BUYER-SIDE INVESTMENT COMMITTEE MEMORANDUM

Econ Engineering Group (sample, public data)

A possibly scarce U.K. winter-maintenance vehicle franchise is priced below the model's assumed range, but every economic input is an unverified headline figure and no seller document has been reviewed.

RECOMMENDATION	CONFIDENCE	RELIANCE POSTURE
Investigate	Low	Screen Grade

DEFINING OPPORTUNITY

If the reported roughly 85% U.K. share of gritters and snow ploughs and the long council relationships hold up, the target is a category leader that would give the Industrial Equipment division a hard-to-build U.K. platform.

DEFINING UNCERTAINTY

It is not known whether adjusted profit of $38,500,000 on $88,000,000 of sales, a margin of about 43.8%, is real, repeatable, and comparable to EBITDA, because no financial statements, general ledger, or customer data have been reviewed.

Strategic · Diligence stage
Generated 2026-11-17 · Report acq-2c2905f5-2142-4f91-831f-c7d2c1047de6
This memo is an evidence-bounded acquisition screen, not a fairness opinion, valuation opinion, legal opinion, or commitment to transact.

00

Investment Committee Snapshot

TRANSACTION FRAME

Strategic tuck-in: a stock purchase of a family-owned Yorkshire gritter and roadway-truck maker at an asking price of $158,700,000 (about £120 million), funded entirely from the buyer's revolving credit facility, with management kept in place.

Opportunity

If the reported roughly 85% U.K. share of gritters and snow ploughs and the long council relationships hold up, the target is a category leader that would give the Industrial Equipment division a hard-to-build U.K. platform.

Uncertainty

It is not known whether adjusted profit of $38,500,000 on $88,000,000 of sales, a margin of about 43.8%, is real, repeatable, and comparable to EBITDA, because no financial statements, general ledger, or customer data have been reviewed.

INVESTIGATE | LOW CONFIDENCE | SCREEN GRADE

01

Decision Posture

GOVERNING DECISION

The opportunity may justify continued access, but material facts, evidence, pricing, control, or downside work remains unresolved.

The governing posture is investigate at low confidence, with no hard vetoes and no compounding risks named. The required condition is to obtain the general ledger before financial diligence is finished, because the minimum LOI package (also not received) does not replace rebuilding the financials. The packet also says the deal was signed and completed on October 27, 2026, while the stage is diligence as of November 17, 2026; until that conflict is resolved, read this analysis as a pre-commitment or confirmatory review, not as approval.

Conditions to advance

— Obtain the general ledger before completing financial diligence; the minimum LOI package does not replace financial reconstruction.

Hard vetoes

No hard veto recorded at this evidence level.

Compounding risks

No compounding risk recorded.

02

Acquisition Thesis and Buyer Fit

Acquisition thesis

The strategic logic is coherent, but the thesis rests on seller and announcement claims that have not been tested.

The buyer is a serial specialty-equipment acquirer adding U.K. presence and an adjacent winter and roadway product line, which fits its stated acquisition pattern. Category leadership, the 85% share, and council relationships are claimed defensibility with no contract, tender, or competitor evidence behind them. The screen flags that no competitors or alternatives are named, so the build, partner, or wait options cannot be compared.

Buyer implication: Give the strategic rationale no valuation credit until share, contract terms, and the competitive set are documented, and do not let strategy offset unproven standalone economics.

EVIDENCE: BUYER-INTAKE, DEAL-SCREEN, MATERIAL-CIM

Buyer fit

The target fits the buyer's operating model, provided the existing management and Yorkshire base can actually be kept.

Keeping Econ's management and Yorkshire manufacturing base is a non-negotiable for the buyer, which matches a hold-existing-management operating plan. Management depth, transition terms, and the employee base are all undisclosed. The buyer's tuck-in experience is relevant, but this deal adds a cross-border U.K. public-sector customer base to its usual pattern.

Buyer implication: Fit depends on retaining people, which is unverified, so retention terms are a gating item rather than an integration detail.

