

DEAL DISPATCH - ISSUE 35

OUR REGULAR DEAL ROUND-UP

LOCAL
KNOWLEDGE,
GLOBAL
EXPERTISE

Market overview

Despite lockdown 3 restrictions imposed from January - now thankfully being relaxed - I'm pleased to report that the improved deal flow reported last time has continued unabated, as you'll see from the latest batch of deal completions in this issue. M&A activity has undoubtedly been helped by government support measures which have underpinned the economy and shored-up confidence, and by the continued low interest rates.

What happens now, remains to be seen but, despite the omission of changes in CGT from the Spring Budget we think it's likely to play a part. Weight of opinion suggests the changes were merely deferred and that they may be implemented later this year, or in next year's Budget. Accordingly, there are strong arguments for both buyers and sellers to consider transactions in the near term. Either way, we expect a busy market as normality returns.

Darren Hodson, Corporate Finance Partner

Security and fire company secures private equity growth funding

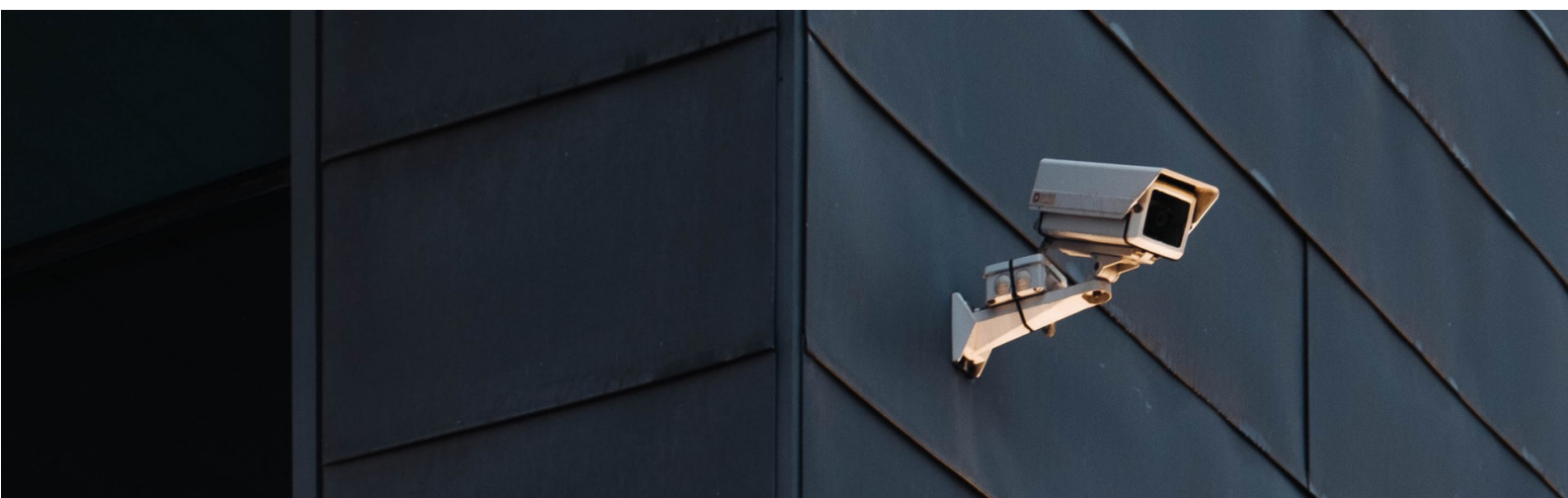
SCCF advised Total Integrated Solutions (TIS), a specialist Nottinghamshire-based provider of integrated security & fire safety solutions, on a deal that sees private equity house Key Capital Partners (KCP) take a significant stake.

The investment will support the continued growth of TIS as it continues to expand its technical capability across a variety of sectors, including retirement villages, further education and open space CCTV.

TIS, which has a turnover of £15m and employs 140 staff at five sites across England, is a smart integrator of Security, Fire and Communications. It has designed and developed some of the most advanced systems available for business customers, the Ministry of Defence and local authorities. TIS is a long-standing, highly recognised and valued national brand, with 2021 marking its 70th anniversary.

James Twigg, CEO of TIS, will remain in place with James Hall and Matt Tice (Managing Partner and Investment Director at KCP), joining the board. Ted Goold will also join as nonexecutive Chairman. Speaking of SCCF's deal management services, James Twigg, Managing Director at TIS commented: "As ever, all at Smith Cooper were a pleasure to work with and provided exceptional service to my whole team."

James Ward of SCCF commented: "This is a great deal for TIS as the business enters the next stage of its growth. The partnership with KCP will allow it to continue to expand its market-leading solutions, and further develop its technical capabilities - helping TIS realise its ambitious growth plans as it strives to make a real difference to its customers."



Leading Midlands headquartered, multi award-winning Civil Engineering business is sold to RSK

