

Signing and Closing

These are key stages in an M&A transaction, with signing referring to the signing of the agreement, and closing referring to the completion of the transaction.

Due Diligence

This is a comprehensive appraisal of a business undertaken by a prospective buyer, especially to establish its assets and liabilities and evaluate its commercial potential.

Friendly Takeover

This occurs when the board of directors and management of the target company approve of the takeover. They will advise the shareholders to accept the offer.

Purchase Agreement

The Purchase Agreement is the contract that finalizes all terms and conditions in the buying/selling of a company. It's signed after due diligence is completed.

Post-Merger Integration

Post-Merger Integration (PMI) is the process of combining and rearranging businesses after a merger or acquisition to extract synergies to achieve the deal's desired value.

Letter of Intent

A Letter of Intent (LOI) is a document declaring the preliminary commitment of one party to do business with another. In M&A, it outlines the terms and conditions of the deal.

Closing

Closing is the final step in the M&A process where ownership of the target company is officially transferred to the buyer. All necessary documents are signed and payments are made.