

Deal Advisory

BUSINESS SALE PROCESS



PHASE 1 - PLANNING

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| Step 1: Define Shareholder Goals | Determine the reason for selling the business (e.g. retirement, strategic exit). Establish financial goals and desired outcomes. |
| Step 2: Value Optimisation | Deciding what you can do to enhance the value of your business |
| Step 3: Appraisal | Business broker undertakes appraisal of business to provide a likely sale price is agreed upon. |
| Step 4: Agreement | Engage professionals including business broker, accountant, lawyer and financial planner or tax advisor. |

PHASE 2 - PREPARATION

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| Step 1: Preparation of Sales Materials | Development of business teaser document and confidential information memorandum (CIM). |
| Step 2: Preparation of Marketing Plan | A plan is developed by business broker to reachout to potential buyers and a buyer target list is created. |
| Step 3: Preliminary Diligence | Meetings with business broker, accountant and lawyer to review and assess potential questions and commonly requested due diligence documentation. Collection and review of available preliminary diligence documentation. |
| Step 4: Data Room Building | Creation, housing, management, and population of the data room. |

PHASE 3 - BUYER OFFERS

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| Step 1: Buyer Engagement | Initial Contact by business broker with potential buyers based on marketing plan. Screen for strategic fit, and financial means prior to continuing the process. Please Note: All marketing and buyer outreach is confidential. The identity of the business will not be disclosed pre-NDA. |
| Step 2: Providing Documentation | Buyers complete and NDA and then are provided with the Confidential Information Memorandum (CIM). Buyers may request further information (RFI) at this stage to validate information in the CIM. |
| Step 3: Buyer Interviews | Arranging buyer interviews with shareholders where the buyer is determined a strategic fit. |
| Step 4: Offers | Non-binding offers are presented from potential buyers. |
| Step 5: LOI Signing | Select preferred buyer and facilitate acceptance and endorsement of a Letter of Intent (LOI) by both parties. |

PHASE 4 - SALE

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| Step 1: Diligence Activities | Receipt of buyer diligence list, compiling data and assisting with the collection of further information. |
| Step 2: Team Coordination | Introductions of buyer's and seller's professional transaction teams (lawyers, accountants and brokers). |
| Step 3: Definitive Agreement Negotiations | Work with lawyers to draft and negotiate the definitive agreements (eg Contract of Sale). |
| Step 4: Sign Agreement | Acceptance of offer (contract of sale) and settlement. Transfer assets, licenses, and intellectual property. Notify employees, customers, and suppliers as needed. |
| Step 5: Post Sale | Provide agreed post-sale support and ensure all final payments, including deferred payments, are received. |