



# **GOOD DEAL**

Valuaciones - Fusiones - Adquisiciones

Un servicio de **CONFIS**

## **INSTITUTIONAL PRESENTATION**

**[www.gooddeal.com.ar](http://www.gooddeal.com.ar)**



## ABOUT US

**GOOD DEAL| Valuations, Mergers and Acquisitions**, is part of Conforto, Fissore & Associates' work team. Our firm has a team of professionals that operate in local and international market for more than 20 years, having a wide experience in different areas.

Since 2004, our firm is part of SMS - Argentina and SMS Latin America, forming a strong net of independent firms, with presence all around Latin America.

Our services are distinguished because our personal and constant accompaniment for our clients, giving more importance to aspects that are not receiving special care and always keeping a permanent concern for our work and its added value.

GOOD DEAL| Valuations, Mergers and Acquisitions has been selected for several national and international companies because of our product, specially for our quality and concern for our client's business. In order to provide the best product as possible, our team has permanent training to adapt and improve all our products.



**CONFIS**  
Auditoría - Impuestos - Consultoría



**FORECAST**  
Gestión de Riesgos



**GOOD DEAL**  
Valuaciones - Fusiones - Adquisiciones

## WHY SHOULD I HAVE A BUSINESS VALUATION DONE?

A company valuation is useful in several situations, such as:

- Sales and Purchases. In order to obtain an approximate price for the agreement.
- Addition of a new owner. In order to determine the buy-in price.
- Exit of partners. In order to determine how to divide up the business.
- Financial performance analysis. In order to know created value during a period of time.
- Family heritage's split. In order to achieve an equitable division of wealth among successors.

The accounting value of equity does not reflect its real value at all. It is just an estimation that finds its origin in the accounting principles. Arriving to real value involves the analysis of several factors, calculating discounted future cash flows, based on feasible scenarios, considering market share, intangible assets, economies of scale and perspectives of each industry. Also, it is necessary to take into account analysis horizon, settlement value of assets and, as a crucial factor to discount the future cash flows, an appropriate rate.





## OUR SERVICES



## **STAGE I. COMPANY VALUATION**

It is defined as the process of determining the estimated value of a business entity.

The goal is to provide a valuation that represents the price a willing buyer and seller would agree on where both have knowledge of the relevant facts. However, this is not an easy process.

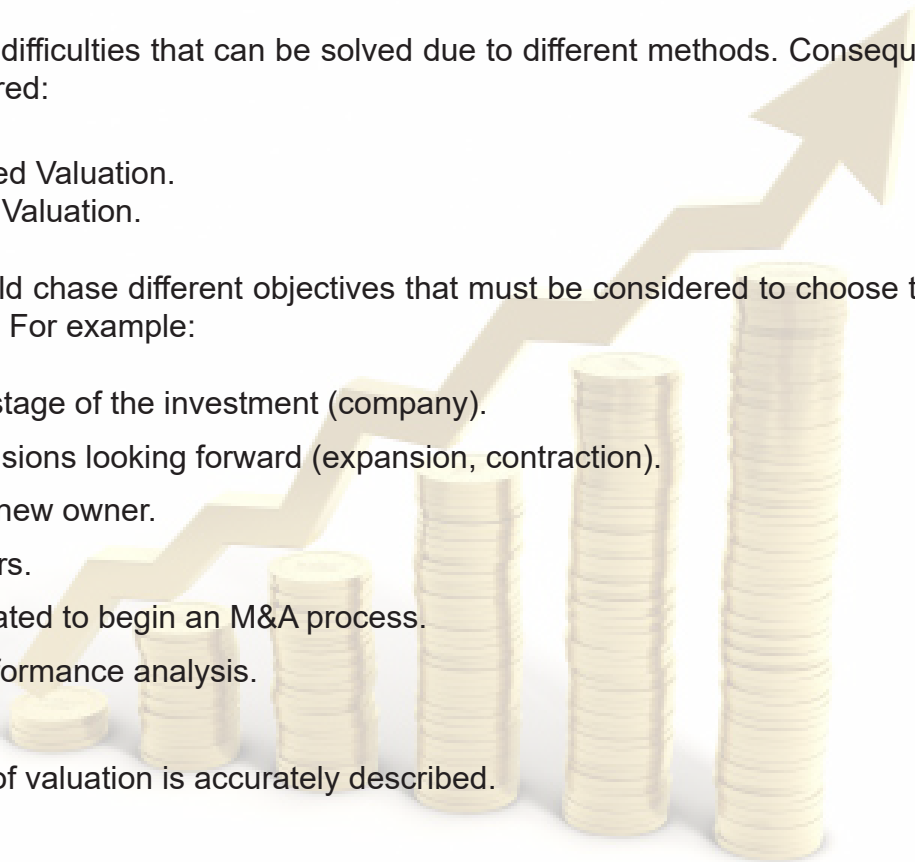
It involves many difficulties that can be solved due to different methods. Consequently, two kind of services are offered:

- ✓ Abbreviated Valuation.
- ✓ Analytical Valuation.

The process could chase different objectives that must be considered to choose the more suitable kind of valuation. For example:

- To know the stage of the investment (company).
- Strategic decisions looking forward (expansion, contraction).
- Addition of a new owner.
- Exit of partners.
- Decisions related to begin an M&A process.
- Financial performance analysis.

Next, each kind of valuation is accurately described.



## **1. ABBREVIATED VALUATION**

It allows to obtain an approximated value of the firm with a relative technical speed.

The process is based on generally accepted criteria, standard behavior assumptions of each industry and public information of the company, taking into account the special features defined by the organization.

