

ANNUAL DEALS REVIEW 2023

A low-angle, upward-looking photograph of two modern skyscrapers with glass facades. The buildings are set against a clear blue sky, suggesting dusk or dawn. Some windows are illuminated from within, creating a warm glow. The perspective makes the buildings appear to converge towards the top of the frame.

LOCAL
KNOWLEDGE,
GLOBAL
EXPERTISE

Contents

Our Midlands deal team	2
<hr/>	
Introduction	3
<hr/>	
PKF UK & Ireland and internationally	5
<hr/>	
PKF Smith Cooper Corporate Finance	6
<hr/>	
Our services	7
<hr/>	
Our sectors	8
<hr/>	
Highlighted deals	9
<hr/>	
2023 deal summary	13

Our Midlands deal team

If you'd like further information regarding the contents of this document, or you'd like to find out more about how we can help you and your business, please get in touch with our team using the details below, or by visiting us online.



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PKF gained market share in deal activity as we ranked 5th most active in the Midlands and 7th nationally. Our team once again delivered a high level of M&A activity, against an uncertain economic and political backdrop.



David Crump
Corporate Finance Director

We pride ourselves on deal creation rather than simply executing transactions. In 2023 PKFSC Corporate Finance completed 22 deals worth a combined total of £277m in what has been a challenging market. Our high completion rate reflects the time and effort we put into identifying the right deals for clients and finding creative solutions when issues arise.

Key highlights of the year include:

- Finding the right home for 9 businesses by selling to strategic acquirers;
- Facilitating 4 Management Buyouts;
- Providing acquisition support including private equity bolt on acquisitions;
- Fundraising for a number of our deals;
- Sale to employee ownership trusts; and
- Developing our financial due diligence offering

Over the past year, we have continued to invest and grow our advisory team. Josh Gurton was recognised for his invaluable contribution to deal efforts with a second promotion in six months. We also invested in two new recruits, Callum Leslie and Lauryn Mayson, strengthening our formidable dealmaking team.

We have also been investing in our financial due diligence capabilities with Deniss Sipovics being promoted to manager - a testament to the team's growing expertise and experience.

Whilst we have international capabilities, we continued to fuel M&A activity on home soil, completing 20 deals in the Midlands and helping business owners across the Midlands achieve their goals and objectives. Drawing on our global reach and access to international purchasers, we completed a number of cross-border deals.

Additionally, our team remain creative and ready to explore a number of potential liquidity events for shareholders. For award-winning technology consultancy Griffiths Waite, an employee ownership trust provided the optimal solution, demonstrating our team's ability to investigate different options with business owners and identify the best solution to meet their objectives.

The year ended on a high with our Midlands team completing four deals in just two weeks, evidencing that, even in challenging market conditions, the appetite for M&A among high quality businesses remains strong.

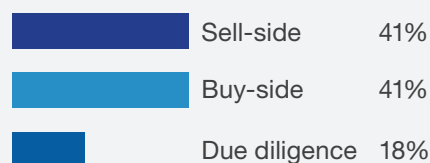
Deal overview

Total
£277m

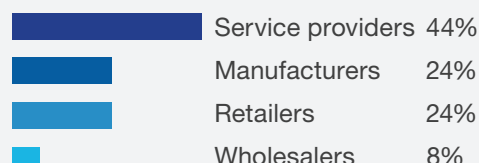
Average
£13m

Largest
£45m

Deals by role



Deals by business type



Deals by sector



Sectors

This year our top sectors were Automotive and Technology, Media and Telecoms.

The Automotive sector was strong across the retail, distribution and aftermarket segments. We supported on transactions involving passenger-vehicle and commercial-vehicle dealerships, vehicle hire and rental businesses as well as suppliers and aftermarket services.

In the last 3 years PKF has completed over 100 deals in the broad technology sectors and we continued to build-upon this expertise with transactions in enterprise software, retail-tech and health-tech.

