



# Digital Transformation for M&A and Divestitures

Turnkey. Half the separation time. Fixed Fee.



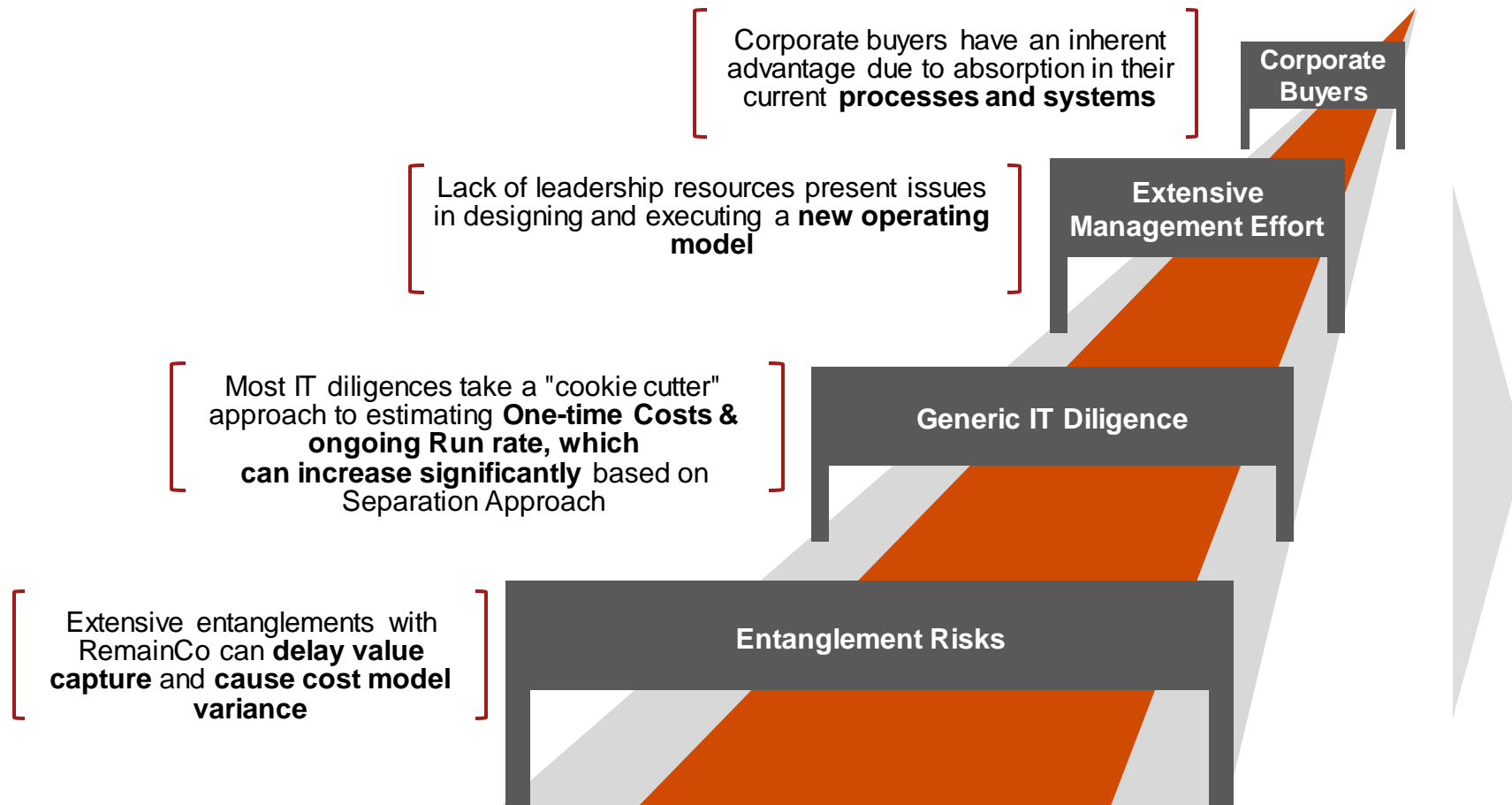
Microsoft  
Partner



Gold Application Development  
Gold Application Integration  
Gold Application Lifecycle Management  
Silver Data Analytics  
Silver Data Platform