EVIDENCE: BUYER-INTAKE, MATERIAL-EMPLOYEE-LISTING

03

Deal Economics

Economics interpretation

The asking price falls below the calculated standalone range, but that range comes from an assumed 5x to 8x multiple applied to unverified earnings, so the apparent discount is not yet evidence of value.

The calculation gives a standalone enterprise value range of $192,500,000 to $308,000,000 against an asking price of $158,700,000, with the hard ceiling set by assumption at $308,000,000. Under the buyer's primary metric, payback, the scenarios show 5.9 years in the most-likely case, 5.2 years in the best case, and 7.9 years in the worst case. The headline IRR of -5.2% conflicts with those payback results, and the application must explain that conflict rather than this narrative.

Buyer implication: Treat the range and ceiling as placeholders, set a buyer-owned ceiling once earnings are verified, and get the IRR versus payback conflict resolved before it reaches the board.

EVIDENCE: UNDERWRITING, ASSUMPTION-1, ASSUMPTION-2, ASSUMPTION-7

Earnings normalization

Value and price discipline

Reported EBITDA	**$38,500,000**
Normalized EBITDA	**$38,500,000**
Reported SDE	**Not provided**
Normalized SDE	**Not provided**
Reported unlevered FCF	**Not provided**
Normalized unlevered FCF	**Not provided**

Valuation basis	**Normalized Ebitda**
Standalone EV — low	**$192,500,000**
Standalone EV — high	**$308,000,000**
Offer enterprise value	**$158,700,000**
Hard ceiling	**$308,000,000**
Range strategy	**Within Supported Range**

Sources and uses

Equity purchase price	**$158,700,000**
Total uses at close	**$158,700,000**
Senior debt	**$0**
Seller financing	**$0**
Deferred earnout	**$0**
Buyer cash required	**$158,700,000**

Return frame

Primary metric	**Payback Period**
Annual cash flow to buyer	**Not provided**
Cash-on-cash return	**Not calculated**
Payback period	**Not calculated**
IRR	**-5.2%**
Worst case survivable	**Yes**

Downside scenarios

Worst Case

Revenue $70,400,000 · EBITDA $28,688,000 · FCF $20,081,600 · DSCR not calculated · Payback 7.9 years · Survivable yes

Most Likely

Revenue $88,000,000 · EBITDA $38,500,000 · FCF $26,950,000 · DSCR not calculated · Payback 5.9 years · Survivable yes

Best Case

Revenue $96,800,000 · EBITDA $43,318,000 · FCF $30,322,600 · DSCR not calculated · Payback 5.2 years · Survivable yes

BUYER-OWNED SYNERGY TREATMENT

Buyer-specific synergies are excluded from standalone value, equity value, financing, and return calculations.

Excluded buyer-specific synergies: Not provided

04

What Is Actually Being Underwritten

RevenueQuality

Revenue quality cannot be underwritten: sales of $88,000,000 are a single-year announcement figure with no mix, growth, or recurring-revenue data.

Demand is tied to public highway budgets and winter weather, which suggests lumpy vehicle sales alongside a servicing stream of unknown size. Revenue growth, recurring share, and order backlog are all missing. Without the revenue mix, the split between capital equipment sales and servicing cannot be seen.

Buyer implication: Ask for multi-year revenue by product, service, and customer type, along with backlog and framework-contract data, before relying on any steady-state revenue figure.

EVIDENCE: BUYER-INTAKE, MATERIAL-REVENUE-MIX, MATERIAL-FINANCIAL-STATEMENTS

EarningsQuality

Adjusted profit of $38,500,000, a margin of about 43.8%, is the central unverified claim; the intake describes it as unusually high for a vehicle maker.

Underwriting carries reported EBITDA through unchanged as normalized EBITDA, with no adjustments accepted, pending, or rejected, because no add-back detail exists. The figure is labeled 'adjusted profit' in the buyer's announcement, and it has not been confirmed that it is EBITDA on a consistent definition. Financials are management-only, and the general ledger has not been reviewed.

Buyer implication: Commission a quality-of-earnings review tied to the general ledger, U.K. statutory accounts, and tax filings, and test whether the margin holds once family compensation, one-off items, and weather-driven years are normalized.