Despite a challenging year for self-storage, which was characterised by tougher trading and instability caused by interest rates and the housing market, we were able to continue to unlock transactions such as Quick Self Storage's acquisition of Prime Self Storage.

We continued to have deep involvement in the Franchise and Food and Beverage sectors and expect to deliver a number of deals this year.

Outlook for 2024

Could 2024 be the year of the mid-market? Dealmaking levels in the UK are expected to rebound from 2023 levels as uncertainties around inflation, interest rates, as well as political and macro concerns, ease. Despite a more cautious view from corporates and traditional lenders stifling activity, the ingredients underpinning M&A activity remain in place, with alternative funders and increased activity from PE and their portfolio companies supporting the market in 2024.

At PKF Corporate Finance, we anticipate activity in the mid-market to remain robust and we have recruited more personnel to support our anticipated increased deal activity over the coming months. We have exciting plans to expand our team.

PKF corporate finance in the UK & Ireland

117 Deals completed in 2023

7th Most active financial adviser in the UK

12th
Largest accountancy brand in the UK&I

1,800+
Employees and 137 Partners in the UK&I

Firm	2023 Deal volume
PKF	117
pwc	104
KPMG	83
EY	47
Deloitte.	40

Figures according to MarketIQ 2023 M&A Review

PKF Global

PKF Smith Cooper is a member of PKF Global, an international family of legally independent, like-minded firms bound together by a shared commitment to quality, integrity, client focus and the creation of clarity in a complex regulatory environment.

Operating in unison with member firms across the world, we are able to share our ideas, expertise, and specialist resources to better serve our clients, delivering highly-personalised services and global connectivity through our client-centric culture.



PKF Smith Cooper Corporate Finance

As part of one of the Midlands' leading firms of multi-disciplinary accountants and business advisors, we mainly operate across key geographies in Derby, Nottingham and Birmingham, but UK-wide in our specialisms.

Working collaboratively with other colleagues in disciplines within PKF Smith Cooper, and with our global PKF partners, we share our ideas, expertise, and specialist resources to deliver tailored, client-centric services that promote global connectivity.

Highly-skilled and formally recognised, our specialist teams work alongside clients to gain a deep understanding of their business and objectives to deliver world class solutions meeting those objectives.

Through our membership with PKF Global – a network of legally independent accounting firms – we are at the forefront of compliance regulations, market trends, and sector developments, allowing us to provide high quality solutions.

Across all of our disciplines, we work in unison with PKF member firms across the world, and effectively blend local expertise with extensive territorial knowledge. This allows us to provide a full range of audit, accountancy, tax, and advisory services, in line with the expectations and needs of clients with international interests.



Award-winning team

Our consistently high-quality service is regularly recognised by industry peers and professional bodies.



£5-£50 million typical deal size

Our deal sizes range between £1 million and £250 million.



Circa 100 deals in the last 3 years



Dedicated, well-qualified, highly experienced CF team

Our team includes 11 advisors and support staff across 3 locations.



Our services

Exit strategy and succession planning

We provide advice to corporate clients, entrepreneurs and owner-managers on exit strategy and succession planning.

Growth and development capital

We specialise in sourcing debt and equity capital by drawing on our extensive network of capital providers.

Private equity

We can advise on private equity funding whether you are looking for finance for growth, to facilitate a management buy-out, or to sell or release capital from your business.

Debt advisory

We can assist with refinancing, raising new or restructuring debt for transactions or growth, in addition to general funding advice.

Equity release

We have the network and experience to guide clients through the complications of this process.

Disposals

We're experts in managing disposals to optimise value. We ensure effective planning and evaluation, and begin advising well ahead of any marketing process.

Buy-outs

We act for management teams and buy-in candidates, guiding them through what is often a complex, once-in-a-lifetime experience.

Special situations

Whatever the situation, we can provide a tailored solution to meet your objectives, in a sensitive, professional and timely manner.

