



BizMark

THE IRISH EXIT

How to Sell Your Business for What It's
Really Worth



Gareth Cuddy, Bizmark.ie Founder



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A Note Before We Start

When I returned from a decade away in the States in 2023, and a career in growing and selling companies, I planned and expected to find a functioning market for buying businesses. I found nothing — no marketplace, no community, no obvious way in.

Around the same time, my aunt and uncle, who had spent 32 years building a small food brand that was well known and loved in their region and beyond, were about to retire and shut down the business.

I was fortunate enough to be able to help them realise that all their hard work was worth something. They had underestimated the power and value of brand, positioning, shelf space and the relationships they had built. They also didn't appreciate that the tax laws actually worked (whisper it) in their favour.

We partnered with an industry partner who wanted to continue their brand and legacy, and we added significantly to their pension fund.

An idea began to form. The more I spoke to people, the more I kept seeing the same thing: smart, hardworking owners who had spent years or even decades building something real — employees, customers, a reputation — arriving at the exit completely unprepared.

Not because they were naive. Because nobody had ever sat them down and explained how this actually works.

This book is that conversation.

I'm not going to dress it up in jargon or pretend there are easy answers. Selling a business is complex — financially, legally, emotionally. But the fundamentals are learnable, and if you start early enough, the difference between a good exit and a great one is genuinely within your control.

That's why I built [Bizmark.ie](https://bizmark.ie) — 2 in 5 business owners in Ireland and the UK are considering selling in the next five years. That's an enormous wave of exits — and most of those owners are completely unprepared. I want to help them realise their exit ambitions and create a whole new generation of business owners who make better lives for their families.

If you take nothing else from this book, take this: the owners who do best aren't necessarily the ones with the best businesses. They're the ones who prepared.

Let's get into it.

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INTRODUCTION

Why Most Owners Leave Money on the Table

Here is something nobody tells you when you're building a business: the exit is a skill. Like sales, like hiring, like managing cash flow — it can be learned, prepared for, and done well or badly.

Most owners do it badly. Not because they're careless. Because they never gave it the same attention they gave the business itself.

The typical Irish business sale looks something like this: the owner gets an approach — a competitor, a customer, a business broker — and suddenly finds themselves in a process they don't understand, with a buyer who does this for a living. They accept the first serious offer because they're exhausted, or because the opportunity feels rare, or because they've had enough. They close the deal, pay a tax bill they didn't see coming, and find themselves wondering why it didn't feel better.

That's a reactive exit. And it's how the majority of small business sales happen in Ireland.

This book is about the alternative.

Who This Is For

You're reading this because you own a business — probably somewhere between €200k and €10m in annual revenue — and at some point in the next one to five years, you're thinking about selling.

Maybe you're actively planning. Maybe it's more of a background thought: "I'd like to be done by the time I'm 60." Maybe you've already had an approach, and you're wondering whether to take it seriously.

Wherever you are, the same principle applies: the earlier you start thinking about this, the better your outcome.

This book is not for people selling tomorrow. It's for people who want to do this right.

Price Is Only One of Five Things That Matter

When owners imagine a good sale, they imagine a high price. That's understandable — but it's incomplete.

The five things that actually determine how good your exit is:



Price — what you're paid for the business.



Terms — how and when you're paid. A high headline number with three years of earn-outs, performance conditions, and deferred consideration is a very different thing from the same number in cash on completion.



Tax — how much of what you're paid you actually keep. Two owners can sell businesses of identical value and walk away with very different amounts depending on how the transaction is structured and what reliefs they've accessed.



Timing — selling at the right point in the business cycle, in your life, and in the market. A business sold at its peak is worth more than the same business sold under pressure.



Transition and peace of mind — how the handover happens, what happens to your staff, your customers, your reputation. For many owners, this matters more than they admit to themselves until they're in the middle of it.

A great exit optimises across all five. A poor exit fixates on one — usually price — and ignores the others.



"The owners who do best aren't necessarily the ones with the best businesses. They're the ones who prepared."

A Repeatable Framework

The chapters that follow are structured as a practical framework — something you can apply to your own situation. We'll cover:

- How to assess whether your business is genuinely sellable today
- How businesses like yours are actually valued (and what you can do to move the number)
- How to build value systematically in the one-to-three years before a sale
- How Irish tax reliefs work and how to structure your exit to keep more
- How to find buyers, run a confidential process, and close a deal on your terms
- What life looks like after the sale — and how to prepare for it

None of this requires a finance degree. It requires time, honesty, and a willingness to look at your business the way a buyer will.

Let's start there.



— CHAPTER 1 —

IS YOUR BUSINESS
ACTUALLY SELLABLE?



There's a question most owners don't ask until they're already trying to sell, and it's the most important question in this book:

Is my business profitable, or is it transferable?

These are not the same thing.

A profitable business makes money. A transferable business makes money in a way that doesn't depend on its owner being present every day.

Many Irish SMEs are the former but not the latter. They're engines that run on the owner's relationships, knowledge, effort, and reputation — and the moment the owner steps out, they slow down or stop.

Buyers know this. And they either walk away, or they price in the risk.

Owner-Dependence: The Single Biggest Value-Killer

Picture a buyer conducting due diligence on your business. They're reading through your customer list. They notice that three of your top five customers are people the owner has known personally for fifteen years. They ask: "What happens to these relationships when the owner leaves?"

If the honest answer is "we don't know," the buyer has a problem.

Now multiply that across your operations.

Are you the only person who knows how to quote certain jobs?

Are supplier relationships in your name?

Do key staff report to you personally, and only you?

Is the knowledge of how the business runs mostly in your head?

Owner-dependence is the single biggest value-killer in small business sales. It transforms a business into a job — and nobody buys a job at a business multiple.

The good news: it's fixable. But it takes time, which is why this chapter matters even if you're not selling for three years.

The Sellability Audit

Run through each of the following honestly. This isn't a scorecard to pass — it's a map of where the work is.

1

Recurring Revenue

- Does the business have contracts, subscriptions, or repeat customers that generate predictable income?
- What percentage of revenue would renew without the owner doing anything?
- Businesses with high recurring revenue command higher multiples. Businesses that start from zero every year are harder to value and harder to sell.

2

Customer Concentration

- Does any single customer account for more than 20% of revenue?
- Do your top three customers account for more than 50%?
- High concentration is a red flag for buyers. If one customer leaves after you do, the business looks very different. Buyers either walk away or apply a significant discount.

3

Clean Financial Records

- Are your accounts prepared by a qualified accountant, filed on time, and easy to understand?
- Are personal expenses clearly separated from business expenses — or have they been mixed in over the years?
- Can you clearly show what the business earns, independently of your personal drawings?
- Messy books create doubt. Doubt kills deals or drives down price.