EVIDENCE: UNDERWRITING, MATERIAL-GENERAL-LEDGER, MATERIAL-FINANCIAL-STATEMENTS, BUYER-INTAKE

CashConversion

Cash conversion is entirely assumed.

Free cash flow is modeled at 70% of adjusted earnings, with a yearly cushion of 10% of adjusted earnings, because no cash flow statement was provided. On that basis the model gives unlevered free cash flow of $26,950,000 in the most-likely case and $20,081,600 in the worst case.

Buyer implication: Replace the 70% conversion assumption with actual multi-year cash flow, since seasonal build-to-order manufacturing may convert very differently.

EVIDENCE: ASSUMPTION-8, ASSUMPTION-9, MATERIAL-CASH-FLOW-STATEMENT, UNDERWRITING

OwnerDependence

Founding-family dependence is a named risk that has not been sized.

The Managing Director is the founder's son, and family leadership plus the engineering teams are flagged as key-employee risk. The owner's transition offer is not disclosed. It is unknown whether council relationships and engineering know-how sit with the family or with the institution.

Buyer implication: Map relationships and know-how by person, and tie family transition commitments to the buyer's requirement to keep management.

EVIDENCE: BUYER-INTAKE, MATERIAL-EMPLOYEE-LISTING

ManagementDepth

Management depth is not disclosed, which is a direct conflict with a plan built on keeping management.

No employee listing, organization chart, or compensation data has been reviewed. Leaders at the engineering hubs in Scotland, Suffolk, and Wales, and below the family layer, are not identified.

Buyer implication: Before any further commitment, confirm a second-tier management team exists and agree retention terms with it.

EVIDENCE: MATERIAL-EMPLOYEE-LISTING, BUYER-INTAKE

CustomerConcentration

Exposure is concentrated by type, U.K. councils and road contractors that depend on public budgets, but customer-level concentration is unknown.

Largest-customer share and customer tenure are not provided, and the top-ten list has not been reviewed. The buyer's own question about exposure to council budgets cannot be answered from the evidence in hand.

Buyer implication: Get a top-ten list, the procurement route (framework or tender) for each, and contract renewal dates, then test revenue against a council-budget downturn rather than the generic stress case alone.

EVIDENCE: MATERIAL-TOP-TEN-CUSTOMERS, MATERIAL-REVENUE-MIX, BUYER-INTAKE

WorkingCapital

The working-capital peg and the offer equity bridge are placeholders.

Normal working capital, cash at close, and debt-like items are each counted as zero only because no figures were provided, so the calculated equity value of $158,700,000 equals enterprise value by default. A seasonal manufacturer probably carries large inventory and receivable swings, but that is unverified.

Buyer implication: Set the peg on a trailing twelve-month seasonal average, and identify debt-like items such as pensions, warranties, and customer deposits, before fixing equity value.

EVIDENCE: ASSUMPTION-3, ASSUMPTION-4, ASSUMPTION-6, UNDERWRITING, MATERIAL-BALANCE-SHEET

CapitalExpenditure

Capex needs and deferred maintenance are unknown.

Near-term capex and deferred maintenance are entered as zero because nothing was provided, and the capex and facility profiles are blank. A 60-year-old manufacturing base with four sites may need reinvestment that the 70% conversion assumption does not capture.

Buyer implication: Commission a site and equipment condition review and obtain the capex history, then deduct any verified deferred maintenance from price.

EVIDENCE: ASSUMPTION-5, UNDERWRITING, BUYER-INTAKE

AiExposure

AI exposure was not assessed and appears secondary to the decision.

The intake gives no AI exposure information. The value drivers are physical vehicle engineering, manufacturing, and public procurement relationships.

Buyer implication: Record AI exposure as unknown and do not let it compete for diligence time with earnings and customer verification.

EVIDENCE: BUYER-INTAKE

Financing

Funding entirely from the revolver means the buyer carries the full $158,700,000, and the model shows zero debt service, so financing cost is not reflected in the cash flow to the buyer.

