

Supporting PEs at the moment of change

Samil PwC CMAAS Private Equity Service





As a common link between the private equity sponsor and the portfolio company, PE and PE portfolio's CFOs have a uniquely challenging position, requiring exceptional technical skills, a highly agile sense of deal dynamics, and the holistic leadership to drive the value creation initiatives.

And we've got your back.

As the go-to-partner to the private equity community, Samil PwC CMAAS (Capital Markets and Accounting Advisory Service) consultants work alongside sponsor management teams – focusing exclusively within the Office of the CFO. We're committed to empowering the entire finance function – including technical accounting support, post-acquisition integration, FP&A enhancements, and exit planning. While our services may be many, our focus remains on one singular priority: flawless execution.

Pre-Closing

- Advice on technical accounting issues and reporting considerations related to deal structuring or financing plan (e.g., determination of control ownership, equity vs. liability for mezzanine investments, earn-outs and options, etc.)
- As part of diligence, identify and evaluate areas of significant accounting and reporting complexity (e.g., revenue, leasing, consolidation, financial instruments, etc.)
- Review Stock/Asset Purchase Agreements from the perspective of accounting implication

Day 1 through the first 100 days

- Advise PE and portfolio company on acquisition accounting issues including:
 - Day 1 closing (determination of target's closing balance and HoldCo's beginning balance)
 - Set-up of fund and target's new accounting policy (including GAAP conversion)
 - Accounting and reporting advice on legal entity reorganization (e.g., reverse merger, carve-outs, etc.)
 - Advice on post-deal dispute related to SPA Representation & Warranties on accounting matters
- Re-design, upskill and digitize the closing & FP&A process to ensure the quality and timeliness of financial reporting & KPI monitoring
- Support the integration management office (IMO) to ensure the 'business as usual' and launch the value creation roadmap

Ongoing ownership

- GAAP conversions (to IFRS, US, JP, PRC, and Vietnamese GAAP) and adoption of new standards
- Support from the regular closing to building and defending preferred 'accounting positions'
- Support the enhancement of financial reporting process and related internal controls
- Delivers interim resources for the financial leadership or staff roles

Exit

- Assess the IPO readiness, support the IPO project management office, and draft offering documents
- Support structuring carve-outs, extracting carve-out financials, and reporting the carve-out deal results (e.g. US 144A filing, China MAR filing)
- Advise the complex accounting matters encountered during the vendor's due diligence

We know how and what CFO thinks.



We know you speak numbers. PwC CMAAS, being the 'language provider' of PwC Private Equity service, excels at developing the reliable numbers that run through the whole spectrum of our services

We know you love the two birds with one stone; the speed and accuracy. PwC CMAAS harnesses the cutting-edge digital capabilities to advance your financial operation

We know you've got innovation and value creation on your shoulder. With a uniquely positioned project management capability, PwC CMAAS can help you effectively lead the value creation initiatives

Examples of PwC CMAAS PE Services:



Deal structuring advisory

For a joint investment between a PE and strategic investors, we advised on the deal structure and the terms and conditions of shareholders' agreement to ensure the preferred solution on the question of which party to consolidate the target and the accounting treatment of hybrid securities.



Management reporting design & execution

We have helped improving the poor financial reporting capabilities of a small and medium-sized enterprise acquired by a PE, that has led to accelerating the closing schedule to within D+5 days without hiring additional employees and has enabled quick and accurate reporting of KPI performance (using Power BI).



Accounting change

To be in line with the planned exit of a portfolio company, we have developed robust reasonings for the change of accounting estimates of the company and elicited the auditor's buy-in. Such change in accounting estimation was enabled by performing analyses of big data with use of Alteryx.



IPO readiness

For the out-bound listing of Korean companies (to the stock markets in the US, Singapore, Hong Kong, etc.) and the in-bound listing of overseas companies, we supported the roadmap establishment, feasibility studies (i.e. mock review with the underwriters' diligence checklist), and preparation of public disclosure documents related to the listing.



Testimonials from the clients we served:

"PwC, with use of digital tools, has offered an in-depth data analysis and innovative work efficiency that could not be expected from other accounting firms."

"With the help of PwC's global network, we were able to oversee a seamless post-acquisition transformation of the overseas target's financial operation model."



About us

As a CFO of a PE or a PE-portfolio company, whether you are taking your first steps to invest in a target or have an established operation that undergoes various regulatory and strategic changes, we can support you to address the key issues you face.

By working with PwC CMAAS, you can obtain comprehensive support to optimize your decisions and access the wealth of experience we have in advising on the many aspects of deal life cycle. We are here to help you close deals successfully, operate efficiently and achieve your overall deal objectives



Contact



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Sungho and our PwC CMAAS partners draw upon a combined specialism to provide insights you can leverage.



**Samil PwC
Private Equity
Services**

Samil PwC has an established Private Equity Group that brings together a multidisciplinary team dedicated to serving the PE community and their portfolio companies.

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