# M&A and Divestitures IT Challenges

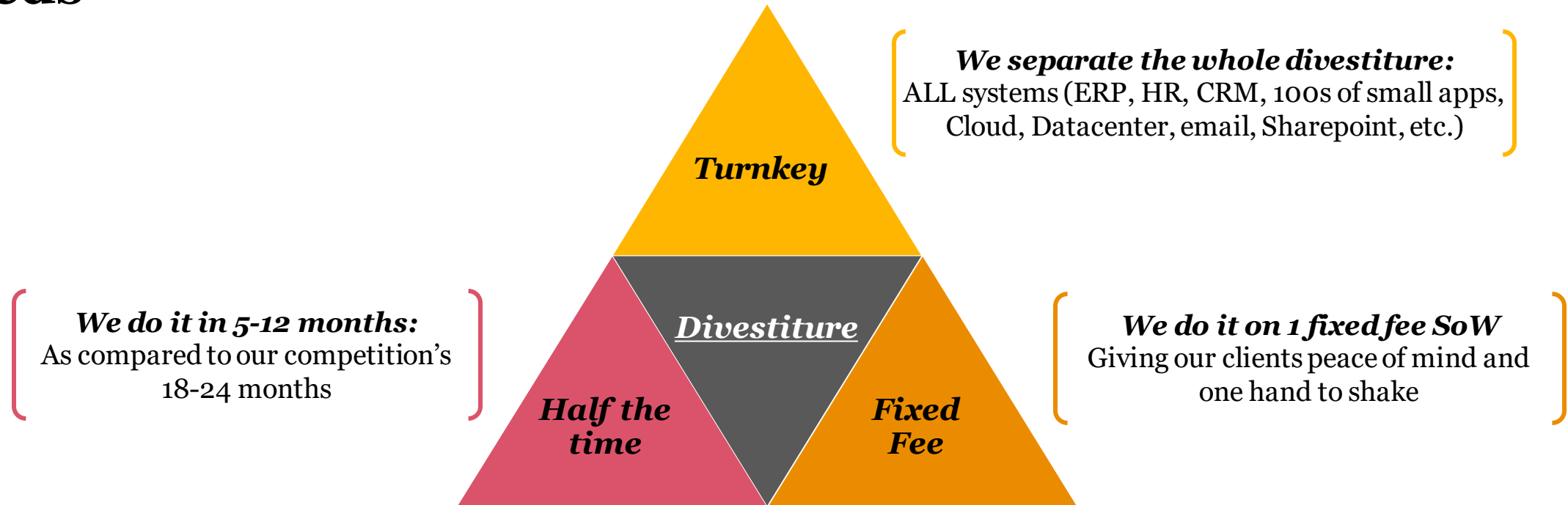
M&A and Divestitures are challenging due to inherent **entanglement risks**, extensive **management effort**, and considerations going against a **corporate buyer**.



## Digital Transformation for M&A and Divestitures

- IT Due Diligence Cost models based on thought through separation strategy
- 50-100% reduction in TSA duration – significantly **shorter than TSAs expected by corporates**
- Fixed price Turnkey solution – **minimizes management effort & reduces cost model variance**
- Fit for purpose solution – could **increase enterprise value by 8-11%**
- Enhancement of business synergy through IT enablement
- Expedited IT synergies
- Reduction in IT estimate variation

