



THE REAL DEAL 2024

IRELAND'S PREMIER EVENT FOR SME OWNERS AND MANAGEMENT

#TheRealDeal2024

AGENDA

11AM - 12PM

Deal of the Year

NIALL MOLLOY

12PM - 12.45PM

People and Deals

JARLATH DOOLEY
AISLING TEILLARD

12.45PM - 2PM

Lunch and
Networking

2PM - 2.45PM

Growth, Succession
and Exit

JOHN PURDY

2.45PM - 3.30PM

The Journey to Exit

SHARON MCCABE
DAVID MAXWELL



**Fitzgerald
Power**
ADDING VALUE.
ALWAYS.



**Bank of
Ireland**

RENATUS 



MC - Matt Cooper

Matt Cooper is returning to host the Real Deal event in 2024, after previously hosting the event in 2018, 2019, 2020 and 2023.



About The Real Deal

The event aims to explore the art of the possible for Irish SMEs and inspire the next generation of business success stories. By bringing together successful business leaders, SME owners, managers and relevant advisors, Irish SME leadership should be inspired, and have the necessary roadmap and network, to go on and achieve great success.



Catering

A complimentary gourmet lunch, catering to all needs, will be split into three different food zones to ensure all attendees get served efficiently. There is complimentary coffee, water, and snacks available throughout the day. The food is being catered by Lily & Wild, with the artisan coffee being supplied by Brownes of Sandymount.



Venue

The Real Deal 2024 is hosted in **Goffs**, Co. Kildare, a top-class venue that is used to hosting thoroughbreds and deal makers.



LUNCH MENU

MAIN COURSES

GOURMET BURGER

6OZ ANGUS BEEF BURGER WITH PICKLES,
TOMATO, LETTUCE, BURGER SAUCE
ON A BRIOCHE BUN, SERVED WITH FRIES
(WHEAT, EGG, DAIRY, SULPHITES)

CRISPY CALAMARI

FRIED CALAMARI, ASIAN NOODLE SALAD, WITH
A SWEET CHILLI AND LIME DRESSING
(WHEAT, EGG, SOYA, MOLLUSCS)

CRISPY CHICKEN GOUJONS

TENDER, BREADED CHICKEN PIECES, SERVED
WITH A GARLIC & HERB AIOLI
(WHEAT, EGG, DAIRY, MUSTARD)

SIDES

HAND CUT CHIPS

PATATAS BRAVAS

TRIPLE-COOKED POTATO CUBES AND
MOROCCAN KETCHUP AND SOUR CREAM
(DAIRY, SULPHITES)

SALADS

SUPERFOOD SALAD

BEETROOT, CARROT, BROCCOLI,
POMEGRANATE, LEMON DRESSING
VEGAN, OR ADD FETA (DAIRY)

CHICKEN CAESAR SALAD

POACHED CHICKEN BREAST, PARMESAN,
LARDONS, CRISP BABY GEM IN A CREAMY
CAESAR DRESSING
(WHEAT, EGG, DAIRY, MUSTARD, SULPHITES)

VEGAN MAIN COURSE

SPICY LENTIL DAHL

SLENTILS, ONION, GARLIC, CUMIN,
TURMERIC, SERVED WITH RICE
(WHEAT, SULPHITES)



11AM - 12PM

DEAL OF THE YEAR

NIALL MOLLOY



Niall is CEO and co-founder of Echelon Data Centres. He is also a principal of Aldgate Developments. A qualified Chartered Accountant with a strong background in banking and finance, Niall is highly experienced in commercial property development and has a proven track record of successfully delivering large-scale, complex projects on time and within budget while driving returns for investors.

As part of the Aldgate Developments leadership team, Niall spearheaded the full development, lease and sale of Aldgate Tower and One Braham (BT's global headquarters), two major office blocks in central London totalling c.1,000,000sqft which were sold for

c€1billion, as well as the landmark 225,000sqft Termini office block in Sandyford.

Echelon Data Centres has grown organically since 2017 to be one of the largest data centre platforms in Europe and one of Ireland's fastest growing businesses. Echelon focuses on the development of large data centre campus and energy infrastructure to serve the largest hyperscale technology companies. As CEO, Niall is responsible for the strategic direction of Echelon Data Centres and takes an active role in all aspects of property selection, assessment, delivery and operations. Echelon recently closed a major funding partnership with Starwood Capital which involved the investment of \$850m in equity and involves an enterprise value of over €2.5bn on the business. .



The Real Deal has made a donation on behalf of Niall Molloy, in recognition of his invaluable contribution.



12PM - 12.45PM

PEOPLE AND DEALS



JARLATH DOOLEY

Jarlath has extensive senior leadership experience in the Irish IT landscape specialising in People & Culture, Business Performance and M&A (Integrations), having worked with some of Ireland's most successful companies, including Iona Technologies, FINEOS and most recently, Version 1. He has operated at Board level for many years covering a broad range of responsibilities including People and Culture, M&A (Integration) IT, Business Systems, Marketing and Strategy. His passion and experience lies in scaling fast growth, high potential Software/IT businesses with a focus on creating high performing cultures, aligning management teams focused around business performance and integrating newly acquired businesses. Jarlath is now acting as board adviser to fast growth companies in the above areas with the aim of uncovering cultural magic, unleashing high performance and aligning leadership teams.



The Real Deal has made a donation on behalf of Jarlath Dooley, in recognition of his invaluable contribution.

AISLING TEILLARD

Aisling started her career in the world of HR, progressed to becoming HR Director for multinationals including SAP and Telefonica O2. She then moved to consulting, advising enterprise clients on the areas of performance management, coaching and leadership development. A topic close to her heart, as she had done a research Masters specialising in Performance Management.

