

2023 Roundup

Strategic Corporate Finance

2023 in numbers



188
projects



Specialising in transactions worth
£5-25m



46
M&A and MBO advisory transactions



5
EOT transactions



20
Team members



32
Growth capital lead advisory transactions



42
Valuations



16
Due diligence assignments



Working on
27 live transactions

Transacted in



UK



US



Canada



Dubai



Netherlands



China



Argentina



Poland



Brazil



Turkey



Israel



Germany



Agri-tech



Landscaping



Experiential Leisure



Holiday & residential park homes



Manufacturing



Distribution



Document management



Building Management systems



Digital Media



Software as a Service



Technology



Security services



Ecommerce



Facilities Management



Care homes



Professional Services



Insider Media Central and East Dealmaker Awards

Short-listed for:

- **Deal of the Year (sub £10m)** - for pre-sale planning and lead advisory services - Savage Haulage Limited.
- **Transaction Services Team of the Year** – those that have facilitated the most exciting deals of the year.
- **Emerging Dealmaker of the Year** – Nathan Young – under 35 years and making a significant impact on dealmaking.
- **Dealmaker of the Year – Phil Sharpe** – an individual who has been a standout dealmaker, making a significant personal impact.

Millnet

“I thoroughly enjoyed working with Price Bailey on this deal. They were alongside me for every step of the process and worked highly collaboratively with my other advisors. I particularly appreciated the clear, calm, and straightforward style of communication, and the comprehensive advice on all aspects of what was a very time-pressured transaction. Thank you for your support in helping to complete this acquisition.”

- Steve Chadd, MD,
Millnet Ltd

A note from our Partners

2023 has been a challenging year for businesses and transactions. We started the year with a hangover from Truss Economics, rising interest rates, high energy prices and global geopolitical uncertainty. Whilst energy prices softened in 2023, interest rates peaked and there continues to be further unrest globally. All of this led to an unsettled market in which small changes resulted in great volatility; not great for business planning and investment.

At the start of 2023 we saw ongoing transactions progress to completion. Whilst business plans may have been reappraised, a good deal for commercial reasons, continued to be a good deal. However, as a result of the uncertainties in the wider economy, with increased debt burdens and weak sterling, corporates seemingly held back on new deals, choosing to preserve cash. Funders became more fickle, and credit and investment committee processes more challenging, as it was easier to postpone investments than to commit.

Moving into the second half of 2023 attitudes towards market conditions started to normalise. This was assisted by softening energy prices and whilst the UK base rate reached 5.25% in August, the general consensus was that it had peaked and would stabilise at that level. Valuations understandably took a hit in early 2023, though we would highlight that they only returned to averages observed prior to the COVID-19 pandemic, which had driven a high volume of deal activity at increased multiples for certain sectors (and the opposite in other sectors).

The deals market varied greatly across sectors. Cost of living pressures continued to impact businesses, with consumer orientated sectors finding it challenging, and other sectors under pressure too from increased salary costs and the war for talent continuing post Covid. Meanwhile high inflation made it easier to demand higher prices and correct margins for those businesses in demand. Transaction activity mirrored this with deals in hospitality, leisure, food and FMCG being more challenging to execute. Conversely we did, and continue to, see lots of deal activity in areas that have an environmental / energy efficiency angle or where profit margins have started to recover. An election in the next twelve months is already resulting in some vendor owners planning exit transactions for fear of higher tax rates post election.

Outlook for 2024:

Whilst there continues to be a huge amount of uncertainty domestically and globally, business owners are generally pragmatic people and after a period of holding back, there's a tendency to "just get on with life". Further, funders who were more cautious in 2023, need to deploy cash.



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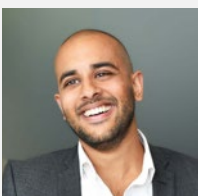
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📌 A flavour of 2023



Robert Lee

Act as lead advisor on the sale of Robert Lee Distribution Ltd, a £50m distributor of bathroom products.

The team acted as lead adviser on the sale of Robert Lee Distribution Ltd, the UK's largest independent distributor of bathrooms, showers and plumbing products, to HLD Group, owner of Aquadart Bathrooms Ltd, a prominent designer and manufacturer of high-quality bathroom products.

The combined group will strengthen their offering within the bathroom sector through enhanced sourcing and distribution. In appreciation of Price Bailey's support, Matt Earle said:

"I am extremely grateful for the support and advice I received from Price Bailey's Strategic Corporate Finance team and Tax team. This complex transaction required a range of specialist advisory skills to navigate successfully. Their cohesive approach and effective communication ensured that we overcame the challenges inherent in such deals. Thank you!"

Read the article: pricebailey.co.uk/press-releases/price-bailey-advise-on-sale-of-robert-lee-distribution-ltd-to-hld-group



OCS Group

Provide financial due diligence services on the acquisition of Accuro Group Holdings Limited by OCS

The team carried out FDD on the acquisition of Accuro Group Holdings, a contract cleaning and hard facilities management business working for schools and healthcare sites throughout England.

The team were able to utilise their extensive background knowledge of the business to perform targeted analysis on Accuro, including a detailed review of their working capital position, in order to ascertain the true 'normalised' position, as well as considering the need for any additional adjustments to the quality of earnings.

Read the article: pricebailey.co.uk/case-studies/ocss-acquisition-of-accuro-group-holdings-limited



Anthony Gold Solicitors LLP

Advise on an all-equity restructure for London based law firm.

The team advised Anthony Gold Solicitors LLP, a large London-based multi-disciplinary law firm on a restructure to an all-equity model, following an exploration of different options including an internal restructuring (including employee ownership), profiling the market for a potential trade acquirer (and understanding the deal structures prevalent in the legal sector) and considering the suitability of private equity investment.

By utilising detailed financial and strategic modelling, the team helped the management board to develop the all-equity structure, review the new members' agreement and present the plan to the Firm's partners.

Read the article: pricebailey.co.uk/case-studies/anthony-gold-solicitors-llp

A team of well-rounded advisers



Employee Ownership Trust

Sector: Media & Marketing

Role: Advised on the establishment of an EOT for a high growth, technology-focused B2B demand generation business.

Millnet

Advisory Support

Sector: Business Services

Role: Provided lead advisory support on Millnet Ltd's acquisition of the shares of Docbuster Ltd and trade and assets of the UK paper business of Consilio Global (UK) Ltd.



Funding Capital

Sector: Agri-tech

Role: Lead adviser on £3m Series A fundraise for a high growth indoor vertical farm.



Due Diligence

Sector: Industrial

Role: Provided financial due diligence support regarding the acquisition of Complete Energy Controls Limited, a building energy management systems company.



Due Diligence

Sector: Healthcare

Role: Financial due diligence support provided to Avante Care & Support in relation to the acquisition of Barnes Lodge Care Home and Caring Companions.



Due Diligence

Sector: Waste & Renewables

Role: Provided financial due diligence for Net Zero Infrastructure's acquisition of Line Hydrogen PTY, a green hydrogen gas producer.

Our promise.
At Price Bailey - It's all about you

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