

SMITH COOPER



Deal DISPATCH

ISSUE 27



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WELCOME TO ISSUE 27

WELCOME

Welcome to Deal Dispatch, our round-up of some of the deals we've completed over the last few months.

It's certainly been a busy time, so much so that Smith Cooper Corporate Finance secured a top 10 UK-wide ranking in Experian's International M&A review for August 2017, being placed 10th by deal volume nationally, placing it amongst sector giants.

Smith Cooper completed 5 deals in August, some of which are featured in this edition of Deal Dispatch. These include the sale of Wearwell Group Limited, British designers and manufacturers of high quality technical workwear, the sale of restaurant operator Kout Food Group New Chicken Limited to Herbal Central Limited, and the sale of specialist composite component manufacturer epm: technology group.

These deals bring the tally of deals completed since the start of 2017 to 24. The deals encompass a wide sector and geographic spectrum, including cross-border, and demonstrate Smith Cooper's continuing

growth and brand recognition.

In what has been a very hectic summer, Smith Cooper was also recently recognised for the sale of Alca Fasteners which secured the 2017 "SME Deal of the Year" award at the Insider Midlands Dealmakers Awards.

Busy as we are, we'd be delighted to hear from you if we can assist in any way.



Darren Hodson
Corporate Finance Partner

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SMITH COOPER'S ALCA DEAL WINS "SME DEAL OF THE YEAR" 2017

For the third successive year, Smith Cooper Corporate Finance have won a prestigious Insider Corporate Finance award. The sale of Alca Fasteners, a deal initiated and managed by the Corporate Finance division of Smith Cooper, won the 2017 "SME Deal of the Year" award at the Insider Midlands Dealmakers Awards at the NEC awards ceremony in September.

Smith Cooper was shortlisted three times in two categories: SME Advisory Team of the Year and SME Deal of the Year for the management buy-out of Evac+Chair International and the sale of Alca Fasteners to a buy-in team.

Darren Hodson, Corporate Finance Partner at Smith Cooper's Birmingham office, which provided sell side support to Alca's shareholders commented: "It highlights our credentials and capabilities having two transactions shortlisted for the SME Deal of

the Year, but to win for a third year is a fantastic achievement for the team. The award is testament to our commitment to delivering an exceptionally high standard of service to our clients and is yet another demonstration of Smith Cooper's growing reputation for Corporate Finance services across the Midlands and further afield."

The Insider Awards are extremely prestigious in the region's calendar, recognising leading professionals who have successfully created deals over the past 12 months.

The award follows another successful year for Smith Cooper Corporate Finance which advised on 28 deals during its financial year ended March 2017. The team also secured top 10 rankings by deal volume in the Midlands, North-East and Northern Ireland Experian M&A league tables for H1 2017 and, more recently, was placed 10th in Experian's August 2017 UK-wide league table.



LEADING BRITISH DESIGNER AND MANUFACTURER OF WORKWEAR, WEARWELL GROUP, IS SOLD

Wearwell Group Limited, British designers and manufacturers of high quality technical workwear, has been sold to Richard Wright in a deal advised by the Corporate Finance division of Smith Cooper.

Established in 1939, the company has a long legacy of strong customer retention based on service, quality, innovation and price, with many leading global blue-chip brands using its garments.

With significant manufacturing capability in the UK, Wearwell is well known in the market due to its ability to provide customers with a 24-hour response time along with a range of value-added services, including alterations, embroidery, heat seals and the manufacture of non-standard sizes.

Smith Cooper's Corporate Finance division was appointed to provide full sale process management services to the sellers during the transaction. This included marketing, buyer identification, negotiation and process management.

The business was sold to Richard Wright, who was previously Vice President of international workwear supplier Kwintet, supported by Private Equity firm Rockpool Investments. Ed Wesson, one of the Smith

Cooper Corporate Finance team that advised on the transaction, commented: "We were delighted to assist in the successful sale of Wearwell, and believe the buyer will only enhance the existing range of value-added services offered by the business. The amalgamation of Richard Wright's and Wearwell's industry expertise will bolster the growth of Wearwell and preserve its legacy."

Bea Greasley, former CEO of Wearwell, commented: "When planning my retirement as Managing Director and controlling shareholder from the Wearwell Group, I had no hesitation in choosing Smith Cooper as my advisers. I found them extremely knowledgeable and helpful when guiding me through the many complex issues that arose during the process. Their team are consummate professionals, who strive to explore every avenue available and have their clients' best interests at heart.

From start to finish, I found the team very personable offering sound, pragmatic advice which was commercially realistic and delivered in a professional manner. Their promptness and flexibility throughout the whole process was greatly appreciated, particularly during stressful periods. I want to thank them all for a very successful outcome and I would have no hesitation in recommending them."



