

Checklist: Acquisition – 10 warning signals

Investors and advisors should look out for warning signals during the M&A process. If red lights flash up in relation to multiple positions, caution is advised.

- CEO is the only person who believes in the business case.
- Lack of a business plan
- Lack of an investment plan
- Staff expect more synergies in relation to turnover and less in relation to costs
- Human due diligence: HDD does not provide convincing results
- Change to the upper price limit during offer stage
- Presence of multiple bidders
- Person responsible for M&A points out how much time, money and reputation the project has drained
- Investor without M&A experience and without advisers
- You consider the deal to be particularly profitable.