



## How ValueXPA Streamlined Financial Modelling and Strategic Decision-Making for a Leading Middle East Business Hub

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Client is a Middle-East based Government-backed business hub offering a wide range of business licensing and company formation solutions for startups, SMEs, and industries, providing services like UAE business licenses, residence visas, and customizable facilities, aiming to streamline business setup processes while adhering to local regulations.

### The Problem We Solved

The client's finance division required assistance in creating feasibility studies for various projects to present to key stakeholders and Board for seeking approvals on new project investments. This included retail space expansion, warehouse development, office conversions, and asset development. These financial models needed to encompass calculations for Equity IRR,

Project IRR with payback periods, Forecasted Financial statements, Discounted Cashflow analysis with terminal value, and multiple sensitivity analyses. Furthermore, the final output required a dashboard with visual representations of occupancy trends, net cash flow, revenue segmentation, and more.

## What We Did

At ValueXPA, we first engaged with client teams to get a deep understanding of their business needs and how they plan to use the feasibility financial models. We then approached the client's financial modelling needs by developing a three-statement financial model, encompassing the income statement, balance sheet, and cash flow statement. Leveraging Excel's powerful built-in functions, such as XIRR for IRR calculations and various logical and arithmetic functions, we ensured accuracy and precision in our calculations. This foundational financial model served as the backbone for our subsequent analyses and projections.

Next, we focused on addressing the client's specific requirements for the feasibility studies. This involved incorporating complex calculations for Equity IRR, Project IRR with payback periods, Forecasted Financial statements, and DCF analysis with terminal value. Each of these calculations was carefully integrated into the model, ensuring that they accurately reflected the client's unique business model structure, circumstances, and objectives.

One of the key challenges in financial modelling is accounting for uncertainty and variability in input parameters. To address this challenge,



### Development of Three-Statement Financial Model

Developed a detailed financial model with the income statement, balance sheet, and cash flow statement, utilizing Excel's XIRR for precise IRR calculations..

### Incorporation of Business-Specific Requirements

Executed tailored calculations, including Equity IRR, Project IRR, payback periods, Forecasted Financial statements, and DCF analysis, aligned with client's unique business model and goals.

### Implemented sensitivity analyses and dashboards.

Developed dynamic sensitivity tables to explore scenarios and their impacts. Created a comprehensive dashboard with tables, graphs, and charts for quick insights.

we implemented sophisticated sensitivity analyses within the model. We developed dynamic sensitivity tables that enabled the client to investigate multiple scenarios and comprehend the possible effects of various input variables on the project outcomes by utilizing Excel's data table functionality and array functions.

We also realized how crucial it was to convey the analysis' findings in an understandable and eye-catching way. We created an extensive dashboard with a variety of visual components, such as tables, graphs, and charts, in order to accomplish this.

## How We Created an Impact

ValueXPA's solution proved to be transformative for the client, enabling the expeditious completion of numerous feasibility studies within a remarkably short timeframe of under four hours vs. one to two days before. This outcome empowered the client with the agility to promptly adjust input variables while witnessing immediate impact to arrive at outputs. Such efficiency not only preserved valuable time but also allowed the finance team to allocate resources toward strategic decision-making endeavours. The optimized process instilled by our solution not only bolstered time-saving measures but also catalysed heightened productivity levels across the organizational spectrum.

The client was able to make confident decisions by using this dashboard, which gave them quick insights into important metrics like revenue segmentation, net cash flow, and occupancy trends.

We never wavered in our commitment to providing the best possible outcomes. We carried out thorough quality assurance tests to guarantee the dependability and correctness of our outputs, and we stayed receptive to the client's comments and requests for revisions.

Equipped with the capability to swiftly evaluate diverse scenarios and formulate data-driven strategies, the client gained a distinct competitive advantage within their industry landscape. Our holistic approach to financial modelling, underpinned by transparent communication practices and stringent quality assurance protocols, ensured the delivery of precise and dependable insights essential for informed decision-making.

For more information on business partnering please connect with us!

Write to us at [info@valuexpa.com](mailto:info@valuexpa.com)