Seeing the challenges first hand with performance management, she established Our Tandem, an award-winning Continuous Performance Management platform that transforms workplace cultures in 6 continents, across 53 countries and translated to 14 languages. Our Tandem was acquired by the Swiss headquartered company, beqom in July 2022 and she now serves on the executive leadership team as their Chief Customer Officer.



The Real Deal has made a donation on behalf of Aisling Teillard, in recognition of her invaluable contribution.

12.45-2.00pm

LUNCH AND NETWORKING

2PM - 2.45PM

GROWTH, SUCCESSION AND EXIT



JOHN PURDY

After co-founding Ergo over 28 years ago, John became increasingly interested in an entrepreneurial approach to business. It proved to be a perfect fit for a company that aligns leading-edge technology to client needs. It helped him create a €200m business with nearly 500 employees, spinning off two companies along the way (Fenergo and FlowForma) and acquiring three others (CDSOft, iSite, Micromail).

First as CEO and now as Chairman, John continues to bring his leadership and strategic vision to Ergo and

other businesses. Striving to put his entrepreneurial experience to good use as an investor in a number of early-stage technology companies and sits on the board of Vromo, which recently raised \$8m. In 2014, John was named Industry Entrepreneur of the Year in the prestigious EY awards. He chairs an advisory board for an EY programme that works on government policy.

No stranger to the media or conference circuit, John has forthright views that he is happy to share. Having a passionate commitment to making technology an enabler for doing better business and a force for positive change.

FOCUS Ireland

The Real Deal has made a donation on behalf of John Purdy, in recognition of his invaluable contribution.



2.45PM - 3.30 PM

THE JOURNEY TO EXIT



SHARON MCCABE

As the driving force behind McCabes Pharmacy, Sharon McCabe has evolved the business from a small family-run business into a major nationwide organisation. Under her guidance, McCabes has become known for its progressive, innovative, and compassionate service, marking over 40 years of community dedication. Recently, on April 30, 2024, PHX Ireland acquired McCabes Pharmacy through its subsidiary, LloydsPharmacy. This acquisition merges McCabes' 32 stores with LloydsPharmacy's 80, forming Ireland's largest retail pharmacy chain. Sharon steps in as CEO of the newly formed entity, directing a team of 1,250 employees and overseeing a rebrand to McCabes Pharmacy within the next year. Her focus remains on spearheading further mergers and acquisitions and driving business transformation. Beyond her corporate role, Sharon is a respected figure in healthcare and corporate governance. She holds non-executive directorships with St. Vincent's Healthcare Holding Company, Cancer Trials Ireland, Eason's PLC, and Dublin Zoo.

DAVID MAXWELL

At the helm of Boojum's success is the visionary leader, and current Managing Director, David Maxwell, whose unwavering commitment to excellence and innovation has propelled the company to unprecedented growth.

His entrepreneurial acumen, coupled with a deep understanding of consumer preferences, has enabled Boojum to establish itself as one of the stand-out fast casual brands in Ireland. Following nationalising the brand in Ireland – with locations in Belfast, Dublin, Cork, Limerick and Galway,

Boojum is now rolling out new stores across the water. The business sold a controlling stake to the casual dining chain, the Azzurri Group in June 2023. The Real Deal are glad to have David back for 2024.



The Real Deal has made a donation on behalf of Sharon McCabe, in recognition of her invaluable contribution.



The Real Deal has made a donation on behalf of David Maxwell, in recognition of his invaluable contribution.

RENATUS

Renatus is a Dublin-based private equity firm backed by a group of entrepreneurial and institutional investors whose mission is to help companies reach their full potential. We have a long-term investment focus and typically make equity investments of > €5 million in Irish and UK companies with €1 million+ EBITDA or B2B SaaS companies with ARR of €2 million+. We seek to partner with ambitious management teams and great companies to provide solutions for:

- Growth Capital
- Management Buy-outs
- Management Buy-ins
- Succession Solutions
- Bolt-on Acquisition Funding
- Shareholder Sales

Visit www.renatus.ie if you would like to learn how Renatus can help your business realise its full potential.



With over 40 years' experience **Fitzgerald Power's** corporate finance team helps business owners and management teams solve the key strategic challenges they face. We offer corporate finance solutions for any and every issue that your business might encounter. Running a business isn't always plain sailing, but we're here to help you weather any storm. Our services include:

- Disposals
- Mergers and Acquisitions
- Management Buyouts/Buy-Ins
- Raising Equity
- Business Valuations
- Debt Advisory
- Deal Advisory
- Transaction Support Services

Visit www.fitzgeraldpower.ie to learn more.



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For more information about Bank of Ireland please visit our website:
www.bankofireland.com

Online only and subscription only, **The Currency** goes deeper on Irish business, economics, policy and society, giving members an edge in business.

The Currency.

Knowing what is important in business and having the knowledge to act helps you make better decisions. Our team are always looking for the real stories behind the headlines that give you the best insights into where new opportunities are.

Members of The Currency get access to over 5,000 unique stories and 300 original podcasts as well as access to regular events with business leaders, policymakers and opinion shapers; often in collaboration with blue chip partners.

LK SHIELDS

LK Shields is a leading independent Irish law firm committed to excellence and innovation. We are a trusted partner to our clients, providing a full-service offering that helps them to achieve their commercial goals. Our input is partner-driven, accessible and decisive. Our clients are enterprising Irish and international businesses, financial institutions, and public bodies.

To find out more visit www.lkshields.ie.

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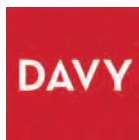
interpath

Part of an international firm of over 700 people, **Interpath Advisory** in Ireland supports businesses, their investors, and stakeholders with advisory and restructuring services, helping clients facing challenge or opportunity to navigate what's next.

