

Transaction Services



Vendor Assistance and Vendor Due Diligence

# Vendor Assistance (VA)

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Vendor assistance provides tailor made solutions to assist you in successfully completing your divestments. Our vendor assistance specialists work alongside company management and their lead advisers throughout the process.

The term, VA, encompasses a wide range of advisory services. Typically we will provide a Value Issues Report summarising key issues likely to influence the value which can be realised from the disposal. The Report should not be provided to potential bidders at any stage.

Vendor assistance is more suitable in situations where there is likely to be only one potential buyer, and can be less time consuming than vendor due diligence.

Additionally we also provide the following additional services:

- advice and assistance on preparing the business for disposal;
- advice and assistance with your preparation of a data room;
- reviewing and providing comments on information to be provided to potential buyers;
- performing financial analysis of the historical results and trends of the business;
- advice on and assistance with identifying and documenting the basis of carve out financial information;
- advice on and assistance with your preparation of Finnish GAAP or IFRS financial statements;
- assistance in developing an appropriate tax structure for the disposal.

# Vendor Due Diligence (VDD)

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When a company is up for sale - or selling off one of its parts - it helps to be able to show an in-depth report on its financial health to potential buyers. This is called vendor due diligence.

PwC provides comfort to both buyers (acquirers) and sellers (vendors) with an independent and objective view of the business, encompassing its performance and prospects. Vendor due diligence aims to address the concerns and issues that may be relevant to even the most demanding purchaser.

Potential bidders will seek to rely on the report rather than carrying out their own due diligence. Consequently the scope of work must be wide enough to ensure that the report deals with all areas of focus that a general purchaser would wish to undertake due diligence on. During the preparation of a VDD report we meet with management to discuss our initial findings so that mitigating actions can be taken where necessary.

Vendor due diligence is suitable in situations where there are likely to be a large number of buyers, typically in an auction process.

# The advantages

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## Benefits to Vendor of VA and VDD



- Validate perceived value drivers and likely negotiating issues up front
- Early warning of deal threatening issues: allows management early ownership of deal issues and time to address problems
- Control over disclosures in the bid phase and all subsequent deal phases
- Helps the vendor retain the pace and initiative throughout the sales process

## Additional benefits of VA



- Security that offers have been received in full knowledge of those contentious issues the vendor has elected to disclose
- Provides support resources that will reduce the draw on target management time (and hence target commercial performance)
- Facilitates management's understanding of the sale process

