

M&A SOLUTIONS

A fresh approach

To generate and protect value in an acquisition, disposal, IPO, or other restructuring, it is important to focus on the execution of the transaction to ensure that efficient capital, financing and operating models are established for the future of the business.

Nuwaru can help guide you through the tax aspects of every step of an M&A transaction, from inception to implementation. We have experienced professionals who have worked inside large organisations, whether global financial institutions, blue chip industrials or top-end professional services firms. We know how to deliver pragmatic M&A tax and transaction solutions that navigate the increasingly complex and regulated taxation environment while meeting the specific commercial drivers of your deal.

Nuwaru works with corporates, private equity funds, fund managers, individuals, and family offices. We collaborate closely with our colleagues and with external advisers in the M&A deals space to help you navigate an efficient, "no surprises", value creative path that delivers the desired commercial and tax outcomes of your deal.



Our Team

The Nuwaru team of Sam Lo Ricco, Peter Chiswell and James Jobson have deep experience advising on the tax aspects of listings, capital raisings, corporate reorganisations and the acquisition and divestment of shares and assets, each from the perspective of professional advisors and from leading internal tax teams at significant global organisations. What's more, our team includes Angela Melick, one of the foremost stamp duty specialists in Australia and Patrick Hunt, a GST industry leader.

Angela has extensive expertise, Australia-wide, in all aspects of transactions. Patrick has been advising clients since the implementation of the GST and draws on all of that experience to reach the best GST outcomes. Indirect tax affects almost all M&A transactions in a variety of ways, yet far too often it is raised at the last minute and can cause major headaches, sometimes at a stage when the changes needed to resolve the issues are no longer an option. Our team engages Angela, Patrick and other relevant Nuwaru experts at the outset, so specialist advice is delivered when it's needed.



Sam Lo Ricco
Nuwaru |
Corporate Tax



Peter Chiswell
Nuwaru |
Corporate Tax



James Jobson
Nuwaru |
Corporate Tax



Angelina Melick
Nuwaru |
Indirect State
Tax



Patrick Hunt
Nuwaru | Goods
& Services Tax

	Modules	What we do
1	Getting ready for a merger, IPO, or acquisition	<p>We can help you with the planning, preparation and positioning of a deal:</p> <ul style="list-style-type: none"> • Identifying the parameters that maximise the acquisition or sale value • Evaluating the tax implications of the various transaction options • Structuring the future operating model of the business, to ensure a clear vision is presented to stakeholders on how the business will operate moving forward • Working with you to critically assess all tax risks and ensuring the risks are appropriately mitigated to enhance deal value • Assisting in tidying up any outstanding tax compliance or reporting obligations before the merger or before the deal goes to market
2	Due diligence	<p>Whether on the buy side or sell side, the due diligence is key to ensuring that the tax risks and opportunities of the deal are well understood.</p> <ul style="list-style-type: none"> • In the case of a sale or IPO, preparing a tax vendor due diligence report, outlining the tax status and tax attributes of the business to be sold and to make the sale process quicker and easier • In the case of an acquisition, assessing the tax profile of the target business, including its compliance position, tax attributes and overall operating model is critical (regardless of whether a vendor due diligence is provided) • The outcome of the due diligence may influence the deal price, the need for insurance of tax risks and will drive the nature and veracity of the tax warranties and indemnities offered or sought • Due diligence extends to the GST, employment taxes and stamp duty implications of the transaction and to historic exposures/risks
3	Negotiating effectively	<p>Nuwaru can guide you through the documentation negotiations, advise on the tax implications and help you to maximise the value from the transaction.</p> <ul style="list-style-type: none"> • Advising on any tax adjustments that need to be made for differences between Enterprise Value and Equity Value • Negotiating the tax aspects of key documents e.g., the share sale and asset sale agreements. This includes pricing considerations, relevant representations, warranties, indemnities, or any other tax related clauses in the documentation • If tax risks were identified in the due diligence that require adjustment to the purchase price, we can also help you to negotiate any dispute between the parties

Equally, in the case of an IPO, the content and tone of the tax comments in the prospectus can drive key messaging and deal value. For example, clear comments around dividend and tax crediting may be value accretive, while tax governance and transparency comments may be important in demonstrating ESG investment metrics.

Understanding the tax implications for investors and required funding is critical. The benefit of tax attributes at the operating company level must be measured against the after-tax returns to investors.

We can help with:

- The overall capital and funding structures, including the potential use of tax advantages structures such as Management Investment Trusts, Venture Capital Limited Partnerships, CCIV's etc.
- Understanding the tax implications of potential exit strategies
- The impact of any carried interests/co-investment plans
- Dividend and tax crediting strategies
- Funding structures, including management of thin capitalisation issues
- Identifying and efficiently managing GST as a cost

Tax value is often lost through poor execution and implementation of a deal.

Execution of the deal does not stop on settlement. Issues such as tax consolidation, CGT calculations, stamp duty, tax exemptions and concessions etc., must be factored into the execution process.

We can help with:

- Preparing a step plan for completing the transaction
- Dealing with stamp duty and other tax compliance obligations associated with the deal
- Ensuring the deal is executed and documented in accordance with your Tax Governance and Risk Framework
- Ensuring execution of the transaction facilitates an efficient and sustainable ongoing operating structure for the business
- If required, any post-acquisition restructuring

Nuwaru is a full-service firm and is therefore well-positioned to support you through the implementation and beyond, for example:

- Tax consolidation calculations
- Elections and choices
- Overcoming resource shortfalls
- ATO questions and disclosures