At Interpath, our team advise in an agile, independent, and conflict-free setting. To create, defend, preserve, sustain, and grow value. To offer something different. Let us be your trusted partner in achieving not just financial stability but sustainable success in this difficult business environment. Navigate what's next with Interpath Advisory. We provide a full range of advisory, restructuring and tax services.



The Panel Search & Selection is a professional recruitment consultancy with over 36 years in business this year. Irish owned and managed we specialise in the recruitment of professionals up to C-suite level in Accountancy, Banking & Treasury, ESG & Sustainability, Funds & Investment Management, HR & Business Support, IT & Business Transformation, and Legal.



Davy is a trusted market leader in wealth management and capital markets, building rewarding relationships that last. For over 90 years, we have helped generations of families and businesses realise their financial goals through our investment platforms and solutions. Our vision is to be Ireland's most admired provider of Wealth Management and Investment Banking Services. We are committed to delivering exceptional client outcomes delivered by a world-class team. We do this by listening and by taking the time to understand what really matters to our clients. Davy Group is a member of the Bank of Ireland Group.



Building long-term partnerships:

The fundamental principles of Private Equity



RENATUS

MARK FLOOD

It's hard to believe that it's almost 9-years to the day since Brendan and I first met David Maxwell. We walked away from that first meeting certain that we had identified a serious operator and a partner who we could build something special with.

Boojum became the first investment for Renatus and it's great to welcome David back to The Real Deal to tell his story. It's also great to see Boojum going from strength to strength under his stewardship following our sale of the business to Azzurri Group last year.

In many ways the Boojum investment perfectly encapsulates the positive impact private equity ("PE") and excellent management teams can make on good businesses that are operating in strong sectors.

IT'S A MARRIAGE

It sounds clichéd but it all starts with the people. Renatus backs excellent management teams and people we know we can work with.

Boojum wasn't without its challenges. Take the Covid crisis as an example. It was a period of intense stress where we had to be fully aligned with management. Trust was crucial. Mutual respect was essential. The determination to get the business back on an even keel after Covid had to be shared. Otherwise, it might not have worked.

Nine years later we are on our 10th investment and the same principles hold true. If you partner with the right people, you give yourself a fighting chance.

IT'S ABOUT MORE THAN CAPITAL

Cash is a commodity. If the business fundamentals are strong, you'll find the growth capital your business requires. So why would you choose private equity? And why would you select one PE house over another?

The people assessment is a two-way street. A good private equity partner will have a passion for your project. They will have ideas to support your growth and a network that helps you to execute on your vision. Both of you want to look forward to spending time together on the journey.

Speaking of vision, it is essential that they buy into what you and your team are doing. Your funding partner should be genuinely excited about joining you on your journey.

Many entrepreneurs and management teams focus on the structured approach that a good PE partner can bring to the ultimate exit, and it goes without saying that this is one of the benefits. But there's so much more.

Renatus are working with one potential investee company where our biggest value add will be in relation to organic business development. The opportunity to work with this particular management team and contribute to what is already an impressive outbound sales and marketing function is something we are really excited about.

In another prospective portfolio company case, our biggest contribution will be bringing our network to bear in terms of getting the org chart right and helping the company to develop a coaching culture. It's another exciting project.

In another, we are really getting behind the M&A growth and helping source, identify, execute and optimise bolt-ons.

PATIENCE IS A VIRTUE

When you take on external capital, particularly private equity, you are committing to what could potentially be a ten-year partnership. Five-year plans sometimes get delayed.

Helmuth von Moltke was a Field Marshall and brilliant war strategist in the 19th Century. He coined the term; "no plan survives contact with the enemy". This maxim is as true of business planning as it is of battlefield strategising. You rarely, if ever, see a plan delivered to the letter. There are just too many moving parts.

In order for companies and their investors to be successful, management needs to be given sufficient autonomy to adapt their plan for the realities of the trading environment and then deliver upon that plan. They also need to be given support where appropriate.

MAKE SURE YOU'RE ALIGNED

It is important the capital structure is aligned. There can be a temptation to try to finance the transaction via debt and not equity.

Warren Buffett once said; "debt is like a dagger at the steering wheel, it will keep you honest while you're driving but could kill you if you hit a bump."

If and when you hit that bump you will find out if you are truly aligned with your funding partner. If there is too much leverage in the business the situation might become difficult. The owner of the debt will want their money back. If repayment capacity becomes very tight covenants might be called in, which is a position no management team wants to find themselves in.

However, if your equity is hip to hip aligned and something goes wrong in the short-term the sensible solution is to double down.

When you're 100% aligned and there's trust on both sides of the table, most macro-emergencies can be managed.

It's the approach that Renatus and David's management team took when Covid struck and it was built on that fundamental first principle. If you partner with the right people, you give yourself a fighting chance.

THE PSYCHOLOGY OF MONEY OFF

Lots of our deals have involved founders taking chips off the table. We have never seen motivation drop. If anything, it's the opposite. Most entrepreneurs have no lifestyle utility for anything more than a couple of million. When that comes off the table the focus shifts to maximising the potential of the business. Having the remaining chunk of your net worth in a business you know and understand gives you the best of both worlds.

Renatus is a private equity firm that helps companies and management teams realise their potential.

Sign up for the Renatus weekly newsletter:
<https://renatus.ie/newsletter/>

Preparing A Business For Sale



NOEL WINTERS



As an entrepreneur and SME owner, I've come to appreciate that two pivotal moments define our journey: the day we start our business and the day we exit. Whether it's reaching the limits of our ambitions or simply transitioning into retirement, selling a business is a complex decision laden with critical considerations.