Acquisitions

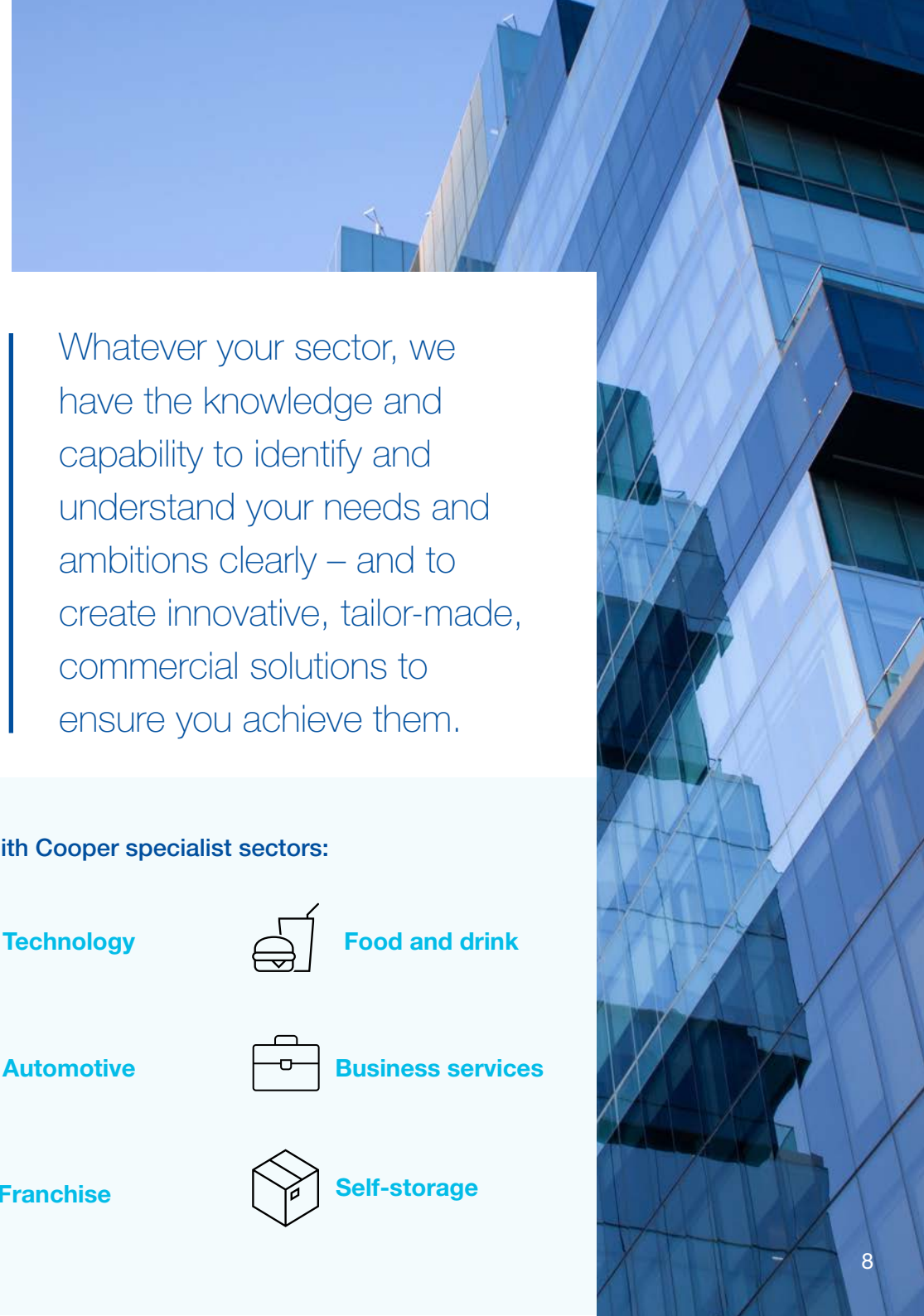
We work closely with corporate and individual acquirors to understand their objectives, formulate strategies and manage the subsequent process acquisition strategy.

