

## HKD295 – Wholesaler & Retail Distributor of Tile and Stone for Sale – North West UK

### Executive Summary

An opportunity has arisen to acquire a well-established tile and stone supplier with a wide range of high-quality products primarily merchandised from its showroom and distribution warehousing facility. From its location in the Midlands, this business enjoys a regular client base consisting of a range of trade and distribution customers across the UK. The company has developed a strong industry reputation over a period of 10 years of trading.

The company sells a comprehensive variety of wall and floor tiles in a range of categories, materials, shades and sizes. The wide product range features predominantly Italian and Spanish porcelain ranges, porcelain wood ranges, kitchen ranges, bathroom tiles, natural materials and patterned tiles. The company benefits from a small and dedicated team of staff, focused on delivering excellent customer service based on extensive product expertise.

The business was initially established in 2010 as a small lifestyle business operating on a local basis. The company experienced an early uptake for the product range, resulting in the company experiencing rapid and sustainable growth at this early stage. The business has successfully developed its model to grow the distribution side of the business, which currently accounts for over half of turnover generated.

Throughout 2020, the business has achieved positive performance levels despite the unique challenges posed by the impact of Covid19. The business is experiencing continued growth with significant development opportunities in the pipeline, anticipating growth in 2021 of 15%.

### Highlights

- Growing business with significant development opportunities in the pipeline
- Industry reputation for providing comprehensive range of high-quality wall and floor tiles
- Well-established roster of distribution and trade customers
- Close-knit team known for delivering excellent customer service based on extensive product expertise
- Poised for expansion with anticipated growth of 15% in 2021

## Financial Overview

Y/E: 31 <sup>st</sup> Dec	2016	2017	2018	2019	2020
<b>Sales revenue</b>	<b>£706,143</b>	<b>£893,844</b>	<b>£913,079</b>	<b>£1,182,206</b>	<b>£1,272,620</b>
Gross profit	£276,616	£378,594	£361,261	£575,326	£649,248
<i>Percentage</i>	39%	42%	40%	49%	51%
<b>Adjusted EBITDA</b>	<b>-£2,324</b>	<b>£64,089</b>	<b>£20,033</b>	<b>£120,003</b>	<b>£286,266</b>
<i>Percentage</i>	0%	7%	2%	10%	22%

## Offers invited