content

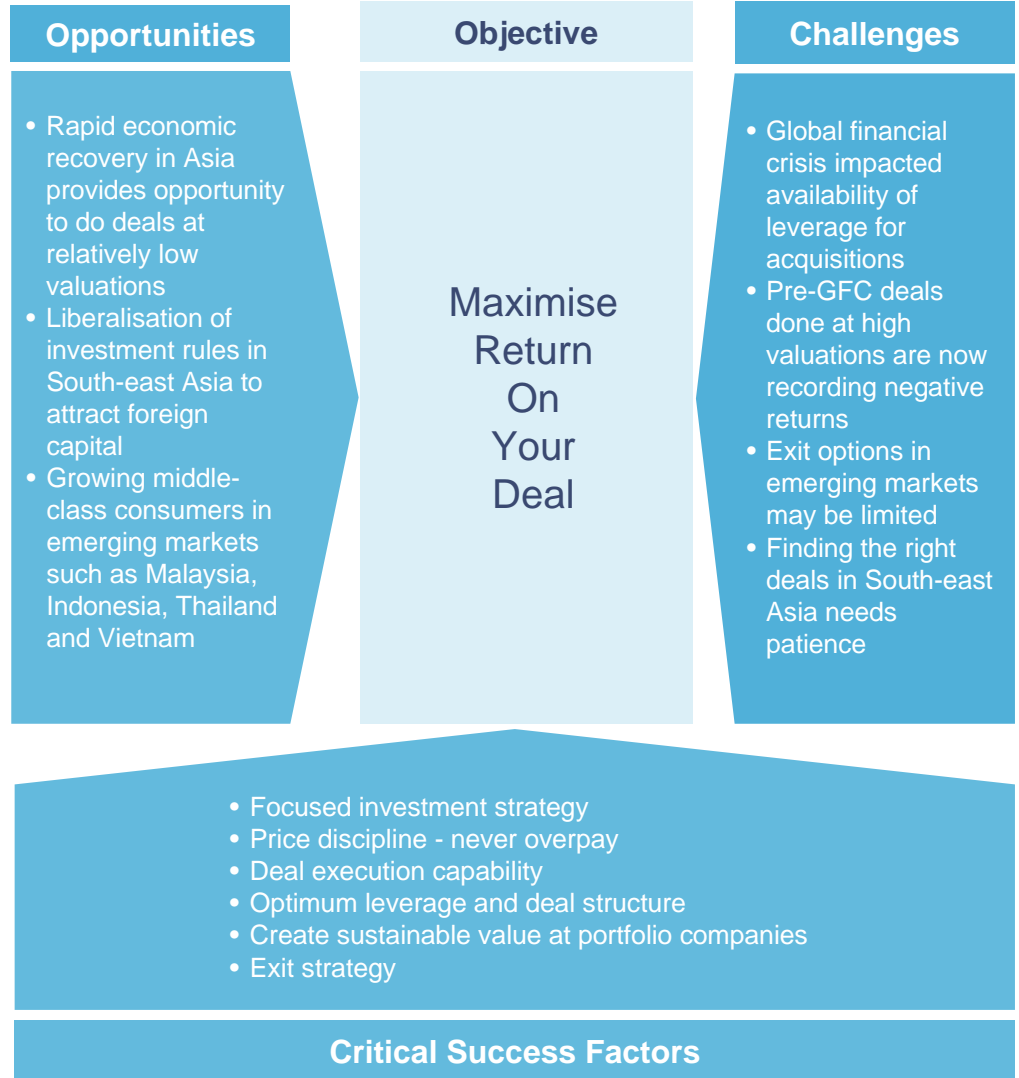
	Page
1 Your Race – Our Commitment	1
2 Your Deal – Our Support	7
3 Our Team – Your Partner	13

1 Your race Our commitment



Your race

Finding and executing the right deals in the brave new world.



Our commitment

We bring objectivity, industry knowledge and local insights to the table.




Our commitment is to help you succeed.

Deals aren't successful because they make sense on paper. We have dedicated professionals on the ground who have helped our private equity clients find, assess and execute deals and beyond. We also helped in post-deal value creation.



Sixty-two PE deals

We have extensive PE deals experience in Malaysia, Thailand and Vietnam in a wide range of industries.