4

Systems and Processes

- Are core operations documented, or does knowledge live in people's heads?
- Could the business continue to operate for 30 days if the owner was unavailable?
- Do you have a CRM, documented procedures, and job descriptions that don't just describe what individuals happen to do?



AI TIP: Use ChatGPT or Claude to turn a rough description of any business process into a structured procedure document. It's not perfect first draft — but it's faster than starting from a blank page, and documented processes directly improve your sellability score.

5

A Management Tier

- Is there someone — or a small team — who could run day-to-day operations without the owner?
- Not necessarily run the whole business, but handle the operational core?
- Buyers who are not operators (trade buyers, private equity, MBO candidates) need to see that a functioning management layer exists or can exist.

6

Legal and Contractual Clarity

- Are key customer contracts in writing and in the company's name?
- Are IP assets (trademarks, software, domain names) properly owned by the business?

- Are employee contracts current and compliant?
- Are there any disputes, liabilities, or contingent issues that will surface in due diligence?

Red Flags Irish Buyers Walk From

These are the things that reliably kill or derail deals. Know them now so you have time to address them:

- No contracts with key customers — verbal relationships don't transfer
- One customer represents 40%+ of revenue — concentration risk
- Owner is the technical expert and no succession plan exists
- Multiple years of mixed personal and business expenses — due diligence becomes a minefield
- Undisclosed disputes or litigation — these surface anyway, and hiding them destroys trust
- No clear IP ownership — common in software and tech-adjacent businesses
- Key staff who are likely to leave when the owner does
- Declining revenue trend without a clear explanation

One of the most common issues we see on Bizmark.ie: a business that has traded successfully for 20 years, where every customer relationship runs through the founder's mobile phone. The business is genuinely valuable — but it needs 12–18 months of work before it can be sold confidently. lwa

Self-Assessment Scorecard

Score yourself 1–5 on each dimension. Be honest. The point isn't to feel good — it's to know where to focus.

- ☐ Recurring revenue — 1 (Mostly one-off) to 5 (Mostly contracted)
- ☐ Customer spread — 1 (Top 3 = 70%+) to 5 (No single customer >15%)
- ☐ Financial clarity — 1 (Mixed, informal) to 5 (Clean, audited)
- ☐ Systems/documentation — 1 (All in heads) to 5 (Documented, repeatable)
- ☐ Management tier — 1 (Owner does everything) to 5 (Team can run operations)
- ☐ Legal/contractual — 1 (Informal, verbal) to 5 (Contracts, IP clear)

Total out of 30:

- ☐ 24–30: Strong sellability. You're close to ready or already there.
- ☐ 16–23: Good foundation. Targeted work needed in specific areas.
- ☐ 8–15: Significant preparation required. 18–36 months to optimise properly.
- ☐ Below 8: Start now. This is a multi-year project.



*"The question isn't whether your business is profitable.
It's whether it's transferable."*



— CHAPTER 2 —

WHAT'S IT WORTH?



The honest answer to "what's my business worth?" is: it depends. Not on what you've put into it, not on what you need to retire on, not on what a friend said at a golf course. It depends on what a qualified, willing buyer would pay for it today.

That sounds blunt, but it's actually liberating — because once you understand how buyers think about value, you can influence it.

How Small Businesses Are Really Valued

For most Irish SMEs, the starting point for valuation is EBITDA — Earnings Before Interest, Tax, Depreciation and Amortisation. (In plain English, what the business generates before tax and financing costs get taken out.) This is a proxy for the cash the business generates, stripped of financing decisions and accounting treatments.

The valuation is then expressed as a multiple of EBITDA. A business generating €500,000 in EBITDA and trading at a "4x multiple" would be valued at €2 million.

The multiple is where everything interesting happens.

Typical multiples for Irish SMEs vary widely — and they shift with interest rates, market conditions, and sector dynamics. Rather than publish figures that will date quickly, the principle to understand is this: multiples are driven by risk and growth. Lower risk + higher growth = higher multiple. Higher risk + lower growth = lower multiple.

The factors that push multiples up:

- High recurring revenue
- Strong customer spread
- A proven management team
- Clear growth runway
- Clean financials and low contingent liabilities
- Sector tailwinds

The factors that push multiples down:

- Owner-dependence
- Customer concentration
- Declining or flat revenue
- Unclear financials
- Legal or employment issues

A 1x difference in multiple can be worth hundreds of thousands of euros on the final price. If your business earns €400k EBITDA, the difference between selling at 3x and 4x is €400,000. That's the financial reward for preparation.

Normalised Earnings: What Actually Gets Valued

Your business accounts probably don't show "true" EBITDA straight off the page. There are likely personal expenses run through the business (a car, a phone, possibly more), a salary that doesn't reflect market rate, one-off costs from a bad year, or genuine non-recurring items.

Buyers will work through the accounts and "normalise" earnings — adjusting for items that won't recur post-sale.

Common legitimate add-backs:

- Owner's salary above the market rate cost of a replacement manager (but if you pay yourself €40k but a replacement manager would cost €65k, this is a negative add-back — it reduces earnings)
- Owner's salary below market rate (if you've underpaid yourself, earnings are overstated — this is common and worth understanding)
- Personal expenses genuinely run through the business (car, insurance, etc. — these need to be clearly documented)

- One-off exceptional costs (a legal dispute, a once-off restructuring cost)
- Non-cash charges that won't continue



The key rule: add-backs have to be defensible. If you try to add back every borderline expense, a buyer's advisors will push back and you'll erode trust. Be accurate, not optimistic.

The Fantasy Number Problem

Every business sale negotiation starts with the seller's number and the buyer's number — and they're rarely the same. Sellers often anchor to:

- What they've heard others sold for
- What they need to retire
- The emotional value of what they've built
- Revenue (not profit) — "it's a €5m turnover business"

Buyers anchor to:

- Demonstrable, defensible earnings
- Comparable transactions
- Risk-adjusted return on capital

This gap is normal. The problem arises when sellers hold so firmly to a fantasy number that they walk away from genuinely good offers, or spend months in a process only to have it collapse at heads of terms.

Get an independent valuation — or at minimum, a serious conversation with a business broker or corporate finance advisor — before you set your expectations. You want to know what the market will bear before you test it.



"The multiple is where everything interesting happens. A 1x difference can be worth hundreds of thousands."

Asset Sale vs. Share Sale: a Valuation Note

How a deal is structured — asset sale versus share sale — affects what is being valued and what the buyer acquires. We'll cover this properly in the tax chapter, but it's worth flagging here: buyers and sellers often have different preferences on structure, and the headline price in a share sale means something different to the headline price in an asset sale. Make sure you're comparing like with like.





