



# Private Capital Engine



March 2026



# Team Introduction

# Trusted advisor for complex startup deals, valuations and portfolio value creation



## Global Deals & Valuations Practice

- Venture Deals team within PwC Germany's Deals practice, dedicated to **venture capital** and **growth equity**
- Specialized venture deals & valuation team combining **transaction advisory** and **advanced modelling** for VC, PE and growth equity
- Integrated into PwC's global network with direct access to **sector, tax, legal and audit** specialists
- We provide an **integrated offering** across transaction advisory, valuation and data-driven analytics to support investors and founders through the deal lifecycle



## What We Do

- Support investors, founders and CFOs along the venture and growth **deal lifecycle** with integrated commercial, financial and technical advisory services
- Provide **institutional-grade** valuation (fair value measurement) & modelling (cap tables & waterfalls) aligned with IPEV, AICPA and IFRS standards
- Build scalable, data-driven **portfolio frameworks** to support audits, LP reporting and ongoing monitoring
- Develop **technology-enabled** solutions



## Our Experience

- Extensive **track record** in **venture** and **growth transactions** with leading VC funds, corporate venture arms and family offices across Germany & Europe
- Proven **experience** with **complex capital structures** (including convertibles, SAFE/notes, ESOPs / VSOPs and structured instruments)
- Institutional-grade valuation and audit support **in line with IPEV, AICPA and IFRS standards**
- Lessons **learned from hundred** of venture valuations and transactions mandates are reflected in **Private Capital Engine**

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Problem

# Startup valuation has not kept up with the complexity of venture deals



## Fragmented, Excel-heavy practice

Complex cap tables are still modelled in Excel files, which are **slow to build, error-prone and hard to review, reuse or hand over** within a team. Each new round or term sheet often means starting again from scratch, leading to **inconsistent results** across deals and portfolio companies



## Technically demanding valuation methods

OPM Backsolve, while accepted by IPEV and AICPA, is **hard to implement robustly in standard tools**, especially with sophisticated waterfalls with multiple liquidation preferences, seniorities, conversion triggers and participation. As structures evolve over several rounds, it becomes increasingly difficult to **maintain reliable models**.



## Limited transparency on value distribution and deal economics

Stakeholders often focus on post-money valuations and fully diluted ownership, **ignoring complex rights**, leaving the true economics per share class under different exit scenarios opaque. Value gaps between last-round pricing and fair value are rarely quantified, **weakening** negotiation power and **risk management**



## Insufficient decision support across the deal lifecycle

Pre-deal “What if” analysis on terms, structures and exit assumptions is **ad hoc and slow**. During the deal, the up-to-date waterfall view of who gets what at different exit values is **not always available**. Post-deal maintenance of a consistent, audit-ready valuation framework across many portfolio companies can be **cumbersome**



## Operational and governance risk

Manual models create **operational risk**: formula errors, version confusion, inconsistent assumptions, while also making producing audit-ready documentation and management reports **time consuming**. Increasing LP and regulatory scrutiny requires traceable, consistent and defensible valuation approaches – not a patchwork of spreadsheets

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Solution

# Solving complex startup valuation with OPM Backsolve as the core methodology

In early-stage valuation, the **actual prices paid** for different share classes in recent financing rounds are used as the **starting point**. Over time this creates a complex capital structure with multiple instruments and different rights in the **payout waterfall**. By modelling this waterfall and applying a **Black-Scholes** option-based valuation, we can **backsolve** from the latest round price to infer the company's total equity value and the (implied) fair value of each share class.



### Cap table as a starting point

Recognize the complex capital structure of the company and use **prices from financing rounds** as the starting point.



### Modelling the economic waterfall

Translate shareholder agreements into **payout waterfall** based on payout priority, conversion and participation rights.



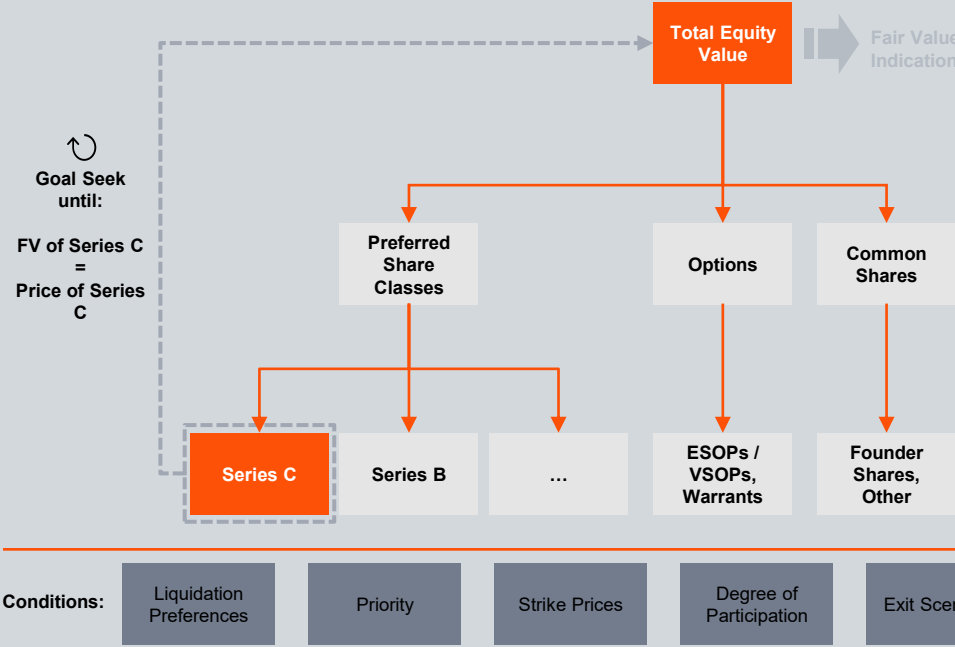
### Applying an option-based valuation (OPM)

