

Business Acquiring Process Map



POSITIONING

This step involves creating an image of yourself in the M&A industry. Having a website, adjusting your socials, regular content creation dedicated to M&A or the industry you are after or involved.

1

2

SOURCING

This step is crucial. It's the part where you source the potential companies you'd want to acquire and get in contact with them. There are different ways of doing so; LinkedIn, Email, Letters, Network..etc



3

INITIAL / SECOND CALLS

This is the first and second call with the business owner. Follow our call scripts to get as much as info of the company and business owner situation.



NDA

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4

Non-Disclosure Agreement. Get your NDA signed by the business owner. It ensures that parties involved in a business relationship or collaboration agree not to share sensitive information with others.



FINANCIAL ANALYSIS / DEAL STRUCTURING

Once you get the financials for the company it's time for the financial analysis and the deal structuring.



BALLPARK FINANCIAL PROPOSAL

6

Often used during the initial stages of planning, when more specific information may be limited. A ballpark proposal can help stakeholders understand the general financial implications

7

OFFER PRESENTATION

Formal presentation made by the acquiring company to the target company's management and board. It outlines the proposed terms of the acquisition, including the purchase price, payment structure, and any other relevant conditions.



NEGOTIATIONS

8

The acquiring and target companies discuss and refine the terms of the proposed acquisition. Key elements such as purchase price, payment structure, due diligence procedures, and post-acquisition integration plans.

AGREEING THE FINAL DEAL STRUCTURE

10



TERM SHEET

Preliminary agreement that outlines the key terms of the proposed transaction. It serves as a non-binding document that provides a framework for further negotiations and due diligence.

9

This involves ironing out any remaining details, ensuring that all parties are in agreement on the key aspects of financial aspects of the deal, and preparing the necessary legal documentation.



11

DUE DILIGENCE + FINANCIAL MODELLING

Step where the acquiring company conducts a thorough investigation of the target company's financial, legal, and operational aspects. Due diligence involves examining the target company's financial statements, legal documents, contracts, intellectual property, and other relevant information. Financial modeling, on the other hand, involves creating detailed financial projections to assess the potential value and risks associated with the acquisition. This phase is crucial for the acquiring company to make an informed decision and ensure that the deal is financially viable and aligns with their strategic objectives.



CAPITAL AND DEBT RAISING

12

The process of securing the necessary financing to complete the acquisition

13

LEGALS

This involves drafting and reviewing a definitive purchase agreement, which outlines the binding terms and conditions of the acquisition. Lawyers from both sides work together to ensure that all legal requirements are met and that the deal is structured in a way that protects the interests of both parties.



14 COMPLETION

Final stage where the acquisition is officially closed. This typically involves transferring ownership of the target company to the acquiring company, and implementing any post-acquisition plans. Once the deal is completed, the acquiring company becomes the legal owner of the target company and can begin to reap the benefits of the acquisition.



POST COMPLETION INTEGRATION

15

This involves integrating various aspects of the businesses, such as financial systems, operations, human resources, and culture. The goal of integration is to ensure a smooth transition and maximize the value of the acquisition.