At Fitzgerald Power, we specialise in offering strategic financial advice to business owners navigating the sale process. Our aim? To streamline the journey with minimal hassle. There are key areas every business owner should address to optimise their business's enterprise value before bringing it to market.

Before bringing your business to the market, ask yourself these crucial questions: Is your business truly ready for disposal? Are macroeconomic conditions favourable? Do you have the right commercial and legal advisors in place to complete the transaction smoothly and efficiently?

The answer to the question on macro-economic conditions will be driven by factors such as the interest rate environment, market and sector sentiment, consumer sentiment, economic forecasts and the presence of international consolidators which has been a feature of the Irish M&A market in recent years.

When considering if your business is ready to bring to market, owners should focus on a number of areas. Non-essential expenditure will need to be assessed as valuations will be based on a multiple of maintainable earnings. The working capital cycle will also need to be properly managed – stock and debtor days in particular. I suggest tying large customers and suppliers who are essential to your business into an LTA (Long Term Agreement) and to consider appropriate executive succession planning. Ensuring the business, to include plant and machinery, is sufficiently invested is also vital. If Capex is under invested the cost of bringing the business to market standard may be deducted from your exit price.

Getting an independent valuation is an essential first step to establish what an independent third party might pay on the open market. If the valuation report is comprehensive, it will also identify the value drivers and drainers.

Value drivers can include revenue and earnings CAGR (Compound Annual Growth Rate), quality of earnings, recurring revenue profile, defensible market position and the market growth opportunity. Value drainers might include customer concentration, key person risk, management team continuity / succession, the macro-economic environment & the cost of capital.

A business's existing accountants and legal team will play an important role in getting the business sold, but engaging expert corporate finance and legal advisors is essential. They not only facilitate the disposal but also safeguard your interests throughout the process. Speaking to colleagues, business owners and people within your network who have gone through the experience before, either on the buy or sell side, can offer valuable feedback before selecting an advisor.

A corporate finance firm will often recommend a legal practice. We at Fitzgerald Power, maintain a panel of commercial lawyers who we have worked with and deliver excellent work.

The real experience of a vendor or purchaser can't be beaten. The referral of a trusted advisor or contact is the best way to diligence your transaction team. Having proper representation is absolutely essential to getting a deal completed efficiently, effectively and in ensuring that legally you're not left exposed.

Legal documentation must be comprehensive, covering aspects like property titles, employee contracts, and customer agreements. Rushing into a sale when you are not ready, is a common mistake.

In this context, 'not ready' might mean the core drivers of value are not in place, financial information is sub-standard or the tidy up exercises in relation to contractual arrangements with key suppliers, customers and employees has not been undertaken.

Too much revenue or profit concentration in one key customer and not having maximised all profit opportunities can also be problematic. Sometimes you can have a really good business, but the cost base is just too high. You're trying to convince the market that there's post-acquisition upside in terms of cost rationalisation. Once you're explaining, you're losing. In an ideal world cost rationalisation happens before an asset is brought to the market. Rushing it and not having all the homework done or coming to the market too late when the business is in decline leads to sub-optimal outcomes.

Determining a fair market valuation involves a blend of quantitative analysis and market dynamics. While sophisticated models like Discounted Cash Flow (DCF) can provide insights, ultimately, the market dictates the price.

My singular advice to business owners contemplating a sale: Start planning early. Building a team of trusted advisors and optimising your financial position well in advance can make the difference between a smooth transaction and a painful ordeal.

Selling a business is a complex journey, but with meticulous preparation and expert guidance, it can be a rewarding one.

At Fitzgerald Power, we're here to ensure that your business disposal journey is as seamless and economically advantageous as possible. For more information visit www.fitzgeraldpower.ie.

Bank of Ireland Outlook on Irish economy by sector 2024



BRIAN WALLEY

In 2023, Bank of Ireland Corporate and Business Banking teams were brought together under one division and renamed Corporate and Commercial Banking, comprising of a team of 1,100 colleagues dedicated to serving a wide range of SME's and larger national and international corporations. Some of our sectoral experts share their forecasts for the rest of 2024 below;

EOIN LOWRY, HEAD OF AGRICULTURE

A long and wet winter continuing into Spring has put pressure on farm performance. Farm output rather than price looks set to be the key determinant of farm performance in 2024. There is reduced area of Autumn sown crops and Spring sowing is delayed, which will impact output. Animals have been slow to get out to grass due to poor weather which is driving up feed costs, alongside reduced output. Q1 milk output is likely to be back 20% in 2024 v same period 2023.

LUCY RYAN, HEAD OF FOOD & BEVERAGE

2023 saw a solid performance for Food & Beverage with €16.3bn export value -4% YoY after a bumper 2022. Food inflation dropped from 13.1% in Q1 2023 to 2.6% YoY to March 2024, helping consumer sentiment. Whilst input costs eased, margins remain tight and cost control very important. After a sustained period of increases, retail prices have eased. Retailers are keen to offer better value and are looking to the supply base. Geopolitical uncertainties continue to create an ambiguous backdrop.

GRAINNE HENSON, HEAD OF HEALTHCARE

There is stabilisation in the sector with reduced staff attrition rates and easing of cost pressures. Demand continues to rise driven by demographics, most significantly the increase in those over 65 years rising by 22% over seven years. Healthcare and diagnostics is undergoing rapid transformation, fuelled by technological advancements and a focus on enhanced community care. As we edge closer to a universal healthcare model, there is growing dependence on the private sector in areas such as primary care, pharmacy and diagnostics reflect solid performances. The pace of nursing home closures has slowed, thanks to increased funding and State payment schemes.