DISTRIBUTION BUSINESS SOLD TO FORMER BANKER

Following recommendation by a previous client, Smith Cooper initiated and project-managed a deal for North-East based Wiltshire Farm Foods (Newcastle) Limited, a franchisee of the UK's leading frozen meal home delivery business Wiltshire Farm Foods (WFF), which has been sold to ex-banker, Robbie Jones.

The sellers, John and Helen Moran, successfully grew the WFF business over a 10 year period and the sale has enabled them to focus on their other business interests in the care and sauce distribution sectors.

A team from Smith Cooper's Corporate Finance division, comprising John Farnsworth, David Crump and Nicola Whiting, was appointed to provide full sale process management services to the sellers. This included identifying the buyer, negotiation and process management through the diligence and legal processes, culminating in completion.

David Crump, Corporate Finance Senior Manager at Smith Cooper, said: "We are delighted to have secured an exit for John and Helen and wish them every success in their other business ventures. We believe that Robbie's business experience puts him in an excellent position to prosper within, and add a lot of value to, the WFF franchise network."

John Moran added: "It has been a pleasure working with Smith Cooper. Appointing them to run the process was one of the best decisions I have ever made. I would not hesitate to recommend their services."

Prior to the acquisition, Robbie Jones was a Corporate Director for HSBC Bank Plc, managing clients across the North-East with a portfolio covering a broad cross-section of industries, including several franchise businesses. Before joining HSBC, Robbie had a strong track record in business management, having successfully run several businesses in the UK and overseas.

Smith Cooper Corporate Finance is a UK market leader in advising on food and drink sector deals, ranging from wholesaling of commodities to food manufacturing and retail. The sale of Wiltshire Farm Foods (Newcastle) Limited is the fifth frozen meal delivery transaction on which the firm have advised.

Wiltshire Farm Foods is the UK's leading frozen home meals delivery service. It is part of apetito UK, which manufactures and supplies nutritionally balanced meals to care homes, local authorities and hospitals and, through WFF, to individual households. Spokesman for WFF, Lee Sheppard, Director of Operations and Performance, said "we are delighted to welcome Robbie to our team and wish John and Helen every success in their other business interests."

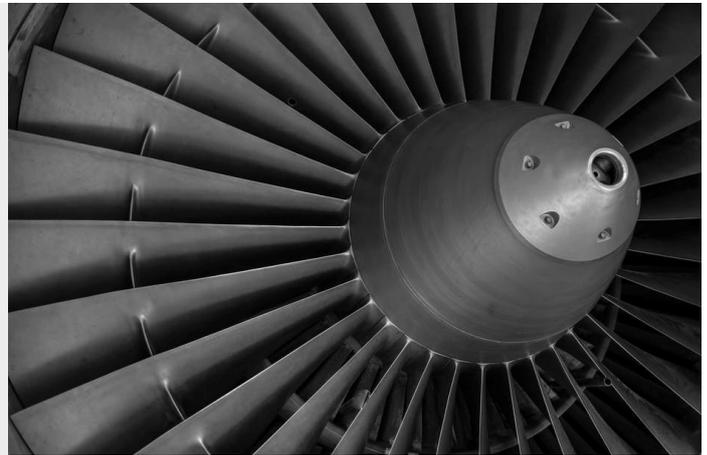


LEADING HIGH PERFORMANCE ENGINEERING GROUP, EPM: TECHNOLOGY GROUP, IS SOLD TO AS.G LTD

In a deal advised by Smith Cooper Partner, David Nelson, Derby-based epm: technology group, well known as a supplier of specialist composite components to Formula 1, Aerospace and Defence sectors, has been acquired by Manchester-based AS.G (Aero Services Global Limited), a global distributor of aviation consumables, as part of a multimillion pound “buy and build” strategy.

The acquisition marks the beginning of a progressive new strategy for both companies. epm: technology is best known for manufacturing and supplying components, assemblies and sub-systems in some of the most challenging engineering environments, whilst AS.G Ltd is a leading global distributor of lubricants, consumables, chemicals, standard hardware, composites, rotatables and tooling for the Aviation industry.

Graham Mulholland, CEO and founder of epm remarked: “The acquisition will allow us to continue the provision of our bespoke services in the Aerospace, Defence and Automotive industries. AS.G are able to provide us with the infrastructure and financial backing necessary to support the development of our organisation. It’s a fantastic confidence boost for our employees and clients alike, and provides us with the stability and capacity to move forward into much larger markets.”



He continued “The industry in which we operate necessitates continual research and development and process innovation, which in turn requires dedicated commitment to our staff and their development. The acquisition will facilitate investment into both factors, therefore ensuring we are able to offer our customers the highest quality products and services.”

Amin Amiri, the founder of AS.G Group commented “AS.G Ltd is establishing a dynamic engineering group of companies to service and develop opportunities in the Aerospace, Defence and Automotive markets. As an international company, we are keen to invest in innovative and pioneering organisations, and provide them with robust support to enable growth and ensure they continue to add value to their customers.”

epm: technology group

ENGINEERING MOMENTUM

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