

LP-led Deals

Proactive Pricing / Fund
Monitoring

March 2024



LP-led Deals

How TresVista undertook the quarterly valuation exercise to proactively price a list of funds?

Request and Guidelines Provided

- The client requested assistance with tracking the quarterly valuation movement across a list of funds. These are typically the funds present across many LP-led deal and thus are of interest to the client
- The client required outputs which included preparing a detailed valuation of the top assets across the deal analyzing financial profile and public comparable exercise to understand the industry multiples
- Finally, the TresVista team writes Fund Assessment and Deal Team Commentary. The team also collates the outputs from the different models in on PPT for further discussions as the client's end

Methodology

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| Evaluating Top Assets in the Portfolio | <ul style="list-style-type: none">▪ Identifying the top 80% assets in the deal portfolio (based on NAV)▪ Conduct a detailed analysis covering their financial performance, current valuation and leverage multiples▪ Further investigate the assets with significant movement during the quarter and identify the underlying reasons |
| Peer Company Analysis | <ul style="list-style-type: none">▪ The team conducted a public comparable analysis to understand the valuation of the assets compared to the industry average |
| Movement since Last Quarter | <ul style="list-style-type: none">▪ Tracking the movements in the valuations since the last quarter▪ Comparing the returns on the assets which were realized in the past quarter to the overall performance during the holding period |

Final Deliverable and Value-add

- The team has created a quarterly process which includes going through multiple fund reporting documents to source required data points and help the client track movements across the top assets. The VP conducts internal discussions and presentations to help provide the client with additional commentary covering external factors
- The output included a summary of the valuation analysis (current multiple, closing multiple, and peer average) and financial performance during the last quarter
- The TresVista team also holds quarterly discussions with the client's coverage team to present their underwriting and incorporate coverage team's suggestions

Snapshots of the Output

Project ABC Underlying Portfolio Analysis

| | Company | Fund | % of Q3'23 NAV | GP Holding Multiple ¹ | LTM Comps Multiple | 10-Year Comps Multiple | 2010-2015 Comps Multiple | LTM Revenue Growth ^{1,2} | LTM EBITDA Growth ^{1,2} | Leverage Multiple ¹ |
|---------------------------------------|----------|--------|----------------|----------------------------------|--------------------|------------------------|--------------------------|-----------------------------------|----------------------------------|--------------------------------|
| 1 | Asset 1 | Fund 1 | 6.6% | 19.8x | 19.5x | 20.0x | 15.1x | 26.4% | 33.3% | 5.8x |
| 2 | Asset 2 | Fund 3 | 4.6% | 11.6x | 11.5x | 12.2x | 13.1x | 33.6% | 49.6% | 4.1x |
| 3 | Asset 3 | Fund 6 | 3.8% | 19.9x | 19.0x | 19.5x | 12.9x | 48.1% | 56.3% | 4.1x |
| 4 | Asset 4 | Fund 8 | 3.6% | 14.1x | 14.5x | 15.0x | 12.9x | 15.3% | 21.2% | 4.5x |
| 5 | Asset 5 | Fund 5 | 3.0% | 13.1x | 13.5x | 13.2x | 12.0x | 20.3% | 3.2% | 5.2x |
| 6 | Asset 6 | Fund 7 | 2.9% | 15.4x | 15.5x | 15.1x | 12.5x | 13.5% | 26.9% | 3.0x |
| 7 | Asset 7 | Fund 6 | 2.8% | 6.2x | 6.5x | 6.8x | 7.5x | 48.5% | 66.4% | 0.8x |
| 8 | Asset 8 | Fund 9 | 2.7% | 12.4x | 13.0x | 13.0x | 14.8x | 3.5% | 48.4% | 5.4x |
| 9 | Asset 9 | Fund 1 | 2.6% | 15.2x | 14.8x | 15.9x | 11.7x | 13.8% | 9.5% | 6.5x |
| 10 | Asset 10 | Fund 2 | 2.6% | 11.8x | 12.3x | 12.0x | 10.5x | -8.4% | -6.3% | 7.9x |
| 11 | Asset 11 | Fund 8 | 2.5% | 13.4x | 14.0x | 13.5x | 22.3x | 23.3% | 29.5% | 5.2x |
| 12 | Asset 12 | Fund 5 | 2.4% | 10.4x | 10.5x | 10.5x | 11.3x | N/M | N/M | 3.9x |
| 13 | Asset 13 | Fund 1 | 2.4% | 20.4x | 20.8x | 20.5x | 26.9x | 16.1% | 31.6% | 6.6x |
| 14 | Asset 14 | Fund 9 | 2.2% | 22.0x | 21.2x | 21.0x | 23.9x | 22.4% | 31.5% | 10.6x |
| 15 | Asset 15 | Fund 6 | 2.1% | 12.9x | 13.7x | 13.0x | 11.8x | 10.8% | 9.7% | 6.0x |
| 16 | Asset 16 | Fund 3 | 2.1% | 24.1x | 25.0x | 25.0x | 25.9x | 7.3% | -17.9% | 7.9x |
| 17 | Asset 17 | Fund 7 | 2.1% | 19.4x | 19.1x | 19.8x | 11.9x | 21.0% | 14.5% | 5.7x |
| 18 | Asset 18 | Fund 5 | 2.1% | 9.3x | 9.9x | 9.5x | 14.5x | -2.1% | 22.2% | 4.3x |
| 19 | Asset 19 | Fund 6 | 2.0% | -53.6x | NM | NM | 16.1x | 36.0% | -35.9% | -11.6x |
| 20 | Asset 20 | Fund 2 | 2.0% | 14.0x | 15.3x | 15.0x | 11.0x | 6.8% | 2.4% | 5.8x |
| TOP 20 ASSETS WEIGHTED AVERAGE | | | 57.4% | 12.8x | 14.8x | 14.9x | 14.6x | 19.9% | 23.8% | 4.7x |



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