# PwC's unique offering for clients with M&A and Divestiture needs



## Value Proposition for Clients

### Sellside

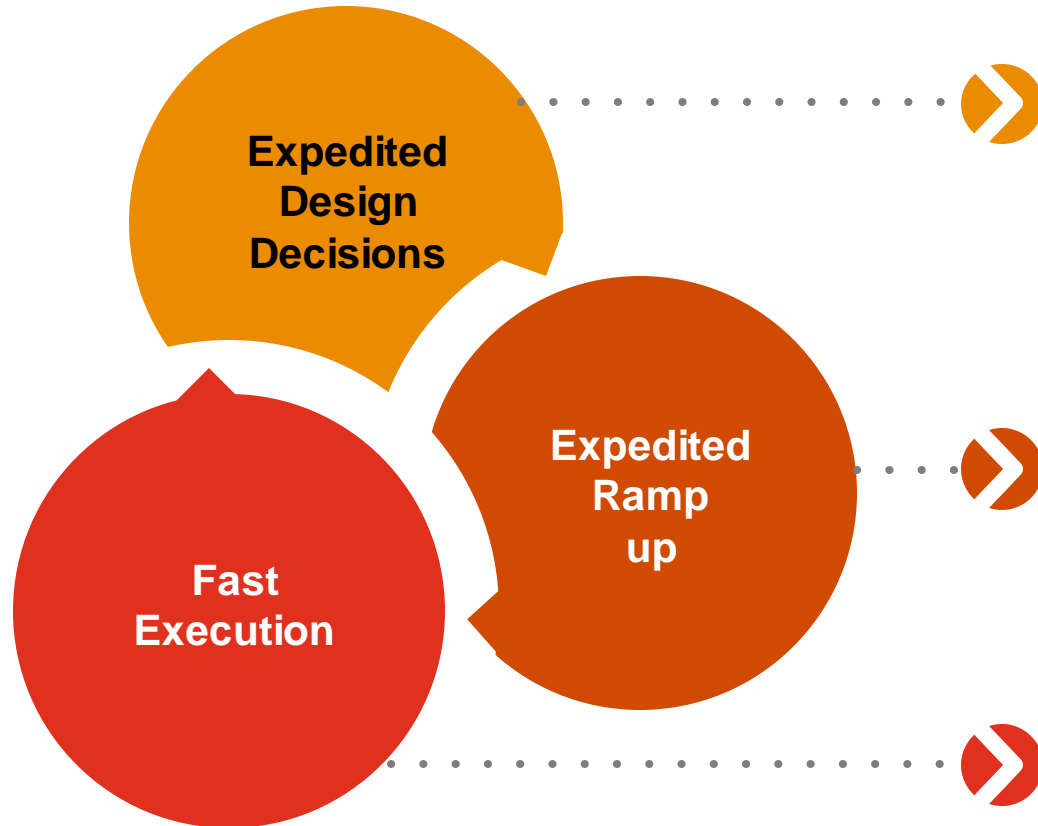
- One vendor to deal with
- Quick TSA exit – RemainCo can move on with its own transformation
- Lesser “deal value leakage” due to Buyer negotiations

### Buyside

- One vendor to deal with
- Quick TSA exit which expedites Value Capture/Synergies
- Lesser “deal value leakage” due to Seller negotiations

# M&A and Divestitures– IT separation executed in half the time

Digital transformation for M&A and Divestitures enables expedited separations based on (1) **Expedited big rock decisions based on Theory of Constraints**, (2) **Expedited ramp up – based on predesigned operating models and preselected providers** (3) **Fast Execution – based on PwC carveout tools + accelerators IT system transition**



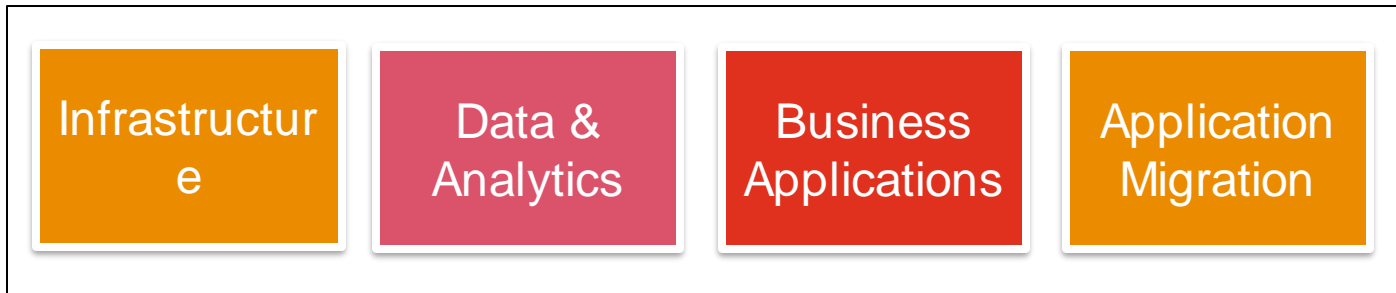
- **Applications:** Clone/Brownfield/Greenfield architecture based on business constraints such as % of revenue run on the platform, Stock/Asset Sale, Type of buyer, Sign to Close period, ability to clone connected apps, etc.
- **Infrastructure:** Marries the application approach with cost effective and fast paced separation parameters for SDWAN/MPLS, Images, Identity Management, O365, unstructured data (sharepoint), etc