The capital stack shows buyer cash required of $158,700,000, with no senior debt, seller financing, earnout, or rollover. Because revolver interest and FX on a sterling price are not modeled, the payback figures overstate cash available to the buyer by an unknown amount.

Buyer implication: Get the application to rerun payback with revolver cost and currency hedging included, and consider deferred or contingent consideration to share risk on the unverified margin.

EVIDENCE: UNDERWRITING, BUYER-INTAKE

Integration

Revenue functions should stay standalone, and only back-office functions should be integrated early.

The buyer's constraint to keep management and the Yorkshire base fits a standalone operating view for council-facing sales and engineering. Finance, reporting, and systems integration can come earlier, but systems documentation is not disclosed.

Buyer implication: Name an owner for every claimed synergy, keep synergies out of seller-facing value, and plan to bring finance reporting onto U.S. public-company standards early.

EVIDENCE: BUYER-INTAKE, DEAL-SCREEN

SellerMotivation

Seller motivation is not disclosed beyond a family exit after almost 60 years.

A generational exit is plausible, but it has not been tested against financial trajectory or timing, because growth and margin trajectory are unknown. Selling at what the model reads as below its assumed range could mean the seller sees the margin peaking, for example after a strong winter.

Buyer implication: Test why the family is selling now against multi-year results before treating the price as a bargain.

EVIDENCE: BUYER-INTAKE, UNDERWRITING

Material findings

EARNINGS QUALITY **HIGH** **INVESTIGATE**

An adjusted margin of about 43.8% is unverified and unusual for the sector

The entire valuation range and every payback figure depend on this number.

Required action: Commission a quality-of-earnings review that rebuilds results from the general ledger, statutory accounts, and tax filings.

EVIDENCE: BUYER-INTAKE, UNDERWRITING, MATERIAL-GENERAL-LEDGER

FINANCIAL CLEANLINESS **HIGH** **INVESTIGATE**

No seller documents reviewed; the minimum LOI package is incomplete

Nothing in the analysis is above screen grade.

Required action: Obtain the CIM, financial statements, balance sheet, cash flow statement, cap table, and cash and debt positions.

EVIDENCE: DEAL-SCREEN, MATERIAL-CIM, MATERIAL-FINANCIAL-STATEMENTS, MATERIAL-BALANCE-SHEET, MATERIAL-CASH-FLOW-STATEMENT

CUSTOMER CONCENTRATION **MODERATE** **PRICE**

Demand depends on U.K. council budgets and weather

The generic stress case may not capture a fall in public spending or a run of mild winters.

Required action: Build a council-budget and weather downside from customer-level data and reflect it in price or contingent consideration.

EVIDENCE: BUYER-INTAKE, MATERIAL-TOP-TEN-CUSTOMERS, ASSUMPTION-7

MANAGEMENT DEPTH | MODERATE | PROTECT

Retaining family leadership is essential but unsecured

The buyer's non-negotiable plan fails if key family members or engineers leave.

Required action: Agree retention, transition, and non-compete terms, with contingent consideration where sellers stay on.

EVIDENCE: BUYER-INTAKE, MATERIAL-EMPLOYEE-LISTING

LEGAL REGULATORY | UNKNOWN | PROTECT

Stock purchase inherits unknown liabilities

Debt-like items, pensions, warranty claims, and any regulatory issues tied to an 85% share would pass to the buyer.

Required action: Run legal and liability diligence and back it with warranties, indemnities, or insurance in the definitive agreement.

EVIDENCE: BUYER-INTAKE, ASSUMPTION-3

FINANCING | MODERATE | PRICE

Revolver cost and FX are not in the payback figures

Payback to the buyer is overstated by an unknown amount.

Required action: Have the application recalculate payback including revolver interest and sterling hedging.

EVIDENCE: UNDERWRITING, BUYER-INTAKE

05

Diligence Pressure Map

PRIORITY 01

Earnings reconstruction

The adjusted margin drives the value range, ceiling, and payback.

Evidence required: General ledger, multi-year statutory accounts, tax filings, add-back schedule, and the definition of adjusted profit.

