



exit planning & business sales

Case Study

KLO Partners: Assisting with strategic acquisition

Our role in valuing the target, negotiating the deal, performing commercial due diligence and managing the legal process to completion.

Background and requirements

Fifosys was founded in 2005 and based in West Hampstead, London. It is an IT Managed Services provider, focusing on IT Disaster Recovery and Business Continuity, Cloud Computing Solutions and Cyber Security. The owner, Mitesh Patel, is looking to build value into the company ahead of an exit in 4-5 years' time. In a highly competitive market, organic growth in the current economic climate is difficult, so we looked at suitable acquisitions that could speed up that growth. Mitesh had known Paul Weeden, the owner of Foration for 5 years.

Benefits of the Foration acquisition

Foration offers similar services using the same toolsets which will make the service integration very easy. As well as its London based systems engineering and support team, Fifosys has a 20 strong, highly capable and qualified technical team based in Sri Lanka offering a 24/7, 365 support service so is immediately able to offer this to all Foration clients. Foration will add 50% to Fifosys's Annual Recurring Revenues which is a significant but manageable step growth.

What we did

We conducted a discovery of Foration's business, accounts and forecasts and constructed a valuation and a structure for the acquisition. We negotiated the deal, assisted with the fund raising and managed the due diligence process and the contract. We assisted with the commercial and financial due diligence and preparation of the financial and business case for the acquisition. The whole process took 4 months from start to finish.

"KLO Partners did an excellent job both in constructing and negotiating a deal which worked for both parties and keeping everything on an even keel through the process"

"Your attention to detail, professionalism and experience also provided a solid base to ensure the deal completed well and on time. It was a very enjoyable experience, so thanks for all your professionalism."

Mitesh Patel, CEO Fifosys Ltd

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Peter Kroeger is accredited by the Institute for Independent Business