

Kroll has been retained as exclusive financial advisor by the Company to assist with a sale of the Company's share capital. The Company is seeking a purchaser to support the business with its turnaround plan and growth ambitions. All communications, enquiries and requests for information should be addressed to the following Kroll professionals:

**Benjamin Wiles**  
Managing Director  
Benjamin.Wiles@kroll.com  
M: +44 (0) 7825 176 524

**Hugh Miller**  
Director  
Hugh.Miller@kroll.com  
M: + 44 (0) 7468 758 728

**Michael Levene**  
Manager  
Michael.Levene@kroll.com  
M +44 (0) 7515 737 464

### Business Overview

- Founded over 25 years ago, the Company produces award-winning seafood products at its recently refurbished, majority freehold facilities in Norfolk, UK, which includes a new state-of-the-art cooking facility. Initially focused on brining prawns and crayfish, the Company has grown to become one of the largest independent suppliers of cooked and raw shellfish to the UK retail sector focusing on sustainability and provenance of sourcing.
- The Company has a diverse and market leading customer base, which includes leading supermarkets, wholesalers, foodservice customers and more recently home delivery and online channels. The Company is actively tendering for new contracts, allowing significant turnover increases from its forecast, which could push revenue to c.£70m by FY24. The Company has capacity to deliver +£150m turnover, and a freehold site capable of delivering future expansion.

### Shellfish Experts

- The Company is led by a highly qualified and experienced leadership team, combining more than 60 years experience in the industry and with UK retailers.
- The Company's shellfish specialists have unrivaled technical knowledge of the supply chain and strong personal relationships with key suppliers which they utilise to maximise value and manage risk, sustainably sourcing over 12 different species from across the globe.
- The Company employs 131 permanent staff and utilises agency staff as required to meet demand.

### Extensive Product Range

- Core Chilled** - Natural or value added, cooked or raw, MAP tray packing, prawn cocktails, marinated and brined shellfish.
- Retail counter supply and premium frozen** - Premium natural shellfish in retail own label, packaged in a format that demonstrates its provenance and excellence (86% white-label).

### New Product Development

- The Company has a dedicated New Product Development department that develops high-quality products produced in-house or in-country. Complimented by an industry-leading Category and Commercial team who have the expertise to deliver growth in retail & foodservice via its 'sales with insight' strategy.
- The Company also has the possibility of expanding into the wider seafood market and can utilise existing capacity.

### Well Invested and Flexible

- The Company invested c.£5m in bespoke facilities, which focused on flexibility and automation in the refurbishment of its freehold factory site, which is well connected to UK transport links.
- The facility is 4,950 sqm, housing five production lines (chilled and frozen operations) with a packing capacity of 50m packs per annum, with the potential to invest and increase production further.
- The Company has market leading accreditations and memberships, and all operations are customer approved and audited.

### Representative Customers



### Profit & Loss

| FY Ending 31st May        | FY19<br>Actual<br>£'m | FY20<br>Actual<br>£'m | FY21<br>Actual<br>£'m | FY22<br>MI<br>£'m | FY23<br>Outturn<br>£'m | FY24<br>F'cast<br>£'m |
|---------------------------|-----------------------|-----------------------|-----------------------|-------------------|------------------------|-----------------------|
| Turnover                  | 32.2                  | 33.2                  | 34.8                  | 36.6              | 38.9                   | 45.3                  |
| Cost of sales             | (25.6)                | (26.2)                | (27.5)                | (30.0)            | (33.3)                 | (37.1)                |
| <b>Gross profit</b>       | <b>6.6</b>            | <b>7.0</b>            | <b>7.4</b>            | <b>6.6</b>        | <b>5.6</b>             | <b>8.2</b>            |
| Indirect cost of sales    | (2.1)                 | (2.4)                 | (2.7)                 | (2.4)             | (3.3)                  | (3.6)                 |
| Admin exp.                | (3.7)                 | (4.0)                 | (3.9)                 | (4.6)             | (4.8)                  | (5.2)                 |
| Exceptional costs         | (0.3)                 | (0.2)                 | (0.5)                 | (0.9)             | (0.4)                  | -                     |
| <b>Operating profit</b>   | <b>0.5</b>            | <b>0.3</b>            | <b>0.3</b>            | <b>(1.3)</b>      | <b>(2.9)</b>           | <b>(0.6)</b>          |
| Finance costs             | (0.3)                 | (0.3)                 | (0.5)                 | (0.4)             | (1.0)                  | (0.9)                 |
| <b>Profit before tax</b>  | <b>0.2</b>            | <b>0.1</b>            | <b>(0.2)</b>          | <b>(1.7)</b>      | <b>(3.9)</b>           | <b>(1.5)</b>          |
| EBITDA addbacks           | 1.1                   | 1.0                   | 1.7                   | 2.2               | 2.5                    | 2.0                   |
| <b>Base case EBITDA</b>   | <b>1.4</b>            | <b>1.1</b>            | <b>1.5</b>            | <b>0.5</b>        | <b>(1.4)</b>           | <b>0.5</b>            |
| <b>Opportunities</b>      |                       |                       |                       |                   |                        |                       |
| Price increases           | -                     | -                     | -                     | -                 | 0.6                    | 1.3                   |
| Operational initiatives   | -                     | -                     | -                     | -                 | 1.2                    | 1.4                   |
| <b>Prospective EBITDA</b> | <b>-</b>              | <b>-</b>              | <b>-</b>              | <b>-</b>          | <b>0.4</b>             | <b>3.2</b>            |

### Recent Performance

- Despite the challenges of Brexit and Covid-19, the Company's revenue has increased in recent years, from c£32m in FY19 to c£37m in FY22. Driven by increases in customer volumes and new product development.
- However, FY22 performance suffered due to margin dilution as a result of change in customer mix, FX, cost increases in the supply chain, labour increases and inflation of direct costs, ingredients and overheads.
- Overheads and Covid-19 protection costs have also increased, the impact of which has been felt throughout the market (particularly food service).
- Management have taken pro-active steps to mitigate the impacts from adverse trading and expect the Company to recover in FY24.
- FY23 and FY24 prospective EBITDA are forecast to be £0.4m and £3.2m respectively driven by margin improvement initiatives. There are significant tender opportunities of c.£32m in addition to the forecast, which could result in further upside.
- The management team are focused on delivering their turnaround plan. They have successfully agreed several price increases with customers, are negotiating with suppliers, and have identified several labour efficiencies.