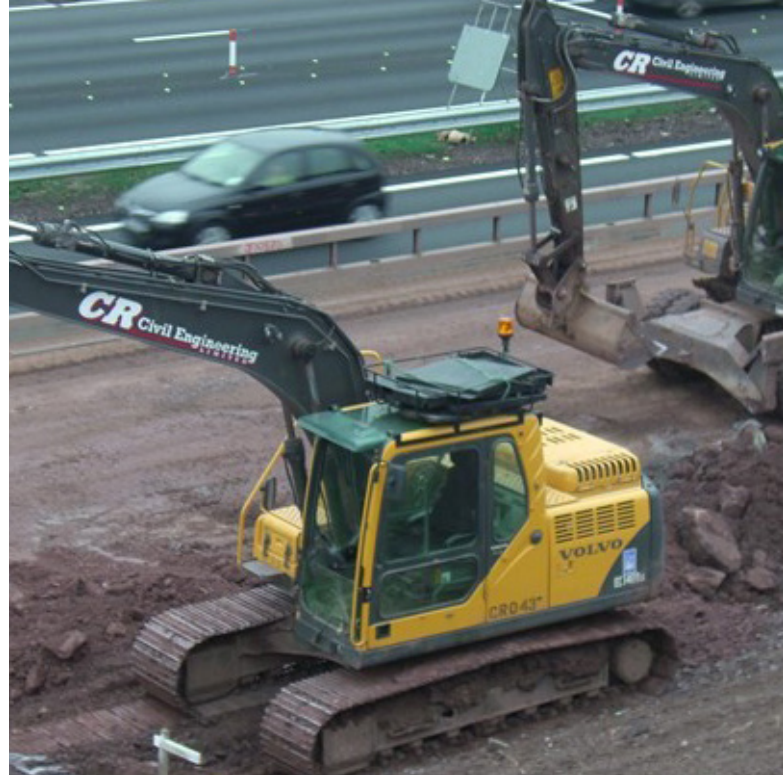
SCCF recently advised the shareholders of Loughborough headquartered Pendragon Holdings, which trades as the multi award-winning CR Civil Engineering Limited (CRC), in a sale to the UK's leading environmental, engineering and technical services provider, RSK Group Limited (RSK).

CRC was formed in 2000 by Carl and Mandy Roberts and has since grown to become one of the region's largest and most highly respected civil engineering groups, serving a range of blue-chip clients ranging from Tier 1 Contractors, to the MOD and Network Rail. Today CRC has a turnover approaching £40 million, employs 250 direct staff and 70 freelance contractors, operates from four locations in England and Wales, and owns a wide range of heavy plant.

CRC's work is UK-wide, its main focus being in Highways groundworks, including Smart Motorway projects. It also carries out Rail contracts, Airfield works, and general Commercial works, road planning for Local Authorities, and sundry groundworks.

CRC is a high-quality, customer and employee-centric group with a very strong reputation for professionalism, reliability and excellence – winning many industry awards and gaining Considerate Contractor accreditation.

RSK is a leading integrated environmental, engineering and technical services provider, comprising over 100 companies in the UK, Europe, the Middle East, Africa and Asia. Established in 1989, it has grown organically and by successive acquisitions, providing wide-ranging consultancy and technical services to the energy, water, property, manufacturing, government and transport sectors.



SCCF provided pre-sale strategic advice on preparing the business for sale, identified buyers and project-managed the deal from inception to completion.

Seller and Managing Director, Carl Roberts, who will continue to lead the business within RSK's contracting division said, "the SCCF team were fastidious in making sure the business was ready for sale, identified an ideal partner in RSK, and provided expert guidance and advice throughout." He continued "CRC's and RSK's company cultures are very aligned and being part of RSK will not only strengthen CRC but also offer further opportunities for the business to develop and allow our dedicated staff to reach their full potential within a growing organisation".

John Farnsworth, Corporate Finance Partner at SCCF, commented "given Carl's strong sense of pride in the CRC brand and his equally robust loyalty to his staff, I am genuinely delighted that we identified RSK as the buyer – the fit of ethos and professionalism could hardly have been bettered, thus setting the business up for smooth integration and continued growth; an exciting future".

David Crump, Corporate Finance Director, added "this is a great deal for all of CRC's shareholders and for RSK; the addition of CRC will enable RSK to widen its contracting capabilities, bringing civil engineering expertise, a significant property and plant portfolio, and a strong existing customer base. It's been a privilege to work with Carl and his team, and very rewarding to complete this transaction".



Leading communications business completes MBO

Team Telecom Group (TTG), the leading designer, supplier Team Telecom Group (TTG), the leading designer, supplier and operator of critical communication infrastructure, and the international communications organisation behind Affini and Simoco Wireless Solutions, has concluded a Management BuyOut (MBO). The Group was already partially owned by the existing management team, who have now acquired the remaining stake in a deal advised by SCCF.

TTG operate on a global scale, for national governments and major transportation organisations, to deliver mission-critical communications products and services in sectors where reliability, integrity and security are paramount. The group operates across multiple sectors, including emergency services, utilities providers, public service operators and airports. The buy-out team comprises Chairman Peter Burridge, Group CEO Mike Norfield, Chief Commercial Officer Phil Williams, Executive Director Ian Carr and

Executive Director Andy Woodhall. The management team have over 70 years of combined experience and have unparalleled knowledge of the business and the marketplace in which it operates.

In light of the transaction, Chairman Peter Burridge commented: “We’re delighted to have completed the transaction and pay testament to the professionalism and tenacity of Darren and his team, who ensured the smooth transition of ownership. We are committed to growing the business further and cementing our position within the industries we serve.”

SCCF Partner Darren Hodson commented: “This was a fantastic opportunity for the Management team to continue the buy-out, and secure complete ownership. The team’s knowledge will no doubt ensure TTG continue to lead the way and enable them to tap in to new markets as the global communications market develops. I wish the team the very best.”

Recent deals



Sale of Total Integrated Solutions Limited to Key Capital Partners
SCCF advised the vendors



Sale of Kiddie Winks Day Care Nursery Limited to Beeches Park Childrens Day Nursery
SCCF advised the vendors



Sale of CR Civil Engineering Limited to RSK Group Limited
SCCF advised the vendors



Acquisition of Sash Medical Limited by Independence Direct Limited
SCCF advised the acquirer



Sale of Hall & Benson Limited to Connells Limited
SCCF advised the vendors



Sale of Mercia Image Limited to Liberty Trading
SCCF advised the vendors



Acquisition of Tntu Limited by a private group
SCCF advised the acquirer



MBO of TTG Global Solutions Limited
SCCF advised the vendors

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