



HDMo36 – Bespoke Generator Set Manufacturing Company

Business Overview

- Outstanding opportunity to acquire an established company specialising in the manufacture of high quality, highly bespoke power generating sets and associated switching gear.
- Sales in recent years have ranged from £1.1m to £1.7m with a solid gross profit and EBITDA. The current year has seen a significant increase in demand with several large orders from overseas customers for generator sets.
- Revenue in 2014/15 to October was £3 million. The final total by year end is on target for £3.2 million with several key projects currently underway.
- The company typically exports more than 80% of its products to overseas customers.
- The company, founded in 1964, has a solid trading history of 50 years.
- The company has provided generating sets to a wide diversity of business sectors including agriculture, airports, banks, education and hospitals.
- The company provides a complete turnkey service from the initial assessment of the customer's requirements through to commissioning and on-going maintenance in the UK. Assistance is optional for overseas commissioning and installations.
- The sale offers an outstanding opportunity for an engineering business or group of investors to acquire a world-renowned specialist in the provision of electrical generating sets with metal fabrication and electrical panel assembly, designed in-house.



Products and Services

- The company specialises in the design, manufacture and installation of power generation equipment for use in either primary or standby applications.
- The company manufactures:
 - generating sets – diesel, petrol, gas or marine powered;
 - motor generators;
 - frequency converters;
 - electrical control panels;
 - electrical distribution panels;



- low and high voltage panels;
- diesel power packs;
- welding sets;
- pump sets; and
- acoustic enclosures.

Premises

- The business operates from a highly accessible location in the Midlands.
- A purpose built 6,380 sq ft factory and office premises are set within a 0.9 acre secure yard served by a comprehensive security system, interior and exterior with central monitoring and remote viewing.
- The current freehold is owned by the Vendor in a separate company. The Vendor is open to selling the property, otherwise the premises are available on a leasehold basis at a rent of £35,000 p.a.

Employees

- There is a highly skilled and well trained workforce of 16 employees plus the 2 shareholding directors.

Reason for sale

- The sale has been instructed as the Vendors wish to retire and are currently working part-time. The Managing Director is committed to a smooth handover and as such could be available on a consultancy basis, to be negotiated.
- The directors have also put in place a highly effective management team who will remain with the business.

Financial overview

<i>YE: 31st Feb</i>	<i>2011/12</i>	<i>2012/13</i>	<i>2013/14</i>	<i>2014/15 forecast</i>
Sales revenue	£1.7m	£1.5m	£1.1m	£3.2m
Gross Profit	£570k	£530k	£410k	£730k
<i>Percentage</i>	33%	36.3%	38%	23%
EBITDA	£165k	£150k	£23k	£340k
<i>Percentage</i>	10%	10%	2%	11%

Offers Invited