- **Pre-designed operating models** for O2C, P2P, H2R, P2M, R2R to help ramp up
- **Preferred license pricing** for all major platforms such as SAP, Oracle, Microsoft, etc.
- **Down selected providers** with preferred pricing - managed services, HR/Payroll, etc.
- Pre-negotiated providers for **shared services** such as AR, AP, GL reconciliation.

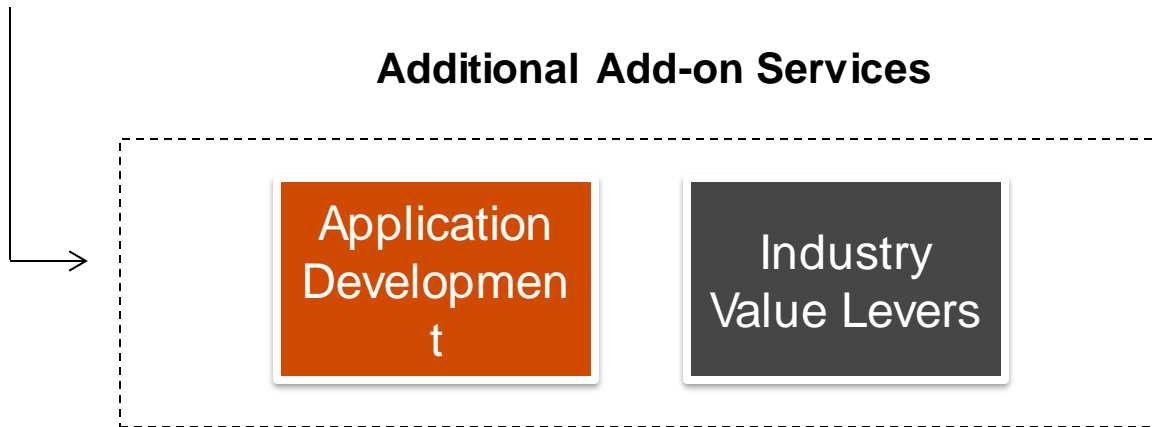
- **Pre-configured major systems** such as ERP, CRM, HR that can meet 60–70% of the requirements.
- **Proprietary tools** for cloning and data cleansing highly customized **based on type of entanglements (company code OR legal entity OR transaction level)**
- Integrated infrastructure approach for **Cloud hosting**, email, shared services, etc.

# IT TSA Exit Powered by Microsoft

## Core Services + Cybersecurity



## Additional Add-on Services



## Category Summary

Area	Functional Execution
<b>Infrastructure</b>	Microsoft Azure as Cloud Platform Microsoft 365 for Productivity & Collaboration
<b>Data &amp; Analytics</b>	Evolve and Modernize Data Estate Enable Data Visualization via PowerBI Create Foundation for ERP + Data
<b>Business Applications</b>	Dynamics Migration or Conversion (CRM/ERP) SAP on Azure Migration
<b>Application Migration</b>	Migrate Existing Apps
<b>Application Development</b>	Create New, Modernized Apps
<b>Industry Value Levers</b>	Integration with Microsoft Industry Clouds (i.e., Healthcare, Retail, Manufacturing)

# M&A and Divestitures - Azure Foundation Rapid Deployment

## What's included?

### Architecture

- Single tenant (account)
- Subscriptions:
  - Core (see “Core Services”)
  - Prod subscription
  - Non-prod subscription

### Core Services

- Azure AD / AAD Connect
- W365 (VDI)
- Defender for Cloud
- Azure Backup
- Azure Monitor
- Azure Sentinel
- Azure DevOps