Apply a **Black-Scholes option pricing methodology** to allocate the total equity value across all financial instruments.



### Derivation of total equity value

Use the **latest round share price** to infer what the company is worth in total.



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Solution We Offer:  
Private Capital Engine

# Private Capital Engine – Replace complex spreadsheets with automated web-based valuations

**Private Capital Engine** is PwC's **web-based SaaS tool** that replaces error prone spreadsheets with an **intuitive interface** to model complex cap tables, run exit waterfall simulations, and produce fast, transparent valuations, supporting inputs for IFRS 2/ASC 718 workflows.



Built for CFOs, founders, investors (VCs, CVCs, PEs), M&A and finance teams in **startups** and **growth** companies with **complex share structures**



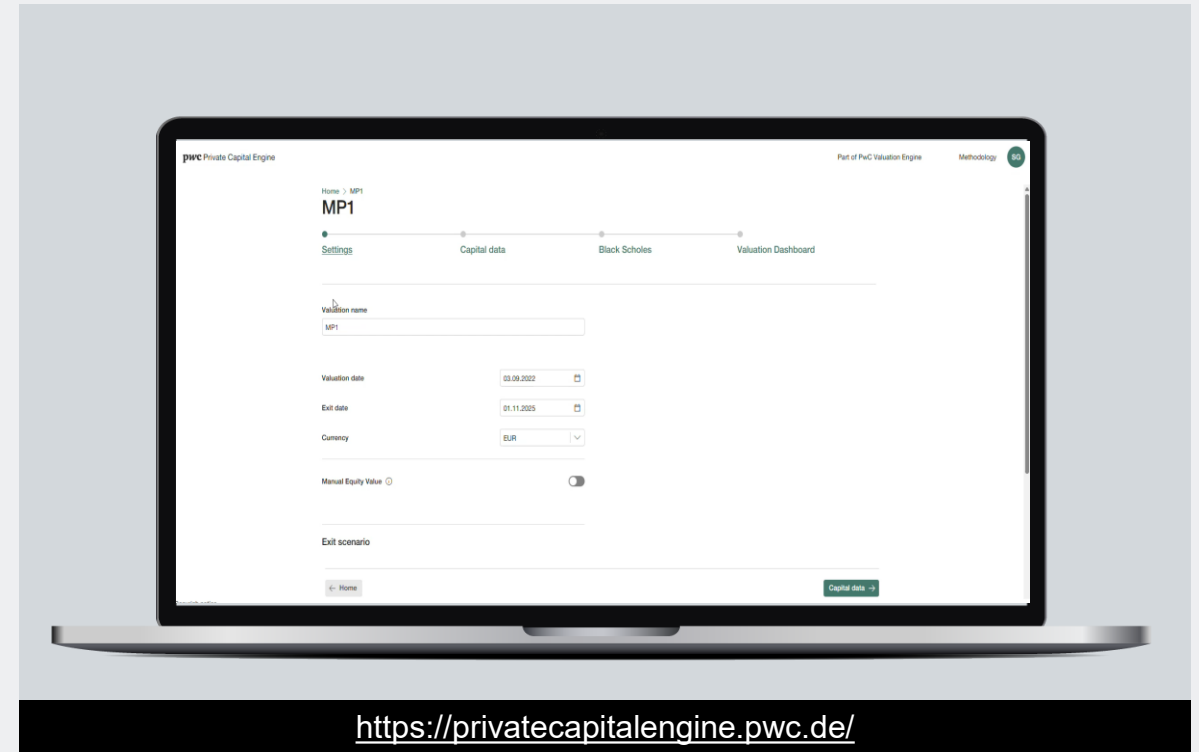
**Rapid, reliable valuations** via a guided interface, move beyond Excel models



100% **web-based SaaS**: no installs - just a modern browser and a secure login



Integrates logically with **Peer Group Insights** for **volatility** and **related parameters**



# Accelerate complex startup valuations with fast, transparent and scalable collaboration



## Speed & Focus

The tool generates **instant** calculations and **real-time** exit waterfall simulations, even for highly **complex cap tables**. The guided interface streamlines data entry, scenario adjustments, and reporting within seconds, freeing teams to **focus on decision-making** rather than model building.



## Accuracy & Transparency

Private Capital Engine delivers fast, **reliable** and **audit ready** valuations by **replacing** error prone spreadsheets with a **standardized SaaS workflow**.



