

## ACQUISITION OPPORTUNITY

### PROJECT OX (“the Company”)

An established transportation and logistics solutions company, offering local haulage services through network associations.

Kroll has been retained as exclusive financial advisor for the Company. All communications, enquiries and requests for information should be addressed to the following Kroll professionals:

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### Business Overview

- Project Ox is a transportation and logistics solutions provider that specialises in the Southwest, Southeast border regions of England focusing on network haulage with three open networks.
- The Company offers both general haulage and hazardous goods transportation to a wide range of independent clients and network services. The Company also provides local services on behalf of other larger hauliers.
- The Company operates from a unique location with low levels of competition and has been successful in gaining new network relationships.

### Key Investment Highlights

- The Company has an independent management team, and the Site Manager holds the required Transport Manager Certificate of Professional Competence to compliment a purchasers Operating Licence.
- The Company leases a fleet of vehicles at £27k per month plus VAT which include:
  - Eight 44 tonne artics;
  - Five 18 tonne rigid bodies;
  - Two forklifts; and
  - Seven trailers including flatbeds, skeletal, curtainsiders, and double-deckers.
- The Company partners with the following networks:
  - The Pallet Network (open network);
  - United Pallet Network (open network); and
  - The Hazchem Network (open network).
- The Company employs 29 full time employees including 23 drivers.
- The Company operates from a leasehold premises which is currently being held-over on an expired lease at an annual rent of £15k.

### Opportunities

- The Company could benefit from a recognised 3PL contract that would generate c.£500k per annum.
- The Company could benefit from an investment in route planning software which the current management team estimate would improve efficiencies and reduce the overall fleet by c.4-5 trucks at an annual saving of c.£200k.
- The Company utilises Mandata Transport Software via a group licence which can be ported to the Company. Alternatively, the Company could utilise the individual network management systems.

### Expressions of Interest

- Expressions of interest should be received no later than 22 March 2024.

### Summarised Profit & Loss

Period Ending Oct-XX	FY22	FY23	FY24	FY25
£'000	Actuals	Actuals	Forecast	Forecast
Sales	5,583	4,786	3,978	4,097
Cost of Sales	(5,462)	(4,927)	(3,783)	(3,897)
<b>Gross profit</b>	<b>122</b>	<b>(141)</b>	<b>195</b>	<b>201</b>
Gross Margin	2%	-3%	5%	5%
Overheads	(118)	(106)	(34)	(35)
<b>EBITDA</b>	<b>3</b>	<b>(247)</b>	<b>161</b>	<b>166</b>
<b>Profit Before Tax</b>	<b>(2)</b>	<b>(303)</b>	<b>96</b>	<b>99</b>

### Summarised Balance Sheet

Year End Oct-XX	FY23
£'000	Actuals
Fixed Assets	37
Current Assets	1,582
<b>Total Assets</b>	<b>1,619</b>
Current Liabilities	(1,262)
Non-current Liabilities	-
<b>Total Liabilities</b>	<b>(1,262)</b>
<b>Equity</b>	<b>357</b>

### Historical Financial Performance

- Following the loss of a low margin warehousing and container management contract the Company has undertaken a redundancy programme to reduce staff headcount.
- Management believe the loss of contract provides a potential purchaser with the opportunity and capacity to realign the business model to focus on higher margin contracts with the hire of a dedicated sales manager.
- Current assets primarily comprise a £800k irrecoverable intercompany debtor and £600k trade debtors.