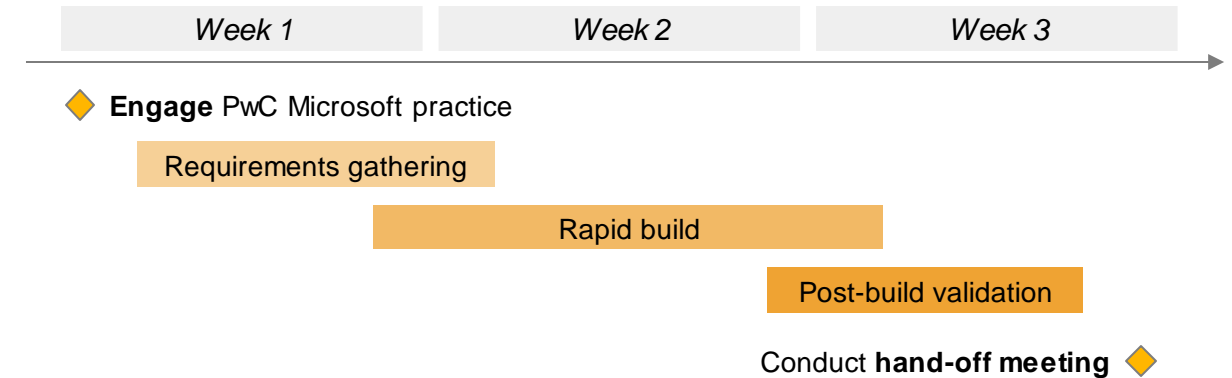
### Network / Security

- Azure network topology (e.g., VNET configuration, NSGs, Azure Firewall)
- Azure Policies (initial policies applied following Microsoft best practices)

### How does the solution implement Microsoft best practices?

- This solution follows the Cloud Adoption Framework (CAF)
- Subscriptions create logical boundaries
- Segregation between subscriptions is accomplished via NSGs
- Configuration of Backup, Monitoring, Sentinel, and initial security is achieved through the application of Azure Policies

## Suggested Timeline



## Estimated Fees

### Deployment

- \$XX

### Hypercare

- \$YY (for 6 months)

### Assessment (optional)

*Azure Foundations Assessment*

\*Microsoft Funded Investment

### Assumptions

- All professional services are conducted remotely (i.e. no on-site travel)
- Target Azure tenant is procured (i.e. NewCo procurement process is complete)
- Includes configuration for one site-to-site VPN connection in the target Azure tenant
- Up to 500 VDIs deployed utilizing a single base VDI image (i.e. no installed business applications)
- Migration of applications / data is not included
- AAD Connect configured for one legacy domain

# M&A and Divestitures - M365 Rapid Deployment & Migration Planning

## What's included?

### Architecture

- Single tenant
- Default configurations for:
  - Exchange Online
  - Teams
  - One Drive
- SharePoint structure:
  - Level 1: Company
  - Level 2: BU/Function

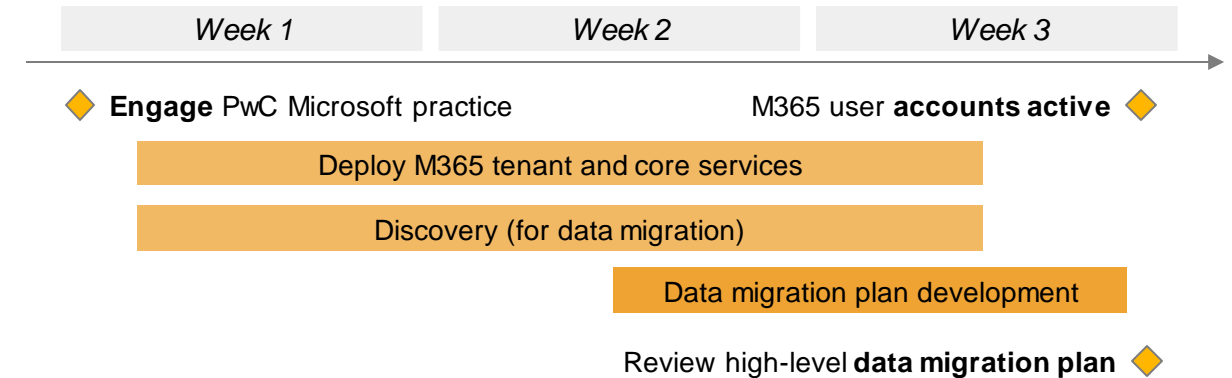
### Migration Preparation

- Data transfer performance test
- Discovery:
  - Size
  - Quantity
  - High-level complexity for SharePoint/Teams
- Migration approach
- High-level data migration plan