PwC SEAPEN Region	Malaysia 	Thailand 	Vietnam 
PE deals since 2007	27	21	14
Industries related to PE deals	14 different industries: Healthcare, manufacturing, plantation, forestry, construction, real estate, education, retail and distribution, services, shipping, tourism, investment, gaming	6 different industries: Real estate, hospitality, healthcare, manufacturing, education, advertising	10 different industries: Retail, fund management, construction materials, shipping, hotels, fertilisers, consumer product, media, education, energy
Our value add	<ul style="list-style-type: none"> • Brought local deals to PE houses • Identified local commercial and governance risks • Identified non-recurring earnings and expenses • Assessed quality of management at the target • Identified debt and debt-like items • Analysed working capital requirement • Accounting and tax structuring advice for debt push-down • Negotiation support on purchase consideration and definitive agreement • Completion accounts review • Post-deal assistance 		

In PwC SEAPEN Region, which comprises Malaysia, Thailand, Vietnam, Cambodia and Laos, over 3000 people across these five countries share knowledge, resources and experience to best serve our clients' needs across the region.

Selected credentials

Malaysia

Project	Mirage
Our role	Financial and taxation due diligence, accounting and tax structuring advice
<p>We assisted a global PE client in its US\$1.5 billion acquisition of a listed company in the gaming industry.</p> <p>We analysed historical payout (theoretical and actual) ratios and its impact to the normalised full year EBITDA out-turn. We identified potential carve-out adjustments and stand alone cost structure of the gaming business. We provided tax and accounting advice on the acquisition structure to achieve a acquisition debt push-down to the operating entities.</p>	

Project	Beauty
Our role	Sell-side exclusive financial adviser
<p>As the sell-side exclusive financial adviser, we brought a US\$50m deal to a regional PE fund that was successfully completed. The target was a leading distributor of colour cosmetics and skincare products in Malaysia.</p> <p>We leveraged on our network in the FMCG sector in Malaysia to source the deal and acted as the sole and exclusive financial adviser for the owner of the target in this instance.</p>	

Project	Alps
Our role	Financial and taxation due diligence
<p>We assisted a real estate fund in its financial and taxation due diligence, including review of financial projections on a proposed property development project in Malaysia. The deal value was approximately US\$60m.</p> <p>We assembled a team with significant property development knowledge and identified issues that resulted in our client successfully reducing the purchase consideration for the deal.</p>	

Project	Valerie
Our role	Financial due diligence
<p>We assisted a Malaysia-based fund in its financial due diligence of a proposed investment in Vietnam.</p> <p>We had a combined team from PwC Malaysia and Vietnam. Apart from the usual financial due diligence scope, we conducted background check on the Vietnamese partner and his past investment profile and performance. We did a comprehensive analysis on the future funding requirements of the project.</p>	

Selected credentials

Thailand

Project	Star Arch
Our role	Financial and taxation due diligence
<p>We assisted a global PE fund in its financial and tax due diligence of a real estate business in Thailand.</p> <p>We assembled a team well versed with the Thai real estate industry to assist in the due diligence. We identified significant unrecorded liabilities and reviewed progress payments relating to the real estate project to support the purchase price negotiation.</p>	

Project	Vegas
Nature of Work	Financial and taxation due diligence
<p>We assisted a global PE fund in its financial and tax due diligence of an advertising company in Bangkok.</p> <p>We assembled a team with knowledge of the local media and advertising industry to address our client's concerns for the deal. Our work highlighted financial and commercial risks of the target. The client was impressed with our work and we were able to secure subsequent assignments from them.</p>	

Vietnam

Project	Wallaby
Nature of Work	Financial and taxation due diligence
<p>We assisted a Vietnam-based fund in its financial and taxation due diligence on an education institution.</p> <p>We leveraged on our prior experience on the education sector and identified a 3% downward adjustment to the reported net profit which led to a significant reduction in the proposed purchase price that was based on a multiple of the net profit.</p>	

Project name	Sauce
Nature of Work	Financial and taxation due diligence
<p>We assisted a sovereign fund in its financial and taxation due diligence on one of the largest conglomerates in Vietnam involved in the food, condiment and commercial banking sectors. We assessed the viability of the different businesses and highlighted financial impact arising from various complex debt and equity instruments embedded in the capital structure. We were therefore, able to advise the client on an appropriate transaction approach.</p>	

2 Your deal Our support



Your deal. Our support.

We listen and develop bespoke solution to match your needs in your investment life cycle.

We do not believe in a “one-size fits all” approach in bringing value to our clients.



