

# RETAIL BRAND & DESIGN SERVICES BUSINESS

An excellent opportunity to purchase the business and assets of a market leading design and brand experience business delivering services to some of the world's best-known Retailers

*3<sup>rd</sup> August 2023*



## BUSINESS OVERVIEW

- The business operates from its leasehold HQ premises in the Midlands and operates nationwide.
- The business is a market leader in design and brand experience delivering services to some of the world's best-known Retailers with a strong reputation for challenging the way global brand environments are created, developed and delivered. The business is positioned at the very core of Retailers' conceptual and commercial strategy, working with its clients at the creative and concept phase of a new product or service cycle. This offers a high level of visibility on longer term marketing strategies and a platform to provide additional outsourced marketing and print services.
- The business provides services which create high quality, innovative point of sale displays and shop configurations that enhance retail experience, via an end-to-end service from initial drawings, right through to project managing the roll out of display and store configurations across the world often on multi-year contracts.
- **A dynamic retail market** – The changing retail landscape is expected to create significant opportunities for the business. Retailers want and need to make more effective use of their space. In addition, large online retailers, including Amazon and Google, are creating a physical store presence, with many more expected to do the same. There is also a growing shift towards click & collect, with retailers keen to include this offering
- **A focus on sustainability and CSR** – The business has a unique offering in sustainability assessment. A service which caters to the growing requirement for companies to act sustainably and with corporate social responsibility. The business is the market leader for this service, expected to be a key touch point with potential new customers, leading to additional services.
- **Technology Innovation** – The business has developed and operates a Portal as a web-based solution to provide clients with secure storage and easy access to all technical documentation. It also acts as a hub for clients to order, track delivery and installation and maintenance requests. The offering further embeds the business with its customers.

## Established client base of global brands

- The effectiveness of the Group's operations is reflected in its established client base of global brands including Adidas, Nike, Tesco, sky, Asda and Sainsbury's. Relationships are embedded with customers, resulting in repeat customers and in some cases establishing agreements to be global design partners.
- Customers Include multiple high street names such as:



**Global capabilities and cross sell opportunities**



**Uniquely positioned in a fragmented and evolving market**

## FINANCIAL HIGHLIGHTS

- In FY23, the Group generated an EBITDA of £558k, which is a decline from £1.1m the previous year.
- In FY20 the Business achieved revenue of £18.1m and EBITDA of £4m. This was due to a significant one-off global rollout of a project for a client.
- Subsequently, the business needs an immediate cash injection and working capital facility in the order of £0.5m during the coming year.
- **Strong pipeline** – The business has embedded relationships with global brands with multi year projects scheduled and agreed. New relationships are constantly developed, with high quality leads being generated. The current pipeline which includes opportunities up to FY25.

## Profit & Loss

	Total 18-19 Actual £	Total 19-20 Actual £	Total 20-21 Actual £	Total 21-22 Actual £	Total 22-23 Actual £	Q1 23-24 Actual £
Total Revenue	7,706,877	18,084,969	6,064,420	8,905,824	8,378,443	949,587
Total COS	4,415,260	11,577,628	3,318,879	5,339,820	5,306,347	485,413
Total Gross Margin	3,291,617 42.7%	6,583,706 36.3%	2,753,648 45.4%	3,566,004 40.0%	3,072,096 36.7%	464,174 48.9%
Total Overhead	1,922,266	2,590,283	1,979,240	2,510,364	2,513,191	477,009
EBITDA Pre Adjustments	1,369,351 17.8%	3,993,423 22.7%	774,408 12.8%	1,055,640 11.9%	558,905 6.7%	-12,835 -1.4%
EBITDA Adjusted	1,703,911 22.1%	4,400,902 24.3%	1,014,899 16.7%	1,341,124 15.1%	597,067 7.1%	1,061 0.1%
Interest	-2,293	173,116	171,582	92,862	166,901	44,682
Depreciation	32,169	44,676	55,797	52,092	76,779	20,348
Profit before Tax	1,339,475	3,775,631	547,029	910,687	315,224	-77,865
Profit after Tax	1,197,521 15.5%	3,378,672 18.7%	478,496 7.9%	737,656 8.3%	355,410 4.2%	-28,399 -3.0%

\*\*\*Full accounts and additional financial information available on request.

# CONTACT DETAILS

All enquiries should be made in the first instance to:

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Requests for further information should be addressed to Kevin Counihan of SIA Group who are acting as agents for the company and proposed Administrators.

Access to additional information will be provided on receipt of signed NDA.

All offers to be supported by proof of funding.

A sale will be executed at the earliest opportunity. All expressions of interest must be registered by no later than 18<sup>th</sup> August 2023.