EQUITY GROWTH INTERNATIONAL
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Serving Private Equity, Private Family Office, Investment Banking, Wealth Management, M&A & Private Company Owners

Delivering Perfect Result of Optimum Company Sale Value Through our Fortune 500 regimen of performance improvement remedy

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Direct experience of improved profits for 57 of the Fortune 500 companies & represented over 200 M&A transactions

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PRIVATE EQUITY PORTFOLIO PRESSURE TEST

PE firms generate most of their performance when they sell portfolio companies at substantial profits. Laggards create real drag on overall portfolio valuw.

EGI provides private equity clients with a proprietary "SVR (Significant Value Reduction) Laggard Measure" based on the following inputs

- **How are you measuring lost equity now?**
- **How much equity is the portfolio anticipating leaving on the table?**
- **As you rank your portfolio companies, which are in the lower one-half of the portfolio performance?**
- **Which companies are in the lower one quarter of the portfolio performance?**
- **Which sluggish performance companies are flying in the lower 30% of its proforma plan**
- **What is the burden factor - "significant value reduction total" (SVR) - of the total of all laggards?**
- **What is the effect of the laggards dragging down strong gains elsewhere?**
- **What would the aggregated returns of the whole portfolio be when the damaging laggards are perfected?**
- **Of the companies which have low performance returns and are a drag on aggregated portfolio return, what hasn't been done to perfect performance?**
- **What innovative tool has management not deployed to turnaround laggards?**
- **For what period is the portfolio permitting laggards at damaging returns?**
- **Is Management accepting in aggregation the safe harbor that bad performers are acceptable (e.g. merely allowing for 20% failure rate).**
- **What is Management's laggard and bad performer mitigation policy?**