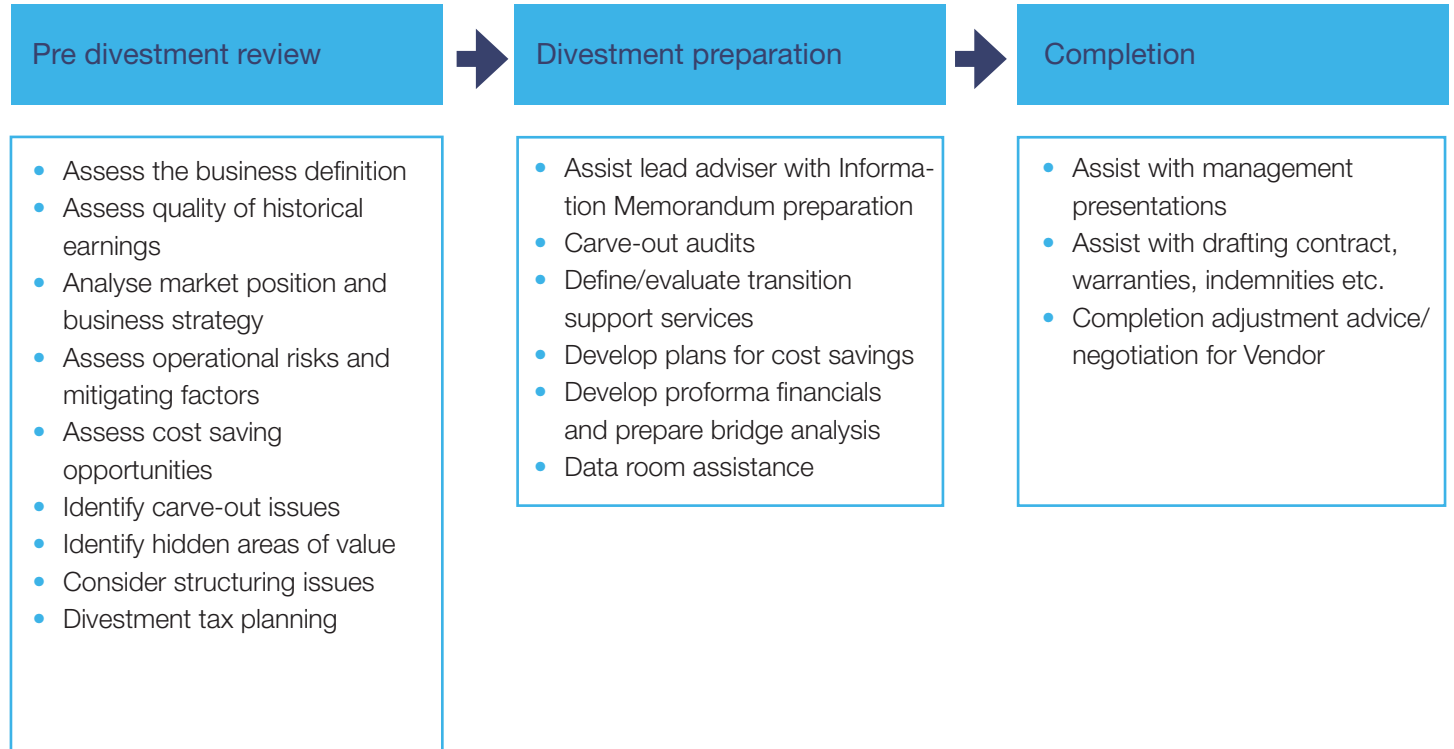
## Added benefits of VDD



- Bidders see the business “warts & all”
- Typically greater level of comfort for acquirer than traditional due diligence
- Bidders get fast access to information enabling you to receive more credible bids early on in the process
- Speeds up the process by avoiding multiple buyers asking the same questions
- Better use of time in exclusivity phase

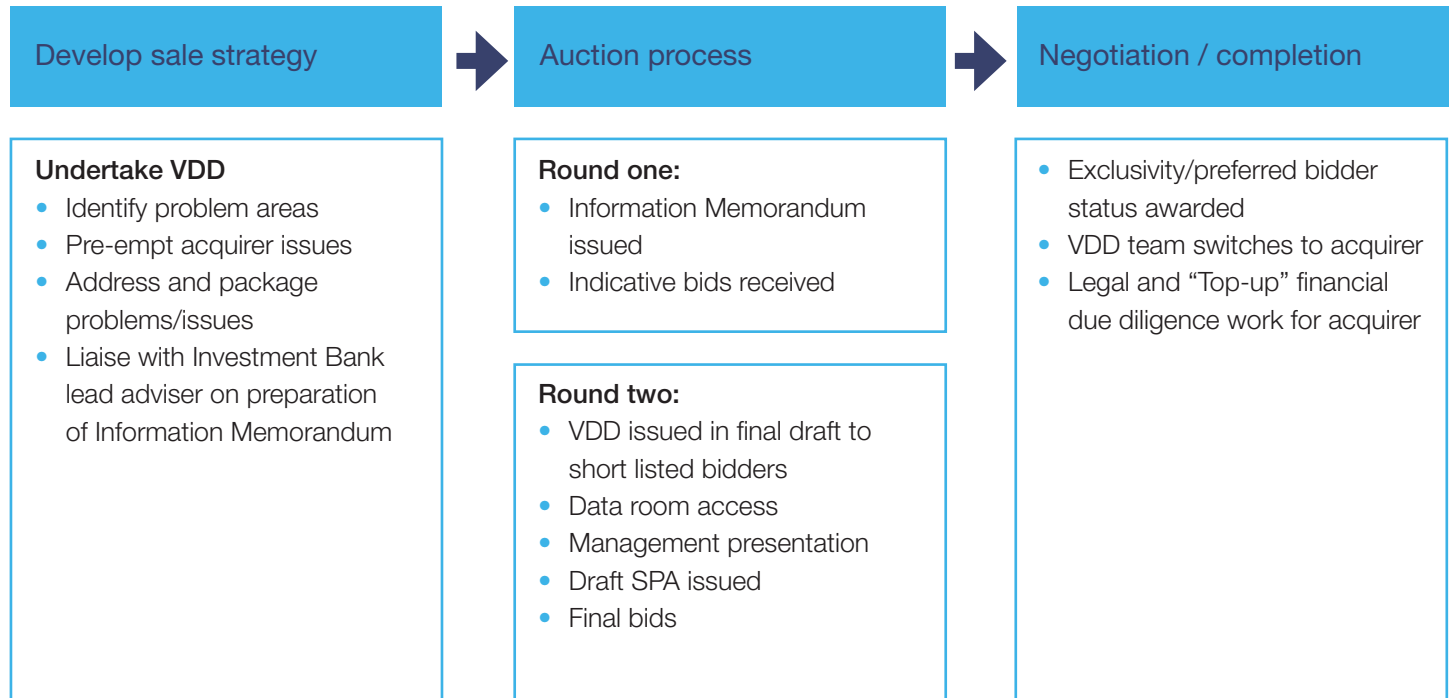
# Where does Vendor Assistance fit into the disposal process?

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# Where does Vendor Due Diligence fit into the disposal process?

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# Contact information

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