Decision affected: Whether to advance at all and where to set a buyer-owned ceiling.

EVIDENCE: MATERIAL-GENERAL-LEDGER, MATERIAL-FINANCIAL-STATEMENTS, UNDERWRITING

PRIORITY 02

Customer and procurement durability

Public-budget and weather dependence determine how repeatable revenue is.

Evidence required: Top-ten customers, framework and tender contracts, revenue mix, and order backlog.

Decision affected: Price and downside case.

EVIDENCE: MATERIAL-TOP-TEN-CUSTOMERS, MATERIAL-REVENUE-MIX

PRIORITY 03

Balance sheet and equity bridge

Working capital, debt-like items, and cash are all placeholders at zero.

Evidence required: Balance sheet, cash and debt positions, seasonal working-capital history, and pension and warranty liabilities.

Decision affected: Equity value and closing adjustments.

EVIDENCE: MATERIAL-BALANCE-SHEET, ASSUMPTION-3, ASSUMPTION-4, ASSUMPTION-6

PRIORITY 04

Management and key-employee retention

Keeping management is a non-negotiable buyer constraint.

Evidence required: Employee listing with roles and pay, organization chart, and family transition intentions.

Decision affected: Protective structure and whether the plan is feasible.

EVIDENCE: MATERIAL-EMPLOYEE-LISTING, BUYER-INTAKE

PRIORITY 05

Transaction status and control

The packet says the deal was signed and completed, yet the stage is diligence, and no cap table has been reviewed.

Evidence required: Confirmation of deal status, cap table, and seller authority to deliver.

Decision affected: Whether this is pre-commitment diligence or post-close confirmation.

EVIDENCE: BUYER-INTAKE, DEAL-SCREEN

06

Investigate, Price, Protect, Walk

Investigate

Quality-of-earnings review tied to the general ledger

The margin is the defining unknown, and the general ledger is the stated condition to advance.

EVIDENCE: MATERIAL-GENERAL-LEDGER, DEAL-SCREEN

Competitor set and evidence for the 85% share

Defensibility gets no credit without evidence, and the build-versus-buy comparison needs named alternatives.

EVIDENCE: DEAL-SCREEN, BUYER-INTAKE

Price

Buyer-owned ceiling based on verified earnings

The current range and ceiling come from an assumed multiple.

EVIDENCE: ASSUMPTION-1, ASSUMPTION-2

Revolver cost, FX, and verified capex in payback

Zero debt service and zero capex overstate cash to the buyer.

EVIDENCE: UNDERWRITING, ASSUMPTION-5

Protect

Retention and transition agreements for family leaders and key engineers

Keeping management is non-negotiable and currently unsecured.

EVIDENCE: BUYER-INTAKE, MATERIAL-EMPLOYEE-LISTING

Seasonal working-capital peg and liability protections in the stock purchase

Placeholder zeros and inherited liabilities put equity value at risk.

EVIDENCE: ASSUMPTION-4, ASSUMPTION-3, BUYER-INTAKE

Walk-away conditions

The rebuilt margin is materially below the reported level and the worst case is no longer survivable at the proposed price.

Downside survivability is required, and the current pass depends on unverified earnings.

EVIDENCE: UNDERWRITING, MATERIAL-GENERAL-LEDGER

Price exceeds the buyer-owned ceiling set from verified economics.

A hard ceiling is required, and strategic rationale cannot excuse weak standalone value.

EVIDENCE: ASSUMPTION-2, UNDERWRITING

Core management or the Yorkshire base cannot be retained.

This breaks the buyer's stated non-negotiable constraint.

EVIDENCE: BUYER-INTAKE

Sellers cannot show they control the required vote, or they withhold the general ledger.

Missing seller control or refused financial reconstruction blocks underwriting.

EVIDENCE: DEAL-SCREEN, MATERIAL-GENERAL-LEDGER

07

Uncertainty Surface

Whether adjusted profit equals EBITDA and can be repeated

Decision consequence: Value range, ceiling, and payback may all be overstated.

Evidence required: General ledger, statutory accounts, and the definition of adjusted profit.