Capital markets

Our specialist team has broad experience working with companies listed, or looking to list, on a range of international markets.

By understanding your aspirations and business issues, we will work with you to deliver practical, commercially-viable advice with positivity and tenacity.

Whether you are looking to buy, grow organically, sell, or raise finance - we can help. Our partner-led advisory team specialises in comprehensive, high-intensity project-management of deals, ranging from £1m to £250m, but we specialise in deals valued between £5m and £50m. We are equally happy advising at a strategic level, or on discrete aspects of a transaction.



Our sectors

We work with clients across the full spectrum of sectors. Drawing on our own deep experience in a wide range of industries and M&A, and by liaising with our PKF CF partners across the globe, we can deliver valuable advice to all clients, whatever the sector.

With many years of experience working across our sectors, we have a comprehensive understanding of changing industry legislation and regulations, allowing us to anticipate and address changing needs, as well as identify new opportunities.

Of course, over the years, we have developed deep specialisms in some sectors, leading the market in some which are set out below.

Whatever your sector, we have the knowledge and capability to identify and understand your needs and ambitions clearly – and to create innovative, tailor-made, commercial solutions to ensure you achieve them.

The capabilities and experience of the PKF network cover a wide range of industry sectors, including:

- Automotive
- Business services
- Consumer
- Education
- Energy, utilities and infrastructure
- Financial services
- Food and beverage
- Franchise
- Healthcare and lifesciences
- Hospitality and leisure
- Industrials and engineering
- Professional services
- Real estate and construction
- Self-storage
- Technology and telecoms
- Transport and logistics

PKF Smith Cooper specialist sectors:



Technology



Food and drink



Automotive



Business services



Franchise



Self-storage

HIGHLIGHTED DEALS

Acquisition of Powrmatic by Carver Group



Carver Group is a family owned business managing a portfolio of HVAC companies specialised in refrigeration technology, air conditioning technology and ventilation technology. The Group headquarters are in the UK and the company has representation in 50 countries and branches in Germany, France, the Netherlands, United Kingdom and Canada.

Powrmatic is a leading manufacturer of commercial and industrial heating equipment, natural & smoke ventilation products and a range of gas fired heat exchange modules. Powrmatic UK also distributes radiant heaters, twin duct condenserless air conditioning and heat pump units. Powrmatic UK sells to the UK market and also exports globally with distributors in Belarus, Belgium, the Czech Republic, France, Poland, Romania, Russia, the Republic of Ireland, Turkey, Ukraine and Singapore.

Through its acquisition of Powrmatic, the Carver Group will be able to expand its product portfolio and installation capabilities

in gas and oils based HVAC systems, which are complementary to the Group's existing solutions.

Aidan Killeen, Group CEO of Carver Group said: "We are confident that these synergies and the continued diversification and enhancement of our capabilities, services and geography offer fantastic opportunities for our clients, our business and our people."

PKF Smith Cooper provided buy-side advice and due-diligence was provided by PKF Francis Clark.

Darren Hodson, Partner at PKF Smith Cooper added: "It has been a privilege to advise family-owned Carver Group on this significant acquisition, helping them to build more scale, capabilities and footprint for the next stage of growth, building on a rich 300 year history."

The partner-led team advising the Carver Group was led by Darren Hodson, Tom Joy and included support from our Tax Advisory Partner Adam Rollason.

"The PKF team have been fantastic partners throughout, provided invaluable support all the way through the acquisition process helping us to smoothly navigate through a very complex cross-border transaction. We are thankful for their efforts and guidance to help steer us through this journey."

Aidan Killeen, Group CEO of Carver Group

HIGHLIGHTED DEALS

Acquisition of Promove UK Ltd by Evac+Chair International



Solihull-based Evac+Chair International has acquired ProMove UK Ltd in a deal supported by the Midlands division of PKF Corporate Finance.

