KPMG

# Transaction Services – Deal Advisory

04 August 2025

# Agenda

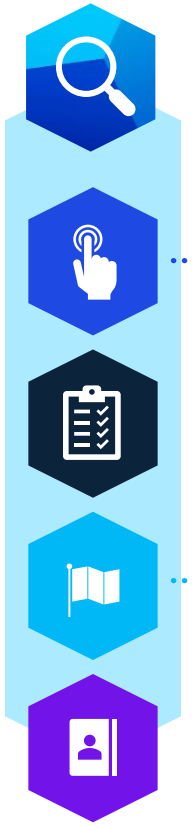
Introduction to Due Diligence

Triggers for a DD

Key characteristics of DD

Marquee Transactions/ Credentials

Benefits and way forward



# What is Due Diligence

A comprehensive appraisal of a business undertaken by a prospective buyer or seller, especially to establish its assets and liabilities and evaluate its commercial potential.

# Types of DD reviews

- Financial Due Diligence
- Tax Due Diligence
- Legal Due Diligence
- ESG Due Diligence
- Commercial / Operational Due Diligence
- Human Resources Due Diligence
- IT Due Diligence

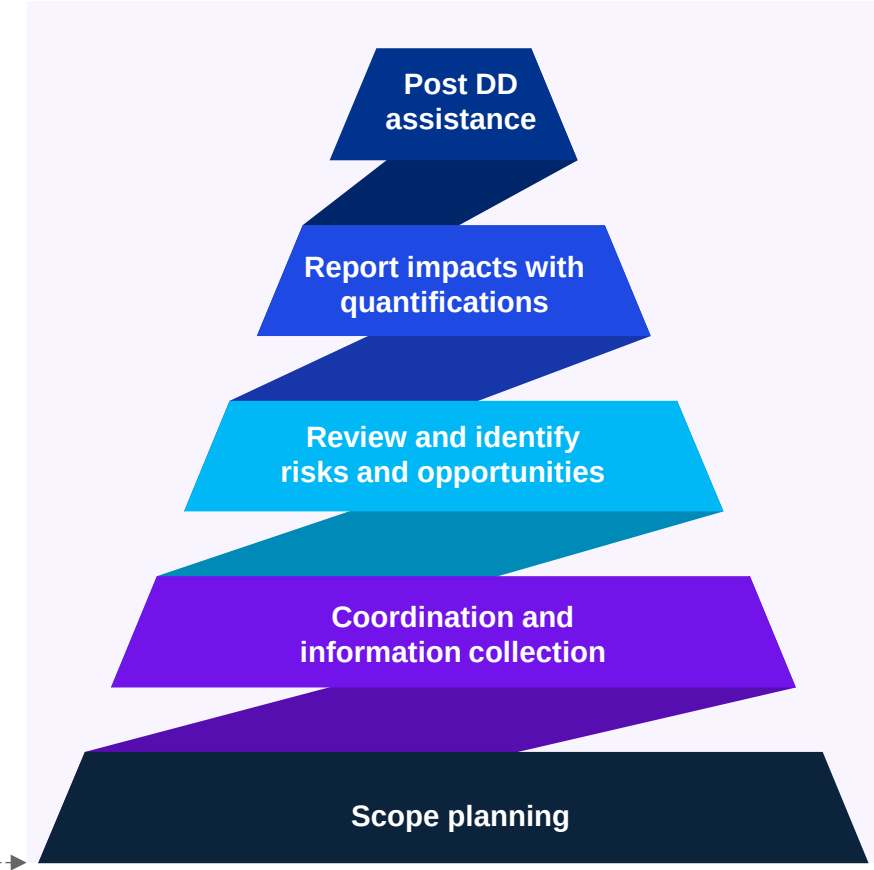
# Triggers for a due diligence

# Our approach

**Valuation and M&A services**


**Deal execution**

**Due Diligence**



# Key characteristics

| Due Diligence | | Audit |
|---|---|---|
| Specific focus areas and typically covering 02 to 03 years | Scope | Annual review of financial statements for compliance with standards and regulations |
| Customizable to the needs and client requirements | Method | Standardized processes following regulatory frameworks and auditing standards |
| Financial performance, risks and potential adjustments affecting business value | Focus | Accuracy and integrity of financial records and reporting |
| Typically around 3-4 weeks within the deal timeline | Timeline | Annually or at fixed intervals |
| Detailed presentation including key findings, analysis and actionable recommendations | Reporting | Audit report and optional Management letter |