GERARDO LARIOS RIZO, HEAD OF HOSPITALITY

Hospitality performance, and wider travel activity, exceeded expectations throughout 2023. A combination of healthy occupancy levels, strong average room rates, and a softening of energy expenses, delivered record turnover and profits for Irish hotels. The beneficial cash flows that followed, have allowed many hotel owners and managers to invest in their assets, staff and ultimately customers' experience.

Owners and managers appear optimistic about trading prospects for 2024 after a strong end of year and healthy levels of business on the books for 2024 as well as expectations for inflation to fall below 3% in the year ahead.

CONOR MAGEE, HEAD OF MANUFACTURING

2023 delivered a solid performance despite overall contraction in activity. Exports were down 5% from a very high 2022 level and were still up 20% on 2021. 2023 saw SMEs continue as engine of growth for multinationals and manufacturing.

Most inflation inputs including energy have eased but remain elevated impacting margins. Customers are clawing back price increases and focused on costs and margin management.

2024 headwinds of order decline, likely capacity/employment reductions, cost increases, a cocktail mix of geopolitics all imply that 2024 growth is on a knife-edge. Pharma, Medtech, ICT and Modular

Construction sectors remain strong with ESG viewed as an opportunity and strategic imperative.

OWEN CLIFFORD, HEAD OF RETAIL

Given the breadth of the sector, overall sales performance in 2023 was mixed. However, grocery/convenience, sports & home sub-sectors performed well and are projected to remain robust in 2024. Investment will be driven by store revamps (focus on energy efficiency), operational effectiveness (automation/omnichannel integration) and store purchase activity (succession/consolidation). Consumer sentiment continues to be monitored closely linked to the ongoing "cost of living" environment. Occupancy levels have returned to pre Covid levels (in excess of 95%) in shopping centres and retail parks nationwide. Recruitment and retention of personnel along with margin management remain a key operational focus.

PAUL SWIFT, HEAD OF TECH, MEDIA AND TELECOMS

2023 saw continued consolidation in technology managed services and media, replicating the trend of recent years. From a tech M&A perspective, valuations stabilised, as founders have refocused their attention on profitable, sustainable growth. The partial exit of Cubic Telecom demonstrates the potential of Irish start-ups. This excellent result contributed to the optimism that has carried into 2024, highlighting the sector's resilience and potential.

Job losses within major firms, seems to have stabilised. Simultaneously, Ireland's indigenous technology sector remains robust in its hiring ambitions. In the recent TechIreland's annual Innovation Pulse report, 81% of the surveyed companies confirmed their intentions to expand their workforce in 2024.

COLETTE SHIRLEY AND SUSIE CRAWFORD, SUSTAINABILITY

Irish companies face heightened reporting obligations due to evolving regulatory frameworks. The Corporate Sustainability Reporting Directive (CSRD), effective from January 2024, mandates sustainability reporting for large Irish companies. Topics include biodiversity, resource use, workers, and business conduct with limited assurance now mandatory. This sees increased requirements to disclose ESG data and a further focus on transparency on sustainability performance from all stakeholders. Smaller businesses in the value chain will see increased data requests.

We have also seen a shift to a science-based approach, with an increasing number of organisations engaging with science-based Targets, which in turn will lead to more standardised reporting.

Bank of Ireland is welcoming new customers every day, funding investments, working capital and expansions across multiple sectors. To find out more please contact one of our Business Origination teams.



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The Green Deal

Take stock from Ed Murphy.



IAN KEHOE

The Currency.

Fifteen years ago, I made my way to a small office in Sandyford on the outskirts of Dublin to meet Ed Murphy.

I was interested in franchises at the time - who owned them, how they operated, how they made money. And Murphy was an expert on the topic.

Working with Michael Kearney, he had grown Snap Printing into a national brand. When we met, he was working, again along Kearney, on rolling out another franchise, Home Instead Senior Care, throughout the country.

Murphy was a ball of energy. He was understated, but his ambition was undeniable - and he was determined to take his business to the next level.

I was also intrigued by Murphy because he was from Wexford, my home county. But while I had grown up in Enniscorthy, a provincial town, he had come from Clongeen, a small village in the county that never came across my radar.

But he was passionate about where he had come from; he was working with the GAA county board to help the county football team and he told me of his longer-term ambitions to move back to Wexford and to drive the economy there.

And Ed Murphy did just that.

In December, almost 15 years after I first met him, Murphy invited me to the launch of GreenTech HQ, an innovation hub located just outside Enniscorthy.

In the years since we first met, Murphy had built and sold a string of businesses - and made enough money to ensure he never had to worry about money. He had sold Snap Printing, offloaded Home Instead, and delivered a return from his foray in the video game retailer CeX.

He had also moved back to his home county and had worked as the chief economic advisor to Invest Wexford on a pro bono basis.

But, as we spoke, it became apparent that his plan for GreenTech HQ was on another level.

The property had secured partnerships with the likes of DogPatch Labs, Impact Hub, AIB, Trinity College Dublin, the UN, Skillnet Ireland and Cool Planet, the carbon reduction business led by Norman Crowley.

The overall ambition is that the hub will help create 500 greentech jobs in the county.

But Murphy wanted to do something more than just create jobs. He wanted to deliver jobs that had a meaning and a purpose. And that was his vision behind GreenTech HQ.

"The Earth is ours to heal. We need to innovate our way out of this crisis," he said at the event in GreenTech HQ. His operation is based in Senan House, a 20,000-square-foot property overlooking the River Slaney that bills itself as Ireland's first "fully passive" commercial building. Murphy has taken 5,000 square feet of the property, with the option of getting more. Not all will be allocated to GreenTech HQ, however.

Murphy has been beaver away with Dermot Bolger and Charlotte Reilly on another venture called Platinum Home Care. Murphy is the chairman of the business, which aims to fundamentally change the home care model here.

