A bald eagle is shown in flight, soaring across a cloudy sky. The eagle's wings are spread wide, and its head is turned to the right. The background consists of soft, white clouds against a pale blue sky. The eagle's feathers are a mix of brown and white, with a prominent white head and neck.

LOWER MIDDLE-MARKET MERGERS & ACQUISITIONS ADVISORS

The Shaughnessy Group | Corporate Presentation

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01 | Introduction

The Shaughnessy Group was **created to help business owners successfully transition out of their most valued asset, their privately held, lower middle-market company**. These sophisticated transactions or “liquidity events” require immense planning, carefully execution and aggressive selling that only an experienced M&A advisor can provide.

We exist to create successful outcomes for our business owner clients but a big part of our job involves educating the various stakeholders, advisors, intermediaries and entrepreneurs themselves on what the M&A process looks like from 30,000 feet down to a birds eye view. We’ve been on both sides of the table, as M&A sell-side advisors and as executive business operators, and this experience allows us to see the big picture, anticipate challenges and effectively navigate the transactional landscape within the lower middle market.

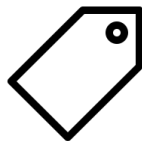


02 | About us

Hiring a professional to sell a company is always the best solution and one that allows an owner to continue running their business as a going concern. Monetizing years of sweat equity and uncovering the highest and best bidders for a company is our main concern. We invest heavily into our M&A process, from industry leading database management software to customized CRM systems and data room management. Our boutique advisory firm acts no different than a leading Investment Bank when selling our clients companies and our years of experience in the lower middle market, both from an operational and transactional stand point, ensures our clients receive a risk-adjusted, fully tailored service offering.

What separates The Shaughnessy Group from other advisors is our **experience** not only as M&A advisors, but also as **operators, entrepreneurs** and **shareholders**. We understand what's at stake and we work relentlessly to ensure deals not only close, but exceed the expectations of our clients. If we can't earn praise and referrals from our valued clients, we simply don't engage with them. This is our DNA and unspoken mantra.

Core service offering



Our primary service offering is the **sale of privately-held, lower middle-market companies**. These companies are too mature and complex for a business broker sales process, yet still too small for larger investment banks where fees and process becomes restrictive.



Every engagement The Shaughnessy Group works on begins with an opinion of value. **Our team performs extensive due diligence and uses sophisticated analysis to determine a company's true measure of value** under financial market circumstances.

03 | Marketplace

16,000

Lower middle-market Canadian business

\$10 million

In gross annual revenue generated per company

83%

Are owned by shareholders who are over 50 years old

~\$80 Billion

Collective enterprise value of corporate transition

The largest transfer of generational wealth in our lifetime.

Assuming a retirement age of 65, we are now 5 years into the largest generational transfer of assets in our lifetime with 17 years to go until all “boomers” exceed 70 years in age.

Selling a business without an advisor.

The numbers are staggering, with **over 80% or 4/5 of companies failing to exit successfully** due to a variety of factors:

- Ignoring retirement.
- Failing to plan for life-changing events.
- Inability to see waning passion.
- Ill-prepared multi-generational ownership.
- Diluted ownership via too many equity partners.
- Lack of younger managers.
- Misguided employee ownership plan.
- Unrealistic business valuation
- Lack of 3rd party advisor to facilitate transition process through M&A

Overlooked + under-served

The companies mentioned above are left with little to no help when looking to sell. These companies are too sophisticated for a business broker yet still too small for an investment banking process

04 | M&A landscape

Business Brokers

- **Overview:**
 - EBITDA of \$500,000 or lower
 - Passive sales through online listings
 - Similar process to real estate sales
 - 1.1 M Small owner operated companies
- **Buyers Are Typically:**
 - Local executives
 - Local entrepreneurs

Shaughnessy Group

- **Overview:**
 - EBITDA of \$500,000 to \$2,000,000
 - Active M&A sales process
 - 16,000 sophisticated companies
 - Management & systems in place
 - Ready to scale nationally
- **Buyers Are Typically:**
 - High Net Worth individuals
 - Serial entrepreneurs
 - Strategic buyers
 - Search Funds
 - Private Equity (add on acquisitions)
 - Foreign/Cross Border investors

