

# Leading the way

A review of corporate finance  
deals in private equity

2017





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# Our performance in the private equity market over the past 24 months

Total number of deals involving private equity

95

Cumulative value of deals

£2bn

Number of cross-border deals

19

Average value of deals

£21m

Technology, media & telecommunications

27%

19%

Business services

Industrials

19%

19%

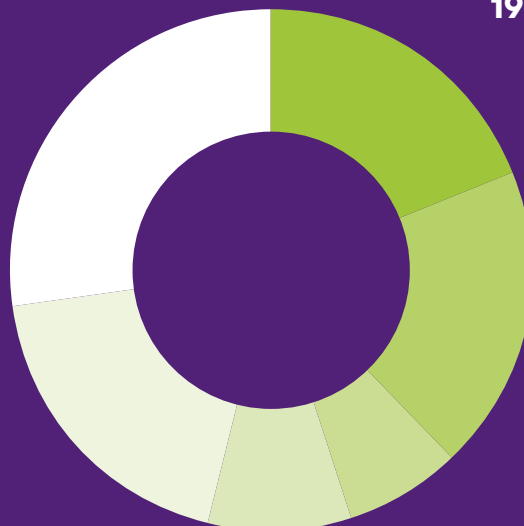
Consumer

Healthcare

9%

7%

Financial services



# Foreword



Following the political rollercoaster that was 2016 one could be forgiven for expecting a variety of negative market responses from the business community. Whilst the full economic and political implications of these macro factors still remains largely unknown this has only marginally unsettled the private equity community. Private equity investors have proven their ability and appetite through a number of economic cycles to continue investing, with 2017 proving to be no exception. Statistics for 2017 year-to-date have shown a steady stream of new deals across the market, barely showing any reduction in deal volumes.

The need for GPs to deploy capital remains strong with the ever-growing mountain of dry-powder maturing and we expect the fight for quality to continue, providing an element of robustness to pricing. The cardinal sin in private equity is to return capital to investors and we would expect pricing for top quality assets to remain high and deal processes to remain extremely competitive. We anticipate continued interest from overseas private equity seeking to take advantage of the favourable exchange rates created by the sterling's depreciation since the Brexit vote.

Notwithstanding the availability of capital and competitive pricing, we would certainly expect a shift in investment sectors from many parties with funds cautious around certain consumer-facing assets in lieu of a downturn. With an increased focus on areas such as cyber security, and high-margin consultancies where significant regulatory changes are imminent and creating opportunities.

With the private equity market appearing to be entering a phase of maturity after significant growth over the past few decades, there is renewed focus on operational improvement within portfolio assets. As the potential to generate acceptable returns through purely market arbitrage declines, private equity will have to enhance their returns through such business improvement.

Despite the market conditions, the volume of Grant Thornton's deal activity involving private equity firms in 2016 increased by 23% and based on completed transactions and ongoing activity in 2017 we are expecting another strong year.






















