



A PLAYBOOK TO GET YOUR BUSINESS TRANSACTION READY

TO **ATTRACT INVESTORS** AND GET **MAXIMUM VALUE** FOR YOUR BUSINESS YOU NEED TO PRESENT YOUR BUSINESS AS **LOW RISK** WITH **HIGH POTENTIAL FOR GROWTH**

If your business is perceived as **risky** then you will find it **difficult to attract** any serious **investors**, and if you do they will **devalue** your business to **offset the perceived risk**

If there is a **lack of confidence** in your business's **ability to grow** in the future, then investors will **devalue** your business as well as requesting **strong contingency** post transaction, **deferring full payment** until growth is demonstrated

INDICATORS OF LOW RISK

INVESTORS LOOK FOR

WHY THEY WANT THIS

Low Dependency on the Founder

If the business is highly dependent on the Founder, then it is likely there will be a painful transition period post transaction. Additionally, lack of an empowered and motivated leadership team presents a risk of losing key team members post transaction

Reliable Financial Data

If the historical financial data is patchy, difficult to interrogate and hasn't been regularly audited then it erodes buyer confidence and will make any financial due diligence process more painful

Strong Performance Data

If KPI data and reporting is not readily available to provide a transparent view of how the business is performing at an operational level, then this erodes confidence and is perceived as a risk

Diversification

If there are strong dependencies on a small group of products, suppliers, or customers then this could be perceived as business risk

INDICATORS OF GROWTH POTENTIAL

INVESTORS LOOK FOR

WHY THEY WANT THIS

Primed Leadership Team

Any future growth for the business needs to be led by the leadership team beyond the Founder. If the leadership does not appear engaged or is not demonstrating ability to lead effectively then this is a blocker to growth and will require additional investment

Realistic Growth Strategy

If there is no clear growth strategy underpinned by strong validated assumptions, then this erodes buyer confidence for future growth

Competitive Advantage

If the business has a competitive advantage with their product, service, or suppliers then buyers want confidence that this advantage will remain protected to support the next phase of growth

Scalable Operating Model

If your organisation structure or technology will not support significant growth in the business, then this is seen as a barrier to scale – something that will need additional investment in order to grow

PATHWAY TO GET TRANSACTION READY

Step 1: Founder Transaction Strategy

As a founder spend time to get very specific on exactly what you want from the transaction process – not just value, but life after the transaction. What good does and doesn't look like

Step 2: Diagnose Transaction Readiness

Complete a diagnostic review of the business to identify any gaps that need to be addressed to become transaction ready. Focused on reducing any perceived risk and removing any barriers to scale

Step 3: Engage Your Leadership Team

Communicate your intent to transact to your leadership team and run facilitated team sessions to align as a group on the challenges, opportunities and plan for transition

Step 4: Deliver a Plan for Transaction Readiness

Develop a plan with your leadership team to make the business transaction ready, addressing risks and barriers for growth. Track progress against plan with your leadership team and remove any blockers to implementation as they arise

Step 5: Tell Your Growth Story

Co-design a realistic 3-year growth strategy with your leadership team, underpinned by solid assumptions. Create a first draft of an investment memorandum with your leadership team where you communicate your growth potential and tell your value story

Step 6: Commence Transaction Process

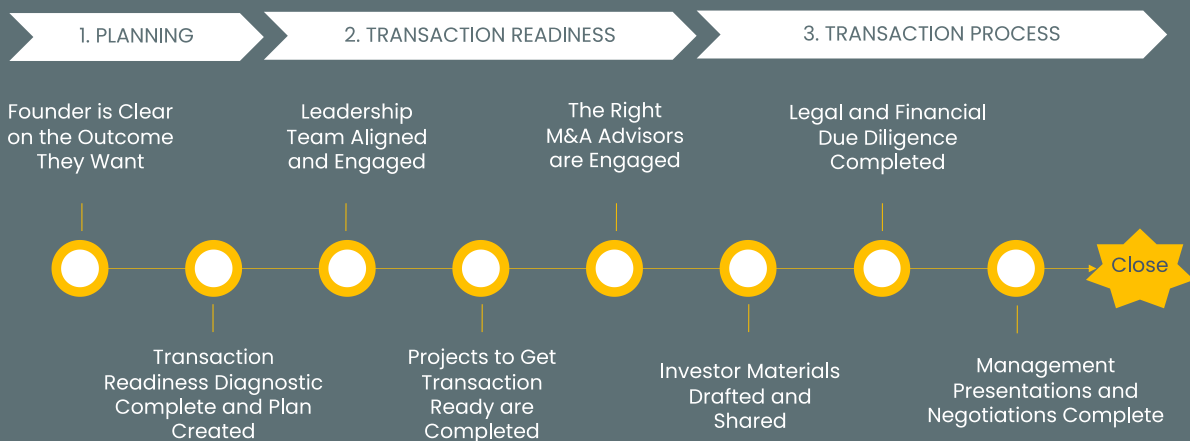
Engage your advisors to communicate intent to sell, finalise your investment memorandum and commence the search for potential buyers



FAILURE TO PREPARE FOR A TRANSACTION LEADS TO UNNECESSARY STRESS AND COMMERCIAL LOSS

According to multiple studies some **70%–90%** of M&A transactions end in **failure**

To **maximise your chance of success** we help you get your business in **best shape possible** before starting the transaction process



START GETTING TRANSACTION READY TODAY!

SCHEDULE A FREE CONSULTATION TO DISCUSS YOUR TRANSACTION STRATEGY

SCHEDULE CONSULTATION

www.camigoconsulting.com