



HFM057 – Specialist Pneumatic Control & Compressed Air Equipment Distribution Company for Sale

Business Summary

- Outstanding opportunity to acquire a specialist pneumatic control and compressed air equipment distributor.
- Two trade outlets serve the North of England and the Midlands whilst global sales are achieved via two websites.
- A specialist division of the company deals with pneumatic control equipment for the transport industry.
- The specialist range of carefully selected products extends to over 26,000 items.
- The company has been one of the principal distributors for the UK's leading pneumatic control equipment manufacturers for over 20 years.
- Founded in 1991, the company has had to expand the size of both geographic operations over to time to meet demand.
- The company has a very diverse customer base both in the UK and internationally many of whom are long-standing.
- The company dealt with over 500 customers within the last financial year – approximately 30% of these were through an ever increasing online retail channel.
- Key employees possess specialist and wide reaching product knowledge and engineering and support capabilities.
- The acquisition of the business would be of interest to companies with a similar operation, "single source" organisations or companies with similar technical know-how in areas such as hydraulics or electronics.

Products & Services

The company's 26,000 product lines include:

- Pneumatics equipment including control equipment for the transport industry
- Industrial Equipment
- Air Compressors



Services offered include:

- Full refurbishment and testing
- Compressor Servicing
- After-sales service and repairs
- Preventative Maintenance
- Pipework installations
- Specialist services i.e. Pneumatic Circuit Design
- Full Breathing Air quality testing

Employees

- The Managing Director and Director (the vendors) manage a workforce of 13 predominantly long-serving and highly experienced employees, across the two branches.

Premises

- The company operates two branches, one in the North of England and one in the Midlands.
- The company owns the freehold of the northern branch which measures 3,000sq.ft. These premises were recently valued at £180k and the rates are £6,960 per annum.
- The Midlands branch is on a three year lease (with two years remaining). The rent is £10,000 per annum, and the rates £4,368.

Reason for sale

- The vendors are looking to retire but will support a transition of the business into new ownership.

Financial overview

<i>Year ending 30th June</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>
Sales revenue	£1,389,628	£1,381,804	£1,483,382	£1,619,310
Gross profit	£416,098	£423,865	£440,051	£506,083
<i>Percentage</i>	30%	31%	30%	31%
Adjusted EBITDA	£102,723	£98,243	£107,306	£154,772
<i>Percentage</i>	7%	7%	7%	10%

Offers Invited