DMH Stallard

The process of buying a business

STAGE 1

Right time to buy

- Clear strategic objectives
- Financial capacity confirmed
- Management capacity to integrate
- Growth prospects identified

STAGE 2

Find the right business

- Use broker?
- Industry contacts?
- Corporate finance advisor?

STAGE 3

Confidentiality & Information Memorandum

- Sign NDA
- Receive and review IM
- Read critically - it's a selling document

STAGE 4

Heads of terms

- Share or asset purchase?
- Price & earn-out
- Exclusivity period
- Pre-conditions

STAGE 5

Due diligence

- Financial DD
- Commercial DD
- Legal DD
- Data room review

STAGE 6

Key documents produced to include:

- Sale/Purchase Agreement
- Tax Deed
- Disclosure Letter
- Employment Contracts

STAGE 7

Completion & post-completion

- Minutes and resolutions
- Money movement
- Integration planning
- Completion

Brighton Gatwick Guildford Hassocks Horsham London

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Contact us
03333 231 580