

## HJT297 – Precision Sheet Metal Engineering & Fabrication - Healthcare & MOD for Sale – South West England

### Executive Summary

A unique opportunity has arisen to acquire a UK-based sheet metal engineering business, situated in the South West UK. This business, established over 30 years ago, specialises in the manufacture of metal enclosures and housings necessary to accommodate electronic and plumbing installations for a wide range of products, machinery and equipment produced by their customers. The essential enclosures manufactured by the business range from the very simple to the highly complex.

The business benefits from deep expertise in producing bespoke metal parts developed from drawings supplied by their clients' in-house design teams. It has the advantage of owning thousands of CNC programmes, providing templates for a wide variety of pieces of equipment. This collection of CNC programmes has been compiled over many years of trading, eases the production process and would be costly to replicate.

The business operates on a production to order basis and, as a result, holds little raw material stock.

This business operates across a wide and diverse range of sectors, including pharmaceutical, healthcare, laboratory equipment, anti-corrosion systems, power washers, general electrical, MOD filtration systems and biological safety and auto services.

Over the years, this business has developed a favourable reputation within the pharmaceutical, healthcare and laboratory equipment sectors for precision and work of a high standard. This reputation has been attained as a result of the skill and expertise of the team in place in the business.

This potential acquisition comes with significant opportunities to increase operational capacity. The business currently operates at full capacity. Its enviable portfolio of long-standing customers, who require the highly specialised finished products delivered by the business, regularly request more work than the business currently has capacity for.

### Highlights

- Well established business with long-term repeat customers
- Wide-ranging expertise in the manufacture of metal enclosures and housings, to high specification
- Ownership of thousands of CNC programmes compiled over many years of trading

- Ability to produce finished products across a wide and diverse range of sectors
- Strong reputation within the pharmaceutical, healthcare and laboratory equipment sectors
- Highly skilled and experienced team

## Financial Overview

Y/E: 31 <sup>st</sup> May	2016	2017	2018	2019	2020
<b>Sales revenue</b>	<b>£792,077</b>	<b>£922,819</b>	<b>£887,042</b>	<b>£1,077,351</b>	<b>£1,018,622</b>
Gross profit	£184,236	£253,890	£245,984	£266,453	£277,725
<i>Percentage</i>	23%	28%	28%	25%	27%
<b>Adjusted EBITDA</b>	<b>£71,364</b>	<b>£142,895</b>	<b>£130,164</b>	<b>£131,223</b>	<b>£147,537</b>
<i>Percentage</i>	9%	15%	15%	12%	14%

## Offers invited