## **Mo Merali**

Partner and Head of Private Equity,  
Grant Thornton UK LLP

**T** 020 7728 2501

**E** [mo.merali@uk.gt.com](mailto:mo.merali@uk.gt.com)

# Business services

<b>TTC Driver Training Group Limited</b>   Investment in TTC Driver Training Group Limited by Palatine PE LLP Driver training courses £undisclosed July 2017 Grant Thornton provided due diligence services	<b>N M Rothschild &amp; Sons Limited</b> Five Arrows Principal Investments Investment in Opus 2 Magnum Holdings Limited Legal electronic document management £undisclosed July 2017 Grant Thornton provided due diligence services	<b>Capita plc</b>  Sale of specialist recruitment businesses to Endless LLP Recruitment: education, healthcare and social care £undisclosed June 2017 Grant Thornton provided corporate finance advisory, due diligence, SPA and business consulting services	<b>Third Bridge Group Limited</b>   Investment in Third Bridge Group Limited by IK Investment Partners Primary research business £undisclosed May 2017 Grant Thornton provided vendor due diligence and SPA advisory services	<b>H2 Equity Partners Limited</b>   Acquisition of Search Consultancy Limited Multi-specialist recruiter £undisclosed May 2017 Grant Thornton provided corporate finance advisory and due diligence services
<b>Brookson Group Limited</b>   Acquisition of 1st Group of Companies Limited Support services to the contractor market £undisclosed March 2017 Grant Thornton provided due diligence services	<b>Potensis Recruitment Limited</b>  Sale of Potensis Recruitment Limited to FL Partners Design and engineering £undisclosed January 2017 Grant Thornton provided vendor due diligence services	<b>Acoura Holdings Limited</b>  Sale of Acoura to Lloyd's Register Risk and compliance services across the food supply chain £undisclosed December 2016 Grant Thornton provided corporate finance advisory services	<b>Lonsdale Capital Partners</b>   Majority investment in P2 Consulting Limited Management consultancy £undisclosed December 2016 Grant Thornton provided due diligence services	<b>Equistone Partners Europe Limited</b>  Acquisition of T.O.M. Vehicle Rental Limited A commercial vehicle rental and dealership business £undisclosed December 2016 Grant Thornton provided due diligence services
<b>CBPE Capital LLP</b>  Acquisition of SAFEHEM Europe GmbH Sustainable cleaning products and services £undisclosed December 2016 Grant Thornton provided due diligence and SPA advisory services	<b>Renew Holdings plc</b>  Acquisition of Giffen Holdings Limited by Renew Holdings plc Transportation £undisclosed November 2016 Grant Thornton provided corporate finance advisory services	<b>Growth Capital Partners LLP</b>   Acquisition of Shorterm Group Limited UK based engineering recruitment business £undisclosed November 2016 Grant Thornton provided SPA advisory, due diligence services and exit advice	<b>Vespa Capital LLP</b>   Investment in Chase Search & Selection Limited Recruitment / resourcing £undisclosed July 2016 Grant Thornton provided due diligence services	<b>Babington Group</b>  Sale of Bridges Ventures backed Babington Group to RJD Partners Training – Employability and Skills £22.25 million April 2016 Grant Thornton provided corporate finance advisory, vendor due diligence, SPA advisory services



# Sale of Babington Group to RJD Partners

**Client name:**

Babington Group

**Private equity involvement:**

Bridges Ventures LLP;  
RJD Partners LLP

**Sector:**

Employability and skills

**Transaction type:**

Sale

**Services provided:**

Corporate finance advisory, vendor due diligence and SPA advisory services



**Babington Group, established in 1974, is a leading, national provider of end-to-end professional skills and employability services. The Group delivers the highest quality Apprenticeships and Traineeships, and is currently working with over 1,000 employers and 4,400 learners across a range of courses and is notably a market leader in Accountancy and Financial Services.**

**Background to deal**

Following a MBI with Bridges Ventures in 2009, the Group has impressively grown organically and via strategic acquisitions to deliver high learner success rates and achievement of a 'Good' Ofsted rating with 'Outstanding Features'.

The acquisition represents a secondary private equity buy-out by RJD Partners who will take the business through its next stage of growth. RJD Partners is a mid-market private equity fund and Babington is the second investment of RJD's third equity fund.

**Solution**

As part of the transaction, Grant Thornton provided corporate finance advisory services as well as vendor due diligence and SPA advisory services for the transaction.
















Grant Thornton ran a streamlined process which ultimately culminated in a highly competitive process resulting in an excellent result for the shareholders, including a fantastic return for Bridges Ventures, and an exciting growth platform for management, who will be staying with the business to continue their ambitious growth and expansion plans.

"We are so grateful for the great result that Grant Thornton delivered, especially the number of offers we received for the business on the back of driving a competitive process during such an exciting time in the industry. I was particularly impressed by the commitment, tenacity and aptitude from the team throughout the transaction, which produced a fantastic result for all shareholders. I would like to thank the team for the endless support they gave us and we are really grateful for everything they did to find us a great partner for the business going forward and I would not hesitate to recommend them."

