



TML Established Business Valuation Solution

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__The problem

The challenge for many Investors is correctly valuating Established Private Business they are intending to invest into.

This is no small challenge as with all Private Business there is limited financial data that can be analysed.

As a result Investors have to accept a very high level of risk and base their decision making on their experience of the market, previous investments in similar Established Business and to a large extent their intuition and rapport with the Founders of the business.

The solution

The Missing Link offering addresses and helps in minimising this risk by benchmarking against successful organisations that have undertaken a similar inception and growth path.

Leveraging an experienced Team of Financial Professionals who have dedicated their career to advising early stages and SMEs on how to grow successfully and rapidly scale their business.

This coupled with a substantial and growing database of Established Business allows The Missing Link to deliver more accurate and focused valuations.

Armed with this the Private Business can confidently engage potential Investors during the due diligence process and provide greater confidence and peace of mind in the robustness of their financial standing.

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The Exec Report

Valuation

Company Y **pre-money equity** value is likely to be around £15.5M according to similar transactions, as outlined below in chart 1. We assumed COMPANY Y **post-money equity** value to be around £18.5M with a series A funding of £3M.

1-Company Y Pre-Post Sales

PostMoney = PreMoney + Investment		PostMoney	PreMoney
PostMoney =	18,500,000.00	# Stock = 2.39	2.00
PreMoney =	15,500,000.00	Stock Value = 7,750,000.00	7,750,000.00
Investment =	3,000,000.00		
%Invest./PostMoney =	16.22%		
%Invest./PreMoney =	19.35%		

