



PSP FACTS

M&A: Transaction Advisory Services (inbound and outbound)

- **Selected case studies: International (outbound or inbound) transaction advisory services projects during the last two years**

A. Sichuan Liuhe Forging Ltd. Co., China

In 2015, PSP profoundly advised the Chinese company Sichuan Liuhe Forging Co., Ltd. on the purchase of Carl Mertens International GmbH, an international manufacturer of high-quality designer cutlery and accessories for the decoration of tables.

The parties agreed not to disclose any information as regards the purchase price. The family-run company Carl Mertens, which was founded in 1919, is a worldwide known manufacturer for cutlery and the no. 1 in the German city Solingen for designer cutlery and premium home accessories made of stainless steel. Since 1964, Carl Mertens has received all the prestigious designer awards for its products, which are also presented in well-known museums and collections.

After taking over the company, Sichuan Liuhe Forging Co., Ltd. is planning to make further investments both on the national as well as the international stage through its German subsidiaries.

The transaction advice included:

- Negotiation assistance regarding LOI advisory including valuation services
- Financial, Tax, and Legal Due Diligence
- Advisory regarding final purchase price determination
- Legal support (contract drafting and negotiations)



B. Allied Motion Technologies Inc. USA

PSP provided a “one-stop shop” assistance to the U.S. public company Allied Motion Technologies Inc. in the acquisition of Heidrive GmbH, Pasotec GmbH, and its Czech subsidiary.

PSP represented the U.S. public company Allied Motion Technologies Inc., a global designer and manufacturer of motion control products focused exclusively on serving the motion control market, in the execution of transaction documents regarding the acquisition of the German company Heidrive GmbH, a drive technology and engineering company, and its Czech subsidiary.

The transaction value was € 20 million.

Allied Motion Technologies is the parent company of several operating units in various locations throughout the world, which designs, manufactures, and sells motion control products that serve various industry sectors.

Heidrive designs and manufactures customized, innovative synchronous motion systems for highly demanding applications, from medical technology and robotics to cargo aviation and building technologies, as well as various commercial applications.

The transaction advice was rendered in November/December 2015 / January 2016 and included:

- Negotiation assistance regarding LOI advisory including valuation services
- Financial, Tax, and Legal Due Diligence
- Advisory regarding final purchase price determination
- Legal support (contract drafting and negotiations)
- Post closing services



C. TFC Holland B.V., Netherlands

PSP provided transactional advisory for the German shareholders of TFC Holland B.V., Netherlands (TFC) in selling their shares to **BayWa AG**.

TFC supplies fresh products from all over the world on a daily basis, with an assortment of over 200 exotic fruit and vegetables.

BayWa is a leading international trading and service group with activities focused on the core segments of agriculture, energy, and building materials.

The transaction took place in Q1 2016 and PSP's services included:

- Advisory regarding final purchase price determination
- Legal support (contract drafting and negotiations)

D. TGW Logistics Group, Austria

PSP advised TGW Logistics Group, based in Austria, in the acquisition of CHM Automatisierungstechnik GmbH located in Stephanskirchen, Germany. The experts of automation technology and robotics will expand TGW's portfolio and will be included into the TGW Group as a full-fledged subsidiary: TGW Robotics.

The TGW Logistics Group stands for automated materials handling solutions. Together with their high-performing partner CHM Automatisierungstechnik GmbH, a number of successful projects are being or have been realized. The new TGW family member constructs and builds special machines, among them gantry robots and picker arms as well as special conveyor equipment. Also the controls of the robots including buckling arm robots is a crucial aspect of the new TGW unit's scope of supply. These technologies are predominantly used in the palletizing of cartons in production areas.

The parties agreed not to disclose any information as regards the purchase price. The transaction advice was rendered in Q1 and Q2 2016 and included:

- Negotiation assistance regarding LOI advisory including valuation services
- Tax and Legal Due Diligence
- Advisory regarding final purchase price determination
- Legal support (contract drafting and negotiations)



E. Cremer Speciaal machines B.V., Netherlands

In Q4 2016, PSP advised Uhlmann Pac-Systeme GmbH & Co. KG, based in Laupheim, on acquiring the Dutch manufacturer of counting and packaging system Cremer Speciaal machines B.V., located in Lisse near Amsterdam. PSP advised Uhlmann in an all-encompassing way and covered the typical areas of legal, tax, and financial apart from assisting the Group in the negotiations process. In respect of the financial due diligence work we cooperated with **Alfa Consultants B.V.**, Netherlands, and in respect of legal work we cooperated with **Ekkelmans & Meijer Advocaten**.

The parties agreed not to disclose any information as regards the purchase price.

By taking over the company, Uhlmann, a leading system supplier for packaging of pharmaceuticals in blisters and bottles worldwide, strengthened its market position in the field of bottle packaging systems and expanded its strategic offer by including the key technology for counting modules. Cremer's core competence is the "counting and separating" of sensitive products from the pharmaceutical, food, consumer goods, and agricultural industries. For Cremer, affiliation to the Uhlmann Group secured the long-term future of the company and provided access to new markets.

