CLIENT CASE STUDY

Performing a Pre-deal Quality of Earnings Analysis and Associated Due Diligence

zeevo

CHALLENGE

A **globally recognized digital media and entertainment company** needed assistance with a pre-deal quality of earnings analysis and associated due diligence on a target company it sought to acquire.

Zeevo professionals worked with its client's management team, outside counsel, and the target company's finance leadership team to **obtain and analyze financial information to support a quality of earnings analysis project**.

APPROACH

- Requested financial data, including financial statements, tax returns, bank statements, and supporting details

- Interviewed the target company's finance leadership and outside tax advisors to understand the process used to manage financial data, prepare financial statements, and tax returns

OUTCOME

- The client benefited from a third-party perspective on the quality of earnings of the target company

- Identified potential risks pre-deal closure

- Uncovered anomalies in financial reporting pre-deal closure

- Provided enhancement ideas for documented risks and internal control gaps by area

ZEEVO'S VALUE ADD

- Analytical procedures on selected financial data

- Knowledge of external funding instruments, working capital management, and cash conversion cycles

- Familiarity with leading practices related to factoring agreements

- Calculated cash conversion days and the build-up of accounts receivable

- Skillset and experience in private merger and acquisition (M&A) transactions

- Designed and developed a buy-side report with a summarized list of issues and observations

- Provided third-party objectivity

- Skillsets and experience required to identify bottlenecks, inefficiencies, and other issues related to people and process
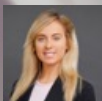
WHY ZEEVO?

Our experience and expertise

Our style and passion

Our team of professionals

Our commitment to a strategic relationship

LET'S TALK

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