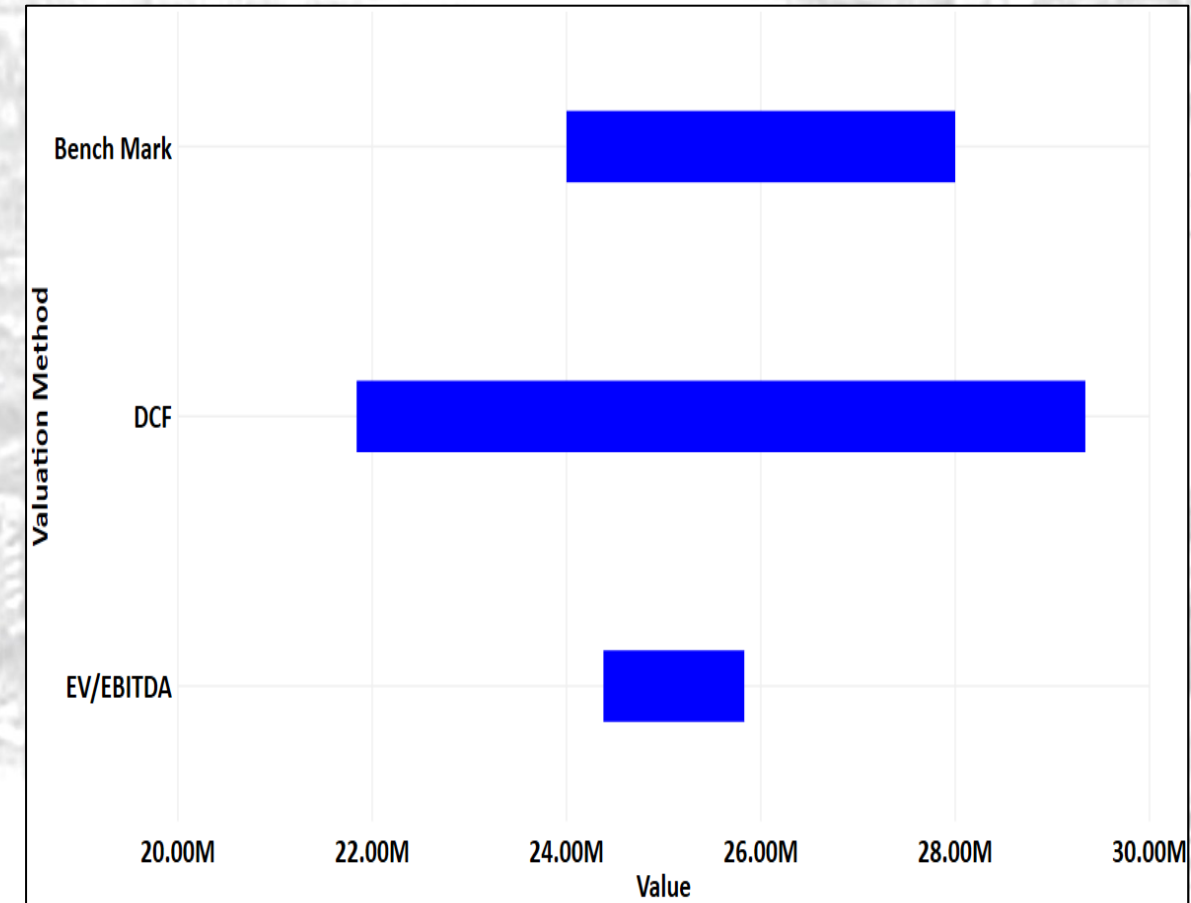
Recommendations

This analysis is useful not only to determine a closer valuation range, but also to calibrate COMPANY Y future value. The strategic attributes, as per the swot analysis in chart5, will be used like milestones to follow up COMPANY Y in the next stages of its evolution.

A closer look at COMPANY Y Gaps suggests the key values' drivers being:

- Company traction and sales/pipeline generation
- The management organisational chart Completion
- IP process Completion.
- Operational Proof of Concept.

A possible path would be targeting a valuation of around £43-64m at the series B stage as per The Meatless Farm and an IPO at \$1.5bn as per Beyond Food experiences.



The Bench Mark Comparable Established Businesses

No	Compareand_Contrast	Target	Comp5	Comp7	Industry
1	Company_Name	Jack and Bry	The Meatless Farm	All Plants	14 Transactions