— CHAPTER 3 —

BUILDING VALUE BEFORE YOU SELL



The 1–3 Year Run-Up

If there's one piece of advice in this book worth acting on today, it's this: start the preparation process earlier than you think you need to.

Most owners start thinking seriously about selling when something prompts them — an approach from a buyer, a health scare, a significant birthday, exhaustion. By then, the window to do the preparatory work properly has often closed or narrowed significantly.

The owners who get the best outcomes plan their exit the way they planned their business: deliberately, with enough time to course-correct.

Why Starting Early Is the Biggest Lever

Here's a practical example. Two business owners, same size business, same EBITDA. Owner A – Alan gets an approach at 60 and decides to sell. Owner B – Brian started planning at 57 and spent three years preparing.

Alan sells a business where:

- The top customer represents 35% of revenue
- There's no formal management layer
- Two years of accounts have personal expenses mixed in
- Key processes are undocumented

Brian sells a business where:

- Customer concentration has been deliberately diversified
- A second-tier manager has been hired and proven over 18 months
- Accounts are clean, three years running
- Core processes are documented and the business ran without the owner for three months last year

Same starting point. Very different transaction. Brian's business commands a higher multiple and a cleaner due diligence process. Brian has more options — more buyer types, less pressure to accept the first offer — and ultimately, a better outcome.

The preparation itself is the value creation.

Reducing Owner-Dependence

This is where most of the work is. It's also the work that benefits the business while you're still running it — so even if the sale is three or four years away, this is worth doing now.

Practical steps:

- Identify every decision that only you can make, and ask whether you could document a process or train someone to make it
- Transfer key customer relationships to other named people in the business — attend fewer meetings alone, start introducing account managers
- Move supplier relationships from personal to contractual wherever possible
- Document your own role clearly enough that you could hand it to a successor
- Hire or develop a general manager or operations lead if the business is big enough to support one — and give them enough room to prove themselves

The test a buyer will apply: "Could this business run for six months without the current owner, with only occasional input?" If the honest answer is "no," that's the work. The business doesn't have to be perfect — it just has to be plausible without you.



AI TIP: Record yourself explaining a key process — on a Loom video or even a voice note — then use an AI transcription tool to convert it into written documentation. Ten minutes of recording can become a usable procedure document.

Tidying the Financials

Three years of clean, normalised, professionally prepared accounts is the gold standard for a business sale. If you're three years out from a sale, the clock starts now.

What "clean" means:

- Personal expenses clearly identified, minimised, and documented — or removed
- A consistent, defensible salary for the owner-director that's close to market rate
- No unexplained jumps in revenue or cost
- Intercompany transactions clearly documented if there's a group structure
- VAT, PAYE, and corporation tax fully up to date

The add-back problem: if your accounts have years of mixed personal and business expenses, cleaning them up in year one can actually make earnings look worse before they look better (because you're removing the artificial costs, but a buyer looks at the most recent three years). Start now — a cleaner trend over three years is more valuable than one clean year.



Contracts and Legal

Legal tidying isn't glamorous, but it's often deal-saving:



Customer contracts: get key commercial relationships into writing. Verbal agreements that have worked for ten years will cause problems in due diligence.



Supplier contracts: review change-of-control clauses — some contracts technically require consent when a business is sold, which gives a supplier leverage at the worst possible moment.



Employee contracts: make sure employment contracts are current, compliant with Irish employment law, and reflect actual roles. Gaps here create warranty exposure.



IP and domain names: confirm that the business owns its trademarks, software, website, and domain names — not a holding company, not the owner personally.



Leases: review your property lease for change-of-control provisions and remaining term. Buyers want security of tenure; a lease expiring two years post-sale is a negotiating issue.

Quick Wins vs. Structural Fixes

Not everything takes three years. Some things you can do now:

Quick wins (can be done this month):



Get your most recent two years of accounts professionally prepared if they aren't already



List your top 10 customers and ask honestly how many are personally dependent on you



Check whether your key customer contracts are in writing



Verify that your IP and domain names are held by the business entity you're selling

Structural fixes (6–24 months):

- Hiring or developing a management tier
- Diversifying a concentrated customer base
- Building documented operational processes
- Rebalancing a salary structure that will look odd to buyers
- Resolving any pending disputes or legal issues



"The preparation itself is the value creation. Start now and the business benefits whether you sell or not."

The Business That Prepares to Sell But Doesn't

Here's a useful reframe: everything in this chapter makes a business stronger, more resilient, and more valuable as a going concern. A business that's less owner-dependent, has clean financials, strong contracts, and a management layer doesn't just attract better buyers — it performs better, scales better, and is less stressful to run.

Many owners who go through this process end up enjoying the business more. Some end up not selling at all, or selling on their own terms years later. The preparation is worth doing regardless.



— CHAPTER 4 —

TAX, STRUCTURE & KEEPING MORE



An Irish Owner's Guide to the Numbers

A note before we begin: Irish tax law changes every Budget. The rates, thresholds, and conditions in this chapter are current as of 2025.

Always verify with Revenue and a qualified Irish tax advisor before making any decisions — particularly given the significant changes made in Finance Act 2024.

Tax is the most important chapter in this book that the fewest owners read carefully.

That's a mistake. The difference between a tax-efficient exit and a tax-inefficient one can easily be several hundred thousand euros — on the same transaction, for the same business, at the same price. The structure of the deal and the reliefs you access matter enormously.

Start planning early. Tax structuring is not something you do in the week before completion.

Capital Gains Tax: The Starting Point

When you sell shares in a business, the gain — the difference between what you paid for the shares and what you sell them for — is subject to Capital Gains Tax (CGT).

The standard CGT rate in Ireland is 33%.

On a €2m gain, that's €660,000 in tax before any reliefs. Which is why the reliefs matter so much.

There are two primary relief mechanisms for Irish business owners: Retirement Relief and Revised Entrepreneur Relief.

Used correctly, they can dramatically reduce or eliminate that liability. Used incorrectly — or not accessed at all — you pay the full rate.

Revised Entrepreneur Relief

Entrepreneur Relief reduces the CGT rate from 33% to 10% on qualifying gains, up to a lifetime limit.

Current limits:

- Gains arising up to 31 December 2025: lifetime limit of €1,000,000
- Gains arising from 1 January 2026: lifetime limit increases to €1,500,000

To qualify, you must:

- Have owned at least 5% of the ordinary share capital of the company for a continuous period of three years
- Have been a director or employee of the company during that period, spending no less than 50% of your working time in the business in a managerial or technical capacity
- Be disposing of shares in a qualifying trading company — investment companies and property holding companies do not qualify

What it doesn't apply to: asset sales. Entrepreneur Relief is a share sale relief only.

