

## HJH157 – Electronics Assembly & Component Distributor for Sale – South of England

### Executive Summary

A unique opportunity has arisen to acquire a successful UK based distributor of electronic components, providing a range of products, contract manufacturing services and support for a varied and thriving customer base. This well-established business is based in the South of England.

The company offers a comprehensive range of services and support, serving its clients across key categories; from electronic component distribution, contract manufacturing, inventory management, design, customer support and aftercare services.

In the financial year to March 2019 the company turnover was c.£4m with adjusted EBITDA of £853k. Forecast EBITDA to March 2020 is £885k.

Since inception, the company has built a loyal and long-standing customer base throughout the UK, across a range of industries, including Automotive, Aviation, Power Management providers and Security and Defence clients. Client relationships are governed by standard, well-established terms in place, ensuring a reliable pipeline of ongoing business at a sustainable level.

The company's Quality Management System (QMS) meets the requirements of AS9120A, reflecting a robust approach to the selection of carefully sourced suppliers and performance monitoring.

The company benefits from a range of industry recognised accreditations and quality standards including EN9120:2016 (AS9120B), ISO9001:2015, ISO14001:2015 and ISO18001:2007 which are audited and certified annually by The British Standards Institute.

The company has exceptionally strong second tier management with a long-standing Operations Director who is responsible for the day to day running of all operational aspects of the company and also a Quality/Operations Manager and Finance Manager.

### Highlights

- 30 year trading history, extensive range of products and services
- Highly profitable with £877k adjusted EBITDA (21%) in last financial year
- Significant recent sustainable growth
- Industry recognised accreditations and memberships
- Client base across the Automotive, Aviation, Security and Defence sectors
- Certified annually by the British Standards Institute
- Solid and sustainable business pipeline
- Strong second tier management team led by long standing Operations Director



## Financial Overview

<b>Y/E: 31<sup>st</sup> March</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020(F/C)</b>
<b>Sales revenue</b>	<b>£1,898,075</b>	<b>£2,300,761</b>	<b>£2,225,728</b>	<b>£4,085,430</b>	<b>£3,800,974</b>
Gross profit	£669,345	£779,719	£629,034	£1,443,796	£1,278,165
<i>Percentage</i>	35%	34%	28%	35%	34%
<b>Adjusted EBITDA</b>	<b>£62,482</b>	<b>£324,579</b>	<b>£148,173</b>	<b>£853,078</b>	<b>£885,311</b>
<i>Percentage</i>	3%	14%	7%	21%	23%

## Offers Invited