As a manufacturer of emergency evacuation chairs, Evac+Chair International is a global leader in safe emergency evacuation for the mobility impaired. The acquisition of ProMove UK Ltd is the company's first since it secured significant investment from Swedish company builder Systematic Growth in a deal last year, also supported by PKF.

ProMove UK Ltd manufactures the ProMove Sling, a moving and handling sling device, which ensures that disabled or incapacitated individuals can be transferred from a wheelchair in a safe and dignified manner. The ProMove sling was designed by Dr Huw Thomas, who had limb girdle muscular dystrophy and initially designed the ProMove sling for his own use, mainly due to difficulties in transferring from his wheelchair at airports. The Company was established to support others in a similar situation.

The acquisition of ProMove increases Evac+Chair's product range and further

establishes them as the global leader in solutions for mobility impaired people.

Darren Hodson and Josh Gurton of PKF Smith Cooper Corporate Finance delivered deal support to Evac+Chair International, with Adam Rollason, also of PKF, providing transactional tax support.

Darren Hodson, Corporate Finance Partner at PKF Smith Cooper, commented: "We are thrilled to have been able to assist Evac+Chair International, a renowned Midlands-born company, in securing another milestone deal and to continue supporting the company's expansion plans through our ongoing relationship. With the clear synergies between the two companies, the acquisition of ProMove UK Ltd will undoubtedly strengthen Evac+Chair International's position as the company drives further expansion."

"The ProMove sling is a fantastic product which provides great support to mobility impaired people. We are excited to integrate the ProMove business into Evac. Darren and the team at PKF have supported us for a number of years and we can always rely on them to provide strong strategic advice and deal management."

**Gerard Wallace,
Managing Director at
Evac+Chair International**

HIGHLIGHTED DEALS

Management Buyout of QEP-UK



QEP-UK, the home of leading tiling, flooring and hardware home improvement brands such as QEP®, Roberts®, Vitrex®, Tile Rite®, Plasplugs®, Homelux®, XPS Foam™ and Kraus®, has been acquired in a management buyout with specialist support from PKF corporate finance advisory and tax teams.

QEP-UK, headquartered in Burton on Trent, is a leading manufacturer and supplier of tiling, flooring and hardware tools and accessories, providing premium products to consumers, trade and retailers. Its brands cover both the “DIY” and trade sections of the tiling and flooring market and its products are sold in a number of home improvement stores, including B&Q, Wickes, Topps Tiles, Screwfix, Homebase and Travis Perkins, along with a wide reaching independent retailer network.

Darren Hodson and Josh Gurton provided deal support to the management team alongside the transactional tax team, led by Adam Rollason, who provided a full range of taxation advice, including personal, corporate and VAT.

As a result of this transaction, the UK business is now owned by the Boyce Family Group. Paul and Sarah Boyce have been associated for many years with some of these industry leading brands. Paul has been a member of QEP’s group management team for the past 14 years, having most recently served on the US Board of Directors as CEO of International Operations.

The management team has acquired the UK business from US-listed QEP Inc and will continue to trade under the name QEP UK. The management team continues to be led by Paul Boyce as CEO. He has been supported in the transaction by FD Steven White and newly appointed COO Cam Gradwell.

Adam Rollason, Tax Partner at PKF Smith Cooper, commented: “I am delighted to have supported Paul and Cam on this transaction. I have no doubt that under its new ownership structure, QEP-UK will go from strength-to-strength over the next few years, and I wish them all the very best for the future.”

“PKF Smith Cooper were there from the inception of this deal to the end, providing strategic and technical advice throughout. Darren and Adam worked seamlessly alongside PKF SC’s range of tax specialists to ensure the transaction went as smooth as possible. We are excited about the future prospects of QEP-UK under our ownership.”

Paul Boyce, CEO of QEP-UK

HIGHLIGHTED DEALS

Sale of Griffiths Waite to an Employee Ownership Trust

The logo for Griffiths Waite, consisting of the letters 'gw.' in white lowercase font on a purple square background.