### Security / Microsoft-recommended best practices

- Azure AD
- M365 Defender
- Multi-Factor Authentication (MFA)
- Exchange Online Protection (EOP)

## Suggested Timeline



## Estimated Fees

### Deployment and Data Migration Planning

- \$XX

### Assessment (optional)

*Workplace Modernization & Optimization Assessment*

\*Microsoft Funded Investment

### Assumptions

- Access to legacy environment is available to perform discovery
- All professional services are conducted remotely (i.e. no on-site travel)
- Target Azure tenant is procured (i.e. NewCo procurement process is complete)
- No custom workflows in SharePoint; No Power Apps
- Migration of legacy data, and connectivity to legacy domain(s) is not included

# M&A and Divestitures - Azure Sentinel Rapid Release

## What's included?

### Key Features

- Deploy and manage your TDR solution within 100 days
- Develop custom content (e.g., SIEM use cases, DLP policies, custom data source connectors, etc.)
- Established processes and automation via a hybrid on-site and remote team
- Continuous optimization and tuning

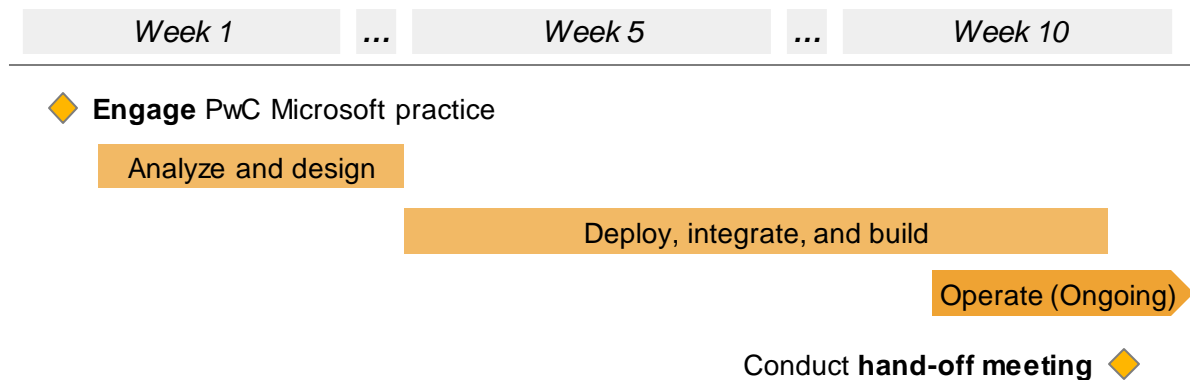
### Key Advantages

- Collects data from hybrid enterprise (cloud and on-premises assets)
- Integrates with Microsoft's Intelligent Security Graph for unique threat intelligence and analytics
- Uses entity mapping and automated response workflows/playbooks

### How PwC can help?:

- Build a full-stack TDR platform based on Microsoft technologies
- Transition to a hybrid on/off-site managed service operated by PwC
- Perform ongoing optimization and tuning to grow in line with your requirements

## Suggested Timeline



## Estimated Fees

### Implementation

- \$250k

### Assumptions

- All professional services are conducted remotely (i.e. no on-site travel)



# M&A and Divestitures - Azure Sentinel Rapid Replace

## What's included?

### Key Features

- Migrate your existing SIEM use cases, data sources, and customizations to Azure Sentinel
- Integrate your other TDR investments into Azure Sentinel
- Develop custom connectors for data sources not currently supported by Azure Sentinel by default

