



TERMS OF REFERENCE

CONSULTANCY SERVICES FOR BUSINESS VALUATION AND STRATEGIC ADVISORY

1. Background

Press Corporation Plc (PCL), incorporated in Malawi and listed on the Malawi Stock Exchange (MSE), is Malawi's largest holding company with interests in several subsidiary companies, joint ventures and associated companies, in financial services, energy, hospitality, telecommunications and property management, among others. PCL's strategic approach emphasizes growth through investments in new projects and ventures, and in both green and brown fields. More details can be accessed on www.presscorp.com.

PCL is currently undertaking a strategic review of one of its investments to address critical challenges. As part of this review, PCL intends to conduct a thorough valuation to assess the current status and future prospects of the investment.

To achieve this objective, PCL seeks to engage a qualified consultant to conduct a comprehensive review of the investment and determine a valuation on a going concern basis. The consultant's analysis and recommendations will provide PCL with a clear and actionable roadmap in order to effectively respond to the challenges at hand and guide the investment's future strategic direction.

2. Objectives

The general objective of this consultancy is to provide PCL with a comprehensive understanding of the current value and financial standing of its investment, while also offering strategic insights into potential partnerships and collaborations. Additionally, the consultancy aims to evaluate the business's strategic direction and identify ways to mitigate challenges such as foreign exchange volatility, ensuring the business is well-positioned for future growth and sustainability. Specifically, the objectives are:

- To carry out a comprehensive business valuation exercise to assess the current value and financial standing of the investment, utilizing established valuation methodologies.
- To provide expert advice on any plausible partnerships or collaborations within the business, considering the prevailing operating environment and market conditions
- To evaluate the business's strategic direction and provide recommendations for improvements or adjustments to align with current industry trends and competitive pressures.
- To develop strategies to address and mitigate foreign exchange challenges impacting the investment's operations.

3. Scope of Consultancy

The scope of work for this project includes, but is not limited to:

3.1 Business Valuation Exercise

- Conduct a detailed and thorough business valuation using established methodologies such as discounted cash flow (DCF), comparable company analysis and precedent transactions to determine the current value of the investment.
- Assess the financial standing of the business by analyzing financial statements, historical performance and relevant market data.
- Provide a comprehensive report outlining the valuation findings, assumptions and any significant risks or factors impacting the valuation.

3.2 Advice on Partnerships and Collaborations

- Analyze the business environment, including market conditions, regulatory frameworks and competitive landscape, to identify potential partnership or collaboration opportunities.
- Assess the suitability of different partnership structures (e.g., joint ventures, strategic alliances, mergers) in the context of the business's current operations and future growth potential.
- Provide recommendations on the feasibility of proposed partnerships, including the potential benefits and risks, and outline the steps for forging successful collaborations.

3.3 Evaluation of Strategic Direction

- Review the business's current strategic plan, goals and objectives to assess alignment with industry trends and market dynamics.
- Conduct a SWOT analysis to identify strengths, weaknesses, opportunities, and threats, considering both internal factors and external market conditions.
- Provide actionable recommendations for refining or adjusting the business's strategic direction to improve competitiveness, profitability and long-term sustainability.

3.4 Strategies for Mitigating Foreign Exchange Challenges

- Analyze the impact of foreign exchange fluctuations on the investment's operations, including revenue, costs and profitability.
- Propose actionable strategies to address forex issues, such as hedging, supplier agreements, or operational adjustments.

4. Key Deliverables

The following are the key deliverables for the assignment:

- Inception Report:** A detailed work plan, including methodology, timelines and milestones.
- Business Valuation Report:** A comprehensive valuation of the business, including financial performance assessment, key metrics, and risk factors.
- Partnerships and Collaborations Advice:** A report identifying potential partnership opportunities, recommended structures, and an action plan for implementation.
- Strategic Direction Evaluation:** A review of the business's strategic plan, SWOT analysis, and actionable recommendations for aligning with industry trends and enhancing competitiveness.
- Foreign Exchange Mitigation Strategy:** A detailed analysis of foreign exchange risks and recommended strategies to mitigate these challenges.

- Final Consultancy Report:** A summary report consolidating all findings and recommendations, with an actionable roadmap for implementation.
- Presentation:** A presentation of the key findings and recommendations to PCL's Executive Management and Board of Directors.

All the deliverables will be submitted both electronically and in hard copy.

5. Duration

The timeline for this assignment is expected to be 4 weeks, with a final report due no later than the end of the fourth week.

6. Qualifications

PCL is seeking an individual consultant or a team of consultants with proven expertise in business valuations and advising on plausible partnerships. The ideal consultant(s) must have a demonstrated track record in conducting comprehensive business valuations and providing strategic advice on potential partnerships. The consultant(s) should also be capable of assessing the financial standing of the business, evaluating market conditions, and recommending viable partnership opportunities that align with the business's strategic objectives and the prevailing operating environment. The proposal should include curriculum vitae for the consultant or all the members of a team of consultants where appropriate. The team leader or individual consultant should meet or possess the following:

- A post graduate qualification in finance, economics, corporate finance or any related field from a reputable university or institution.
- Proven track record in business valuation, financial analysis and strategic advisory services, particularly in similar industries.
- Experience in advising on strategic partnerships, mergers, acquisitions and joint ventures
- Expertise in identifying and recommending operational improvements to enhance business competitiveness and sustainability.
- Demonstrated expertise in foreign exchange risk management and financial hedging strategies.
- Strong analytical and financial modelling skills.
- Excellent report writing and presentation skill.
- Ability to work collaboratively with the company's Executive Management and Board of Directors.
- Ability and availability to complete the assignment within the agreed timeline.
- Strong references from previous consultancy engagements or relevant projects in the areas of business valuation, strategic advisory and risk management.
- Submission of letters from traceable referees will be an added advantage.

7. Management of the Contract

The consultant will report to the Chief Executive Officer on all administrative matters and key deliverables. Regular updates and meetings will be scheduled to ensure alignment and progress toward the objectives.

8. Obligation of PCL

PCL will make available to the consultant all the relevant information on the assignment and will be expected to review and approve all the deliverables.

9. The Technical Proposal and Financial Proposal

The consultant will be expected to submit a technical and financial proposal for PCL's consideration.

10. Payment Terms

The consultant is expected to propose a payment schedule which will be discussed during contract negotiations.

11. Submission of Proposals

Interested consultants or consultancy firms are invited to submit proposals that include the following:

- A detailed project plan outlining the approach to be taken, including the methodology, timelines and deliverables.
- A proposed budget and fee structure.
- CVs of the consultant(s) who will undertake the assignment.
- References from previous clients for similar assignments previously completed.

The consultant(s) will be required to submit one original and two (2) copies of both the Technical and Financial Proposals sealed in separate envelopes, and then both envelopes sealed in one outer envelope. The outer envelope should be clearly marked 'TENDER FOR CONSULTANCY SERVICES FOR BUSINESS VALUATION AND STRATEGIC ADVISORY', and should be sent to the address below by 14th February 2025 at 17:00 pm.

Requests for clarifications and applicants' proposals may be sent to:

The Chairperson, Internal Procurement Committee
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