# V A L U E F A B R I C

**Operating Intelligence Infrastructure**

## Adaptive Operating Intelligence and Decisions Architecture for Portfolio Value Creation

*Detect earlier. Decide better. Execute faster. Prove value over time.*

For Venture Capital, Private Equity, Family Offices and Operating Partners working with portfolio companies — including pre-IPO and IPO companies undertaking transformation and finance-transformation programs.

ValueFabric works with strategic and Tier 1 Founding Operating Partners to translate Operating Intelligence into measurable portfolio-company value creation.

### A I ADOPTION IS HIGH. MATERIAL IMPACT REMAINS RARE.

AI adoption is already widespread, but material enterprise-level financial impact remains concentrated in a small minority of organisations.

McKinsey's State of AI, 2025 reports that 88% of organisations use AI regularly in at least one business function, while only 39% report any enterprise-level EBIT impact; approximately 6% qualify as AI high performers.

BCG's Widening AI Value Gap, 2025 classifies only 5% of organisations as "future-built" and consistently generating substantial value from AI. A further 35% are beginning to scale value, while 60% report minimal revenue and cost gains despite meaningful investment.

**The defensible conclusion:** despite widespread AI adoption, only around one in twenty organisations currently converts AI into material and consistent enterprise-level financial value.

This does not mean that 95% of individual AI projects fail. The research measures organisations and enterprise-level maturity. The point is that technology adoption alone is not enough. Value is created when AI and data are connected to business processes, decision rights, workflow redesign, KPI ownership, execution responsibility and rigorous expected-versus-actual measurement.

### WHAT VALUEFABRIC DOES

ValueFabric combines an adaptive Operating Intelligence system with Decisions Architecture for investors and portfolio companies. It detects performance risks earlier, interprets connected signals and complex patterns, prioritises the right interventions, and verifies their impact on KPIs, EBITDA, cash, working capital and the relevant ownership endpoint.

**Business Signals → Operating Intelligence → Decisions Architecture → Execution Support → Performance Outcomes**

ValueFabric converts governed company data and operating context into Business Signals; interprets those signals as Operating Intelligence; translates the intelligence into owned and measurable decisions through Decisions Architecture; turns those decisions into action through Execution Support; measures the resulting Performance Outcomes against operational, financial and enterprise-value KPIs; verifies the evidence and attribution; and feeds the learning back into the system.

The objective is to connect the investment thesis, ownership reality and exit strategy to the three to five Business Signals that require continuous management attention, the interventions that should be prioritised, the KPI baselines against which progress is measured, and the evidence required to demonstrate sustainable value creation.

### THE ADAPTIVE OPERATING INTELLIGENCE SYSTEM

Investment firms, Operating Partners, portfolio leadership teams and CFOs face continuous pressure to improve performance across individual companies and entire portfolios.

ValueFabric becomes more intelligent through verified cases, not through the indiscriminate collection or pooling of raw portfolio-company data. It connects permissioned Business Signals with relevant company context, decisions, interventions, execution conditions, KPI movements and verified Performance Outcomes — revealing recurring and complex patterns: what the signals indicate, under which conditions they matter, which interventions were selected, and which actions contributed to measurable value creation.

The system performs three distinct intelligence jobs:

**Detect what is changing.** Identify abnormal, persistent and urgent financial, commercial, operational and cash signals before they become visible through conventional reporting.

**Interpret what the signals mean together.** Connect individual KPIs, sequences and patterns to identify emerging performance trajectories, risks and value-creation opportunities that no single metric reveals.

**Learn what creates value.** Compare interventions under relevant operating conditions, measure expected versus actual KPI and financial impact, assess attribution confidence, and improve future intervention selection.

**More verified cases → more relevant signals → richer context → more complex patterns → stronger decision evidence → better intervention selection → more verified outcomes → better future intelligence**

The ValueFabric methodology, diagnostic products, Decisions Architecture and operator-led execution are applied today. The governed, layered intelligence engine designed to perform these jobs continuously and at scale is in active development.

## WHY VALUEFABRIC IS DIFFERENT

Most systems show what happened. ValueFabric learns what creates value — connecting signals, context, decisions, interventions and verified outcomes to improve the next decision.

Its defensibility comes from one compounding Operating Intelligence system that connects:

- **Historical Pattern Intelligence —** a large, proprietary and continuously expanding company research base built over more than ten years across multiple sectors, business models and operating conditions
- continuous enrichment through ValueFabric's diagnostic products, assessments, portfolio reviews and execution engagements
- macro, meso and micro intelligence
- a common Business Signal ontology and intervention taxonomy
- first-party operating context that conventional company systems and public databases do not capture
- Decisions Architecture, KPI baselines, decision logs and intervention ownership
- operator judgement from strategic and Tier 1 Founding Operating Partners
- Execution Support through management teams, operators, systems, workflows and the AI Execution Fabric
- verified evidence connecting company context, Business Signals, decisions, interventions, execution conditions, KPI movements and Performance Outcomes
- Cross-Company Intelligence and portfolio-level learning

Every diagnostic adds operating context. Every engagement adds Business Signals, decisions and intervention evidence. Every measured KPI adds outcome data. Every verified Performance Outcome strengthens the intelligence available for the next situation.

Models can be copied. Data can often be licensed. A growing and structured history connecting company context, Business Signals, decisions, interventions, execution conditions and verified Performance Outcomes is far harder to shortcut.

## PRIVACY AND GOVERNANCE

Company data remains within existing systems and agreed governance boundaries. What improves over time is the intelligence derived from permissioned Business Signals, contextual patterns, decisions, interventions and verified Performance Outcomes — not the volume of centrally collected raw company data.

Contribution to benchmarking, learning and Cross-Company Intelligence is governed through aggregation, anonymisation, consent, role-based access, contractual data-usage rules, confidentiality protections and applicable data-protection requirements.

## ONE SYSTEM. MULTIPLE ENTRY POINTS.

**Visibility → Diagnostic → Assessment → Execution → Continuous Intelligence**

Investment firms and portfolio companies can begin through the Portfolio Value Creation & Operating Intelligence Masterclass, ValueFabric diagnostic products, the Portfolio Value Creation Program, the 13-Week Liquidity & Working Capital Control solution, Value Creation Execution Support or the Performance Signal Engine.

Different companies have different starting points. Every entry point connects into the same Operating Intelligence Infrastructure — and back to measurable KPI improvement, EBITDA, cash and working-capital outcomes, and defensible ownership-endpoint evidence.

> The defensible moat is not the model. Models can be copied and data can often be licensed. The harder asset to replicate is a structured history connecting company context, Business Signals, decisions, interventions, execution conditions, KPI movement and verified EBITDA, cash and working-capital outcomes — the evidence that shows investors not only where AI may create upside, but which intervention worked, under which conditions, and whether the value is repeatable and defensible at exit.

> **AI exposure may influence valuation. Verified Operating Intelligence determines whether that valuation can be earned and defended.**