But his green ideals are clear. And they are driving his ambitions.

As we spoke, it became clear we need to listen more to entrepreneurs like Ed Murphy.

The world is sadly changing. Climate change is posing profound and existential questions, about how we live and how we do business.

We know the problems. And we now need to start developing the solutions. We need more innovation in climate and green technology. We require more money in the space. We need the Green Deal to become the next big thing.

And, due to our geography and our climate, Ireland can be at the forefront of that potential.

As we move from an economy based on foreign direct investment and tax offerings, the green economy offers a path forward.

Ireland's offshore wind potential is huge. Fully developed, not only could it power the country several times over, but it could also help Europe meet its renewable energy needs.

This is at the big end of the scale. On the ground, companies such as GridBeyond and European Green Metals are developing new and innovative ways of doing things. Some have already turned ideas into an international business. Look at Ecocem, the Irish-founded and Irish-headquartered company that came up with an industrial process to recycle by-products from steel mills to produce cement instead of firing high-temperature furnaces and releasing massive carbon emissions. It is now profitably supplying major cement multinationals and construction projects around the world.

The government needs to support these type of companies - it makes financial sense, but it is also the right thing to do.

There is a major opportunity here for Ireland. We can be the leader if we have the bravery and the strategic foresight to make it happen. Not all bets will pay off. But some will. And then help propel the economy forward.

This conference is about the Real Deal. But a key part of that will be the Green Deal.

Ed Murphy has shown the way. We now need to follow.

To find out more about The Currency go to www.thecurrency.news

Key Legal Considerations

Underpinning business growth and expansion



EMMET SCULLY

LK SHIELDS

Businesses have many options when it comes to strategies for growth and expansion. LK Shields works with our clients to help them assess the most feasible option for their business and the option most likely to achieve their commercial objectives. These pivotal phases in a company's lifecycle require a robust legal framework to ensure successful and sustainable outcomes.

Once the best path has been agreed upon, we then facilitate our clients chosen approach which might include mergers, acquisitions, MBOs, joint ventures, capital raising programs, restructuring, strategic partnerships or international expansion.

Emmet Scully, Head of Private Equity and Venture Capital at LK Shields provides an overview of the key legal considerations that underpin the growth and expansion of any business.

FINANCING AND CAPITAL RAISING

Plans for expansion will very often require substantial capital investment which can take the form of debt financing, venture capital, or private equity investment.

LK Shields assist our clients navigate the complexities of capital raising, including structuring financing arrangements, negotiating terms with investors, buy-outs, capital investments, exits, and recapitalisation.

COMMERCIAL AGREEMENTS AND STRATEGIC PARTNERSHIPS

Businesses often engage in commercial agreements, strategic partnerships, licensing agreements, distribution agreements, and other commercial transactions to fuel growth and expand their market reach. The team at LK Shields can assist, negotiate and draft these agreements, ensuring that our clients' interests are protected and that their commercial objectives are to the fore.

CORPORATE RESTRUCTURING

Corporate restructuring can be an effective growth strategy as a standalone activity or combined as part of a full growth program. Restructuring corporate entities, restructuring debt, streamlining operations, and optimising capital structure can unlock efficiencies and growth potential from within an organisation.

LK Shields regularly assists clients evaluate their restructuring options and implement legal strategies to support their growth initiatives effectively.

EXIT STRATEGIES AND SUCCESSION PLANNING

As many of our clients' businesses have matured and grown, they have availed of exit strategies such as mergers, acquisitions, IPOs, or succession planning. LK Shields can help businesses evaluate exit options, negotiate exit transactions, prepare for succession, and address legal considerations associated with business transitions. Our strategic counsel during the exit process, has assisted our clients maximise value and achieve successful outcomes.

INTERNATIONAL EXPANSION

Expansion into new markets throws up a range of legal considerations. As a leading Irish corporate and commercial law firm, we understand the multiple and varied challenges that businesses face when locating to a foreign country. If you are an Irish business looking to establish overseas, we have international reach via our membership of several large-scale legal alliances and can ensure you are connected with an international firm that suits your needs.

INTELLECTUAL PROPERTY

Intellectual property assets can be among the most valuable assets owned by an organisation. Often their value is only recognised during periods of growth and expansion which is why it is vitally important for businesses to protect their IP assets from the outset. Our Technology and Innovation team assists clients develop comprehensive IP strategies to protect, commercialise and leverage their IP assets effectively for growth and scale. This includes advising on IP audits, complex intellectual property licensing arrangements; R&D collaboration agreements; and international franchise agreements and enforcing IP rights against infringement.

REGULATORY COMPLIANCE AND CORPORATE GOVERNANCE

Expansion into new markets or sectors can entail additional regulatory complexities and compliance requirements. Our Corporate Governance team advises clients on all aspects of corporate governance and Company Law in Ireland. They provide training and support to boards and company directors and assist them implement appropriate group structures.

EMPLOYMENT

Our Employment team frequently assist businesses navigate employment law issues relating to plans for growth and expansion such as hiring practices, employee contracts, non-compete agreements, incentivising management and key personnel, and restructuring as well as advising on the employment law issues arising in connection with mergers and acquisitions. LK Shields has significant expertise in relation to equity related employment incentive schemes which frequently form part of expansion plans or strengthening the management function of a business.

Legal services play a multifaceted role in supporting the growth and expansion of businesses, from strategic planning and market entry to financing, commercial agreements, exit strategies, succession planning and risk management.

By offering strategic counsel, LK Shields assists our clients to navigate legal complexities, safeguard their interests, and achieve their commercial goals.

For more information, please contact Emmet Scully at escully@lkshields.ie or visit www.lkshields.ie.

