

KROLL

ACQUISITION OPPORTUNITY

PROJECT COIL (“the Company”)

Kroll has been retained to seek an investor for the business or a purchaser for the Company’s business and assets. All communications, enquiries and requests for information should be addressed to the following professionals:

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To find out more about Kroll Advisory Ltd and other businesses available for sale visit www.kroll.com/en-gb/services/restructuring-advisory

BUSINESS DESCRIPTION

- The Company is a leading manufacturer of high quality, professional grade springs, clips, wire forms & other precision formed metal components.
- Owing to its established reputation with over 100 years of continued operations, the Company has developed a strong position within the UK market with sales and distribution channels globally.
- Highly diversified product portfolio catering to a wide number of end markets and industries, including the automotive, aerospace, and diversified industrial markets.
- Headquartered in the Midlands, United Kingdom.

KEY INVESTMENT HIGHLIGHTS

Comprehensive Service Offering

- Extensive portfolio of precision formed metal parts, with wide-ranging product capabilities for the automotive and industrial sectors.
- The Company manufactures or assembles a range of circa 600 individual products within its main product lines being; stamping, compression springs, torsion springs and wire forms.
- High quality product assurance, bolstered by various industry-relevant accreditations.

Blue-Chip Customer Base

- Diverse group of Original Equipment Manufacturers (OEM) & Tier 1 customers.
- Established long-standing relationships and routes to market with major customers spanning 24 countries.

Compelling Growth Opportunities

- Management has recently prepared and implemented a turnaround plan which is forecast to deliver £493k EBITDA by FY24. The key initiatives that have been undertaken are forecast to deliver positive EBITDA from October 2023 onwards.
- In addition, the Company has c£820k of brought forward trading losses to FY21.
- Additional business development plan upsides to be leveraged from the Company’s strong export base.
- Due to the nature of the product portfolio, the products remain in demand across its diverse end markets and suitable for future market shifts such as the electrification of motor vehicles.
- Specific industry expertise together with an innovative growth strategy provide ideal foundation from which to grow, making the Company an attractive proposition for a standalone acquisition or as an add-on to a strategic buyer operating within similar industries.

Manufacturing Capabilities

- The Company operates from a leasehold premises based in the Midlands with over 34,000 sqft of manufacturing capabilities and the ability to expand.
- The Company also occupies an 18,000 sqft distribution facility.
- Skilled workforce of 56 staff and substantial engineering heritage.

EXPRESSIONS OF INTEREST

All interested parties must send their expressions of interest to Kroll by 4pm on 25 August 2023. At such times as offers are invited, these must be supported by proof of funds.

FINANCIAL HIGHLIGHTS

Balance Sheet	At Dec 22	At Dec 23	At Dec 24
	MA	Forecast	Forecast
	£'000	£'000	£'000
Fixed Assets	1,016	758	538
Current assets	4,202	2,768	3,071
Current liabilities	(2,570)	(2,182)	(2,298)
Net current assets / liabilities	1,632	586	773
Total assets less current liabilities	2,648	1,344	1,311
Long term liabilities	(857)	(505)	(371)
Net assets	1,791	839	940

P&L	FY22	FY23	FY24
	MA	Outturn	Forecast
	£'000	£'000	£'000
Turnover	6,059	6,134	5,493
Cost of Sales	(4,545)	(4,218)	(3,126)
Gross Profit	1,514	1,916	2,367
GP%	25%	31%	43%
Overheads & Admin	(1,995)	(2,307)	(1,874)
EBITDA	(481)	(391)	493

REPRESENTATIVE CUSTOMERS

