

LDS PARTNERS, EMPOWERING DATA DRIVEN PRIVATE EQUITY AND VENTURE CAPITAL INVESTORS

Founded in 2011, LDS Partners has a wide range of clients from General Partners to Limited Partners, Asset Managers, Fund Managers, Pension Funds, 3rd Party AIFMs, Funds of Funds and Development Finance Institutions.

```
def set_type(self, assettype):
    self.__assettype = assettype

1
2
3
4
def get_type(self):
    return self.__assettype

5
6
7
def set_class(self, assetclass):
    self.__assetclass = assetclass

8
9
def get_class(self):
    return self.__assetclass

10
11
12
def set_geography(self, assetgeography):
    self.__assetgeography = assetgeography

13
14
15
def get_geography(self):
    return self.__assetgeography

16
17
18
def set_vintage(self, assetvintage):
    self.__assetvintage = assetvintage

19
20
21
def get_vintage(self):
    return self.__assetvintage

# Class IdentifyAssets provides the characteristics of the asset being
```

2019

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WE EXTRACT VALUE FROM YOUR DATA

COMBINING OUR DEEP PRIVATE EQUITY KNOWLEDGE WITH

THE LATEST, MOST PERFORMANT TECHNOLOGIES

LDS Partners

LDS Partners has been in the market since 2011.

Clients of LDS Partners manage **€18.5Bn** of Private Equity assets.

LDS Partners **analyses your portfolio** to fathom the **optimal strategies and highlight the real value creators**.

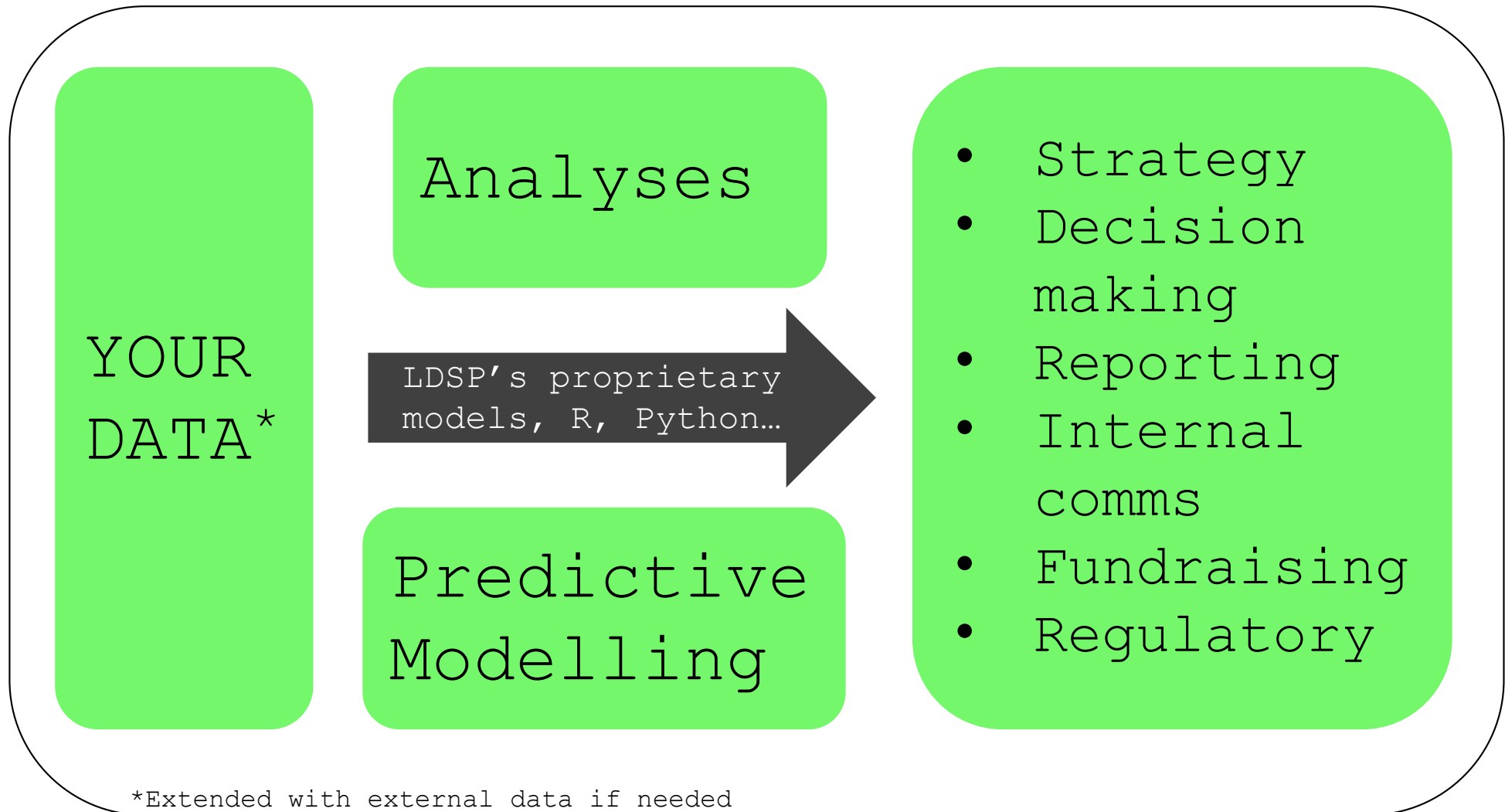
LDS Partners serves **data-driven investors** in private markets by the **predictive modelling** of investment portfolios, both synthetic and actual.

