

ACQUISITION OPPORTUNITY  
PROJECT HALEN (“the Company”)

Independent logistics and warehousing provider based in the East of England

Kroll has been retained as exclusive financial advisor by the Company to assist with a sale of the Company and / or its business and assets. All communications, enquiries and requests for information should be addressed to the following Kroll professionals:

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Business Overview

- The Company is a well-established haulage and warehousing business, providing nationwide tailored logistics services to a variety of longstanding clients, ranging from multi-national firms to small business, covering several business sectors including packaging suppliers, and food and drink manufacturers. It also offers bespoke warehousing solutions to a variety of customers.
- The Company operates from a freehold premises in the East of England and operates a modern fleet of approximately 50 vehicles and 70 trailers. The warehouse facility totals 40,000 square feet of storage space.
- The Company has successfully delivered revenue growth of approx. 50% in early 2024, through acquisition of new customers and an increased fleet size, and is on track to deliver further margin growth over the next two years.

Key Investment Highlights

- The Company is led by a highly experienced leadership team, combining more than 75 years' experience in the industry.
- The business operates 24/7 with modern infrastructure, including warehousing facilities and a large fully tracked fleet. All is supported by the latest technology to ensure the Company remains at the forefront of logistical innovation.
- The Company strives for continuous improvement on environmental performance and is committed to exceed legislative requirements.

Extensive Product Range

- Offers contract logistics, full load and part load services, providing customers with real time vehicle tracking.
- Utilises an ePod system to ensure the timely return of proofs of delivery.
- The Company operates a modern fleet with all vehicles being Euro 6 engines. The Company operates a mixture of vans, 18 and 26 tonne tail lift rigid vehicles and 44 tonne articulated lorries, as well as tautliner and refrigerated trailers, with tail lifts if required.
- The warehouse offering consists of shared user warehousing, with capacity of 3,500 pallets.
- It is able to accommodate euro, standard and oversized pallets.
- The Company is able to manage container transport movements from a number of ports in the South-East / East of England and can arrange for collection from port to warehouse locations.

Recent Performance

- The Company has recently overcome a number of challenges, the biggest of which was the driver shortage in 2021/22, but also included the impact of COVID-19, rising fuel / energy prices, increasing driver wages, supply chain disruption and interest rate increases.
- Despite this, the Company has successfully generated EBITDA of approx. £539k in FY22 and £1,028k in FY23. However, significant depreciation and finance costs has resulted in its reserves becoming depleted. Margins improved significantly from FY22 to FY23.

Financial Position & Forecast

Profit & Loss £'000s	FY22 Stat	FY23 MI	FY24 F'Cast	FY25 F'Cast
Revenue	8,873	8,461	13,179	13,851
Cost of sales	(7,944)	(6,640)	(10,057)	(10,296)
Gross Profit	930	1,821	3,122	3,554
Overheads	(391)	(793)	(1,247)	(1,025)
EBITDA	539	1,028	1,875	2,530

Balance Sheet	Mar-24
£'000s	MI
Property	2,206
Fleet	2,970
Plant and Machinery	62
Fixed Assets	5,238
Current Assets	2,260
Current Liabilities	(4,530)
Long Term Liabilities	(3,920)
Net Assets	(952)

Restructure and Future Performance

- Management successfully implemented a restructure in late 2023, with a focus on revenue growth, alongside streamlining operations. The Company is seeking a partner to continue this strategy, the key aspects being:
  - Focusing on servicing higher margin customers, significantly increasing revenue whilst improving margins from c.22% in FY23 to c.24% in FY24.
  - The Company will utilise sub-contractors more, to reduce the fixed cost base and further increase the Company's operational agility.
- This restructure is expected to drive an increase to EBITDA in excess of £2.5m p.a. by FY25.

Expressions of Interest:

Interested parties are requested to submit expressions of interest to Kroll by **12.00 on 10 April 2024**, with a deadline for best and final offers to be set shortly after. All interested parties will be required to sign a Non-Disclosure Agreement and all offers must be accompanied by proof of funding.