F. Arthur Flury AG, Switzerland

On 1 June 2017, BPT Building and Power Technology Holding AG, Zurich, acquired 100% of the shares in Arthur Flury AG, Deitingen, as part of a succession arrangement.

PSP's transaction advice was rendered in April/March 2017 and included Financial and Tax Due Diligence

Arthur Flury AG is a leading, internationally active company in the development and manufacture of electrical connections for railway technology, and earthing and lighting protection systems. The company was founded in 1920 and has developed a modern and dynamic enterprise with over 100 employees, at its premises in Deitingen.

BPT Building and Power Technology Holding AG is controlled by Argos GmbH. Argos supports the development of the family businesses of Dr. Hans Peter Maassen and Florian Pape and is specialised in purchasing and developing family businesses. Dr. Maassen and Mr. Pape are M&A-clients of PSP since more than 10 years.



G. Other transactions

PSP gave advice to more than 100 transactions over the last 10 years. Many of these other transactions were initiated by our private equity clients, who were asking for our “one-stop shop” services (financial, legal, and tax) relating to “buy-side” transactions.

Our “sale-side” transactions mostly relate to either family-owned businesses that are searching for a succession solution or to corporations that have decided to opt for a divestment strategy.

About PSP:

“We know that pure expertise alone is not sufficient. Issues affecting several areas have to be identified and resolved on an interdisciplinary basis. The interdisciplinary PSP team enables us to offer one-step integrated transaction advisory service providing a considerable advantage by eliminating the usual inefficiencies when several parties are involved, which in turn means more effective advice and less risk that information is lost.”

Besides know how, trust is vital and our M&A team therefore consists of highly qualified advisors who have gained transactional experience over many years. As a result, we can always provide the same high quality in giving advice as the major international firms in both national and international context and we do so in a responsible, rapid, and flexible way – in every stage of the transaction.

Transaction advisory for German or international corporate buyers or sellers and for families who are facing a succession solution is an important part of our business. Additionally, we have a strong client basis of private equity firms that constantly require our service mostly consisting of seamless financial, legal, and tax service throughout the deal continuum which ranges from support in taking decisions when entering up to the stage of closing a deal and beyond. As M&A experts, auditors, tax consultants, and lawyers we are able to advise on all aspects of the transaction process. Many of our clients consider PSP as a one-stop shop for the whole transaction, especially in cases where small or mid-sized companies are concerned.



■ Our range of transaction advisory services

We provide support even before the decision to invest has been taken:

- Assisting in the planning of M&A transactions and their funding
- “Quick check analysis”
- Planning advice on economic, financial, legal and tax issues, and the transaction structure
- Business valuations according to recognized standards
- Developing mechanisms to determine or agree the acquisition price
- Advising and providing support in the case of businesses bought out of insolvency

We support in implementing the planned acquisition:

- Handling the legal aspects of confidentiality letters, exclusivity agreements, and LOIs
- Legal, financial, and tax due diligences
- Risk analysis and reporting
- Assisting in contract negotiations and the legal implementation of M&A transactions (drafting contracts)
- Optimizing structures and transactions from a tax perspective
- Planning, preparing, and reviewing settlement balance sheets
- Advising on issues concerning anti-trust law

We support in post-closing issues:

- Preparing or reviewing closing balance sheets according to contractual provisions
- Calculating earn-out amounts
- Dealing with warranties
- Representing claims in negotiations, before court or before an arbitration tribunal

■ A strong and global team

We are one of the leading advisors offering our services to mid-sized private equity and investment firms in Germany. Our team is composed of more than 15 specialists who are auditors, lawyers, and tax consultants having a successful track record in private equity transactions.

We operate where our clients need us as we are aware that personal advice is not restricted to geographical borders. Even in case of foreign target firms or foreign subsidiaries of domestic targets, you can draw on our expertise and great international experience. Through **DFK International** – an outstanding association of independent audit and tax consulting firms



with more than 400 offices in 85 countries – we can also provide local presence outside of Germany and thus worldwide support with services relevant in M&A transactions.

Our senior PSP team in transaction advisory includes:

Financial:

- **Bernhard Winterstetter**, partner, qualification as public auditor and tax consultant
- **Stephan Nowack**, partner, qualification as public auditor and tax consultant
- **Andreas Vogl**, partner, qualification as public auditor and tax consultant

Legal:

- **Dr. Axel-Michael Wagner**, partner, qualification as attorney-at-law (Germany)
- **Max Boettcher, LL.M.**, partner, qualification as attorney-at-law (Germany) and tax consultant
- **Dr. Christoph Wallner**, partner, qualification as attorney-at-law (Germany)
- **Dr. Henning Blaufuß**, partner, qualification as attorney-at-law (Germany) and lawyer specialized in commercial and corporate law

Tax:

- **Dr. Alexander Reichl**, partner, qualification as tax consultant
- **Dr. Stephan Wachter**, partner, qualification as attorney-at-law (Germany) and tax lawyer

Chinese advisor:

- **Xiaoya Wu**, qualification as Chinese lawyer (LL.M. EUR)

For more information on our PSP team please visit: www.psp.eu/eng/about-bsp/team



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