

Selling a company with the help of an advisor and VDR - what did the entrepreneur gain?

CLIENT

theCFO Sp. z o. o., interim management advisor comprehensively organizing management and development processes of enterprises

TARGET

a SME company from the pharmaceutical industry

TRANSACTION TYPE

sale of shares

Companies facing a strategic decision to sell an enterprise or shares can count on the help of external M&A advisors. They will not only help achieve a maximum valuation, but also optimize and speed up the deal flow. Our client, theCFO, one of the leading interim management consultants on the European market, used the VDR system for this purpose. What were the results?

Most often, companies are not able to carry out the sale of the enterprise on their own. The role of the advisor is then to organize such a process, starting from assistance in determining the condition of the enterprise, through the preparation of information memorandum for investors, and ending with the closing procedures, e.g. after-sales restructuring.

Our client was engaged as the sole advisor to the selling party in the sale of shares in a SME company from the medical industry. Thanks to a properly selected strategy and tools, the **transaction was closed in just 6 months**, while the market and transaction research stage itself took only 5 weeks. How did we help complete this transaction?

01 Challenge

TheCFO's tasks, apart from the **complete preparation of the client's company for the M&A process and its successful closure**, included:

- ✓ **coordination and supervision** of Due Diligence
- ✓ **providing** the investor with tax, legal and operational documentation
- ✓ **sharing documentation** with teams of advisors and investor's representatives
- ✓ **conducting Q&A sessions** and providing answers to investor's questions

In the context of the uncertainty on the transaction markets due to the COVID-19 pandemic, the **speed of the transaction, also related to cost optimization**, were especially important to the advisory company and its client. From an operational point of view, the ability to carry out the process **completely remotely** and a **guarantee of security** and confidentiality of the documentation made available were also crucial.

We were aware that the time pressure and cooperation of several teams of experts and representatives of both parties working in different hours and places, required precise organization of the calendar and appropriate preparation of documentation: its loading into the system only once and making it available when needed. Communication between all parties had to be structured too.

Transaction **speed**, **cost-efficiency** and **remote** operability were at the center of client's needs.

Due to confidentiality and a tight transaction schedule, our client had to have a guarantee that individual types of documentation, e.g. tax or legal, would be made available to the right people, at the right time, and in the most transparent way. The investor had to have access only to those documents that were relevant to the transaction.

When theCFO ordered the Virtual Data Room service, we knew very well how to respond to the needs of both the advisor and their client.

02 Solution

We offered our client a **flexible VDR Lite service** with which the advisor could - on an ongoing basis, from month to month - decide how long the Virtual Data Room system will be needed in the process. He could also activate additional required system functions at any time, e.g. additional reports, Q&A communication module, etc.

In this way, the cost was optimized - access to the VDR was extended on an ongoing basis too, as it was difficult to determine in advance how long the entire procedure would take and how much resources it would require.

We provided the **advisor with functions tailored to the type of the process** they were conducting, including:



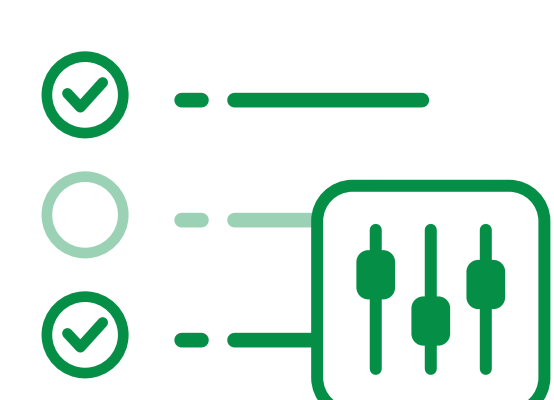
User activity reports



Easy loading of documents by drag & drop



Preserving the original document structure



Managing the rights of many user groups



System administration by the advisor and the client



Q&A module enabling the investor to ask questions



Document security

(watermarks, read-only mode, print-screen lock and others)

03 Benefits

The appropriate strategy and the use of the VDR platform ensured the success of the transaction. The entire process was shortened as much as possible and carried out in an efficient, structured manner. We knew that thanks to the activity reports, system administrators - both the advisor and the client company - had the opportunity to determine which documents, for how long and by whom, were reviewed. Thanks to this, it was possible to define the areas of interest of the Investor and better prepare for the Q&A session.

We provided the advisor and the client with full control over the course of the process - completely remotely. The investor, on the other hand, had the convenience of working from anywhere and unhindered access to documents and information. Documents were properly structured and made available safely only to those groups that were allowed access to data: tax and financial advisors, lawyers, etc.

We were also aware that the VDR offer was used flexibly and to the full extent - without unnecessary functions and paying for unused resources.

Thanks to the **effective organization of the transaction process**, including the research process itself and the possibility of using the FORDATA platform, the transaction was successfully closed.

Łukasz Meissner, Managing Partner, theCFO