



MARKET REPORT

Business Insights

AUTUMN 2024

Navigating the Future of the M&A Market

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Chairman



Welcome to our latest corporate market report. As we move forward into the Autumn season, we hope you have had a successful and fruitful year so far. We await with interest the challenges and opportunities that lie ahead in the coming months. In this edition, we reflect upon the first half of the year, examining activity within the market, and give some thought to what may await us in 2025.

The first half of 2024 was marked by significant uncertainty due to the General Election, which cast doubt over the UK's economic landscape. However, as summer has progressed, the underlying economic outlook for the UK appears to be improving. In a recent interview, Governor of the Bank of England Andrew Bailey said the "persistent" factors keeping price rises high "appear to be smaller than we expected". These comments provide hope for a sustained period of interest rate cuts, with markets expecting a further base rate cut later in 2024. The positive impact of rate cuts is the reduced cost of capital which boosts investment in M&A.

Key economic indicators present a generally improving picture, resulting in increased confidence amongst SME business owners in the outlook for the future. Inflation in August is marginally outside of the government's 2% target, but a figure of 2.2% represents a considerable improvement compared to the previous 12 months.

Against this more positive economic backdrop, what impact might the new Government have on the corporate market? In July, Chancellor of the Exchequer Rachel Reeves announced a host of measures following her claim of a projected overspend of £22 billion in public finances in the last fiscal year. The Chancellor revealed that the upcoming Autumn Budget on October 30th will be the beginning of a series of difficult decisions surrounding welfare, spending and tax. Changes to Capital Gains Tax, Inheritance Tax and Business Asset Disposal Relief have been mentioned, with implementation as early as April 2025, or even midnight on October 30th. For business owners, deciding to sell your business before the next financial year could prove to be a strategic choice to take advantage of the current financial and



ACF Sold: Case Studies

Project Rosemary

Switch Health Ltd

Switch Health Ltd, a health insurance broker based in Cheltenham, has been sold to the corporate group Partners& in a deal facilitated by Altius Corporate Finance.

Switch Health Ltd is a UK-based health insurance broker, renowned in its field with an attractive clientele book. The business offers a platform for comparing private medical insurance quotes from leading insurers such as BUPA, AXA PPP, and Saga. Additionally, they boast an impressive customer retention rate. Their services are designed to help individuals and businesses find health insurance policies that fit their needs and budget. Switch Health decided to sell to help the company expand further, as part of a group. One of the key requirements, therefore, was to find a buyer that would continue the growth of the business.

Altius Corporate Finance (ACF) worked with Switch Health to find a buyer in the corporate group, Partners&. Partners& occupies a unique place in the Insurance Brokering market, having established itself over the last 4 years as a strong challenger to



the brokering industry. They aim to change the market through their innovative business model, successfully combining strategic acquisitions and attracting the best talent in the UK market. The company combines traditional insurance brokering with modern technology to offer comprehensive risk management, employee benefits, and wealth management services.

Our clients commented on the sale:

“We were looking for a buyer that would invest in the future of the business and share the same vision. Out of all the global prospective purchasers we met with, the buyer was most aligned culturally and were very close by too.” Group, especially Nathan, supported us throughout the process. He was always available and experienced in negotiating the finer details of the deal.”



Latest Successful Transactions

Project Gobi

CFT Care Ltd

CFT Care Ltd, located in Clacton-on-Sea, Essex, has been sold to Optimo Care Group in a deal facilitated by Altius Corporate Finance.

CFT Care is a supported living and specialist care provider operating across 44 purpose-built units. The business delivers essential services to around 100 young adults with learning disabilities and autism, employing over 200 members of staff. CFT Care promote a personal approach centred around the needs of the individual, encouraging their residents to live in-dependently and become active members of their local community.

Altius Corporate Finance identified a suitable buyer in Optimo Care Group. A leading care provider, Optimo is formed of three divisions offering supported living and specialist home care to young adults with additional complex needs and the elderly. The acquisition forms part of Optimo's impressive growth plans over the next three years and was their fifth with the Altius Group since 2022.

