

LOOKING TO EXIT? HAVE YOU CONSIDERED A MANAGEMENT BUYOUT?

MENZIES
BRIGHTER THINKING

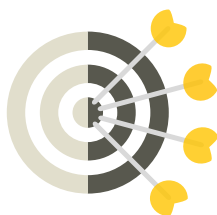
WHAT IS AN MBO?

A Management Buyout (MBO) involves all, or part of, the **management team** of a business **acquiring** all or part of **the company they manage**.

An MBO takes time and expertise to complete successfully, with the process typically taking around 6 to 9 months to complete. Throughout this time, our specialist corporate finance team can provide you with support and sound commercial advice.

KEYS TO A SUCCESSFUL MBO

To ensure that an MBO is a success, it is best that the company meets most, if not all, of the following criteria:



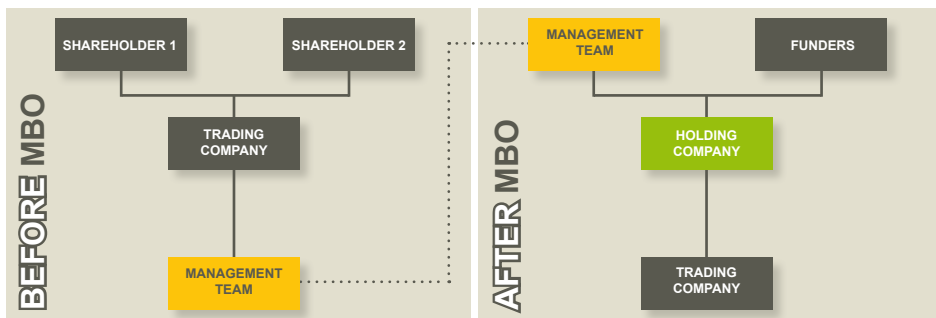
A strong management team

A company with a track record of profitability

A clear business plan for future growth

A willing vendor with realistic price expectations

HOW DOES IT WORK IN PRINCIPLE?



HOW WE ADD VALUE

We will project manage the process and act to maximise value for the management team by:



Ensuring a fair price is paid to the vendor



Coordinating other advisors including legal and tax



Securing the best, and most cost effective, funding



Minimising the impact and disruption to the business

WHAT ARE THE BENEFITS OF AN MBO?

FOR OWNERS



- ✔ Controlled process
- ✔ Info kept confidential
- ✔ Low risk
- ✔ Secure future for business

FOR MANAGEMENT



- ✔ Understand the business
- ✔ Potential for high returns
- ✔ Limited risk

OUR MBO APPROACH

PHASE ONE SHAPING THE DEAL



- ✔ Analyse existing business
- ✔ Prepare outline deal structure
- ✔ Discuss and agree approach with management team

PHASE TWO AGREEING THE DEAL



- ✔ Gain broad support from funders
- ✔ Negotiate deal between management team and vendor
- ✔ Sign Heads of Agreement

PHASE THREE SECURING FUNDING



- ✔ Prepare business plan and detailed financial projections
- ✔ Present to funders
- ✔ Negotiate terms with funders and select the most competitive offer

PHASE FOUR DRIVING TO COMPLETION



- ✔ Due diligence
- ✔ Legal contracts
- ✔ Additional info requirements
- ✔ Drive project to completion

CONTACT US

For further information on MBOs, and the opportunities available to you, please contact one of our dedicated team:



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Alternatively, please visit our website to find out more:

www.menzies.co.uk/mbo



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