The increase to €1.5m from January 2026 is significant. If you're planning a sale and have a choice of timing, this is worth factoring in with your advisor.

The 50% time rule catches more owners than you'd expect. If you've stepped back from day-to-day involvement — or hold the shares through a holding structure where you're technically employed elsewhere — you may not qualify. Check this with your advisor well before a sale, not during one.

Worked example — Entrepreneur Relief in action:

Owner sells their business for €2.5m. The total qualifying gain is €2m (after costs and acquisition price).

Scenario	Tax calculation	Tax bill	Amount retained
No relief	€2m × 33%	€660,000	€1,340,000
With Entrepreneur Relief (2026 limit)	€1.5m × 10% = €150,000 + €500,000 × 33% = €165,000	€315,000	€1,685,000

Difference: €345,000 — on the same transaction, for the same business, at the same price.

Retirement Relief

Retirement Relief can reduce the CGT liability to zero in qualifying circumstances.

To qualify (for company shareholders), you must:

- Be aged 55 or over
- Have been a working director of the company for at least 10 years
- Have spent at least 5 of those years working full-time for the company
- Have owned the qualifying shares continuously for at least 10 years

Retirement Relief's 10-year clock and full-time requirement catch owners who came into a business late, inherited shares without an active role, or stepped back significantly in the years before selling. If your history with the business is complicated, check your qualifying status early — not when you're in a sale process.

Third-party sales (selling to someone other than a family member):

Your age	Full relief available up to	Above threshold
55–69	€750,000	CGT at 33% on excess
70+	€500,000	CGT at 33% on excess

Family transfers (disposing to a child):

Your age	Relief available	Above threshold
55–69	Up to €10,000,000	CGT on excess (deferrable if child holds 12+ years)
70+	Up to €3,000,000	CGT on excess

Worked example — Retirement Relief, third-party sale:

Two owners both sell their business for €700,000. Same business, same price.

Owner A, aged 62: Full Retirement Relief applies — consideration is below €750,000. CGT = €0.

Owner B, aged 71: Relief applies up to €500,000. CGT at 33% on the excess €200,000. CGT = €66,000.

Same business. Same price. €66,000 difference — because of age and timing.

If you're 68 and planning to sell in two years, the difference between selling at 69 and selling at 70 could be significant. Retirement Relief thresholds are age-sensitive. Factor this into your timing.

Can You Use Both Reliefs?

In some circumstances, Entrepreneur Relief and Retirement Relief can interact — and in certain situations you may be able to structure a transaction to use elements of both, or choose the most beneficial. This is a nuanced area that depends on the specific facts of your transaction, your age, and the value of the business.

This is exactly the kind of planning that requires a specialist tax advisor engaged well before the sale — not after you've agreed heads of terms.

The Real Cost of Getting This Wrong: A Full Comparison

To make the stakes concrete, here's how the same €3m business sale nets out under three different scenarios for an owner aged 60:

Scenario A: Share sale, no reliefs accessed

- **Sale price:** €3,000,000
- **Gain:** €2,800,000 (after costs)
- **Tax:** €2,800,000 × 33% = €924,000
- **Net proceeds:** €2,076,000

Scenario B: Share sale, Entrepreneur Relief accessed (2026 limit)

- **Gain:** €2,800,000 (after costs)
- **Tax on first €1,500,000:** €150,000 (at 10%)
- **Tax on remaining €1,300,000:** €429,000 (at 33%)
- **Total tax:** €579,000
- **Net proceeds:** €2,221,000

Scenario C: Asset sale, no specialist structuring

- Gains taxed at corporation tax rate within the company
- Additional income tax/dividend tax to extract proceeds personally
- Effective combined rate can approach or exceed 50% in some structures
- Net proceeds: potentially €1,400,000–€1,600,000 depending on structure

The gap between Scenario A and Scenario C on a €3m sale: potentially over €600,000.

This is not a marginal difference. It is the single biggest financial lever available to most business owners — bigger than negotiating a higher price, bigger than reducing costs in the final year. And it is entirely within your control, if you plan early enough.

The gap between a well-structured exit and a poorly structured one on a €3m sale can exceed the annual profits of most Irish SMEs. Get a tax advisor involved at least 12–18 months before you sell.

Spouse/partner planning opportunity. Where one owner has been the primary operator and the other has a lesser role in the business, it's worth reviewing whether the spouse or civil partner can satisfy the qualifying period requirements for Entrepreneur Relief in their own right. If shares are held — or transferred to a spouse in advance of a sale — and they meet the ownership and employment conditions, both individuals may be able to claim relief on their respective gains. This requires careful structuring and timing well in advance of any sale. Raise it explicitly with your tax advisor.



Share Sale vs. Asset Sale

One of the most consequential structural decisions in any business sale is whether it is structured as a share sale or an asset sale.

Share sale:

- The buyer purchases the shares in the company. The company — with all its assets, contracts, liabilities, and history — transfers to the buyer.
- Generally preferable from a seller's tax perspective: gains are CGT-based, and Entrepreneur Relief and Retirement Relief may apply.
- The buyer assumes the full history of the company, including any unknown liabilities — which is why buyers often prefer asset sales and why sellers need to give warranties.

Asset sale:

- The buyer purchases specific assets (customer list, equipment, goodwill, stock, IP) rather than the shares.
- The company entity remains with the seller.
- Gains are typically subject to corporation tax within the company. Extracting the proceeds as an individual then triggers a further tax event — income tax, dividend withholding, or other charges depending on structure.
- The combination can push the effective rate significantly above what a well-structured share sale would attract.
- Sometimes unavoidable — particularly where the company has significant undisclosed liabilities a buyer won't assume.

The structure is not always the seller's choice alone — it requires negotiation. But understanding the implications means you negotiate from knowledge rather than being led by the buyer's preference.

Earn-outs and Deferred Consideration

Where part of the price is deferred — paid over time, often subject to performance conditions — the tax treatment depends on how the earn-out is structured.

In a fixed deferred payment (you will definitely receive the amount, just later), the full amount may be taxable in the year of disposal.

In a contingent earn-out (you receive it only if performance conditions are met), Revenue's treatment depends on the specific structure. In some cases you pay tax only when you receive the payment; in others, an estimated value is taxed upfront.

The practical point: earn-out structuring has direct tax consequences that need to be addressed in the sale agreement — not discovered afterwards.

Holding Companies

If you have a holding company structure — a Holdco owning the shares in your trading company — the interaction with CGT reliefs is an area where specialist advice is particularly valuable. The optimal structure for tax purposes varies significantly depending on timing, history, and what you plan to do with the proceeds.