Our analyses are based on **asset-class specific algorithms** as designed, back- tested and continuously **refined over the last decade**.

Our clients are asset managers as well as asset owners who employ our services and analyses **to support their decision-making process, in risk mitigation and to communicate and report to their stakeholders**.

LDS Partners **adds specific niche skills to your team**.

We start from your data



8 years of experience

Analyses and predictive modelling have been done for:

- Financial and government institutions - Limited partners
- Funds of funds
- General partners
- Portfolios of up to 500 funds
- Portfolios of up to 70 direct investments

During these missions we have for investors in developed, developing and frontier markets:

- Analysed >850 funds
- Analysed >50 portfolios of funds of funds, or direct investments in companies, or mixed
- Analysed >350 direct investments

What, how and for whom

<div>What</div> <div>How</div> <div>For whom</div>	STOCHASTIC/ MONTE CARLO SIMULATIONS	HIGH END CUSTOM-MADE ANALYSES		
				GENERAL PARTNERS
	MONITORING AND DECISION MAKING	FOUNDED IN 2011	LIMITED PARTNERS	ASSET MANAGERS
	DESIGNING INVESTMENT STRATEGIES AND PROGRAMMES BY MODELLING THE OUTCOME			THIRD PARTY OBJECTIVE ANALYSES
		PROPRIETARY ALGORITHMS	FUND MANAGERS	
	TRANSPARENT OR "LDSP INSIDE"		RISK MANAGEMENT	PENSION FUNDS

We have a double impact

1. Quantified appreciation of the assets
2. Our analyses impact the team's reflections on private equity, alterations to investment strategies and memos, more efficient internal communication and more solid communication to stakeholders and regulators

PE, a mainstream asset class with its specific identity – Kinds of missions

REPORTING: STANDARDISING DATA GATHERING, RISK MANAGEMENT REPORTING TEMPLATES...			PRIVATE EQUITY STRATEGIC INPUT	
		RISK FACTORS: ASSESSMENT OF CURRENT RISK FACTORS, INTRODUCTION OF NEW KEY RISK INDICATORS...		
	MONITORING: INTRODUCTION OF DASHBOARDS, QUARTERLY PROJECTIONS OF IRR/TVPI/..., CASH FLOW FORECASTING...			
RISK MANAGEMENT: CONSTITUTION OF RISK MANAGEMENT POLICY, INTRODUCING RISK MANAGER, RISK MGT INFRASTRUCTURE...			MODELS: PE SPECIFIC MODELS/MODELLING, ALIGN PRIVATE EQUITY MODELS AND PARENT COMPANY PRACTICES...	
		SECONDARIES: PROJECTIONS OF EXPECTED FINAL RETURNS, PRICE SETTING, INNOVATIVE STRUCTURING		
	DATA: DATABASE OPTIMISATION, FUND ADMIN SELECTION & MIGRATION, DB VALIDATION...			LDS PARTNERS

Typical mission - LP

Mission: Large institution wishing to enter the private equity space.

LDS Partners' output	Impact on our clients
<ul style="list-style-type: none">• Predictive simulations on the basis of the main factors of the investment strategy• Analysis of the obtained expected final returns• Analysis of the FX impact• Analysis of the impact of regions, sectors, ticket sizes etc...	<ul style="list-style-type: none">• The original investment strategy was tweaked and presented to the investment committee and board• The programme is currently up and running• The resulting analyses were used in discussions with potential mandate holders

Typical mission – LP/GP

Mission: analyses of large portfolios since inception.
Understanding the portfolio dynamics, its value creators, its successful strategies, its successful regions...