EVIDENCE: MATERIAL-GENERAL-LEDGER, UNDERWRITING

Actual cash conversion and seasonal working capital

Decision consequence: The 70% conversion assumption could be wrong in either direction.

Evidence required: Multi-year cash flow statements and monthly working-capital data.

EVIDENCE: ASSUMPTION-9, MATERIAL-CASH-FLOW-STATEMENT

Customer-level concentration and contract terms

Decision consequence: Revenue durability and the downside case cannot be calibrated.

Evidence required: Top-ten list, revenue mix, and framework agreements.

EVIDENCE: MATERIAL-TOP-TEN-CUSTOMERS, MATERIAL-REVENUE-MIX

Transaction status: completed or still in diligence

Decision consequence: Decides whether the findings can change price and terms or only shape integration.

Evidence required: Signed agreement status and closing documents.

EVIDENCE: BUYER-INTAKE

Why the IRR (-5.2%) conflicts with positive scenario payback

Decision consequence: Misleading return signals to the board.

Evidence required: An explanation of the IRR inputs from the application's underwriting.

EVIDENCE: UNDERWRITING

08

Questions for the Seller

QUESTION 01

Please provide the general ledger and three to five years of statutory accounts, and reconcile adjusted profit of $38,500,000 to EBITDA.

The margin is the defining uncertainty.

Decision affected: Advance or stop; ceiling.

EVIDENCE: MATERIAL-GENERAL-LEDGER, MATERIAL-FINANCIAL-STATEMENTS

QUESTION 02

What drove the margin in the year to March 31, 2026, and how does it compare with prior years, including milder winters?

Tests whether the margin is cyclical or a peak.

Decision affected: Price and downside case.

EVIDENCE: BUYER-INTAKE, ASSUMPTION-7

QUESTION 03

Who are the top ten customers, how are they contracted, and when do frameworks renew?

Measures exposure to council budgets.

Decision affected: Price and protections.

EVIDENCE: MATERIAL-TOP-TEN-CUSTOMERS, MATERIAL-REVENUE-MIX

QUESTION 04

What are cash, debt, pension, warranty, and other debt-like obligations at close?

These are zero placeholders in the equity bridge.

Decision affected: Equity value.

EVIDENCE: MATERIAL-BALANCE-SHEET, ASSUMPTION-3, ASSUMPTION-6

QUESTION 05

Which family members and engineers will stay, on what terms, and who leads each hub?

Keeping management is non-negotiable.

Decision affected: Retention structure.

EVIDENCE: MATERIAL-EMPLOYEE-LISTING, BUYER-INTAKE

QUESTION 06

Please provide the cap table and confirm who can approve the sale.

Seller control has not been verified.

Decision affected: Whether to continue.

EVIDENCE: DEAL-SCREEN

QUESTION 07

Who are the competitors, and what supports the 85% share claim?

Defensibility is a seller assertion.

Decision affected: Strategic value and build-versus-buy.

EVIDENCE: DEAL-SCREEN, BUYER-INTAKE

QUESTION 08

What is the capex history and the condition of the four sites?

Deferred maintenance is unknown.

Decision affected: Price deductions.

EVIDENCE: ASSUMPTION-5

09

Next Decision

NEXT COMMITMENT

Fund a quality-of-earnings review and confirmatory diligence; make no further price or exclusivity commitment until it is done.

Evidence gate	**Receive the general ledger and the complete minimum LOI package (CIM, financial statements, top-ten customers, employee listing, and revenue mix), and confirm the transaction status.**
Stop condition	**Stop if the general ledger is withheld, the rebuilt earnings make the worst case unsurvivable at the proposed price, or the price exceeds a buyer-owned ceiling set from verified economics.**

A

Evidence Register

buyer-intake

Buyer profile, target profile, proposed terms, questions, and context supplied in the Acquisition Lens intake.

Buyer Provided · Provided · Unknown confidence · as of 2026-11-17T04:48:11.143Z · Acquisition Lens intake

deal-screen

Deterministic Deal Screen result, including posture, confidence, hard stops, conditions, and missing information.