**Carole Carson, Chief Executive, Babington Group**



# Consumer

<p>Aran Ard Teoranta/Cuisine Royale Manufacturing Ltd</p>  <p>Sale of a majority stake in 'Promise Gluten Free'</p> <p>Manufacture and distribution of bread / confectionary products</p> <p>£undisclosed July 2017</p> <p>Grant Thornton provided vendor due diligence, SPA and corporate finance advisory services</p>	<p>Connection Capital LLP</p>  <p>Investment in Kit For Kids Group Limited</p> <p>Manufacturer of children's products</p> <p>£undisclosed July 2017</p> <p>Grant Thornton provided due diligence services</p>	<p>NorthEdge Capital LLP</p>  <p>Investment in Clearly Drinks Group Limited</p> <p>Branded soft drinks and contract bottler</p> <p>£undisclosed March 2017</p> <p>Grant Thornton provided corporate finance advisory services</p>	<p>Warehouse Express Group Ltd (ta Wex Photographic)</p>  <p>Sale to Aurelius</p> <p>Retailer</p> <p>£undisclosed March 2017</p> <p>Grant Thornton provided vendor due diligence services</p>	<p>Stewart Plastics Limited</p>  <p>Sale of The Stewart Group</p> <p>Plastic gardening and catering products</p> <p>£undisclosed March 2017</p> <p>Grant Thornton provided due diligence and SPA advisory services</p>
<p>BVG Group Limited</p>  <p>Acquisition of Thompson &amp; Morgan Group Holdings Limited</p> <p>Multi-channel retailer of seeds, plants and garden accessories</p> <p>£undisclosed March 2017</p> <p>Grant Thornton provided corporate finance advisory services</p>	<p>La Compagnie des Desserts SA</p>  <p>Acquisition of Destiny Foods</p> <p>Food manufacturer</p> <p>£undisclosed December 2016</p> <p>Grant Thornton provided due diligence services</p>	<p>Prestige and Homeseeker Park &amp; Leisure Homes</p>  <p>Growth Capital</p> <p>Park home manufacturer</p> <p>£undisclosed September 2016</p> <p>Grant Thornton provided corporate finance advisory and tax advisory services</p>	<p>Ocee International Limited</p>  <p>Acquisition of Four Design A/S supported by Business Growth Fund</p> <p>Consumer Products – Office Furniture</p> <p>£undisclosed July 2016</p> <p>Grant Thornton provided corporate finance advisory and due diligence services</p>	<p>Hi-Life Group Limited</p>  <p>Sale of Hi-Life Diners Club to The Dining Club Group</p> <p>Restaurant dining club</p> <p>£undisclosed June 2016</p> <p>Grant Thornton provided corporate finance advisory services</p>
<p>Woodforde's Limited</p>  <p>Sale to Citra Partners</p> <p>Brewery</p> <p>£undisclosed April 2016</p> <p>Grant Thornton provided corporate finance advisory services</p>	<p>Kingsley Capital Partners</p>  <p>Acquisition of Janan Meat Limited</p> <p>Halal lamb and mutton products</p> <p>£undisclosed February 2016</p> <p>Grant Thornton provided due diligence services</p>	<p>Garrets International Limited</p>  <p>Sale of Garrets International to Wrist Ship Supply</p> <p>Marine catering services, food distributors</p> <p>£undisclosed January 2016</p> <p>Grant Thornton provided vendor assistance services</p>	<p>The BVG Airflo Group Limited</p>  <p>Minority stake sale to BGF</p> <p>Non high street multi-channel retailer</p> <p>£undisclosed January 2016</p> <p>Grant Thornton provided corporate finance advisory services</p>	<p>Giggling Restaurants Limited</p>  <p>Development capital raising and partial sale to BGF</p> <p>Thai casual dining</p> <p>£undisclosed November 2015</p> <p>Grant Thornton provided corporate finance advisory services</p>