Raise this explicitly with your tax advisor well before any sale process begins.

Building the Right Advisory Team

For a significant business sale, you need at minimum:

- **A business broker or M&A specialist** — to run the sale process, value the business, identify buyers, negotiate heads of terms, and manage due diligence.
- **A tax advisor** — to structure the transaction and the pre-sale period, maximise reliefs, and advise on deferred consideration.
- **A solicitor** — to review and negotiate the share or asset purchase agreement, handle warranties and indemnities, and protect your interests on completion.

These are three distinct functions. In smaller transactions they may overlap, but in any transaction above a few million euros, specialists in each role pay for themselves many times over.

When to engage them: earlier than you think. A tax advisor engaged 12–18 months before a sale can genuinely restructure your position. One engaged the week before completion cannot.

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"The gap between a well-structured exit and a poorly structured one can exceed your annual profits. It is entirely within your control — if you start early enough."



A photograph of two women in professional business attire. The woman on the left is wearing a brown and white plaid blazer, and the woman on the right is wearing a grey blazer over a white top. They are both looking down at a document or tablet held by the woman on the right. The background is a simple, light-colored wall with a window on the left. A dark blue semi-transparent banner is overlaid across the middle of the image, containing the chapter title in white and gold text.

— CHAPTER 5 —

FINDING BUYERS, NEGOTIATING & CLOSING



The best business is worth nothing without a buyer. And not all buyers are equal — not in what they'll pay, how they'll behave in a process, or what they'll do with the business after you leave.

Understanding who buys businesses like yours, and how a sale process works, is the difference between having leverage and not having it.

Who Actually Buys Irish SMEs?

Trade buyers (including competitors)

The most common buyer for an Irish SME. A trade buyer is someone already in your sector — a competitor, a supplier, a customer — who wants to add your business to theirs. Trade buyers often pay the highest multiples because they can see specific synergies: your customer base combined with theirs, your geographic coverage adding to their own, your team filling a gap they have.

The risk: competitors learn a lot about you during due diligence. If the deal falls through, they have your financials, your customer list, and your team details. Confidentiality agreements help but aren't perfect. Manage information carefully.

Management buyouts (MBO)

Your own management team, backed by debt or equity, buys the business from you. MBOs can be attractive: management knows the business, transitions are smoother, and staff continuity is usually better. The downside: the management team rarely has the capital to pay a full market multiple, and the deal often involves debt structures that require the seller to take some deferred consideration.

Private equity (PE)

PE funds are active in the Irish market, particularly for businesses with EBITDA above €1–2m and strong growth profiles. PE buyers typically invest for a defined period (3–5 years), grow the business, and sell on. They often want management to retain equity and stay involved — not ideal if you want a clean exit.

Overseas buyers

International trade buyers — UK, European, US — are active in certain Irish sectors. If your business has appeal to a strategic international buyer (because of your customer relationships, geographic position, IP, or team), an overseas buyer can sometimes pay a premium. Finding them requires active outreach, often through a corporate finance advisor with international reach.

Individual / entrepreneurial buyers

Individuals with capital who want to buy an established business rather than start one. More common in the €500k–€3m range. These buyers are often excellent operators but may have less capital available and longer due diligence timelines.

Running a Confidential Process

One of the most important things you can manage in a sale is confidentiality. If staff, customers, or suppliers learn the business is for sale before you're ready to tell them, it can damage relationships, trigger departures, and weaken your negotiating position.

A well-run confidential sale process looks like this:

1 Prepare the materials

Teaser: a one or two page anonymous overview of the business — sector, headline financials, brief description — sent to potential buyers to gauge interest without revealing identity.

NDA (Non-Disclosure Agreement): interested parties sign before receiving more information. This is a standard first step, but remember it provides legal rather than practical protection.

Information Memorandum (IM): the full document — business overview, financial history, market position, management team, key strengths and opportunities. This is what serious buyers review before making an indicative offer.

2 Identify and approach buyers

A good advisor will have a structured process for identifying the buyer universe — both obvious candidates and less obvious strategic buyers who might pay a premium. Casting a wide net increases competition and therefore price. Approaching only one buyer (often the case with unsolicited approaches) hands all the leverage to the buyer.

3 Indicative offers

After reviewing the IM, interested parties submit indicative (non-binding) offers. This stage is competitive and helps establish market value and shortlist serious buyers.

4 Management presentations

Shortlisted buyers meet with management — typically the owner and any key executives — to assess the team and ask detailed questions. This is also the point at which you're assessing the buyer: how do they treat people? What do they plan to do with the business? Are they serious?

5 Due diligence

The buyer and their advisors examine the business in detail — financial, legal, commercial. You'll be asked for a significant volume of documentation. This is where the preparation in Chapter 3 pays off: clean books, documented processes, and clear legal records make due diligence smoother and reduce the chances of re-trading.



AI TIP: Before entering a formal process, upload your key customer and supplier contracts to an AI tool and ask it to flag any change-of-control clauses or unusual terms. It's not a substitute for legal advice — but it tells you which contracts need your solicitor's attention before a buyer's AI finds them first.

Re-trading is when a buyer uses issues discovered in due diligence to renegotiate the price after heads of terms have been agreed. It's common, it's legal, and the best defence is thorough preparation before the process starts. Surprises in due diligence always cost the seller.

Heads of Terms

Heads of Terms (HOT) — also called a Letter of Intent — is the document that sets out the agreed deal structure before full legal documentation begins. It's typically non-binding, except for specific provisions (exclusivity, confidentiality).

What matters most in heads of terms:

- Price and structure — total consideration, cash/deferred split, earn-out if applicable
- Completion mechanism — locked box or completion accounts (which affects final price adjustment)
- Exclusivity period — the buyer will typically want 4–8 weeks of exclusivity while they complete due diligence. This is standard but should be time-limited.
- Key conditions — any material conditions that need to be satisfied before completion
- Working capital target — how much working capital the business is expected to have at completion

Sign heads of terms with care. While they're largely non-binding on price, they set expectations that are psychologically hard to move from, and once you've granted exclusivity, your leverage is reduced.

Warranties, Indemnities, and W&I Insurance

The SPA (Share Purchase Agreement) or APA (Asset Purchase Agreement) will contain warranties — statements of fact about the business that you make to the buyer, which the buyer can claim against if they turn out to be false.

Common warranty areas include: financial statements, tax compliance, employee matters, customer contracts, IP ownership, litigation, environmental matters.

Your solicitor will negotiate the scope of warranties, the knowledge qualifier (whether you're warranting from actual knowledge or constructive knowledge), and the liability cap (typically a percentage of the purchase price).