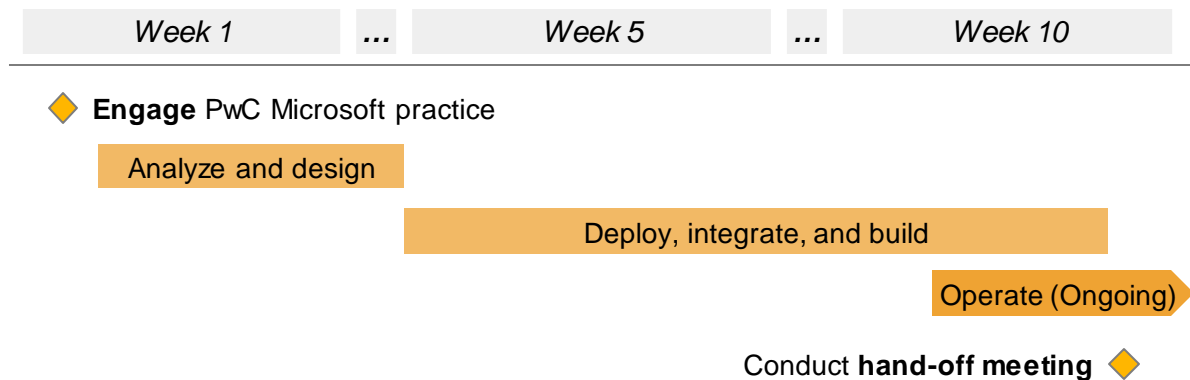
### Key Advantages

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### How PwC can help?:

- Migrate your existing SIEM use cases, data sources, and customizations to Azure Sentinel
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## Suggested Timeline



## Estimated Fees

### Implementation

- \$250k

### Assumptions

- All professional services are conducted remotely (i.e. no on-site travel)

# M&A and Divestitures - Business App Design to Build Factory

## What's included?

### Architecture

- 'Lift and shift' application architecture to cloud from parent company to NewCo environment
- Easily deployable disaster recovery environments and high availability
- Enhanced security and monitoring using Azure-native services

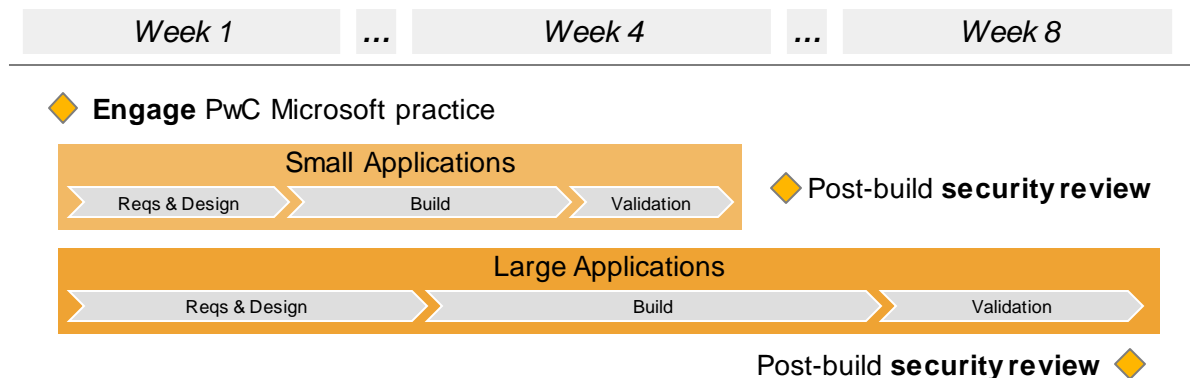
### Key Features

- Accelerated application requirements discovery process
- Standardized application design document (ADD) to document design decisions and specifications
- Script-accelerated builds using standard Azure resources to reduce build timelines

### How does the factory model reduce risk?:

- Repeatable, consistent discovery, design, and build processes based on standardized templates and artifacts
- Automations reduce risk of human-introduced errors and deploy identical services ready for customization while reducing cost
- Checkpoints and approvals throughout the build factory process (design review, post-build security validation, app owner handoff) reduce the risk of errors and rework

## Suggested Timeline



## Estimated Fees

### Per App Migration Cost

- Small App: \$XX
- Big App: \$XX

### Assumptions

- All professional services are conducted remotely (i.e. no on-site travel)
- Target Azure tenant is procured (i.e. NewCo procurement process is complete)
- Technical application owners available to provide input, design approval, and feedback
- Application migration does not include rearchitecting or architectural enhancements / modernization
- ~80% of all applications are considered 'small apps'

# Deal value with Digital Transformation for M&A and Divestitures

Ask a question via email: [dave.mendlen@pwc.com](mailto:dave.mendlen@pwc.com)

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