# Investment in Clearly Drinks Group Limited by NorthEdge Capital LLP

**Client name:**

NorthEdge Capital LLP

**Sector:**

Food and beverage

**Transaction type:**

Acquisition

**Services provided**

Corporate finance advisory, financial modelling, debt advisory and IT due diligence services



**Clearly Drinks Group Limited ('the Group') is an independent soft drinks company, based in Sunderland, which owns and manufactures a range of well-established branded products, as well as offering an array of private label filling services.**

**Background to deal**

The Group was formed in May 2015, through the merger of Contract Bottling Limited (private label filling services) and Speaking Water Group (owner of a number of soft drinks brands).

Clearly Drinks has achieved strong revenue growth in the last 12 months, driven by its flagship sugar-free flavoured spring water brand, Perfectly Clear. The Group appointed a new CEO in February 2016 (Finn O'Driscoll, ex SHS) to drive and implement the growth strategy. Innovative NPD (new product development) and EPD (existing product development) are at the core of the Group's strategy.

**Solution**

Grant Thornton provided buy-side support to NorthEdge, including assistance in the preparation of a business plan and financial model, exit review, deal structuring, debt finance and other acquisition advice.









Following NorthEdge's investment, the management team plans to invest in plant to drive production efficiencies, and bolster the sales team to deliver growth, focusing on the discounter markets.

Grant Thornton used its food and beverage expertise to support NorthEdge and helped deliver a transaction within a very tight timescale.

**"Grant Thornton was responsive and committed in their assistance on the transaction. In a very time-critical process, GT was able to help us manage the deal in a successful manner."**

**John Rastrick, Partner, NorthEdge Capital LLP**

# Financial services

<p>Panmure Gordon &amp; Co plc</p> <p>PANMURE GORDON &amp; CO</p> <p>Sale to Ellsworth Limited</p> <p>Investment banking and stock broking</p> <p>£17.5 million      July 2017</p> <p>Grant Thornton provided corporate finance advisory valuation services and acted as Rule 3 Adviser</p>	<p>Ramsdens Holdings plc</p> <p></p> <p>Admission of Ramsdens Holdings plc to AIM</p> <p>Financial services provider and retailer</p> <p>£26.5m market cap February 2017 £15.6m raised</p> <p>Grant Thornton acted as reporting accountant</p>	<p>B.P. Marsh &amp; Partners plc</p> <p>B. P. MARSH &amp; PARTNERS PLC </p> <p>Investment in The Fiducia MGA Company Limited</p> <p>Financial services</p> <p>£undisclosed      November 2016</p> <p>Grant Thornton provided due diligence services</p>	<p>Brookson Group Limited</p> <p> </p> <p>Acquisition of Boomerang Support Services Limited</p> <p>Funding solutions to the contractor market</p> <p>£undisclosed      July 2016</p> <p>Grant Thornton provided due diligence services</p>	<p>DSG Financial Services Limited</p> <p></p> <p>Equity investment by Promethean Investments LLP</p> <p>Motor finance broker</p> <p>£undisclosed      January 2016</p> <p>Grant Thornton provided corporate finance advisory services</p>
<p>Baird Capital Partners Europe Limited</p> <p></p> <p>Divestment of Alpha Financial Markets Consulting</p> <p>Consulting</p> <p>£80 million      January 2016</p> <p>Grant Thornton provided vendor due diligence services</p>	<p>Hoist Finance UK Limited</p> <p></p> <p>Acquisition of Compello Holdings Limited</p> <p>Financial services</p> <p>£undisclosed      July 2015</p> <p>Grant Thornton provided due diligence services</p>	<p>Ignition Credit plc</p> <p></p> <p>Sale of Ignition Credit plc to STAR Asset Finance</p> <p>Asset finance broker/funder</p> <p>£undisclosed      March 2015</p> <p>Grant Thornton provided corporate finance advisory and due diligence services</p>		