Award-winning technology consultancy firm Griffiths Waite has been sold to an employee ownership trust (EOT) in a deal led by PKF Smith Cooper.

Griffiths Waite was co-founded by Mark Waite in 1994, starting out as an IT services provider, developing bespoke applications for its UK corporate client base. In recent years, the success of the business has allowed it to diversify its service offering, providing the platform for its evolution into the digital product development business that exists today.

The EOT concept was born out of a government-backed initiative, designed to promote employee ownership, by giving all employees a significant and meaningful indirect stake in the business, including a say in how it is run.

The PKF team was led by Tax Partner Adam Rollason, who provided tax structuring advice on the deal, and sell-side tax support to each of the selling shareholders.











Mark Waite commented: "Prioritising the needs of our employees, whilst securing the long-term future of the business, has always been of the utmost importance to me. I am incredibly proud of what we have been able to achieve over the past 30 years, but it is time to start looking ahead to the next chapter, and I believe that this transaction sets us up nicely for that."











Adam Rollason commented: "I was delighted to advise Mark and his fellow shareholders on this transaction. From the first meeting we had, it was clear to me that an EOT was the right option for all parties, and I am proud to be a small part of the transition to the new structure."

"The first-class advice and support we received from Adam and his team at PKF were instrumental in getting this transaction done, in fact, we have already recommended the team to others within the industry."

Mark Waite, Griffiths Waite Co-Founder

2023 deal summary

Client	Deal	Date
	Sale of Babington Business Limited to Unigestion SA PKF advised the vendor	Jan 23
	Sale of Darley Abbey Village Stores Limited to Graham Mulholland PKF advised the vendor	Feb 23
	Sale of Stanton Bikes Limited to Stanton Bicycles Limited PKF advised the vendor	Feb 23
	Management Buyout of URA Ventures Limited PKF advised the vendor	Mar 23
	Lightbulb Credit Limited secured investment from Foresight Group PKF advised the investor	Apr 23
	Acquisition of Ortoncrest Holdings Ltd by TP Hopwells (Holdings) Ltd PKF advised the acquirer	Apr 23
	Acquisition of Prime Self Storage Ltd by Quick Self Storage (Liverpool) PKF advised the acquirer	May 23
	Sale of Gunn JCB Midlands division to Midlands JCB PKF advised the vendor	May 23
	Acquisition of Powrmatic Limited by Carver Group Limited PKF advised the acquirer	May 23
	Acquisition of Pro-Align Ltd by Pro-Align Holdings Ltd PKF advised the acquirer	Jun 23

Client	Deal	Date
	Sale of Independence Direct Holdings Limited to Graphite Capital Management LLP PKF advised the vendor	Jun 23
	We Are Fulfilment Limited raised development capital from Foresight Group PKF advised the investor	Jun 23
	Reorganisation of the Advanced Genomics Group PKF advised the acquirer	Jun 23
	Acquisition of Reuby & Stagg Holdings Limited by BB Consulting Limited PKF advised the acquirer	Aug 23
Non-disclosed	Management Buyout of a high-profile entertainment venue PKF advised the management team	Sep 23
	Management Buyout of QEP-UK PKF advised the management team	Oct 23
	Sale of Griffiths Waite to an employee ownership trust PKF advised the vendor	Oct 23
Non-disclosed	Sale of regional multi-site passenger-vehicle dealership PKF advised the vendor	Oct 23
	Acquisition of ProMove UK Ltd by Evac+Chair International PKF advised the acquirer	Oct 23
	Acquisition of DJ Civils Ltd by SOC UK Holdings Limited PKF advised the acquirer	Nov 23
	Acquisition of Apex Prime Care Ltd by Cera Care Limited PKF advised the acquirer	Nov 23
	MBO of Catton Holdings PKF advised the vendor	Dec 23



PKF Smith Cooper

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PKF Smith Cooper Corporate Finance