Optimo Care Group commented on the acquisition:

"The acquisition of CFT Care allows us to extend our reach and enhance our services, ensuring more individuals receive the compassionate and personalised care they deserve. We are thrilled to welcome the CFT Care team and look forward to collaborating closely to make a positive impact on the lives of those we support."

Project Edwards

Kay Care Services Group Ltd

Altius Corporate Finance have facilitated the successful sale of Kay Care Services Group Ltd, operating across the North East of England, to an existing operator. Established in 1996, Kay Care Services is an extensive care business comprised of two residential care homes and a home care agency. The two care homes, Haydon View in Haydon Bridge, Northumberland, and Hepscott Care Centre in Morpeth, Northumberland, boast enviable reputations for providing excellent standards of care, support and dignity within a welcoming environment. Caring for 67 residents across both settings, both homes were rated 'Good' in all areas by the Care Quality Commission.

The business also operates a highly respected home care agency based in the centre of Newcastle-upon-Tyne. Merit Home Care has successfully operated since the 1990s, delivering approximately 1,600 hours of care a week throughout Newcastle and surrounding villages. Also rated 'Good' in all areas in their latest inspection, Merit Home Care offers a range of professional care services, including personal and medical care, companionship and end of life services.

Our clients commented on the sale:

"The sale has been a massive learning curve with difficult dynamics at times, but we are thrilled that the hard work of all those involved has come to fruition. The entire team at Altius Group, supported us throughout the process."



A Selection of Current Mandates



Project Sara: Security Services Provider – Canine Security

Security services provider with an emphasis on canine security. It provides a wide variety of security solutions offering a bespoke solution to clients. Well-established in the sector, the business has strong relationships with clients, with most originating from the business' incorporation. The company has a number of industry standard accreditations.

Key Features:

- Additional services including mobile CCTV towers, mobile patrols and key holding/alarm response teams, amongst others
- Turnover of £15.5m for year end 2023 with an adjusted EBITDA of £3m

FORECAST TURNOVER: £15.5m

LOCATION: UK

Ref. 51006

Asking Price: Bids Invited



Project Vancouver: Shopfitting Company

The business is a UK-based commercial shopfitter working within the discount store marketplace. The company has secured large contracts with blue chip companies in a variety of sectors, most recently branching into the garden centre fitout industry. The business offers a full turnkey service, handling the entire process in house.

Key Features:

- Offering all from design and installation
- Operated for over 50 years
- Turnover of £13.3m year end 2024 generating adjusted EBITDA of £1.8m
- Blue-chip client base

TURNOVER: £13.3m

LOCATION: UK

Ref. 51216

Asking Price: Bids Invited



Project Frances: Window & Door Manufacturer

UK-based window and door manufacturer with factories specialising in both PVC and aluminium. Project Frances is a well established, market leader in their area, with a trading history exceeding 35 years. The business has an excellent reputation, synonymous with high quality products and excellent customer service.

Key Features:

- Forecasted turnover of £10.5m year end 2025 generating adjusted EBITDA of £1m
- Strong 2nd tier management team
- High quality equipment & up-to-date machinery
- Trading history exceeding 35 years

FORECASTED TURNOVER: £10.5m

LOCATION: UK

Ref. 51108

Asking Price: £4,000,000

A Selection of Current Mandates



Project Beech: Specialist Skilled Labour Supplier Into the Hard-to-Access Railway Sector

The business is a tier 2 supplier into the Pway sector, enabling them to contract to all tier 1 Contractors including, civil engineering, trackside maintenance, track installation and track maintenance works along side site access control and project management. The business benefits from a broad customer base within a specialist market.

Key Features:

- The business operates from 2 locations
- Turnover of £8.8m for year end 2024
- Team of over 160 directly employed operatives
- 4 accreditation audits per year to ensure the business maintain a prominent position

TURNOVER: **£8.8m**

LOCATION: **UK**

Ref. **49567**

Asking Price: **Bids Invited**



Project Elder: Panelling Products Supplier

Well-established within their sector, offers products to a variety of customers, most of which are trades people who generate repeat revenue. Project Elder caters to many markets some of which include construction and building materials, interior design and fit-out, industrial and commercial construction, acoustic solutions, and specialised application.

