



Fish Ltd MBO case



Buying with debts

FISH LTD

- FISH SMOKERS: MACKEREL, HERRING, SPRAT SINCE 1964
- GOOD REPUTATION, HIGH QUALITY STANDARDS
- MAINLY RETAIL CUSTOMERS
- THIRD GENERATION WANTS TO SELL
- SECTOR EBITDA MULTIPLIER AROUND 6 (fork: 5,5 – 6,5)
- VOLATILE MARKET AS DEPENDENT ON FISH DELIVERY
- GIVE VALUE PROPOSAL AND DEAL STRUCTURE

FISH LTD: P&L

€	31/12/2017	31/12/2018	31/12/2019
TURNOVER	7 035 000	7 475 000	7 900 000
EBIT	261 000	234 000	450 000
DEPRECIATION & AMORTIZATION	192 000	249 000	278 000
EBITDA	453 000	483 000	728 000

FISH LTD: BALANCE SHEET

€	31/12/2017	31/12/2018	31/12/2019
EQUITY	1 544 000	1738 000	1 850 000
FINANCIAL DEBT	1 125 000	1 264 000	1 350 000
CASH	66 000	218 000	278 000

Exercise: multiplier method

Calculate the **enterprise and equity value** of the firm assuming that the multiplier varies between 5,5 and 6,5