



## How we can help

### Potential issues

- You are contemplating the disposal of a business and wish to consider the relative merits of 'locked box' and other completion mechanisms in the context of your transaction.
- You are making a disposal and wish to guard against price erosion by potential acquirers, both through the determination of consideration to be paid and through any post completion mechanism.
- You are making an acquisition and wish to ensure that potential 'debt-like' items and other financial risks have been identified and appropriately addressed. This is done either by way of a reduction in consideration, through a completion pricing mechanism within the SPA, or through warranties and indemnities.
- The transaction being contemplated includes a post completion pricing mechanism. You are seeking to position the SPA to your advantage and minimise the opposing party's potential to manipulate price.

### How we can support you

- We can assist you and your advisers in considering the adjustments to be made between enterprise value and equity value. To justify your proposed approach we can formulate the arguments and counter-arguments required..
- For the purposes of price negotiation and drafting the SPA, we can help determine the appropriate financial benchmarks (or appropriate adjustments to price in the case of a 'locked box' (fixed price) mechanism) and related arguments..
- We can advise you in your analysis of the working capital requirements of the business with a view to you determining the normalised working capital for the purposes of your negotiation of the SPA.
- We can work with you and your financial due diligence team to mitigate the risks identified during the due diligence phase
- We can advise you in your negotiations of the accounting aspects of the SPA. Such advice would include commentary on the pricing mechanism, relevant representations and warranties (if any), any other accounting related clauses of the SPA and any dispute resolution mechanisms related to the purchase price adjustment (including as appropriate, consideration of tax related items).