Key Features:

- Caters to many markets: construction, building materials, interior design, industrial & commercial construction, acoustic solutions
- Forecast turnover of c.£7.5m for year 2025
- Consistent growth in the demand for products

FORECAST TURNOVER: **£7.5m**

LOCATION: **UK**

Ref. **50598**

Asking Price: **Bids Invited**



Project Noble: Beverage Manufacturer

The business manufactures a wide range of beverages including value-added drinks such as protein water and kombucha. The company is based on a large freehold site with four factories and additional space to accommodate growth. With production only using around 50% of water available on site, output could be easily scaled.

Key Features:

- Forecasted turnover of £5m year end 2024 generating gross profit of £2m
- Key supplier, producing value-added drinks
- Large freehold site with scope to expand

FORECAST TURNOVER: **£5m**

LOCATION: **UK**

Ref. **50747**

Asking Price: **Bids Invited**



A Selection of Current Mandates



Project Ramona: Exhaust Ventilation (LEV) Specialist

Project Ramona is a UK-based Local Exhaust Ventilation specialist. The business manages all aspects including the design, installation, testing and maintenance. Our clients have the exclusive distribution agreement with a German manufacturer for their products in the UK. The company has secured large contracts.

Key Features:

- Design, Installation, Testing and Maintenance
- Turnover of £4.7m+ for year end 2023 with adjusted EBITDA of £1.1m+
- Exclusive distribution contract with a German manufacturer

TURNOVER: £4.7m

LOCATION: UK

Ref. 50830

Asking Price: Bids Invited



Project Nutmeg: Test Rigs, Specialist Control Panels & Software Engineering Supplier

The group specialises specifically in power motion and control products, along with electrical control systems and software engineering. The group prides itself on quality and support across all their products, leading to an excellent reputation and long lasting customer relationships. The business has an extremely strong presence in the Aerospace sector, with huge potential for growth.

Key Features:

- Forecasted turnover of £4m+ for year end 2024 with adjusted EBITDA of £550k+
- Extremely strong presence in the Aerospace sector
- Wide portfolio of projects

FORECAST TURNOVER: £4m+

LOCATION: UK

Ref. 50614

Asking Price: Bids Invited



Project Churchill: Manufacturer of Machined Components

The business also manufactures a wide variety of special fasteners from a wide variety of metals including exotic alloys. The company has secured large contracts with blue chip companies, particularly in Europe, from which the majority of sales originate. Operating as a key part of clients' supply chains.

Key Features:

- Also manufactures a wide variety of special fasteners
- Forecast turnover of £4m year end 2025 with adjusted EBITDA of £1.4m
- Large contracts with blue chip companies

FORECAST TURNOVER: £4m

LOCATION: UK

Ref. 50852

Asking Price: Bids Invited

A Selection of Current Mandates



Project Chives: Sustainable Solutions Sompany

Project Chives represents a sustainable solutions company that offers smart and compliant organic product and by-product solutions. Their services include environmental consultancy, sourcing of feedstocks for anaerobic digesters, distribution, and regulatory compliance. Developing long-term relationships and cost-effective strategies.

Key Features:

- Environmental consultancy, sourcing of feedstocks for anaerobic digesters, distribution, and regulatory compliance
- Forecasted turnover of £2.9m+ for year end 2024 with adjusted EBITDA of £945k+

FORECAST TURNOVER: £2.9m+

LOCATION: UK

Ref. 50723

Asking Price: Bids Invited



Project Foden: Specialist Nutritional Food Manufacturer

The business manufactures a wide range of popular products and flavours, with well-established sales channels via wholesalers, distributors and retailers. Having already achieved substantial year-on-year growth, there is considerable potential for the company to increase its scalability and expand under the direction of new owners.

