



SUCCESSFUL POSITIONING FOR CHAIN OF FUNERAL HOMES

SITUATION OVERVIEW

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.

- Privately owned company headquartered in rural Alberta
- Had successfully merged two funeral home chains
- Management unsuccessfully sought out \$20-30MM of growth capital to acquire additional funeral homes within western Canada
- Incumbent lender (regional branch) discussions lead to “based on your financials you can not borrow more than \$6.5MM from our bank”
- Had tried to acquire an independent funeral home without a financial supporter, when LOI exclusivity expired such funeral home was sold to competitor
- Financial statements of numerous acquisition targets on hand
- Strong operations team however weak in finance and accounting

SOLUTION

- Created financial model including acquisition pro-forma statements
- Created auction with a select number of Senior Debt and Mezzanine lenders (non-dilutive to shareholder base)
- Negotiated competitive terms and closed \$6.5MM of non-dilutive debt financing from Canadian bank
- Obtained term sheets from interested lenders to replace \$6.5MM senior debt loan – best terms were revolving capex facility of up to \$20MM for the purpose of funeral home acquisitions
- Company has since acquired 4+ funeral homes and one cemetery

