



FAQ

WHAT IS DUE DILIGENCE?

Due diligence in Mergers and Acquisitions (M&A) refers to the process of conducting a comprehensive and systematic investigation of a target company's business and financial condition, legal and regulatory compliance, and other relevant factors, in order to assess its value and identify any potential risks or issues that may affect the transaction.

The due diligence process typically begins after the buyer and seller have signed a letter of intent or a term sheet outlining the key terms of the proposed transaction. The buyer will then conduct a detailed review of the target company's financial statements, contracts, legal documents, intellectual property, tax records, employee records, and other relevant information.

The purpose of due diligence is to help the buyer make an informed decision about whether to proceed with the transaction, and if so, at what price and under what terms. It also helps the buyer to identify any potential risks or liabilities associated with the target company, and to negotiate appropriate representations, warranties, and indemnification provisions in the purchase agreement to mitigate these risks.

The due diligence process can be time-consuming and complex, and typically involves a team of professionals, including lawyers, accountants, and other specialists with relevant expertise. The scope and depth of due diligence will vary depending on the size and complexity of the transaction, as well as the specific concerns and objectives of the buyer.

Overall, due diligence is a critical component of the M&A process, as it helps to ensure that the buyer is fully informed about the target company's business and financial condition and can make a well-informed decision about the transaction.

WHAT WE DO?

BUSINESS VALUATION




What's my business worth today is a must have for every business owner. Check out our **Free** Valuation Tool that gives you an estimated value of your business.

BUSINESS BROKERAGE/M&A

Selling a business is a complex task. Magnus Business Group will guide you through the entire process until it is sold for the best price possible.

EXIT PLANNING AND PREPARATION

Planning the sale or other transfer of a business shall be planned carefully with the right goal in mind. We guide and coach business owners to achieve their goals.

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