Warranty & Indemnity (W&I) insurance is increasingly common in Irish M&A transactions above a certain size. It allows the seller to limit personal warranty liability after completion, with an insurer taking on the risk. This is worth discussing with your advisors for any transaction where the warranty exposure would otherwise be significant.



Negotiating Beyond Price

The best negotiators focus on total value — which includes terms beyond headline price.

Areas where you can negotiate and recover value:

- **Earn-out mechanics:** if you must accept an earn-out, negotiate tight protections around how the business will be run during the earn-out period
- **Completion accounts vs. locked box:** understand the difference and which gives you more certainty
- **Retention amounts:** buyers sometimes want to retain a portion of the price for 12–18 months as security against warranty claims — negotiate the amount and release terms carefully
- **Your post-sale role:** if you're expected to stay on, agree this clearly — role, compensation, decision-making authority, exit from that role
- **Employee protections:** if the welfare of your team matters to you (and for most owners it does), negotiate these protections before completion, not after
- **Announcements and reputation:** how the sale is announced, to staff and to the market, matters for your personal reputation and for business continuity



*"The best negotiators focus on total value —
not just the headline number."*



— CHAPTER 6 —

LIFE AFTER THE SALE



This chapter is the one most exit planning books skip. It's also the one most sellers wish they'd read.

The Emotional Exit

Selling a business is not like selling a house. A house is an asset. A business is, for most owners, a central part of their identity: how they spend their days, how they introduce themselves at parties, how they justify the sacrifices they've made.

When it goes, the clarity of that identity goes with it.

This catches owners off guard. The process is long and demanding, and for most of it, the focus is on getting the deal done. On the day of completion, there's relief — but often also a strange emptiness.

Common post-sale experiences:

- **Loss of structure:** the rhythm of running a business provided a framework for every day. Without it, time feels formless.
- **Loss of purpose:** the business was the project. What's the project now?
- **Social dislocation:** the team, the customers, the suppliers, the industry relationships — most of these evaporate or change in character once you're out.
- **Anxiety about capital:** managing a lump sum feels very different from managing a going concern. Even financially sophisticated owners find this transition difficult.

None of this means you shouldn't sell. It means you should prepare for it as a life transition, not just a financial transaction.

Practically: think before completion about what you want the next chapter to look like. Not necessarily in detail — but enough to have something to move toward, not just something to leave behind.

What Happens to the Money

The proceeds of a business sale are likely to be the largest single sum of capital you'll ever have at one point in time. The decisions you make in the first 12–18 months post-sale — about how to invest, whether to stay active, what to fund — are some of the most consequential financial decisions of your life.

Three principles worth holding to:

Don't make major financial decisions immediately. The period immediately after a sale is often one of emotional relief, disorientation, and transition. Major capital deployment decisions made in this window are often suboptimal. Park the capital somewhere safe and give yourself time.

Get independent financial advice. Not from the person who sold your business. Not from a bank seeking deposits. From an independent financial advisor who is paid to act in your interests. The questions around CGT relief applications, pension contributions, investment strategy, estate planning, and potential future ventures all interact, and they require joined-up thinking.

Understand the difference between capital and income. For most of your working life, income has arrived predictably. A lump sum of capital feels similar but behaves differently — it doesn't renew. Getting clear on what annual income your capital can sustainably generate is an early priority.

Pension planning in the years before a sale can be a significant lever. Talk to your advisor about pension contributions in the run-up period — this is one of the most tax-efficient ways to extract value before completing a transaction.



A One-Page Exit Plan: Your First Three Actions This Quarter

Every chapter in this book has been building toward this: doing something, starting now.

Most owners absorb information like this and take no action. They mean to, but the business gets busy, and exit planning goes back to the bottom of the list. Don't let that happen.

Your exit plan for this quarter is three actions. Pick the three that matter most for your situation:

If you scored below 20 on the sellability audit:

- 1 Identify the one area of highest owner-dependence and write down what it would take to reduce it
- 2 Schedule a review of your most recent two years of accounts with your accountant
- 3 Book a conversation with a business broker or corporate finance advisor for an initial market view

If your financials need work:

- 1 Meet your accountant and ask specifically about normalising earnings and cleaning up personal expenses
- 2 Review your VAT and tax compliance status
- 3 Start a simple document that tracks add-backs: what they are and how you'd support them

If you've already had an approach:

- 1 Do not agree to exclusivity until you have independent advice
- 2 Get a corporate finance advisor on the phone before responding substantively
- 3 Understand the structure being proposed — share sale or asset sale? — and what that means for you

If you're 3+ years out and planning:

- 1 Do the sellability audit seriously and pick one structural issue to address this year
- 2 Have a preliminary conversation with a tax advisor about how you're currently structured and what an exit might look like
- 3 Start building a documented management layer — even one capable deputy is a significant improvement

Start Earlier Than You Think You Should

The single thread through every chapter in this book is time. Tax planning requires time. Reducing owner-dependence requires time. Cleaning financials requires time. Finding the right buyer requires time.

Recovering from a deal that falls through requires time. The owners who execute the best exits are the ones who started thinking about it two or three years before anyone else around them did. Not obsessively — they still ran their businesses, made investments, hired people, grew. But they did it with one eye on what the business would look like to a buyer.

That's not a complicated mindset shift. It's just this question, asked occasionally: "If I were a buyer looking at this business, what would I see?"

Ask it. Act on it. The rest follows.

Bizmark.ie: A Resource for Irish Business Owners

Bizmark.ie offers a managed sale service for Irish business owners — handling the process confidentially from initial valuation through to completion.