LDS Partners' output	Impact on our clients
<ul style="list-style-type: none">• Assessment and completion of the database• Calculation of performance (IRR/TVPI/Rolling IRRs)• Slice the portfolio in regions, fund sizes, company sizes etc. and calculate the performance indicators• Analyses of FX impact• Predictive modelling of current active portfolio• Benchmarking	<ul style="list-style-type: none">• Present and future investment strategies were adapted• Better and clearer understanding of value creators and destructors• Understanding of real FX impact• Extraction of success factors• Introduction of e.g. Internal Age as more meaningful indicator for fund maturity definition• Reporting to board and stakeholders• Better and more efficient internal communications• Streamlining of database and finetuning of inputting rules in function of wished for analyses• Objective 3rd party view

Typical mission - GP

Mission: ad hoc and recurrent analyses of GP funds

LDS Partners' output	Impact on our clients
<ul style="list-style-type: none">• Results of the modelling of expected final returns - probabilities of multiple (TVPI) and IRR• Cash flow forecasting• Liquidity profile• Value at Risk - VaR - at different levels of comfort• Stress testing, including FX• Evolution of the outlook for the portfolio across time explained• Benchmarking	<ul style="list-style-type: none">• Portfolio construction stress tested• Stay ahead of the curve with regard to stakeholder reporting, investment decision making and internal communications• Prioritisation of management time allocation to portfolio companies• Regulatory reporting• On investment criteria - deeper analysis of diversification• FX considerations - hedging• Individual investment view complemented by a portfolio view• Risk management• Fundraising for next fund• Objective 3rd party view

Typical mission - GP

Mission: analyses of GP's portfolio of funds for fundraising purposes

LDS Partners' output	Impact on our clients
<ul style="list-style-type: none">• Study of the different funds of a GP in function of liquidity profiles, strategy, returns• Comparison of the results for different funds with an appreciation of the differences• Main take-aways for fundraising purposes• Main questions to be answered for fundraising purposes	<ul style="list-style-type: none">• A different view on the consecutive funds - pertinent questions that will come from LPs were answered• Adaptation of future portfolio construction and management• Extension of the reporting - internally and externally• Objective 3rd party view

Typical mission - LP

Mission: assessment of main indicators currently used and their reduction/expansion

LDS Partners' output	Impact on our clients
<ul style="list-style-type: none">• LDSP assessed all indicators produced by a fund of funds for its investments decisions, internal and external communication• Assessment done on the purpose of the indicators, do they measure what they are supposed to measure and is there complementarity between them• Assessing possibility of indicators that are forward looking - future returns, cash flow forecasting, VaR,...	<ul style="list-style-type: none">• A number of parameters were abandoned since potentially misleading or high workload for very little insight• Introduction of forward looking parameters• Introduction of grading system combining streamlined system for GP scoring, fund scoring and market validation• Resulting in more robust screening process and more robust internal and external communications, including forward looking indicators

Typical mission – GP

Mission: validation of complex financing instruments in private equity

LDS Partners' output	Impact on our clients
<ul style="list-style-type: none">• Results of the modelling of expected final returns – probabilities of multiple (TVPI) and IRR• Cash flow forecasting• Liquidity profile• Value at Risk – VaR – at different comfort levels• Stress testing, including FX• Benchmarking	<ul style="list-style-type: none">• Statistical validation of the business model• Reporting to investors• Stress testing in view of Brexit – predominantly FX• Validation of our predictive modelling through the years of servicing the same clients

Typical mission - LP

Mission: upgrade of existing scenario-based projections as well as stochastic modelling
Clients already project their expected future returns but seek more sophistication

LDS Partners' output	Impact on our clients
<ul style="list-style-type: none">• Understand the wishes of the client as well as the indicators he/she wishes to produce, e.g. returns, cashflow patterns, exit timings, VaR, stress testing...• Assessing existing scenarios and modelling• Work with the client towards more sophistication and narrower results	<ul style="list-style-type: none">• Better understanding of the portfolio's dynamics• Better understanding of the strengths and weaknesses of the portfolio• View on returns in function of probabilities of achieving them• Extension of the investment criteria• More sophistication and higher predictive power in reporting to stakeholders• Better internal communication• Stronger narrative for future fundraising

Expert's profiles

DIDIER GUENNOC, PhD

- 20 years of private equity experience
- R and Python specialist
- Modelling expert
- Former secretary general of IPEV - the International private equity valuations guidelines board
- Advisor to EU and other institutions on Basel agreements, AIFMD, access to finance, as well as various fund initiatives
- PhD in Business Administration and Master in Econometrics

MIRELA ENE, CFA

- 20 years of private equity experience
- Data specialist
- Private Equity researcher
- Architect of the pan-European private equity database of Invest Europe - PEREP_Analytics
- MBA
- CFA Charter holder since 2005

Some references



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