2	Industry Food Processing Vegan	Plant-Based Meat Fishfingers, Burgers Sausages, Peperoni...	PBM Burger and Sausages	Distribution	Food and Drink processing
3					
4					
5					
6					
7					
8					
9					
10					
11	Valuation pre-money		£38.5m 2/19-64.2m 12/19	£21.5m 9/18, 27.5m 10/19	£9m

The Multiple method

Gross Company Valuation:

EBITDA		X	10.09
EBIT	0.00	X	0.00
NI	0.00	X	0.00
SALES	0.00	X	0.00
P/E	0.00	X	0.00
Other	0.00	X	0.00
Other1	0.00	X	0.00

Median
Average

Company Valuation: Debt Free - Cash Free

GCV
-LTD
-STD
-Factoring
-HP Accounting
-Permanent WC
+Cash
+/-Other
+/-Other2

NET Company Valuation: NCV

The DCF method

Gross Company Valuation:

Perpetuity: $Pt = CF / (WACC - g) * (1 / (1 + WACC))^n$

Pt: 0

CF: 0

WACC: 0

g: 0

n: 0

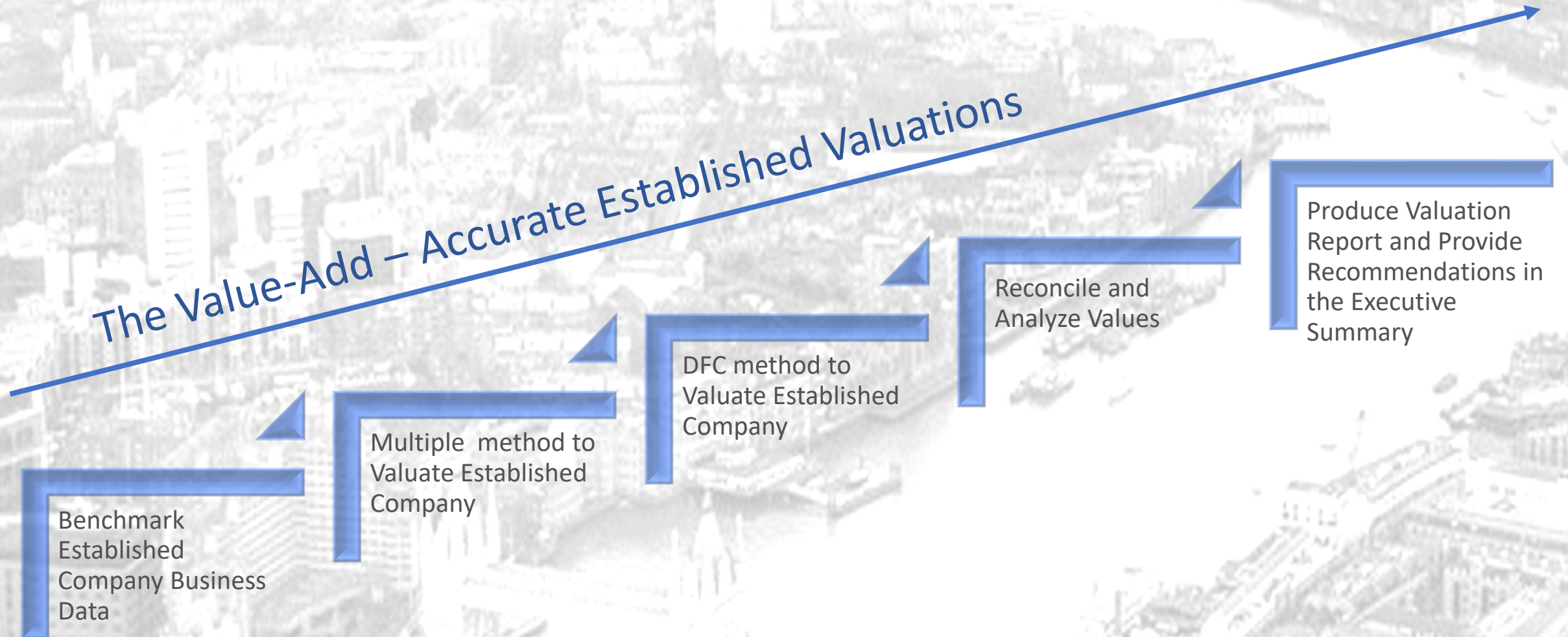
Gross Company Valuation: $GCV = NPV + PT$

