

## SCIENTIFIC ADVISOR'S REFERENCE

<b>Program:</b>	Master in Corporate Finance
<b>Student:</b>	Fanyu Meng
<b>Title of thesis:</b>	Valuation of Private Equity Deals in Emerging Countries: Application of the Accounting-based Model

<p><b>Justification of the topic choice. Accuracy in defining the aim and objectives of the thesis.</b> Justification of the topic choice; accuracy in defining the aim and tasks of the thesis; originality of the topic and the extent to which it was covered; alignment of the thesis' topic, aim and objectives.</p> <p>With the increase of the amount of Private Equity deals worldwide the question of forecasting the value for such deals is very topical. There exist several methods how to define the value, but not all of them are applicable due to the lack of data on the emerging markets. Due to this fact the accounting-based model gives efficient assessment of the deals. Fanyu Meng checked the application of the model on two markets (China and Brazil) and it has shown it's appropriateness on both of them.</p>
<p><b>Structure and logic of the text flow.</b> Logic of research; full scope of the thesis; alignment of thesis' structural parts, i.e. theoretical and empirical parts.</p> <p>The paper consists of several chapters. The first part contains the necessary information about the theoretical background and description of the model. Fanyu Meng also gives a description of the situation with PE deals in China and Brazil that help to get the overview of the topicality of the goal. After the theoretical part the author describes methodology and applies it to several cases in two emerging markets. The work is logically structured and contains all necessary information for the analysis.</p>
<p><b>Quality of analytical approach and quality of offered solution to the research objectives.</b> Adequacy of objectives coverage; ability to formulate and convey the research problem; ability to offer options for its solution; application of the latest trends in relevant research are for the set objectives.</p> <p>The goal of the paper and the objectives are clearly set. The author achieves the goal. The analytical approach in the paper is shown in the application of the methodology to the chosen cases. It should be mentioned that the author does not clearly explain in the work what the criteria for choosing the particular cases was.</p>
<p><b>Quality of data gathering and description.</b> Quality of selecting research tools and methods; data validity adequacy; adequacy of used data for chosen research tools and methods; completeness and relevance of the list of references.</p> <p>The author gathers information with the help of databases, including Bloomberg that brings to the conclusion of relevance of the data. Fanyu Meng has shown the skills to work with big amounts of information from different markets.</p>
<p><b>Scientific aspect of the thesis.</b> Independent scientific thinking in solving the set problem/objectives; the extent to which the student contributed to selecting and justifying the research model (conceptual and/or quantitative), developing methodology/approach to set objectives.</p> <p>The scientific aspect of the paper lies in the verification of the model on the emerging markets.</p>
<p><b>Practical/applied nature of research.</b> Extent to which the theoretical background is related to the international or Russian managerial practice; development of applied recommendations; justification and interpretation of the empirical/applied results.</p> <p>The paper shows that the accounting-based model can be applied on the emerging markets to define the value of PE deals with relatively low error.</p>
<p><b>Quality of thesis layout.</b> Layout fulfils the requirements of the Regulations for master thesis preparation and defence, correct layout of tables, figures, references.</p> <p>The layout in general fulfils the requirements of the Regulations for master thesis.</p>

<b>Originality of the text.</b> The absence of plagiarism
The master thesis is original and does not contain elements of plagiarism.

The Master thesis of Fanyu Meng meets the requirements for master thesis of Master in Corporate Finance program thus the author of the thesis can be awarded the required degree.

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