## Scalability & Collaboration

**Standardized** input structures, **automated reporting**, and structured room-based **collaboration enable CFOs**, M&A teams, founders, and finance departments to work together efficiently on multiple valuations.

The screenshot displays the PwC Private Capital Engine interface. At the top, there are navigation tabs: Settings, Capital data, Black Scholes, and Valuation Dashboard. Below this, there are sub-tabs: Company Total Equity, Client Equity, Exit Proceeds Waterfall, and Breakpoints. The main content area shows the 'Company Total Equity' section with a 'Download Report' and 'Download Results in Excel' button. Below this, there are three key metrics: Total equity value: €530,104,920; Total investment amount: €395,944,634; and ROI: 33.9%. A table follows, listing financial instruments with columns for Outstanding, Fair value per share, Total fair value, Invested capital, and ROI. Below the table, there are two charts: 'Fair value per share' (a horizontal bar chart) and 'Total Equity Value Allocation' (a pie chart). The URL <https://privatecapitalengine.pwc.de/> is displayed at the bottom.

Financial Instrument	Outstanding	Fair value per share	Total fair value	Invested capital	ROI
Series Seed	12,279	€3,004.51	€36,892,412	€4,069,015	806.67%
Series Seed CLA	2,121	€3,006.60	€6,377,006	€754,991	744.65%

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# Peer Group Insights

# Experience AI-driven peer group formation that harnesses the latest market data to provide in-depth & accurate valuation insights



**Advanced Data Technology:** Utilizes cutting-edge technology for efficient **data handling and analysis**



**AI-Powered Peer Selection:** Leverages OpenAI's latest **embedding model** to identify relevant **peer companies** based on current information



**Global Coverage:** Access data on over **50,000 publicly listed companies** worldwide



**Massive Data Volume:** Manages a vast **dataset exceeding 150GB**, ensuring comprehensive insights



**Downloadable Excel Reports:** Access all data in a **user-friendly Excel format** for easy reporting and analysis

**Microsoft Corporation**  
NasdaqGS:MSFT [Website](#) + Add to peer group

**INDUSTRIES**  
Information Technology / Software and Services / Software / Systems Software

**DESCRIPTION**  
Microsoft Corporation develops, licenses, and supports software, services, devices, and solutions worldwide. The company operates in three segments: Productivity and Business Processes, Intelligent Cloud, and More Personal Computing. The Productivity and Business Processes segment offers Office, Exchange, SharePoint, Microsoft Teams, Office 365 Security and Compliance, Microsoft Viva, and Skype for Business; Skype...

**SETTINGS**  
Regression currency: EUR  
Valuation date: 12/31/2023  
Beta debt: Not included  
Adjusted beta levering: Without tax shield  
[Edit](#)

**Smart peers**

Company Name	Stock Ticker	Sub-Industry	Country	Market	Market Cap (Millions EUR)	preview	
International Business Machines Corporation	NYSE:IBM	IT Consulting and Other Services	United States	NA	177,499	preview	+
Intel Corporation	NasdaqGS:INTC	Semiconductors	United States	NA	92,237	preview	+
Oracle Corporation	NYSE:ORCL	Systems Software	United States	NA	434,293	preview	+
Adobe Inc.	NasdaqGS:ADBE	Application Software	United States	NA	195,909	preview	+
Apple Inc.	NasdaqGS:AAPL	Technology Hardware, Storage and Peripherals	United States	NA	3,106,174	preview	+
Advanced Micro Devices, Inc.	NasdaqGS:AMD	Semiconductors	United States	NA	212,209	preview	+
HP Inc.	NYSE:HQP	Technology Hardware, Storage and Peripherals	United States	NA	32,230	preview	+
Quisitive Technology Solutions, Inc.	TSXV:QUIS	Application Software	Canada	NA	72	preview	+
Dell Technologies Inc.	NYSE:DELL	Technology Hardware, Storage and Peripherals	United States	NA	84,686	preview	+

<https://peergroupinsights.pwc.de/>

“Save time and gain valuable insights with our AI-powered peer selection tool, which lets you quickly create lists of peer groups”

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Next steps

# Our approach sticks to your demands and is separated into four phases



## Introduction Session

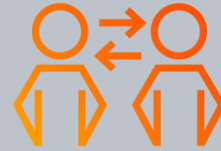
Just earlier, we presented the **essential features** and **benefits** of the **Private Capital Engine**, and we hope you found it valuable



## Test Phase

You will have the opportunity to **test** the tool thoroughly.

There will be regular **touch points** and **ad-hoc meetings**, as required, to discuss your feedback.



## Implementation of Your Feedback

Based on your feedback, we will **customize** the tool to meet your **specific needs**.



## Use of Private Capital Engine

Once your feedback is incorporated, cap table modelling & exit waterfall simulations can be carried out by you using the **Private Capital Engine**.

We will **continue to support** you during the application phase with technical and methodological assistance to ensure a **smooth process**.



# Our Team / Contact & PwC Store

# We would be happy to support you with our Private Capital Engine



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