

## M&A Standing agenda

[documents for review sent in advance]

1. Recap of last month's key discussion points and action items
2. Confirmation of exit strategy and timeline / timing
3. Changes to the company's strategic landscape (market, competition): valuation expectations
4. Progress against Table 1 & next steps (Exec Summary, Data Vault; CIM, LOI etc)
  - a. Exec summary for banks
  - b. Data vault
  - c. Finance & Forecast readiness (incl. audit & QoE)
5. Progress on identifying banks/brokers and making introductions
6. Information and update on potential buyers
7. Reporting on key exit metrics
  - a. Financial highlights to date & forecasts (incl. revenue, EBITDA & EBITDA growth)
  - b. % of revenue from 3 biggest clients
  - c. % of work covered by IP (and use of this!)
  - d. % of sales originating from founders / LT
  - e. Booked sales for next 12 months
  - f. % revenue from subscriptions / long-term contracts (i.e. managed services)
  - g. Utilisation averages & exceptions
  - h. Improvements in marketing lead generation
  - i. Employee voluntary attrition %
  - j. Reduction of senior time spent on rework, reporting and admin
  - k. Non-founder time spent on business development
  - l. Stronger performance management by senior team
  - m. % of company that are billable
8. Risk management (incl. leak)
9. Actions and date for next meeting

## Progress to sale

Stage	Key outcomes	Approximate Date
1. What do you have?	<ul style="list-style-type: none"> <li>• Unique Buyers' Proposition</li> <li>• Strategic Synergy offering</li> </ul>	Workshop
2. What do you want?	<ul style="list-style-type: none"> <li>• Investment offering</li> <li>• Executive Summary (story)</li> <li>• Target price</li> <li>• Target multiple</li> <li>• Target earn-out</li> <li>• Target buyer(s) profile</li> </ul>	
3. Preparation	<ul style="list-style-type: none"> <li>• Due diligence checklist for data-vault. See <a href="#">here</a>.</li> <li>• Who is in the team?</li> <li>• Who will do what?</li> <li>• How to minimise disruption?</li> <li>• How to minimise risk to value?</li> <li>• Post-deal communications plan</li> <li>• Leak communications plan.</li> <li>• Succession plans</li> <li>• Check legals</li> </ul>	5 months
4. Recruit intermediary	<ul style="list-style-type: none"> <li>• Short-list &amp; assess brokers &amp; banks</li> <li>• Contract broker / bank</li> </ul>	2 months (concurrent with Preparation)
5. Prepare company for final year	<ul style="list-style-type: none"> <li>• Consider pipeline &amp; wait-list</li> <li>• Consider provisions</li> <li>• Prepare 2-3 year forecasts</li> <li>• Consider pricing</li> <li>• Coaching senior team</li> <li>• Consider buy-side cost savings</li> </ul>	Workshop
6. Create Documents	<ul style="list-style-type: none"> <li>• Executive summary</li> <li>• Confidential Information Memorandum</li> </ul>	3 months
7. Search for potential buyers	<ul style="list-style-type: none"> <li>• Long list of potential buyers</li> </ul>	2 months
8. Initial approaches	<ul style="list-style-type: none"> <li>• Conversations with buyers /investors</li> <li>• Responses to questions</li> <li>• NDA(s)</li> <li>• Short-list of buyers/investors</li> </ul>	3 months
9. Deeper dive	<ul style="list-style-type: none"> <li>• CIM distribution to short-list</li> <li>• Approximate valuation</li> <li>• Letter of intent with one buyer</li> <li>• Hire Lawyer</li> </ul>	1 month
10. Due diligence	<ul style="list-style-type: none"> <li>• Lift the floorboards!</li> </ul>	3 months
11. Negotiations	<ul style="list-style-type: none"> <li>• Offer</li> <li>• Negotiations</li> </ul>	2 months
12. Share Purchase Agreement	<ul style="list-style-type: none"> <li>• Final contract</li> <li>• Implement communication plan (see earlier)</li> </ul>	1 month
13. Completion		

## What we will need to give brokers / banks prior to their presentations

- Owner's needs
  - Price
  - Earn-out
  - Date
  - Employee guarantees
- Financials
  - Historical (3 years)
  - Forecasts
  - Employee guarantees
- Company
  - Ownership
  - Synergies / offering: Channels, customers, capabilities, countries, capacity, consolidation, competition, cash & creativity.
  - Strategy & plan
  - Pipeline
  - People