

Deal of the Month.

Business acquisition – Structure

judobank

Customer profile

- A new Joint Venture between clients who both operated well-established and reputable plant and equipment businesses servicing the construction and infrastructure industries.

What they needed

- The clients were looking to grow their businesses and found an opportunity to purchase a similar business in another region.
- Funding of \$1.5M was required to secure the purchase while the customer inputted 20% equity into the transaction.

What happened

- As there were 2 parties involved, the guarantor's properties were not on offer. 1st GSAs over their existing businesses wasn't on offer as it was tied in with other lenders.
- The clients sought an Asset Finance facility to accommodate the purchase as the value was all in the assets in the business fleet and no goodwill involved. 1st GSA of the new business and guarantee of existing businesses were offered.
- Judo worked closely with the broker and client to ensure we had a proper understanding of the existing businesses, what they were trying to achieve and that their ambition and growth goals aligned with our risk appetite.

The Judo difference

- Judo was able to offer a better structure under an Asset Finance facility that met the customers' needs without using their property as security and taking 1st GSA over their existing businesses.
- Judo offered a specialised approach based off our in-depth knowledge of the assets, the industry, the locations, assessment of the customer's character and cashflow of their existing businesses as well as additional cashflows from the acquisition.

**We back our broker partners to make
business easier.**

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