Key Features:

- Core product range: protein bars, gluten free products, power bars etc.
- Turnover of £2.6m year end 2023 generating adjusted EBITDA of £535k
- Blue-chip client base and supply chain

TURNOVER: £2.6m

LOCATION: UK

Ref. 50755

Asking Price: Bids Invited



Project Leaf: Bespoke Services for Engineering Sectors

Our client offers bespoke services to multiple sectors within the markets of fabrication, welding, manufacturing, shopfitting, chrome polishing and plating. The business benefits from wide manufacturing capabilities, with extensive array of equipment, including tube bending, laser cutting and folding, welding and manual chrome plating.

Key Features:

- Turnover of £2.5m per annum 2023 generating adjusted EBITDA of £695k
- Specialist and end-to-end service
- Wide scope of services

TURNOVER: £2.5m

LOCATION: UK

Ref. 50559

Asking Price: Bids Invited



A Selection of Current Mandates



Project Rye: Textiles Wholesaler

Project Rye is a textiles wholesaler primarily specialising in military supply. The business also provides materials used in the healthcare sector. The company has been operating for over 45 years. With c.80 active clients, it has the capability to supply specialist fabrics into any market. Operating with a long-standing network of suppliers.

Key Features:

- Specialising in Military and Healthcare supply
- Turnover of £2.3m year end 2022 with adjusted EBITDA of £250k+
- Operating for over 45 years
- C.80 active clients globally

TURNOVER: £2.3m

LOCATION: UK

Ref. 50644

Asking Price: Bids Invited



Project Langley: Construction Provider

Project Langley is a UK-based commercial construction company. The company specialises in project managing key civil engineering projects for clients in a variety of sectors including food manufacturing, education and healthcare. Occasionally completing residential work, the business takes this on an ad-hoc basis.

Key Features:

- Forward order book value of £150k - £200k a month
- Business operates for over 30 years
- Turnover of £2.2m year end 2023 with adjusted EBITDA of £750k

TURNOVER: £2.2m

LOCATION: UK

Ref. 51139

Asking Price: Bids Invited



Project Chilli: AOC Holder Providing Aircraft Management & Non-Schedule Air Charter

The business conducts flights with several popular helicopters well-known within the industry. The company has a team of subcontractors all Form Five Approved by the Civil Aviation Authority who only bill the company for work completed allowing for flexibility. Primarily offering corporate charters, the business also offers aircraft procurement.

Key Features:

- Turnover of £1.8m for 2023
- Reliable UK-wide point-to-point service
- C.400 flight hours completed in 2023
- Bases in the north west and south east of England

TURNOVER: £1.8m

LOCATION: UK

Ref. 50727

Asking Price: Bids Invited

A Selection of Current Mandates



Project French: Utilities Company

This project represents utilities company providing a full range of gas, water, and electric maintenance. The business carries out utilities-related installations and disconnections, and is accredited under the Lloyds scheme for GIRS, WIRS and NERS. Well-established, multi-disciplined contractor working across utility sectors with an experienced team.

Key Features:

- Full-design facilities for gas, water and electric requirements
- Turnover of £1.7m for 2023 with adjusted EBITDA of £732k
- The business is MAM registered

TURNOVER: **£1.7m**

LOCATION: **UK**

Ref. **50292**

Asking Price: **Bids Invited**



Project Chia: Sales & Manufacture of Demagnetizing Equipment

Our client manufactures, sells and hires high power demagnetizing equipment for welding. The small team support the products with advice, training, calibration and consultancy. With the products that they offer, the business delivers robust, portable, and high-power demagnetizers, magnetic instruments used by leading welding companies worldwide.

