



Exit readiness
starts with the
equity story

In a tougher deal environment, buyers are paying less for promise and more for proof. The businesses that exit well are the ones that can not only clearly articulate their equity story but can also evidence this equity story throughout the business and at the level of detail that diligence will demand.

For many CEOs and CFOs, the challenge is not a lack of narrative - the story is usually there. The main challenges are being able to articulate it and to evidence it across the whole business - from reporting and KPIs, to leadership dialogue. When a process starts, valuable management time can easily get pulled into reconciling numbers and recreating analysis all while under pressure. Deal momentum can slow, confidence erodes, and value leaks.

At Swan Partners, we see a simple pattern. The earlier you build an equity story and hard-wire the evidence behind it into the business, the more options you have and the more control you retain when timelines compress. Having an equity story embedded in the business from day one also drives value and alignment for the shareholders as the business becomes focused on the things that drive value.

“Exit readiness does not start two months before a process. It starts on day one, by getting clear on the equity story and building the reporting and data that proves it over time.”

Andrew Lentin, Managing Partner at Swan Partners



The shift: from data pack-building to evidence-building

Traditional exit prep often begins with outputs: a data room, a vendor pack, a model. Those matter, but only if the underlying story is coherent and provable.

A compelling equity story is not a set of slides. It is a value thesis that the business can run month-to-month. That means the board and management team use the same definitions, track the same value drivers, and can explain performance in the way an investor will interrogate it. It must work by cohort, product, segment, geography, channel, vintage - whatever dimension best demonstrates the value.

When you take that approach, you do not just become more exit ready. You build a finance and performance engine that improves decision-making now and creates deal certainty later.

The six-step process: from equity story to deal certainty

Below is the pathway management teams typically go through with Swan. In practice, each step breaks into multiple milestones, but the logic remains consistent whether you are two years or two months from exit.

1

Define the equity story in investable terms

We start by making the story explicit and specific.

Most businesses have an implied equity story already, in an investment thesis, an advisor's narrative, or the CEO's view of what makes the company valuable. Your advisor can provide valuable help and insight from other businesses, early engagement with them will prove hugely valuable.

We take this story and break it down into a small number of value drivers that can be tested. Examples might include quality of revenue, pricing power, scalable unit economics, predictable pipeline conversion, retention and expansion, operating leverage, or a repeatable consolidation playbook.

If it cannot be tested, it will not be trusted. This step sets the standard for everything that follows.

2

Translate the story into proof points

Every claim needs evidence.

"Strong pipeline" is not a chart. It is a definition, a process, and a track record. "Recurring revenue" is not a label. It is contract structure, churn by cohort, renewal behaviour and pricing dynamics.

We break each element of the story into the specific questions a buyer will ask and define what good evidence looks like.

3

Convert proof points into board-level KPIs

Most organisations measure too much and still cannot answer the questions that matter.

We build a KPI framework that links directly to the equity story and can be owned by the leadership team and articulated to the operators below.

This is where the work becomes properly cross-functional. Many, if not most, of the important levers sit outside finance, in sales, operations, product and customer success. The CFO's role is to bring coherence. One version of the truth, aligned to value.

4

Specify the data points and the dimensions required

The difference between “we have a metric” and “we can defend it” is usually the ability to cut it the way diligence will cut it.

For each KPI, we define the required data points and the dimensions needed to explain performance. Cohort, product, customer segment, contract type,

vintage, geography, channel, delivery model. The lenses that prove what is driving value.

This is where many data projects go wrong. The goal is not to centralise everything or build a cube of noise. The goal is to evidence what matters.

5

Diagnose gaps and prioritise initiatives

Once the evidence requirements are clear, we assess what exists today.

- What you can evidence reliably
- What you can evidence, but only through fragile manual effort
- What you cannot evidence yet

This turns “we are not ready” into a practical plan. It also forces good strategic choices. Which elements of the story should be doubled down on, which need strengthening, and which should be de-emphasised until the evidence is there.

6

Execute with a milestone plan and cadence

Finally, we put delivery discipline around it.

Swan will then build a practical milestone plan with owners, timelines, and real accountability in a format the business will actually use rather than a heavy project tool.

We help management maintain momentum, unblock bottlenecks, and iterate reporting until it is genuinely decision-ready. The output is not just a one-off deliverable for a process. It is a cadence the business can run before and after any deal.



Value creation vs value realisation: same method, different horizon

Exit preparation spans two horizons. The equity story approach works in both. The difference is what you can realistically change.

Value realisation (12+ months out)

This is where you build the machine. Reporting, KPI frameworks, forecasting, profitability analysis, working capital cadence, process improvement and the data foundations that make the story provable over time. The benefit is compounding. You accumulate clean history, embed the metrics into how the business is run, and enter a process with evidence already built.

Value realisation (0 to 6 months out)

This is where you prioritise ruthlessly. You cannot reinvent the business, but you can materially improve deal certainty and value by tightening definitions, producing robust datapacks and analysis, and ensuring management can answer questions quickly and consistently. The goal is credibility at pace and protecting value under pressure.

What good looks like

By the time you enter a process, a strong equity story should feel operationally true.

Management can explain performance through the same lenses the buyer will use. Reporting ties back to value drivers. Evidence can be refreshed without heroics. The business is not scrambling to create the story. It is demonstrating that it lives and breathes it.

If you are considering an exit, the most useful starting question is simple. What is the equity story we want the market to believe, and can we prove it cleanly today? If the answer is not yet, the six steps above provide a practical route to get there.

Swan Partners works side-by-side with CEOs and CFOs to build that bridge from narrative to evidence, creating value early and realising it with certainty when it matters.

“Ultimately, evidencing the equity story builds confidence in the management team as it shows any third party that management truly understands how to grow the business.

When you buy a business, you’re buying the management team. Confidence in this team in turn drives value.”

**Andrew Lentin, Managing Partner
at Swan Partners**





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