CORBETT KEELING Corporate Finance

How to show investors your business value is unaffected by Coronavirus

Has value been lost?

Many business owners have asked us how the current coronavirus crisis will impact the value of their business when prospective buyers base their valuations on a multiple of profit, which may have been adversely impacted in lockdown.

The model:

To help answer this, we have developed a model enabling business owners to demonstrate how they expect their prepandemic financial performance to return, as well as the current impact lockdown is having on business performance. It helps reassure potential buyers that any effect from the crisis on the financial performance of the business is purely temporary, ensuring that the impact on value is minimised or eliminated. Business owners can then still achieve the result they desire.

Way forward:

The Corbett Keeling team remains committed to helping businesses navigate through the current crisis. If you would like to explore how your business can still achieve its 'pre-COVID' valuation, or you are looking for an initial confidential discussion on an exit, please do get in touch. Jim Keeling is Chairman of Corbett Keeling and President of Globalscope, the global family of 55 M&A firms around the world. Please contact us to find out how we can help you: Jim.Keeling@corbettkeeling.com