Investment Bankers

- **Overview:**
 - EBITDA of \$2,000,000 or greater
 - Active M&A sales process
 - 7,000 nation-wide public and private companies
 - Board level decision to sell
 - Recognized in their market
- **Buyers Are Typically:**
 - Strategic buyers
 - Private Equity (platform acquisitions)

05 | Sell-side advisory

We sell our clients companies by conducting a professionally tailored, highly confidential and global marketing process designed to create a competitive auction for your company. This requires careful planning, aggressive selling and thorough execution as you generally get one shot to do it right. With the average business sale taking approximately 7 to 12 months to complete, having a trusted M&A advisor allows you to continue running your business and greatly increases your rate of success, valuation achieved and likelihood of closing.

Buyers and investors actively work to uncover investment value. They then base their offers on their best understanding of those values. A professional M&A sales process goes beyond financial value and highlights the intangible values of your company such as loyal customers, geographic positioning, proprietary processes and goodwill.

We've spent a great deal of time analyzing the M&A process from both a seller's perspective as well as a buyers. We've crafted our process to not only yield the highest valuation for our clients, but also to ensure they receive the highest probability of closing. This is achieved by eliminating miscommunication from day one, conducting thorough preliminary due diligence to uncover and get ahead of possible deal "hair" and firmly negotiating key deal terms prior to a signed letter of intent (LOI). In addition, we keep our back-up bidders on standby to maintain an urgency of closing and to keep the price target in tact during post-LOI confirmatory due diligence.

Last but not least, we maintain an extensive network of cross-border banking partners, advisors, investors and strategic buyers who we actively stay in touch with on a regular basis due to their heightened interests in attractive Canadian-based private market opportunities. To this extent, our Confidential Information Memorandums (CIMs) go to market in both English and Mandarin in order to solicit direct interest from a very competitive and expansive market in Asia. In the end, no stone is left unturned when selling your company.

EXPECTED TRANSACTION TIME LINE

Pre-engagement

Time: 2 weeks

Job: Opinion of value (performed at Shaughnessy's expense to align expectations)

Engagement & preparation

Time: 1-2 months

Job: Prepare NDA, Teaser, CIM, Strategic Lists and Data Room

In market

Time: 2-4 months

Job: Actively sell the value drivers to a global audience of strategic and financial buyers


Due diligence

Time: 2 months


Job: Choose an LOI/buyer and begin due diligence with buy side deal team

08 | Our team


Our team members have decades of corporate banking and finance experience across variety of industries originating, structuring closing mergers, acquisitions, debt, equity & securitizations capital raising transactions for public and privately held companies. We understand that each business is inherently unique. We take the time to tailor our services for every client and that our results will exceed your desired outcome.












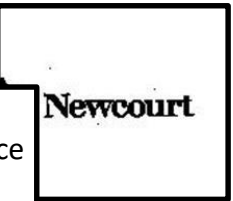
Managing Partner



Managing Partner



Managing Director

Banking		Banking		Finance		Finance		Finance	
Banking		Finance		Finance		Banking		Finance	

Contact our team for; a confidential, no-obligation conversation, to explore the value of your business in today's investment climate.

Free download:

“The private company sale process and the role of a the M&A advisor”

<https://shaughnessy.group/resources>



The Shaughnessy Group

Vancouver 1150 West Pender Street
Suite 1350
Vancouver, British Columbia
Canada V6E 4S9
604 754 5375
dmoriyama@shaughnessy.group

Toronto 130 King Street West
Suite 1800
Toronto, Ontario
Canada M5X 1K6
1 647 558 1230
ksigerist@shaughnessy.group

Montreal 1250 René Lévesque Boulevard West
Montréal, Québec
Canada H3B 4W8
1 416 274 5222
jmarandola@shaughnessy.group

Web www.shaughnessy.group

