DUE DILIGENCE CHECKLIST

Company Profile / Description

Overview of Company
Vision, Strategy and Plan
Corporate Structure

Company Sector / Industry (Based on SIC Codes)
- Sector / Industry - 1
- Sector / Industry – 2 (if applicable)
- Sector / Industry – 3 (if applicable)

Contact persons and position in company
- CEO / President
- Snr. VP Operations
- Snr. VP International
- Snr. VP New Business Development

Company Contact information
- Address
- Telephone
- Fax
- Website
- Email

Parent company information (Worldwide) - If Applicable
- Name of Parent Company (if applicable)
- Location of Parent Company
  - Country
  - Region / City
- Sales (worldwide)
- Number of Employees

Nature of Investment

Overview of investment

Investment Type
- Replacement
- Expansion
- New product or service
- Mandated

Investment Sector / Industry (Based on SIC Codes)
- Sector / Industry - 1
- Sector / Industry – 2 (if applicable)
- Sector / Industry – 3 (if applicable)

Investment Size
- <5 million
- >5 million <20 million
- >20 million <100 million
- >100 million <500 million
- >500 million <1 billion
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- >1 billion < 5 billion
- > 5 billion

Project requirements
- From e TecK
- From GoTT
- Other

Project structure and financing needs
- Joint Venture
- Debt
- Equity
- Other

Location Requirements
- Land space
- Building Space
- Other Space Requirements

Utility Requirements
- Water
- Drainage
- Electricity
- Communications
- Indigenous Raw Materials requirements

Project Viability / Basis for Success and Sustainability

Evaluation of Key Players
- Board of Directors
- Capability and capacity of Management Team
  - Operations management skills
  - Marketing management skills
  - Financial, tax, and legal skills
  - Credibility, Integrity, Validity
  - Track record - Previous project / investor experience
- Contractual commitment of strategic partners
  - Access to advisors
- References
- Size of existing business operations in relation to the new venture

Evaluation of Product or Service
- Clear product/service description
- Problem / solution / opportunity
- Characteristics of the product / service
- Location in product life cycle

Market Evaluation
- Understanding of market
  - Local Market
  - Foreign Market
- Size of potential market
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- Expected growth rate of market
- Market trends
  - Effect of economic, political and demographic changes on market
- Market share and penetration forecast
- Competitive analysis
  - Direct
  - Indirect

Market Strategy Evaluation
- Company’s marketing strategy
- Marketing activities
- Distribution channels
- Advertising strategy
- Pricing Strategy
- Barriers to Entry
  - Significant Contracts and Commitments
  - Strategic Relationships
  - Intellectual property, Patents, Trademarks, Copyrights, Trade Secrets

Analysis of Financials (vs industry standard)
- Cash flow (projected for 3-5 years)
- Income (projected for 3-5 years)
- Balance Sheet (projected for 3-5 years)
- Net Present Value (NPV)/Internal Rate of Return (IRR)/Payback Period/Other financial metrics
- Financial information for the past 3 years i.e. Audited/Draft/Reviewed/Management

Operational Plan

Social and Economic Impact

Innovation and transfer of technology/knowledge
- Introduction of new technology
- Introduction of new product/service
- Intended spend on R&D locally
- Staff training programmes
- Linkage to local tertiary institutions

Job Creation
- Management
- Professional
- Technicians
- Admin / Office / Sales
- Craftsmen
- Labour / Handymen
- Number Permanent / Number Temporary

Impact within value chain
- Clustering capability
- Upstream linkages
- Horizontal linkages
- Downstream opportunities
Environmental impact
- Material environmental risks
- Policy statements of the Board of Directors
- Documentation on environmental policies and procedures
- Environmental assessment or audit reports
- Other pollution concerns

Local Economic impact (outside of value chain)
- Potential of foreign exchange earnings
- Effect on local suppliers
- Sourcing and use of raw materials (indigenous or imported) from local suppliers
- Opportunities for local service providers (outside of utilities)
- Use of local service companies
- Sales to local customers
- Inputs from local mkt / i.e. Use of local equity/debt

Compliance
- Health and Safety Compliance
- Quality Control e.g. ISO
- Government Regulations and Filings

**Additional risk factors**
- Pending litigation
- Legal, Economic, Political, Environmental, Social, Technological (LEPEST) analysis
- Information significant to the business but not apparent in projections