### **AIM**

It is a useful tool to support strategic decisions and to know the general state of the company.

### **RANGE OF THE TASK**

- Estimated cash flows calculation, based on average results reached in the past, including growing hypothesis for the future.
- Standard rates calculation, to discount estimated cash flows.
- EBITDA multiplier calculation, based on local markets index.
- Interpretation of the result. Valuation matrix.

### **SEQUENCE OF THE TASK**

First, a requirement of accounting and extra-accounting information will be done. The following step is to calculate cash flows, considering the assumptions previously mentioned.

The valuation matrix will be exposed in conjunction with EBITDA multiplier.

Finally, a report will be given. Short interpretive meeting.



## **2. ANALYTICAL VALUATION**

It allows to obtain a more technical value, complemented with the information acquired in meetings with managers and partners.

The value will be defined using generally accepted valuation criteria considering, in addition, special features of the company.

Critical suppositions will be also discussed in order to reach the most accurate value as possible.

### **AIM**

It has a wide spectrum due to the complexity of this kind of analysis. It is useful not only to know the investment's general state and its value, but also to decide about starting and M&A process.

### **RANGE OF THE TASK**

- Equity value calculation, considering market value adjustments related to fixed assets.
- Analysis horizon delineation.
- Estimated cash flows calculation.
- Growing hypothesis and appropriate rate arrangement.
- EBITDA multiplier calculation, based on the more suitable markets index.
- Interpretation of the result. Sensitivity analysis of value, considering fluctuations in critical suppositions.

### **SEQUENCE OF THE TASK**

First, a requirement of accounting and extra-accounting information will be done.

The following step is to arrange a meeting with the partners and managers to discuss different scenarios related to the crucial variables, attempting to build a model as accurate as possible.

Finally, a report will be given. Interpretive meeting.



### 3. COMPARATION

ITEM	ABBREVIATED VALUATION	ANALYTICAL VALUATION
Technical rigor	Limited	High
Processing time	Low	Medium
Criteria considered to estimate cash flows	Standard Averages	Projection based on enterprise's reality at analysis time
Meetings with partners and directors to agree on valuation guidelines	No.	Yes.
Analyzed information	Global past information	Global past information. Projected information
Projected Scenario Bases	Industry's standard information	Specific information
Is it useful to begin an M&A process?	Yes.	Yes. (Recommendable)





## **STAGE II: MEMORANDUM OF ASSOCIATION**

This stage consists of presenting the company to potential investors and includes the elaboration of a memorandum.

It is recommended to be preceded by the valuation stage.

It is essential to point out that, although both types of valuation allow this stage, it is advisable an analytical valuation because its technical rigor will lead to a more solid position in the negotiation, compared to the abbreviated one.

### **AIM**

- Prepare a Memorandum of Association, as a formal document of presentation to potential investors interested in the acquisition of the enterprise.
- Individualize potential buyers and make the respective formal presentations.
- Provide professional assistance to shareholders and directors throughout the negotiation process.

This stage provides as a final product a document in which the firm will be presented institutionally, highlighting its strengths and business potentialities for the future, in a comprehensible but technical enough language, in order to be perfectly understandable by different profiles of investors.

Memorandum of Association includes:

- ✓ Executive Summary.
- ✓ Descriptive Memory.

Finally, the professionals involved will express their points of view and make all the recommendations that they consider pertinent to define -in conjunction with shareholders and directors- the selling strategy.

## 1. EXECUTIVE SUMMARY

Executive summary is a public document in which the company is presented in global terms, looking for potential investor's interest.



Economic and financial indicators are included in a graphical exposition, highlighting strengths and business potentialities for the future.

It is essential to point out that including the price in this document is an option.

Investors interested in the proposal must sign a confidentiality letter to have access to Descriptive Memory.

## 2. DESCRIPTIVE MEMORY

It is a document in which details are included in order to enable a deeper analysis, such as main customers and suppliers, statistics, strengths, opportunities and other relevant operating information.

Depending on the sale strategy, the price can be included in the paper.

Investors interested in keeping on with due diligence process must sign a "Buying Intention Letter", in which can be included an irrevocable offer.





## **STAGE III: SALES, MERGERS AND ACQUISITIONS**

In order to advance the commercialization process, once the sales strategy has been defined and the company valued, the firm must expressly authorize the consultant team to represent it in the search and identification of potential interested buyers.

As a consequence, Good Deal offers an important contacts network to achieve the sale.

In this case, our professional services will cover the assistance to the Company in the negotiation until its end.

Accompaniment during due diligence process is included as well as in negotiation with potential buyers.

Legal specialized assistance will be offered in order to ensure a correct development in the operation.

The link between the company and the consultant team will be formally expressed in a contract, specifying mandate's scope and other clauses that will govern the actions during sale process.



## OUR ADDED VALUE



### CONFIDENTIALITY

**GOOD DEAL| Valuations, Mergers and Acquisitions** guarantees the strict confidentiality of all information that works, as well as the results obtained during the process.

### PROFESSIONALISM

Our products offer a high degree of technical level and specialization, for which we have a qualified and professional staff applied entirely to offer a product according to your needs.



### WIDE EXPERIENCE

**GOOD DEAL| Valuations, Mergers and Acquisitions** GOODDEAL is a specialist in the field, with extensive experience in business transactions.

### EXTENSIVE COMERCIAL NETWORK

**GOOD DEAL| Valuations, Mergers and Acquisitions** belongs to CONFIS Group, whose commercial and professional network imply a wide action field to find potential investors, partners, buyers or new investment opportunities.





## SOME OF OUR CLIENTS





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