Employer Branding - for SMEs



PAUL MCARDLE

DEFINITION:

Employer branding is the process of shaping and managing an organisation's reputation as an employer. It involves crafting an identity that reflects the company's values, culture, and employee experience to attract and retain top talent.

Before your eyes glaze over with yet another term, Employer Branding ("EB") is a key part of your arsenal as an SME owner. To attract and retain talent for your business, EB can be a powerful and cost-effective recruitment solution. Our business, The Panel, is a small recruitment consultancy, employing 25 people. As an SME, we need to be smart in how we attract and retain talent.

Your best advocates for your business are your employees. Utilise them! In The Panel, we lost some talent to the big tech companies. We do not have the budget of a Google or a Meta; what we do have are great, engaged colleagues who are wonderful ambassadors for our business. We have recently hired a number of people with no prior recruitment experience, and we are providing in-person, on-the-job, and external online coaching. This is working out very well for us, and we are unlocking talent from a talent pool we would not necessarily have looked at before.

To date, the feedback we are getting from our new recruits has been very positive. So much so that one of our colleagues has already sourced a potential new recruit who was sold on The Panel before I got to engage with them.

The point here is that we are now recruiting organically for our team in a cost-effective manner. As an SME, we have the advantage of being nimble and resourceful. We may not be able to compete with the big tech companies on certain perks, but we can offer a unique work environment that fosters quality of work, coaching, purpose of the role, and camaraderie. These are aspects that many employees value and appreciate in a smaller business setting.

I would advise you to review your EB, as we in The Panel have had to do. You can within a small budget, promote the value of joining your own organisation.

As an SME, take stock of the advantages you have over the big boys:

- In smaller companies, each role counts. Since you cannot carry passengers, any role you have is substantive by definition.
- This means the role has a purpose. Sell the benefits of the material effect this person will have on your business.
- They will be a bigger cog in a small wheel.
- Sell the exposure they will get to you and the senior management team.
- Outline how you can "short-circuit" their learning by getting them involved in a wider variety of tasks quicker.
- Outline how you will mentor them.
- WIIFM (What's in it for me?). Look at things from their perspective and work backwards.

A close college friend of mine, way smarter than me (a low bar, I know...), got a poor result in his final university exams. Automatically, the Big 6 accountancy firms (now, of course, the Big 4) at the time ruled him out of consideration. After some time, he landed a role in a smaller accountancy practice where he literally prepared accounts from receipts in a shoe box to managing an audit of a multi-million punt business (the type of client whom a Big 6 firm would normally audit). So, he was exposed to all aspects of accounting; he worked closely with the partners and the managing partner, gaining experience in corporate recovery, M&A, tax planning, etc.

His poor university results were the best thing that ever happened to him. His training in a smaller practice gave him much more exposure to all aspects of finance. He learned directly from experienced practitioners and also got the big audit experience his Big 6 peers had. You could also argue that our friends who went the Big 6 route got narrower exposure and had to specialise earlier in their careers.

I am highlighting his experience to show fellow SME owners what you can do for talent and how to differentiate your offering in a tight talent market. My friend is now a very successful SME business owner, and his success has been built on the experience he gained in the smaller company environment. I have taken his counsel on several occasions and have benefitted from what he has learned over the years.

With a small budget, you can partner with your marketing colleague or with an outsourced provider to promote your EB using social media and video. You can choose to film a colleague's endorsement on your iPhone or pay a professional videographer, the point being that you can tailor your budget effectively. The value of a professionally shot video can outweigh the increased cost of hiring a videographer. If your budget allows it, look at things through a value lens as opposed to a cost-only lens.

Again, with social media, that is something you can do yourself. However, you should get more bang for your buck using a skilled digital marketer. In smaller businesses, we need to make these budget calls every day; the good news is that you can build up your employer branding effectively AND be smart with your budget.

EB is becoming even more important in a talent-scarce market. However, as we in The Panel have shown, you can be clever about attracting talent if you harness what you already have (your colleagues) coupled with a little imagination.

You have more to offer than you may realise...

Paul McArdle is the Joint Managing Partner of The Panel and a columnist for The Currency, writing about talent and recruitment. He recruits across the "C" suite level.

Life of a business owner, on your terms

DAVY



PHILIP SMITH

Financial planning for business owners can provide a layer of complexity, but it also provides flexibility and huge opportunity when seeking to efficiently accumulate wealth or create a dream lifestyle. With this in mind, I have focused on some key areas that entrepreneurs can use to their advantage throughout their evolution of business success to personal success, while protecting the family wealth and assets.

ASSESS YOUR OPTIONS

While foresight can be invaluable, especially during times of economic uncertainty, every business owner should create a plan to manage their business and personal assets tax efficiently and in line with inflation. A financial plan can reveal overlooked opportunities or highlight potential limitations that should factor into strategic growth.

TALK TO OTHERS

Invest time discussing concerns and objectives with professional advisors and your network. A team of good advisors working together will ensure your needs and aspirations are planned. You should educate yourself about what might work for you regardless of what stage you are at as a business owner.

'The goal isn't always more money, the goal is living life on your terms'

MAKE A PLAN

Whether you want to extract cash from the company, invest or use funds for expansion it is imperative that you get good advice and start with the end in mind. By planning, you could potentially ensure personal and corporate tax reliefs are available now or in the future.

LOOK AFTER 'NUMBER ONE'

A big advantage for business owners is their ability to remunerate themselves efficiently. They can also make enhanced employer contributions to a pension scheme. Pension benefits are ringfenced from creditors and procure tax relief, tax free growth and lump sum advantages.

LOOK AFTER THE FAMILY

If there are members of the family working in the business, allocating shares, or paying a salary commensurate with their role should be considered. The longer they are employed and drawing a salary the greater the opportunity to efficiently build family wealth.

