



Case Study

Raising capital for business expansion

Corporate Finance

Sector: Mobile technology start-up in the entertainment sector
Enterprise Size: R200m+
Project Duration: 12 months

Introduction

A well-known entrepreneur wanted to raise capital for a technology business to facilitate the next phase of growth to achieve a market leadership position in a highly competitive industry.

Objective

Develop the processes and support structures with the Business Owner to allow existing employees to become shareholders.

Our approach

With multi-disciplinary professionals contributing over 100 years of combined experiences, our firm combined global best practice with hands-on transaction expertise.

Our proprietary models used data sourced from banking databases.

Our deep experience in local markets was complemented by an independent review.

Work performed

1. Provided advice on various mechanisms for raising capital.
2. Concluded an independent business valuation and assessment.
3. Prepared the business for a capital raise through improvements to internal business process in strategic planning, financial management, corporate governance, marketing.
4. Established the fair value of the current business.
5. Developed a sound capital raising strategy.
6. Converted the company to appropriate legal structure to accommodate the capital raised.
7. Prepared necessary documents.
8. Interaction with potential funding parties including international and local VC funds.
9. Negotiation and conclusion of transaction.
10. Execution of transaction agreements, warranties and necessary conditions precedent.
11. Reviewed and aided with drafting and finalisation of necessary legal and compliance documentation.
12. Liaison and project manage interaction between legal and accounting professionals.
13. Coordinate and resolve areas of conflict and complexity throughout.

Outcomes achieved

Successful capital raise and development of the business.

Client Feedback

“A big thank you for your resilience and efforts at successfully negotiating our efforts through a difficult business environment. You have added real value to our business, demonstrating acumen on development financial matters. Many thanks and best of luck.”

Conclusion

The transaction was concluded successfully. Issues identified were adequately addressed in the relevant transaction agreements. In addition, the post-transaction integration process was planned and ongoing communication with clients, staff and the market ensured that customers remained well served and business continued.

For further insights and our services or visit www.addisoncomline.co.za

About Addison Comline

Addison Comline provides insight, advice and direction to senior executives, business owners and shareholders with an emphasis on high-impact, value-enhancing work that is clearly understood and supported by our clients.

Our services include corporate finance, legal and business-owner solutions, for example share structures, incentive structuring and succession plans.

Our custom designed solutions help clients achieve their business and financial goals.

Areas of expertise

Corporate finance

Providing access to funding sources, capital structuring solutions and enhancing investment decisions.

Legal services

Corporate & commercial legal services including contractual negotiation, drafting, vetting and management; M&A transactions; corporate structuring and corporate finance; private equity & Financial transactions; personal client estate structuring and wealth management and corporate governance.

Business-owner solutions and services

Advice, assistance and help for entrepreneurs and owners of business who require specialist solutions to enhance and realise sustainable value within their enterprise as well as for themselves.

Contact details

Telephone +27 (0) 10 005 3277
Email info@addisoncomline.co.za
Web www.addisoncomline.co.za

