

Private Equity Due Diligence Checklist Structure

1. Company Overview

- Corporate structure and ownership
- Organizational chart and key management bios
- Company history and milestones
- Business model and value proposition

2. Financial Information

- Audited financial statements (3-5 years)
- Management accounts and KPIs
- Revenue streams and cost structure analysis
- Capital expenditure and working capital
- Financial projections and budgets

3. Market and Competitive Landscape

- Industry overview and size
- Market trends and growth drivers
- Competitive analysis and positioning
- Customer base and concentration risk

4. Operations

- Locations and facilities overview
- Production processes and scalability
- Supply chain and key vendor contracts
- Technology and IT systems

5. Legal and Regulatory

- Articles of incorporation and bylaws
- Shareholder agreements
- Outstanding litigation and claims
- Regulatory compliance and licenses
- Intellectual property and patents

6. Human Resources

- Employee census and contracts
- Compensation and benefits structure
- Incentive plans and stock options
- Employee turnover and retention rates

7. Environmental, Social & Governance (ESG)

- ESG policies and initiatives

- Environmental compliance records
- Corporate social responsibility programs
- Governance structure and oversight

8. Tax Matters

- Tax returns and filings
- Pending or historical tax disputes
- Tax optimization strategies

Important Notes:

- This checklist should be customized for each transaction and sector.
- Always request the most current and accurate information from all parties involved.
- Engage with qualified legal and financial advisors throughout the due diligence process.
- Thorough due diligence helps uncover hidden risks and informs valuation negotiations.