

ACQUISITION OPPORTUNITY PROJECT SKODON ("THE COMPANY")

ONLINE LIFESTYLE RETAILER

Kroll has been retained to seek 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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BUSINESS DESCRIPTION

The Company was formed in January 2019, after being acquired via an insolvency process. The Company is an e-commerce led premium lifestyle brand situated in London, specializing in the sale of premium own brand slippers and accessories.

E-COMMERCE

- The Company is e-commerce led, with a significant marketing spend on online advertising via social media platforms.
- Established social media and web presence.
- Sells through online retailers in addition to own website.
- Dedicated website showcasing a wide variety of footwear.
- Award winning reviews.

BRANDING AND PRODUCT

- Sells own brand high-end indoor and outdoor footwear and accessories that are designed in the UK and manufactured in Europe.
- Sustainable award-winning innovative products.
- Sleek, minimalist and contemporary Scandinavian inspired design.
- Established brand and good customer recognition, selling products in over 100 countries.
- Sales are largely direct to consumer.

OTHER INVESTMENT HIGHLIGHTS

- Established website.
- Stock holding of c.£336k at third-party warehouses (owed c.£60k at 31 August 2022).
- Existing agreement with third-party provider of stock fulfilment and distribution, offering worldwide shipping (owed c.£10k at 31 August 2022 and holding £217k of the total stock).
- Direct to consumer sales of £4.95m in prior 12 months.

ACQUISITION OPPORTUNITY

- The Company is expected to enter Administration, with a transaction for the business and / or assets of the Company to take place immediately following the appointment of Administrators.
- Due to the financial position of the Company, there is only a short marketing process, with interested parties expected to be able to transact in short timeframes.

EXPRESSIONS OF INTEREST

- All interested parties will be required to sign a non-disclosure agreement and all expressions of interest are to be submitted by no later than 16:00 on 12 September 2022. Potential purchasers will need to be in a position to complete a sale immediately.

FINANCIAL HIGHLIGHTS

Profit and Loss Statement

For period ending 31 August 2022

	£'000
Total Net Income	1,636
Costs of sales	(903)
Gross Profit	733
Other Income	0.4
Total Operating Expenses	(2,798)
Net Profit	(2,065)

Abbreviated Balance Sheet

	FY20 £'000	FY21 £'000	Aug-22 £'000
Assets			
Fixed Assets	782	619	51
Current Assets	1,640	3,164	544
Total Assets	2,422	3,783	595
Liabilities			
Creditors: Amounts Falling Due Within One Year	472	1,311	2,326
Creditors: Amounts Falling Due After More Than One Year	-	45	40
Total Liabilities	472	1,356	2,366
Net Assets	1,950	2,427	(1,771)
Total Capital and Reserves	1,950	2,427	(1,771)

BUSINESS HIGHLIGHTS

Designed in London
and sustainably
made in Europe

Strong web and
social media
presence

Award winning
premium product