# Marquee Transactions/Credentials

## SOEs'

For privatization purposes, vendor due diligence assistance on,

- **Srilankan Airlines**
- **Hotel Developers (Hilton)**
- **Sri Lanka Insurance Corporation**

## Regulated industries

- **Norfund's** minority stake in **NDB**
- **Allianz's** majority stake in **Janashakthi General Insurance**
- **AIA's** investment in **Aviva NDB Insurance**
- Multiple **NBFI's** for consolidation regulations in 2014 and 2022

## Manufacturing

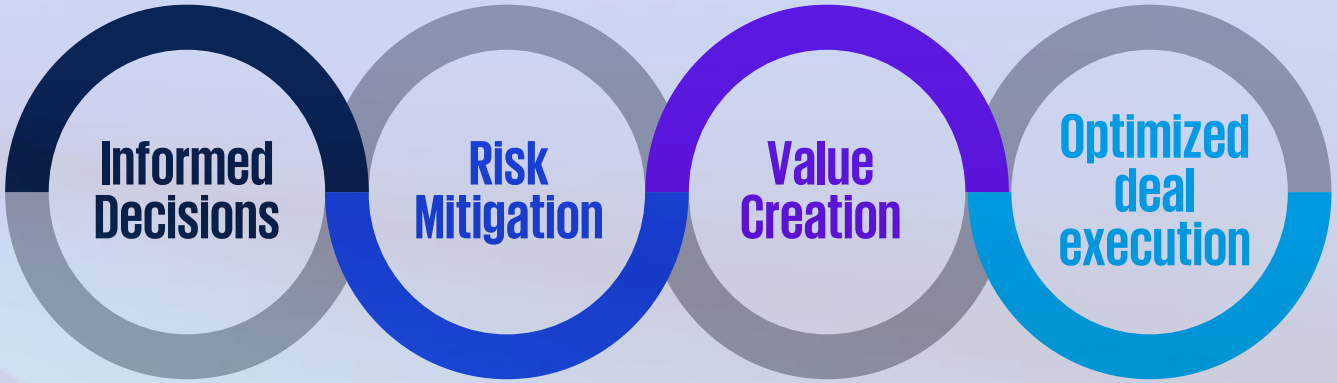
- Joint venture between **Hayleys Global Beverages** and **Martin Bauer Group**
- **Hemas Holding's** controlling interest on **Atlas Axiata**
- Merge between **Holcim and Lafarge Mahaweli Cement**

## Others

- **CAL & consortium's** investment in **Barista and Colombo Coffee Company**
- **Hayleys Advantis's** majority stake investment in **IML Delivery System**
- **Dentsu Aegis Network's** investment in **Grant Group**
- **Blackstone's** investment in **Maldivian Air Taxi & Trans Maldivian Airways**

"You don’t get a second chance to make a first impression in a sale process."

# Q&A




# Contact us

## Leadership Team

### Shiluka Goonewardene

**Principal – Deal Advisory, Head of Advisory**

- Shiluka heads the Deal Advisory division for KPMG in Sri Lanka and counts over 20 years of experience in the spheres of Corporate Finance, Transaction Services, Mergers and Acquisitions and Real Estate Advisory Services

### Karthikeyan Somasundaram

**Principal – Deal Advisory**

- Karthik is the Principal for Deal Advisory specializing in Transaction Services. He counts over 15 years of experience in managing Due Diligence, SPA assistance and Post Completion Support covering various industries.

## Senior Engagement Team

### Maathangi Aruljothynathan

**Associate Director – Deal Advisory**

### Nilupul Weerasinghe

**Senior Manager – Deal Advisory**

### Nimesha Jayamanne

**Deputy Manager – Deal Advisory**