Key Features:

- Turnover of £1m for year end 2024 with adjusted EBITDA of £650k
- Ability to scale geographically
- Revenue within the the energy sector is currently growing strongly

TURNOVER: **£1m**

LOCATION: **UK**

Ref. **50638**

Asking Price: **Bids Invited**



Supported Living Care Home

Delightful Supported Living Home for residents aged 18-65. Highly respected supported living accommodation for residents that require a service to assist them back into society with support and care to assist this process. The home occupies an ideal position at the heart of a well populated and much sought after residential area

Key Features:

- In present ownership for over 30 years
- Historically healthy occupancy levels approaching capacity
- Turnover of £370k for year end 2024 with adjusted EBITDA of £210k

TURNOVER: **£370k**

LOCATION: **UK**

Ref. **51282**

Asking Price: **Bids Invited**

Bolt-on Opportunities in 2024

In association with




| Project Arizona: Pet Product Wholesaler

Key Features:

- Pet trade wholesaler supplying a whole range of pet food and accessories
- Well established brand in the market
- Turnover of £26m+ for year end 2024 with an adjusted EBITDA of £1.4m+
- Currently predominantly Midlands based customers

TURNOVER: £26m+
LOCATION: Midlands
Ref. 49475

Asking Price: Bids Invited



| Project Midnight: Electrical Solutions Provider

Key Features:

- The business operates as an electrical installation specialist, providing comprehensive commercial electrical solutions
- Turnover of £6.2m per annum 2023 generating adjusted EBITDA of £1.26m
- Currently operating with c.12 commercial clients

TURNOVER: £6.2m
LOCATION: South East
Ref. 51074

Asking Price: £7,000,000



| Project Everdeen: Subcontract Manufacturer

Key Features:

- The business offers subcontract machining, fabrication, finishing & stockholding
- Turnover of £5.2m for year end 2024 with an adjusted EBITDA of £800k
- Based across two sites
- Well-established in the sector, operating for over 25 years

TURNOVER: £5.2m
LOCATION: Scotland
Ref. 50886

Asking Price: Bids Invited



| Project Mathis: Control & Automation System Engineers

Key Features:

- The company implement and maintain control and automation systems for marine and land-based industries on a worldwide basis
- Operating in the region for over 20 years and trades with industry accreditations
- Turnover of £3.3m for year end 2023 with an adjusted EBITDA of £467k

TURNOVER: £3.3m
LOCATION: South East
Ref. 51173

Asking Price: Bids Invited



Our Environment

30 Months of Climate Action

This summer we reached **30 months of continuous commitment to sustainability** through our partnership with Ecologi.

We have taken a significant stride towards mitigating our environmental impact and contributing to global sustainability efforts.

So far we have funded the planting of 9,400 trees in an effort to combat deforestation and promote biodiversity, and supported the prevention of 800 tonnes of CO2 emissions.

Our contributions have been channeled into 30 carbon avoidance projects including:

- Macaubus Landfill Gas Project in Brazil – preventing methane gas emissions
- Mataven REDD+ Project in Colombia – protecting the Mataven forest
- Ouarzazate solar power initiative in Morocco - promoting renewable energy in the region

As the world continues to grapple with the challenges posed by climate change, our partnership with Ecologi becomes increasingly important.

We are proud of everything that we have achieved so far in contributing to a more sustainable future.

Ecologi



611 longhaul
flights offset



30 months
of climate impact



2,391 metres²
of sea ice saved



800 tonnes
of carbon reduction



1.9m miles
driven in a car



9,400
trees planted

Excellent Service & Dedicated Team



Hope to Work With You Again

"Thank you for all your hard work over the last few months. I've really appreciated your help getting this over the line. Hope to work with you again."

Thank you!

"Thank you Vickie. Well done, you have done a great job helping keep things on track and driving it to completion (and keeping a cheery disposition throughout which is remarkable!)"

I Could Not Have Done It Without You

"It's such a relief to be where we are today, McLaren Packaging are a great buyer for the business, who will look after the business and all my employees and customers in the future. I couldn't have done it without you."

Thank You for Continued Support

"I would like to thank Nathan Miller for his continued support, who yet again played an instrumental role in putting this together. In our experience Nathan's role is integral in getting the transaction's we have completed with ACF agreed between the parties and kept on course in an efficient manner through to completion."

Supported Throughout the Process

"The sale has been a massive learning curve with difficult dynamics at times, but we are thrilled that the hard work of all those involved has come to fruition. The entire team at Altius Group, especially Nathan, supported us throughout the process. He was always available and experienced in negotiating the finer details of the deal."

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