



MULTI-GENERATION MANAGEMENT AFFECTS ON AGRICULTURE GROUP OF COMPANIES

As a recognized partner of choice within Corporate Finance, our mission is to set the highest standard with the provision of leading expertise and strategic solutions that drives value and positions clients for even greater success.

SITUATION OVERVIEW

- Privately owned company headquartered in rural Alberta
- Breach of covenants on \$30MM of debt facilities provided by a number of banks
- Poor financial transparency
- Multi-generation management whereby second generation not as effective as first generation
- Comingled corporate accounts with day-trading accounts (first generation)

SOLUTION

- Built financial model and weekly cash flow model highlighting monthly revenues and EBITDA to better explain seasonality of the business providing greater financial transparency
- Facilitated sale of division and sale of assets to reduce loan balances from \$30MM to \$10MM
- Renegotiated loan terms in support of growth while re-defining certain covenant definitions favorable to maintaining covenants outside REFINANCING CLOSED

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