Calculated · Verified · Low confidence · as of 2026-11-17T04:48:11.143Z · Acquisition Lens deterministic Deal Screen

underwriting

Deterministic underwriting result, including normalized earnings, value ranges, capital stack, returns, and downside scenarios.

Calculated · Verified · Low confidence · as of 2026-11-17 · Acquisition Lens deterministic underwriting

material-cim

Buyer has not reviewed the sale package (CIM).

Buyer Provided · Missing · Unknown confidence · as of 2026-11-17

material-financial-statements

Buyer has not reviewed financial statements.

Buyer Provided · Missing · Unknown confidence · as of 2026-11-17

material-balance-sheet

Buyer has not reviewed a balance sheet.

Buyer Provided · Missing · Unknown confidence · as of 2026-11-17

material-cash-flow-statement

Buyer has not reviewed a cash flow statement.

Buyer Provided · Missing · Unknown confidence · as of 2026-11-17

material-top-ten-customers

Buyer has not reviewed the top 10 customer list.

Buyer Provided · Missing · Unknown confidence · as of 2026-11-17

material-employee-listing

Buyer has not reviewed an employee listing.

Buyer Provided · Missing · Unknown confidence · as of 2026-11-17

material-revenue-mix

Buyer has not reviewed revenue and customer mix.

Buyer Provided · Missing · Unknown confidence · as of 2026-11-17

material-general-ledger

Buyer has not reviewed the general ledger.

Buyer Provided · Missing · Unknown confidence · as of 2026-11-17

assumption-1

Standard assumption, not supplied by the buyer: Fair-value range assumed at 5 to 8 times adjusted profit before interest, taxes, depreciation and amortization; the buyer gave no range.

Calculated · Claimed · Low confidence

assumption-2

Standard assumption, not supplied by the buyer: Walk-away price set at the top of the fair-value range; the buyer gave no maximum.

Calculated · Claimed · Low confidence

assumption-3

Standard assumption, not supplied by the buyer: No figure given for debt-like items; counted as zero and flagged as not provided.

Calculated · Claimed · Low confidence

assumption-4

Standard assumption, not supplied by the buyer: No figure given for normal working capital; counted as zero and flagged as not provided.

Calculated · Claimed · Low confidence

assumption-5

Standard assumption, not supplied by the buyer: No figure given for deferred maintenance; counted as zero and flagged as not provided.

Calculated · Claimed · Low confidence

assumption-6

Standard assumption, not supplied by the buyer: No figure given for cash left in the company at closing; counted as zero and flagged as not provided.

Calculated · Claimed · Low confidence

assumption-7

Standard assumption, not supplied by the buyer: Stress cases assumed: bad case revenue down 20% and margin down 3 points; expected case flat; good case revenue up 10% and margin up 1 point.

Calculated · Claimed · Low confidence

assumption-8

Standard assumption, not supplied by the buyer: 70% of profit assumed to turn into free cash, with a yearly cash cushion of 10% of adjusted earnings.

Calculated · Claimed · Low confidence

assumption-9

Standard assumption, not supplied by the buyer: Free cash flow assumed at 70% of adjusted earnings; the buyer gave none.

Calculated · Claimed · Low confidence

B

Authority and Limitations

Authority note

This analysis applies the acquisition and portfolio-operations judgment framework of Mike Ye. It is not legal, tax, accounting, investment, lending, or formal valuation advice.

Limitations

- All financial figures are buyer-entered from a public announcement and have not been verified; no seller documents have been reviewed.
- The valuation range, ceiling, stress cases, and cash conversion rest on standard assumptions, not buyer inputs.
- Financing cost, FX, fees, capex, and working capital are modeled at zero.
- The packet conflicts on whether the transaction has already closed.
- This is not legal, tax, accounting, lending, or formal valuation advice.

Acquisition Lens preserves deterministic calculations as authoritative. Narrative interpretation cannot override the supplied underwriting, Deal Screen, or source classifications. Independent financial, tax, legal, commercial, insurance, technology, and operational diligence remains required before any transaction commitment.