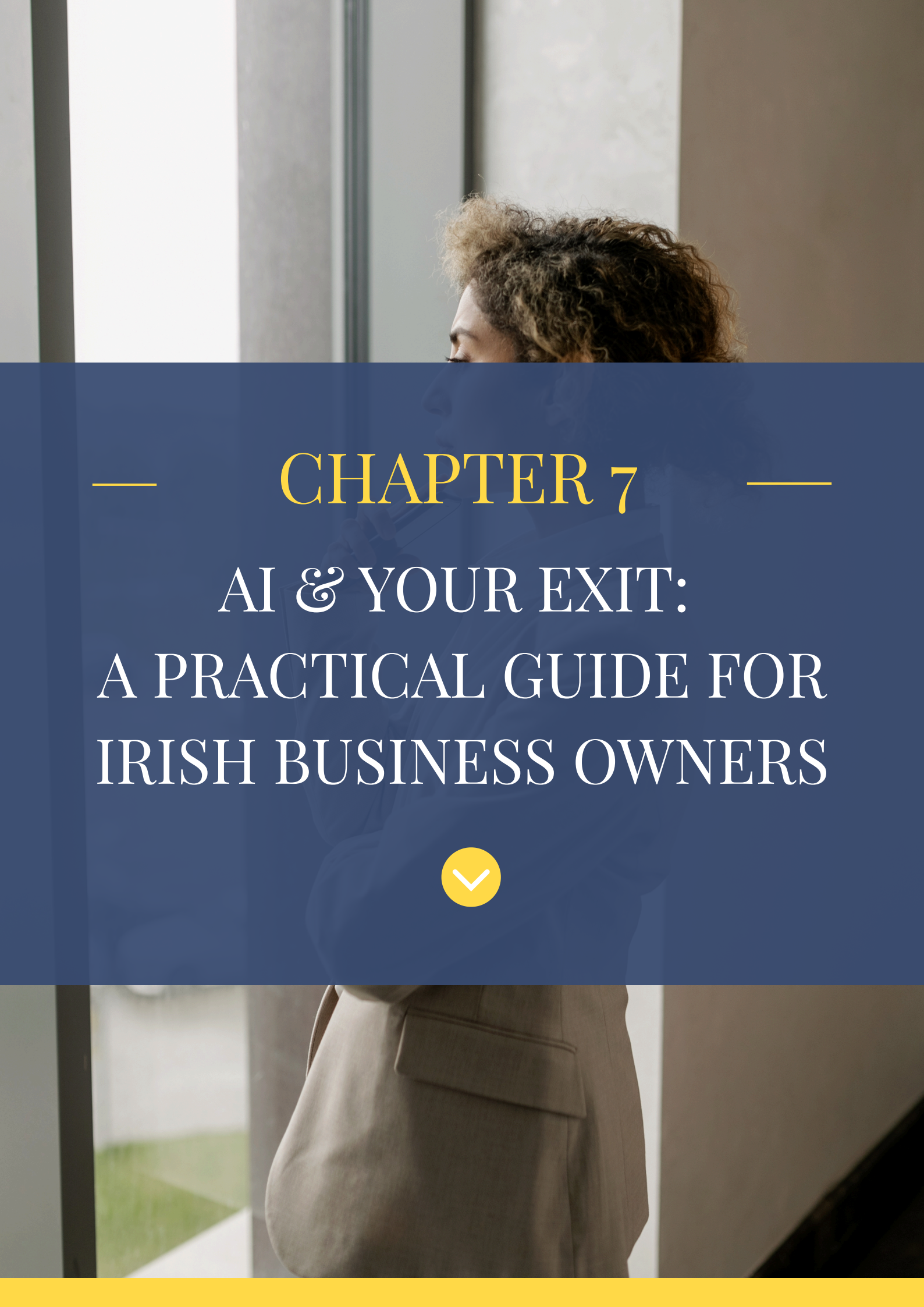
If you're thinking about selling in the next few years, we'd encourage you to explore what's there: not necessarily to list immediately, but to see what businesses in your sector sell for, how they're presented, and what buyers in the current market are looking for.

You can also use Bizmark.ie to connect with advisors, understand confidential processes, and get a preliminary market view of where your business might sit.

There's no pressure, no commitment, and no hard sell. Just a starting point.

Visit bizmark.ie to learn more.





— CHAPTER 7 —

AI & YOUR EXIT: A PRACTICAL GUIDE FOR IRISH BUSINESS OWNERS



Artificial intelligence is changing how businesses are valued, bought, and sold — faster than most owners realise. This chapter is not about hype. It's about three practical things: how AI affects what your business is worth, how buyers are using it against you in due diligence, and how you can use it in your own preparation.

How AI Affects Your Valuation

The first question a buyer is increasingly asking — even if they don't say it out loud — is: how exposed is this business to AI disruption?

That's a valuation question. A business that AI could partially or fully replace within five years carries a risk premium that will compress the multiple. A business with proprietary relationships, hard-to-replicate expertise, or recurring contracts that don't depend on repeatable tasks is more resilient — and commands a better price.

Ask yourself honestly: what does my business do that AI cannot easily do?

Strong answers include: long-term client relationships built on trust, specialised local knowledge, physical services that require skilled hands, regulatory expertise built over years, or a brand with genuine emotional resonance. These are durable.

Weaker positions include: businesses whose core value is producing content, processing documents, generating reports, or performing research tasks — all areas where AI is moving quickly. This doesn't mean these businesses are unsellable, but buyers will factor the exposure into their offer.

The flip side: if you have already integrated AI into your operations — using it to increase output, reduce headcount, or improve margins — that's a genuine value-add. Documented AI-driven efficiency gains are increasingly attractive to buyers, particularly private equity and trade buyers who think about scalability.

Ask yourself: is AI a threat to my business model or a tool I've already put to work? Buyers will ask this question. Have an answer ready.

Blue Collar vs. White Collar: The AI Valuation Gap

Not all businesses face the same AI risk — and buyers are beginning to price this in.

The broad pattern is this: businesses built around physical skills, local presence, and hands-on delivery are proving more resilient to AI disruption than businesses whose core value lies in knowledge work, document processing, or repeatable cognitive tasks.

Businesses with stronger AI resilience (all else being equal):

- Construction, trades, and engineering — a plumber, electrician, or structural engineer cannot be replaced by a language model. The expertise is physical, local, regulated, and tactile.
- Food production and hospitality — manufacturing, preparation, and service require people and facilities. AI can optimise logistics and administration, but it can't run the line.
- Healthcare and care services — regulated, relationship-dependent, and physically delivered.
- Transport and logistics — while automation is advancing, last-mile physical delivery and fleet operations remain largely human.
- Businesses with strong local brand and community relationships — trust built over decades in a specific geography is hard to replicate or displace.

For Irish SME owners in these sectors, the message from buyers is increasingly positive: your business does something AI cannot easily do. That's a genuine differentiator, and it supports valuation.

Businesses with higher AI exposure:

- Marketing and content agencies — AI tools now produce copy, creative briefs, social content, and basic design at a fraction of the previous cost. Agencies whose value is volume content production face structural pressure. Those whose value is strategy, relationships, and creative judgment are more defensible.

- Bookkeeping and basic financial services — routine transaction processing, reconciliation, and reporting are increasingly automated. Practices whose value is advisory, tax planning, and client relationships are more resilient than those built on compliance processing.
- Recruitment and HR services — CV screening, job matching, and candidate communication are being automated rapidly. Specialist executive search and relationship-led recruitment is more durable.
- IT support and basic software development — commodity technical support and standard application development face significant AI pressure. Specialist, regulated, or deeply integrated technology businesses are in a different position.
- Research, analysis, and report writing — if your business produces research that could plausibly be generated by a well-prompted AI, buyers will factor that into what they're willing to pay.

