The revolution in understanding what your customers really want

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Clear strategies for an increasingly competitive market

Getting ahead of the wave of 5G opportunity

Product Diversif cation

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Dear Private Equity Client,

In 2020, we are launching a set of ideas tailored to private equity clients – ideas on interesting gYWrcfgz]bj Ygha Ybhh Ya YgżUbX'j U'i Y!WrYUh]cb'cddcfhi b]h]Yg"H\]gʻfgh]ggi Y``cc_g'Uh' j Y'h Ya Ygʻ suggested by our partners: social listening techniques, the rise of populist banking, taking retail VfUbXg']bhc 7\]bUžhY`YWta `]bZfUghfi Whi fYžUbX'h Y'X]j Yfg] Wh]cb'cZ` bUbV]U`gYfj]Wrg companies.

The COVID-19 outbreak and its economic consequences mean that near-term investor focus is $cb'dfYgYfj]b['h Y 'j U'i Y'cZdcfhZc']c 'Vda dUb]Yg' dfchYVMjb['h Y]f'fYj Ybi Y'UbX'VUg\! ck žk \]'Y' identifying ways to make them more resilient.$

However, the crisis will create opportunities for investors to partner with quality businesses and support the economic recovery. We hope that these ideas are interesting, that they provide you with food for thought, and that they prove helpful.

All the best,

Partner, Head of Corporate Finance & Advisory in 5g]U!DUV W

The revolution in understanding what your customers really want

Companies have traditionally relied upon consumer surveys, focus groups, and research reports $c = [i fY'ci hk \UhdYcd'Y'h]b_cZh Y]f'dfcXi Wg'cf'gYfj]Wg''6i hh YgY'UddfcUW Yg'Uj Y'gYj YfU'' shortfalls. Sample sizes are limited and subject to bias. The studies take time to organize, and h Y'fYgi `hg'ei]W_mVYWta Y'XUhYX''A cfYcj Yfžk \UhdYcd'Y'gUmcZhYb'X] Yfg'Zfca `k \Uhh YmXcž'Ug' when they complain about discount airlines but then use them all the same.$

Social listening provides an alternative: It -4.1 (rg pr20.1atiive: It -4.1 (rg pr2ive

advanced techniques to analyze social media accounts and their contents automatically and Y YVM Y miGccb \ck Yj Yfžh YgY hYW b]ei Ygk]``VY Wa a cb]b Wabgi a Yf!ZUM []bXi ghf]Ygž UbX h cgY Wa dUb]Yg h UhbY[`YVM h Ya `k]`` bX]h \UfX hc WhW i d"6mWabhfUghždfcXi Wi manufacturers that learn how to understand consumers in actionable ways — and to test consumers' reactions in real time — will have a huge advantage.

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Getting ahead of the wave of 5G opportunity

; `cVU`a cV]`Y!XUHU`HTU W]g`YI dYWYX`hc`ei UXfi d`Y`cj Yf`h\Y`bYI h` j Y`nYUfg.¹ as high-speed 5G WabbYW/jj]hmžl Y`g`fY`YbhYgg`XYa UbX`Zcf`XUHU''GYfj]b[`h\]g`k]```fYei]fY`g][b] WJbh]bZfUghfi W/i fY` Vi]`Xi dž]bWI X]b[`ga U``W``gž` VYfžhck YfgžUbX`XUHU'WbhYfg''H\Y`YWabca]Wg`cZh\Y`]bZfUghfi W/i fY` rollout could be made more attractive by neutral host infrastructure players. These provide shared small cells – Y]h\Yf`g\UfYX`UbhYbbUY`cf`f ghWa`cWh]cb/k \c`YgU`Y` VYf` Zfca `XUf_` VYf` to bitstream; shared macro-towers — for both passive and active equipment; and large-scale XUHU'WbhYfg' hc`gi ddcfhWci X] Wh]cb`UbX`h\Y`i gY`cZ`Uf['Y`ei Ubh]h]Yg`cZdata.

=h]gʻbchbYk 'Zcfʻdf]j UhY'Yei]hm fa gʻnc]bj Ygh]bʻbYi hfU`\cgh]bZfUghfi Vhi fY'dfcj]XYfg''<ck Yj Yfž [`cVU``nžUbX`]bʻgca Y`_Ym5g]UbʻUbX`DUV) Wa Uf_YhgžU'hf]ZYVhU`]gʻYa Yf[]b[`h\Uhg\ci`X`cdYb` doors for private equity investment:

- 1. Telecom operators are facing capital challenges. Price wars in multiple markets have eroded cdYfUhcfg '96+H85'Vmi d hc '&) 'dYfWbh']b h Y ``Ugh%a cbh\gzXY[fUX]b['h\Y]f 'Wg\ VU`UbWg''
- 2. \$ VLJQL FDQW ZDYH RI]HUR 52, FDSLWDO H[SHQGLWXUH ZLOO EH UHTXLUHG N three times as much to cover an area with a 5G network as with a 4G network,² and the return cb]bj Ygha Ybh'fFC ±k]``cZhYb VY i bWYUf"
- 3. 1 H X W U D O K R V W LQIUD V W U X F W X U H S U R Y L G H U V D U H Y D O X H G K L J K H U W K D Q W H O multiples of infrastructure providers have historically been higher than those of telcos
 ']b 'h Y 'f Ub[Y c Z %', 'hc '%'- 'h]a Yg''H]g ']g 'df]a Uf] 'm V Y W ig Y ']b Zf Ughfi V fi fY dfcj]XYfg \ Uj Y ' Z b X Ua Y b H U `mX] Yf Y b h Vi g]b Ygg 'Y W b ca]V g z]b W X]b['a cfY!ghU Y 'V W g\ ck 'Ub X ``cb[Yf! term contracts with tenants.

=b fYgdcbgYžhY`YWta `cdYfUhcfg`UfY`gd]bb]b[`c `cf`gY``]b[`]bZfUghfi Wti fY`UggYhg`hc`i b`cW_ funds for their core telecom businesses. This also leads to shared infrastructure deployment UbX`cdYfUh]cbgžk \]Wt`]g`a cfY`WtghY_YWtlji Y`]b`h\Y`WtbhYI hcZh\Y`i dWta]b[`YI dUbg]cb`cZ); networks. As a result, some incumbent telecom operators are starting to end their closed-door

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"Super apps" such as Grab and Go-Jek have risen in Southeast Asia, and we can expect some of th YgY'tc 'Xca]bUhY'th Y]f'a Uf_Yhg'cj Yf'th Y'bYI hWz'i d'Y'cZmYUfg"H\Y'Uddg'i gY'U' mk \YY`UddfcUW\ž

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