

## ASSET VALUATION AND DUE DILIGENCE

### **Commercial and Technical Due Diligence:**

DRG independently, or cooperatively with some of the world's largest investment advisory firms, has performed due diligence on a variety of undersea network investment and/or sale opportunities. We critically examine the asset to assess risks and explore new opportunities to achieve future return targets on the target investment. Our understanding of all the elements associated with network design, implementation, operation and maintenance, including technology, commercial arrangements, competition, market pricing and demands for various products and services, provides DRG with the ability to make informed judgments. We have the knowledge and experience to assess any network within its competitive environment, to determine potential revenues along with the anticipated costs and risks associated with continued operation and maintenance. We can provide a comparative basis of the cost/advantages/disadvantages of a new entrant overbuilding an optimized network with current technology. Clients considering either the sale or acquisition of networks/businesses can benefit from DRG's capabilities.

### **Replacement Cost Valuation and Remaining System Life Investigation:**

Whether for acquisition or proper reflection of an asset value on the balance sheet, DRG can provide an independent assessment of costs to replace assets under current market conditions.

Advances in transmission capabilities have continued to extend the economic life of undersea cable systems. DRG can provide an independent technical review of key performance data, fault histories and system supplier information to assess the remaining life of aging systems, potentially beyond the anticipated 25-year design life. This can offer the potential to continue to offer 10 year or 15 year IRU's in systems that are already older than 10 to 15 years.

## More About The David Ross Group:

**The David Ross Group (DRG)** is a consulting and project management firm specializing in the development of international telecom infrastructure, with a special emphasis on undersea fiber optic networks. DRG has supported network developers in every region of the world, representing hundreds of thousands of kilometers of undersea cable planned and deployed with more than 50 landings on six continents. DRG is currently active connecting countries and continents worldwide.

**At the David Ross Group**, we pride ourselves on working closely with our clients to understand their needs; deliver value exceeding their expectations; pro-actively support their work programs and build enduring relationships. With our unique blend of market, technical and commercial expertise, we offer an exceptionally broad understanding of the market, players, technology, and network solutions. Our broad vision enables us to see opportunities from many perspectives giving you a complete solution for your project.

**At the David Ross Group** we help our Clients realize their visions. The David Ross Group has specialized capabilities to assist you across the lifecycle of your telecom venture – from concept through planning, design, operation, maintenance and upgrade.

**At the David Ross Group** we adapt our working-relationship with each Client to meet their specific needs and expectations.

**At the David Ross Group** we know the industry suppliers and their capabilities. We regularly keep abreast of their technology and product advances and have managed projects supplied by all of the major industry players. Our experience with, and knowledge of, the spectrum of suppliers helps us adjudicate offers with a skillful eye, negotiate contracts which protect our clients, and manage projects in a way which minimizes risks. We regularly meet with vendors to assure we have the most up-to-date information and understanding of their technology.

**At the David Ross Group** we have a “library” of industry accepted project documents that minimize cost and time in any new project. We maintain a standards library of proven commercial and technical contractual documents which can readily adapt to new projects. Our library includes Supply Contracts, Construction & Maintenance Agreements, Landing Party