PROTECT YOUR NEEDS AND LEGACY

A business is typically an entrepreneur's largest asset. However, they often omit to acknowledge its value as part of their estate and the reliance on the household incomes it generates. To protect against ill health or untimely death you should create a tax efficient business contingency plan in line with your Will, Enduring Power of Attorney and Shareholder's Agreement.

TEAM UP AND MAKE IT HAPPEN

Davy's Wealth Allocation Framework for business owners provides a bespoke roadmap suitable for their business, lifestyle, retirement, and estate planning objectives. We work with our clients and proactively recommend opportunistic strategies available to them as a business owner.

If you're an existing Davy client, please contact your Adviser to know more. If you're new to Davy, why not contact Philip Smith (philip.smith@davy.ie) for more information.

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Warning: Please note that Davy does not provide tax advice. Tax information discussed in this article is provided by way of general guidance only and is neither exhaustive nor definitive. You should consult your tax advisor about the rules that apply in your individual circumstances.

Optimism and pragmatism

Raising leverage in the 'new normal'



interpath

ANDY TALLON

Leverage continues to play a central role in any investment, but increased borrowing costs sparked by higher interest rates have made the debt market a challenge to navigate over the past 18 months. While the zero-rate era is long in the rear mirror, there is some cause for optimism ahead. Andy Tallon, a Managing Director and Head of Debt Advisory at Interpath in Ireland, considers the way forward for borrowers.

THE CASE TO BE POSITIVE

Inflation is heading back towards its 2% target and so, despite some market jitters in recent months, the likelihood of an ECB Interest Rate cut in June is increasing. This should be good news for borrowers and, in time, bring down leverage costs.

That said, falling interest rates are not critical to unlocking investment activity for the dealmaking community. Instead, what is perhaps more crucial, is that we are in a more stabilised investment market. Greater certainty and visibility on lending and trading conditions provide the foundation to transact with more confidence. As such, investors should start executing transactions as if the c2.5% base rate is here to stay in the medium term.

This will also put emphasis on the need to create value through strong business plans, cashflow optimisation and cost rationalisation, and not relying on monetary policy.

SUPPORTIVE LENDERS

Despite the pressures placed on businesses, including sustained inflation and cost of doing business, lenders have continued to support borrowers particularly where cashflows are strong and there is a credible route to amending and extending facilities.

For example, in the real estate market, which has been a real focus for potential restructuring activities, lenders have endeavoured to work with borrowers to date. There is a strong focus on the "office market" and the evolution of occupier demands as new trends continue to appear post the Covid-19 pandemic. With new office supply continuing to be delivered in Dublin and rising vacancy rates, the investment market is keenly watching sales activity as there is a sense of price discovery across most of the market. Unlike, the global financial crisis, there is a significant amount of capital waiting to invest in the market and Irish macro study remains strong.

Yet, the outlook for investment is also about all-important valuations. While some valuations of businesses have held up, some have had to rebase, and others will need to go further to attract investors. This means that borrowers need to structure appropriate levels of flexibility within loan facility agreements, getting your hedging strategy right and selecting the correct lending partner have been highlighted since the Covid-19 pandemic hit.

OPENING UP THE IRISH DEBT MARKET

Borrowers might be well supported in Ireland, but this also reveals that we are operating in a tight local banking market. This has ushered in interest from non-Irish bank lenders looking to support growing companies here on the ground. Those with overseas operations too are proving to be especially attractive.

We can also see other sources of capital finding their way into the market. Like banks, alternative lenders, also known as private debt funds, are seeking new borrower relationships and wanting to support their expansion story. This market continues to grow as

investors seek a better risk adjusted return by investing in debt opportunities compared to more traditional equity positions. All this means that we should see borrowers get access to a wider and more competitive pool of capital.

GOING GREEN

Taking centre stage in lending right now is Sustainable Finance amidst the Government's drive to support the energy transition. For borrowers, particular those in fields related to renewable energy, new sources of capital are attracting significant interest, including Green Bonds, Green Loans and Sustainable Infrastructure Financing.

That said, Sustainable Finance isn't just for those businesses involved directly in energy transition. As we've seen in recent years, all borrowers will need to consider that lending criteria is increasingly seen through an ESG impact lens and will continue to shape how all businesses access capital.

NAVIGATING THE DEBT MARKETS WITH CONFIDENCE

The mood music is clearly changing, and optimism is emerging. But, as always, the path ahead is rarely straight forward and some pragmatism will need to be taken.

Not least, when it comes to decisions on who to borrow from and at what price to agree. For us, the best place to start is taking the time to make sure you have the right lending partner in place. While price and leverage are a central part of negotiating terms, finding the right partner that understands your business, expectations, and can structure a facility that empowers the business plan is essential for long-term success - more so than any initial saving.

So now, as businesses and sponsors look to secure debt to fuel their ambitions, here are five tips to support a successful lending process:

1. Early doors: Always start the process early, arranging a debt facility will generally take longer than expected.
2. Invest in the detail: Ensure you spend time and invest in your marketing documents and financial model, generally this is the information that is used to make an initial decision on the deal opportunity.
3. Long-term relationship over short term gain: Margin and leverage are always critical, but the covenant package and a lender relationship that will work with you over the term of the facility are often more important.
4. Explore the market: Take the opportunity to meet new lenders. It is critical not to become over reliant on a single lending relationship as lending policies evolve and private credit funds invest out of closed end funds.
5. Enjoy the process: The lending process is a great opportunity to get new perspectives on a business and unlock new relationships, opportunities, and solutions. So, take the chance to work with people you like and make the most of the process.

For more information, visit <https://interpath.com> or contact Andy Tallon: +353 1 576 9662 / andy.tallon@interpath.com

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