The important nuance: sector alone doesn't determine AI resilience. A white collar business built on deep client relationships, regulated advice, or specialised expertise that took years to develop is far more resilient than a white collar business built on volume and process. The question isn't really "blue collar or white collar" — it's "what percentage of this business's value comes from things AI can replicate?"

If you run a trades or construction business, the AI conversation works in your favour — use it. If you run a services business, be ready to articulate clearly what you do that AI cannot. Buyers will ask.

If you're in a higher-exposure sector, the preparation work matters more, not less. Businesses that can demonstrate strong client retention, recurring contracts, and a management layer that goes beyond process-following are far better positioned than those that can't. The multiple compression risk is real — but it's not inevitable if you've built something with genuine depth.

If you're in a lower-exposure sector, don't be complacent. AI is already being used to improve estimating, scheduling, customer communication, and back-office operations across trades and construction. Buyers will look favourably on businesses that have adopted AI tools to improve efficiency — even in traditionally manual industries. It signals a management team that is forward-looking, and it protects margins.

How Buyers Are Using AI in Due Diligence

This is the part sellers don't see — but need to understand.

Buyers and their advisors are increasingly using AI tools to analyse the documents you provide in due diligence. Contract review platforms can process hundreds of supplier and customer agreements in hours, flagging change-of-control clauses, unusual terms, and inconsistencies. Financial analysis tools can cross-reference figures across multiple years of accounts and spot anomalies that would take a human analyst days to find.

What this means for you:

Inconsistencies are found faster. If your accounts have unexplained variances, if contract terms don't match what your IM says, or if employee records are incomplete — AI will surface it. The days of burying a minor issue in a data room and hoping nobody finds it are largely over.

Clean documentation is more important than ever. A well-organised data room — consistent naming, complete records, no gaps — signals professionalism and reduces buyer anxiety. An inconsistent data room signals risk, and AI-assisted due diligence amplifies that signal.

The upside for prepared sellers: if your documents are clean and consistent, AI-assisted due diligence actually speeds up the process and reduces friction. Buyers gain confidence faster. Deals close sooner.

A buyer's AI tool doesn't get tired or miss things on page 47. Prepare your data room as if every document will be read carefully — because now, effectively, it will be.

AI Tools You Can Use Right Now

These are practical tools that work today. None require technical expertise.

Documenting your processes

One of the most valuable things you can do in the preparation phase is document how your business actually runs. AI makes this dramatically easier than it used to be.

- **ChatGPT / Claude:** describe a process out loud (or type a rough description) and ask the AI to turn it into a structured procedure document. This works for anything from "how we onboard a new client" to "how we manage stock levels." It won't be perfect first time, but it gets you 80% of the way there in minutes rather than hours.
- **Loom + AI transcription:** record yourself walking through a process on screen or in a workplace, then use an AI transcription tool to convert it into a written procedure. Useful for operational tasks that are easier to show than describe.
- **Tools.** Stonly, Scribe, Loom, Trainual and many more

Preparing your Information Memorandum

The IM is the document buyers read before making an offer. It needs to be clear, well-structured, and compelling.

- AI writing tools (Claude, ChatGPT) can help you draft sections, improve clarity, and stress-test your narrative — for example, by asking "what questions would a sceptical buyer have after reading this section?"
- Use AI to check for jargon, inconsistencies, or claims that aren't supported by the financial data.

Note: your IM should always be reviewed and sense-checked by your corporate finance advisor before it goes to buyers. AI drafts the structure; humans apply judgment.

Researching your market and comparable transactions

Before you set your price expectations, you need to understand what comparable businesses have sold for. AI-powered research tools can help:

- **Perplexity AI:** good for current market research — sector trends, recent M&A activity in your industry, macro factors affecting valuations. More reliable than a standard Google search for synthesising current information.
- **ChatGPT / Claude with browsing:** useful for researching buyer types in your sector, recent acquisitions, and understanding how strategic buyers talk about your market.

These tools won't give you verified transaction data (that requires a broker or specialist database), but they help you build context and ask better questions.

Organising and reviewing contracts

Before due diligence begins, you should review your own contracts — customer agreements, supplier contracts, leases, employment contracts — for any issues that will surface later.

- Upload contracts to Claude or ChatGPT and ask: "Summarise the key commercial terms" or "Are there any change-of-control clauses in this agreement?" This is not a substitute for legal review, but it's a fast way to identify which contracts need your solicitor's attention before you enter a process.



Is Your Business AI-Ready to Sell?

A quick self-assessment for the AI dimension of your exit:

- Can you clearly articulate what your business does that AI cannot replicate?
- Have you started using AI tools to improve efficiency, and can you document the impact?
- Are your core processes documented well enough that a buyer can understand the business without you in the room?
- Is your data room organised and consistent, ready for AI-assisted review?
- Do you understand which of your customer contracts have change-of-control provisions that could be flagged in automated review?

If the honest answer to most of these is "not yet" — that's useful information. The preparation window is exactly the right time to address it.



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A Final Thought on AI and the Exit

AI doesn't change the fundamentals of a good business sale: clean financials, reduced owner-dependence, strong contracts, a credible management layer. What it changes is the speed and precision with which buyers can assess those fundamentals.

That cuts both ways. A well-prepared seller moves through due diligence faster, with less friction and fewer surprises. An underprepared seller gets found out sooner.

The owners who use AI as a preparation tool — rather than ignoring it or fearing it — will have a genuine edge in the exits that happen over the next five years.

That window is now.

The Irish Exit: How to Sell Your Business for What It's Really Worth
Published by Bizmark.ie — Where Irish Businesses Sell.
bizmark.ie

CONCLUSION

The Owners Who Win

The businesses that sell for the most money aren't always the biggest or the most profitable. They're the ones that were ready.

Ready means: clean books, reduced owner-dependence, clear legal structures, a management layer that can hold things together, and an owner who understood the process before they were in it.

That readiness doesn't happen by accident, and it doesn't happen quickly. But it's not beyond any owner who runs a successful business. It's the same discipline — planning ahead, fixing what's broken, knowing the numbers — that built the business in the first place.

The Irish Exit is not a moment. It's a process. One that can take years and rewards the time you put into it.

The best time to start was three years ago. The second best time is today.



Disclaimer:

This book is intended as general guidance for Irish business owners and does not constitute financial, tax, or legal advice. Tax reliefs, rates, and conditions described are subject to legislative change. Always consult qualified Irish advisors — a tax advisor, solicitor, and corporate finance advisor — before making decisions in relation to the sale of your business. The authors accept no liability for decisions made on the basis of this publication.



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