

## Operational due diligence for an innovative company in the field of ClimateTec (carbon capture)

Carrying out an operational due diligence of an innovative young company in the carbon capture sector as part of an M&A project of a financial investor

### challenge

- **Advisor for potential investor:** evaluation of operations as part of a structured M&A process
- **Scalability of the technology:** Systematic evaluation of the scalability of the technology into serial production
- **Operational business model:** evaluation of core processes, identification of stop-go events as part of the structured M&A process

### approach

#### Evaluation/ plausibility check of the development roadmap:

- Plausibility check and evaluation of the development roadmap
- Evaluation of existing partnerships with a view to systematic further development into strategic partnerships

#### Valuation of operational model:

- Evaluation of the development and engineering standards as well as the production model with system suppliers regarding scalability and minimisation of risks
- Evaluation of R&D, engineering and project management standards. Assessment of the extent to which business models such as technology licensor, EPC, general contractor, etc. can be further developed in a targeted manner
- Random evaluation of existing individual client contracts, plausibility check of the planning status and planning quality supported by interviews with clients

### result

#### Yellow/red flags assessments:

- Assessment and evaluation of yellow/red flags in **operations**

#### Technology and operational model:

- Plausibility check and evaluation of the technology and the scalability of the operating model along the value chain. Assessment of risks and potentials
- Assessments of fields of action with potential for further development