

## HFM156 – Manufacturer of Specialist Trenching Equipment

- Outstanding opportunity to acquire a highly established manufacturer of specialist trenching equipment, based in East Anglia.
- Established for nearly 50 years.
- Specialises in agricultural drainage, sports-turf drainage and civil engineering trenching and unique bespoke commissions.
- Holds an extensive worldwide network of authorised dealers in more than 20 countries.
- Has a widespread customer base of largely substantive, high-profile clients.
- Over the past 3 financial years it has realised an average adjusted EBITDA of 30%.
- Unique, ‘first-of-their-kind’ award-winning products.
- Valuable, exclusive domain name and a fully-comprehensive website in 4 languages, which is currently being re-designed.
- A long serving, capable and highly skilled workforce.
- The company has a strong brand in its market space and a strong reputation for the quality of its products and after-sales service.
- A new acquirer with more proactive business development resources could easily increase sales volume by 25-30% without needing to increase staffing levels.
- The sale represents an outstanding opportunity for other construction, sports-field and agricultural equipment manufacturers, or machinery manufacturers looking to diversify into this profitable niche sector.

### Products

- Agricultural/Land Drainage Trenchers
- Sports-Turf Drainage Trenchers
- Civil Engineering Trenchers

### Employees

Two active vendors and 12 staff in the roles of Accounts, Purchasing Assistant, Welders, Fitters, Foreman and Storeman.

## Premises

A fully refurbished, 20,000 sq. ft. factory and warehouse with extensive offices.

## Reason for sale

One vendor wishes to retire following a hand-over, the other – the Commercial Director wishes to remain with the business and would consider equity participation if this suited the acquirer.

## Financial overview

<i>Year ending 30th June</i>	2013	2014	2015	2016	2017
<b>Sales revenue</b>	<b>£2,073,763</b>	<b>£2,402,772</b>	<b>£2,668,164</b>	<b>£1,923,327</b>	<b>£1,780,167</b>
Net profit	£225,264	£151,227	£486,468	£177,449	£247,915
<i>Percentage</i>	11%	6%	18%	9%	14%
<b>Adjusted EBITDA</b>	<b>£376,994</b>	<b>£469,789</b>	<b>£698,871</b>	<b>£517,247</b>	<b>£633,692</b>
<i>Percentage</i>	18%	20%	26%	27%	36%

## Offers Invited