<ul style="list-style-type: none">• Acquisition & divestment• Fund-raising advisory• Market entry analysis	<ul style="list-style-type: none">• Financial, tax, HR and IT due diligence• Business valuation• Tax and accounting structuring• Negotiation support	<ul style="list-style-type: none">• Integration planning• Post-deal operational improvements• Working capital improvement	<ul style="list-style-type: none">• Divestment advisory• Carve-outs
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We deliver deal value across the entire deal continuum



1. Finding the right deal

Understanding your strategy and deal drivers.

We have a dedicated M&A team in the PwC SEAPEN Region to bring you the right deals.

How we can assist:

- Understand your investment strategy
- Perform sectoral analyses to assess market
- Identify and pre-qualify potential targets to match your investment criteria
- Conduct high-level “fit” analysis
- Preliminary deal structure from a valuation, tax and accounting perspective

Our services:

- M&A strategy
- Deal origination
- Market entry
- Background check

We deliver deal value across the entire deal continuum



2. Assessing the deal

We provide an integrated business due diligence and support to facilitate your decision making.

We assist you to assess your deal with objectivity, industry knowledge, local insights, speed and attention to detail.

How we can assist:

- A one-stop shop for all your financial, tax, HR and IT due diligence requirements
- Leveraging on our industry knowledge appropriately
- Provide local insights on doing deals

Our services:

- Buy-side due diligence
- Business valuation
- Tax structuring advice
- Negotiation support
- Completion review

We deliver deal value across the entire deal continuum



3. Post-deal

Studies have shown that 70% of transactions erode shareholder value.

Inability to quickly realise or create sustainable value post-deal has caused erosion of shareholder value in M&As.

How we can assist:

- Assist management who have day-to-day operational responsibility to execute a 100-day plan post-deal
- Start identifying post-deal issues early in collaboration with our due diligence team
- Bring functional expertise such as financial reporting, human resource, IT, procurement, governance and tax to post-deal initiatives

Our services:

- Post-deal implementation plan
- Performance improvement
- Finance function effectiveness
- Governance, risk and control
- IT strategy review
- HR strategy review and right-sizing
- Working capital improvement
- Tax optimisation

We deliver deal value across the entire deal continuum



4. Exit strategy

We leverage our global network to find you the right buyers.

We can help maximize your value during exit by rigorously examining and selecting the best option.

How we can assist:

- Exclusive financial adviser to conduct a sale process to maximise your return

Our services:

- Sell-side advisory
- Vendor assistance
- Capital market advisory

We deliver deal value across the entire deal continuum

3 Our team Your partner



Our team. Your partner.

A team with significant private equity and cross-border experience



TAN SIOW MING

Transaction Services Leader
PwC SEAPEN Region

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Siow Ming has over 20 years professional experience in New York, USA and Malaysia. He has advised both private equity and corporate clients in deal advisory, due diligence, negotiation support and post-deal services. He has been involved in M&As in a range of industries in Malaysia, Thailand, Vietnam, Cambodia, Indonesia, India, China, the United States and Australia.



CHAVEEWAN AKSORNSAWADDI

Partner, Thailand

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Chaveewan has broad professional experience serving both strategic and financial investors in all aspects of mergers, acquisitions, and divestitures. Chaveewan specialises primarily in deals in various industries, including insurance, banking, securities business, manufacturing, automotive and entertainment, energy and real estate.



STEPHEN GASKILL

Partner, Vietnam and Cambodia

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Stephen has experience delivering corporate finance, due diligence, business valuation and strategic restructuring services to international and domestic clients. Stephen joined PwC Vietnam in 2005 but has extensive experience of the Vietnam market having worked in both Hanoi and Ho Chi Minh City for a total of over 10 years. Stephen spent 4 years in commercial companies as Finance Manager.



ALBERT LEE

Associate Director, Malaysia

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Albert has more than 12 years experience spanning assurance and transaction services. Albert spent 2 years at PwC New York assisting top-tier buyout funds in their acquisitions, including Apollo Management, Permira Advisors and Cerberus Capital. Albert has extensive experience in performing financial due diligences in a wide range of industries with deal size ranging from US\$10 million to US\$11 billion.



GANESH GUNARATNAM

Associate Director, Malaysia

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Ganesh has more than 11 years experience, including 2 years at PwC London. Ganesh's extensive mergers and acquisitions experience includes financial due diligence, review of financial models and deal advisory work in a wide range of industries, including telecoms and hospitality.

