



## HHM159 – IT Managed Services Provider, UK

### Business Summary

- Provider of fully managed IT support and hosted / cloud services based in the East Midlands, UK.
- The company offers a comprehensive service covering the full spectrum of hosted / cloud based business solutions and support, primarily for small and medium sized businesses.
- The company specialises in the design and implementation of low maintenance network infrastructures, from end-user desktop systems to back-end servers.
- The company has one highly capable key staff member who provides all first line support and then in a very limited number of instances escalates unresolved issues to the directors.
- The company uses leading edge, secure remote-access tools and monitoring systems to allow them to perform high quality remote support.
- All systems are cloud based, allowing for straight forward migration to new ownership. Client systems are very well documented.
- Half of the company's 25 customers are on 1 or 2 year managed services contracts with auto-renew terms and are predominantly paying monthly in advance.
- Approximately 55% of total revenue is attributable to managed services and cloud service agreements. The remainder of revenue either comes from contracted client projects or other recurring projects from uncontracted clients.
- There are no significant customer concentration issues.
- The company is debt free and turnover to May '17 was £315k with an adjusted EBITDA of £143k (45%).
- The sale of the business offers an outstanding opportunity for another IT support, hosted services, technology or telecoms company looking for an easy strategic acquisition to add to their portfolio.

### Products and Services

- Fully-integrated, comprehensive managed IT & support services
- Fully bespoke Hosted Cloud Services
- Consultancy Services



## Employees

- 1x Director – Technical Lead (+ sales skills)
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- 1x Employed Support Technician – Day to day support

## Premises

- The office is based in the East Midlands, UK
- 634 sq ft with 4 work stations (2 Rooms of equal size – one used for main office and other for storage/build/general).

## Reason for sale

- Having spent many years in the IT sector the vendors are keen to focus on family and other opportunities and would like to migrate the client base into the infrastructure of a larger company and one that could exploit further opportunities within their client base.

## Financial overview

<i>Year ending 31st May</i>	<i>2016</i>	<i>2017</i>
<b>Sales revenue</b>	<b>£160,069</b>	<b>£315,411</b>
Gross profit	£86,641	£193,332
<i>Percentage</i>	<i>54%</i>	<i>61%</i>
<b>Adjusted EBITDA</b>	<b>£49,683</b>	<b>£171,402</b>
<i>Percentage</i>	<i>31%</i>	<i>54%</i>

## Offers invited