GCV: 0

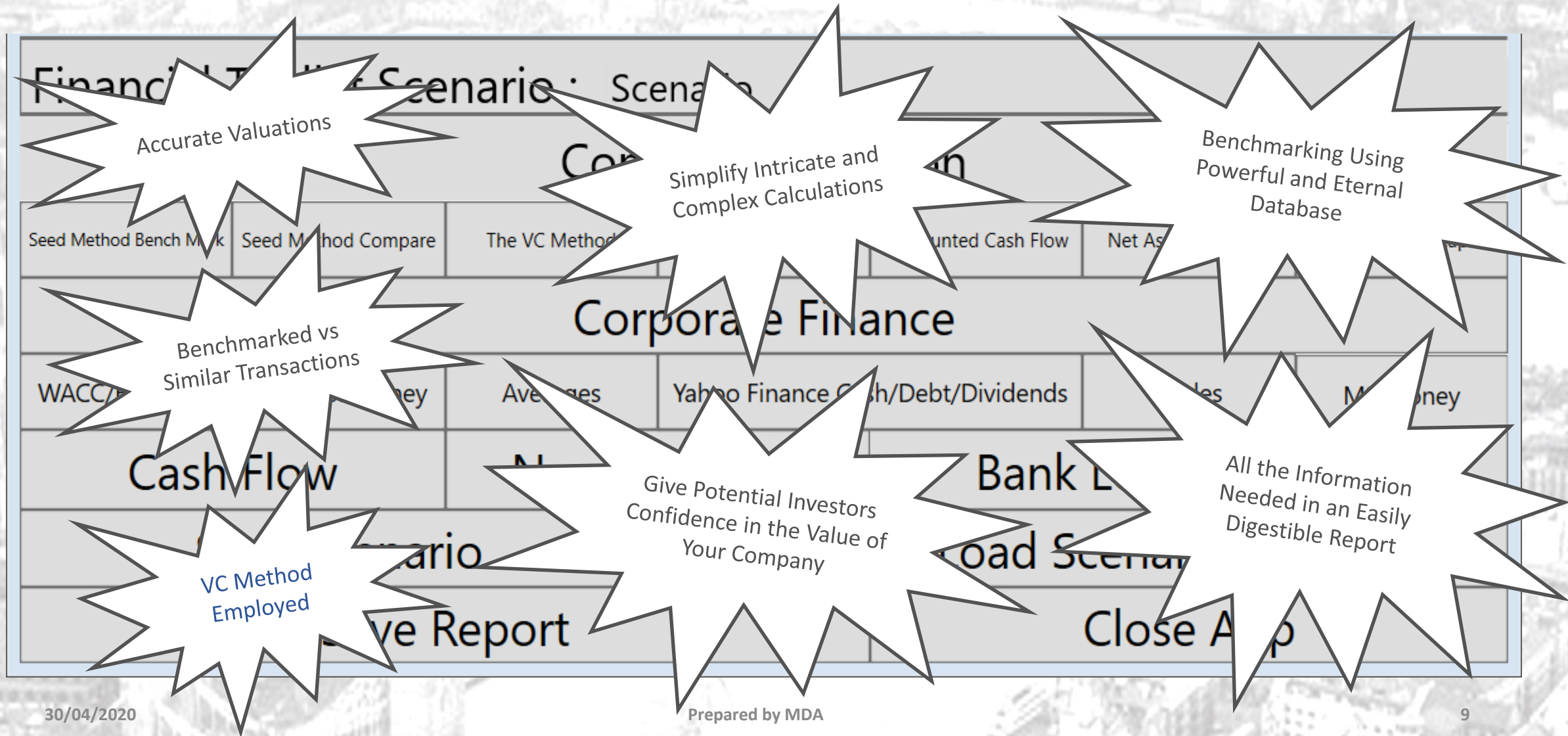
PT: 0

NPV: 0

__The methodology

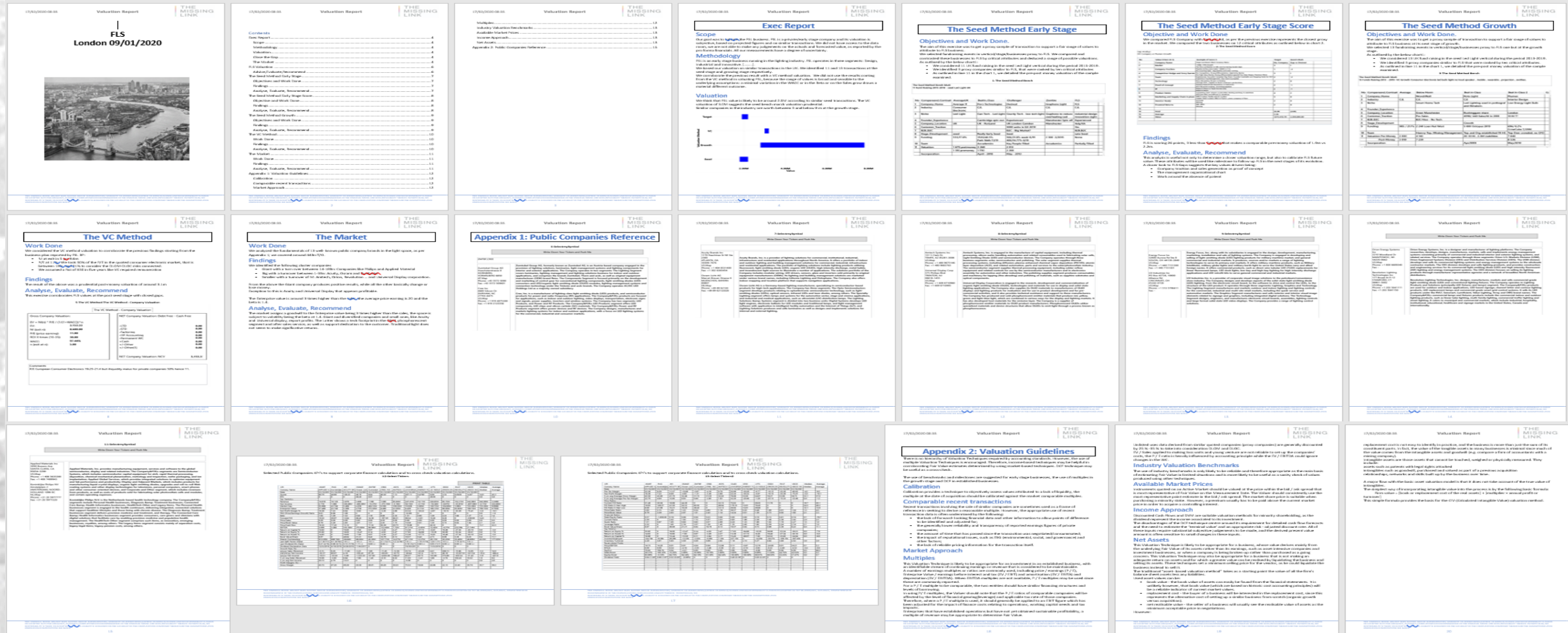


The Solution employed



TML Established Business Valuation Solution

The Detailed Report



If you like to find out more please contact:
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Thank You



THE
MISSING
LINK