# Sale of Panmure Gordon & Co plc to Ellsworth Limited

## Client name:

Panmure Gordon & Co plc

## Private equity involvement:

Atlas Merchant Capital LLC

## Sector:

Investment banking and stock broking

## Transaction type:

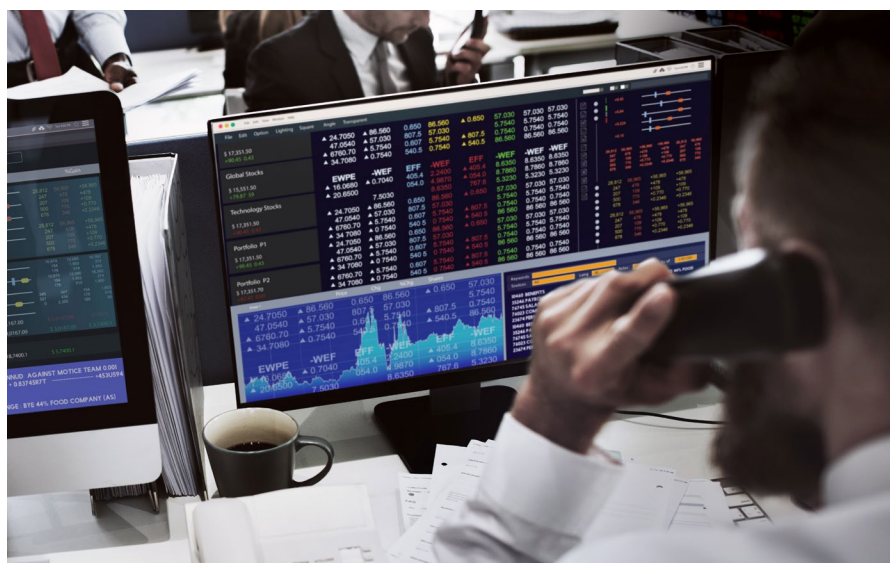
Sale

## Services provided:

Corporate finance advisory, Rule 3 adviser and valuations services

## Geographies served:

Qatar and United Kingdom



Panmure Gordon is a long-standing client of Grant Thornton UK, having acted as Nomad to the listed investment banking and institutional stockbroking firm for the last 9 years.

## Background to deal

Panmure Gordon is a corporate advisory stockbroker focused on the UK small & mid-market. The company has offices in London, Leeds and Doha and acts as corporate broker or adviser to approximately 130 UK listed companies, providing sales and trading to institutional investors, produces research on a wide range of companies and makes markets in the UK.













## Solution

Grant Thornton provided corporate finance, City Code and valuations advice in its capacity as Panmure Gordon's Rule 3 adviser (as required under the City Code) on the sale of the group by way of a scheme of arrangement to Ellsworth Limited, a company owned and controlled by QInvest LLC, an existing 43% shareholder in Panmure Gordon and by a wholly-owned subsidiary of a fund managed by Atlas Merchant Capital LLC and founded by former group chief executive of Barclays plc, Bob Diamond, in a deal which values the group at approximately £17.5 million.

"We appointed Grant Thornton because of our long standing relationship and their experience in Takeover Code transactions. We greatly appreciate the support and guidance the Grant Thornton team gave to us throughout the process and the team worked seamlessly with advisers on both sides to a tight timetable."

**Andrew Adcock, Chairman, Panmure Gordon & Co plc**

# Healthcare

<b>Bangeston Autism Care Services</b>  <b>Sale to Orbis Education and Care Limited</b> Residential care £undisclosed September 2017 Grant Thornton provided corporate finance advisory services	<b>Medical Solutions UK Limited</b>  <b>Sale of Medical Solutions UK Limited to Marcol Health</b> Healthcare services provider £undisclosed May 2017 Grant Thornton provided corporate finance advisory services	<b>BGF/Pharmacy2U Limited</b>  <b>Investment in Pharmacy2U Limited merger with chemistdirect.co.uk</b> Pharmaceuticals £10 million July 2016 Grant Thornton provided due diligence services	<b>Daniels Healthcare Group Limited</b>  <b>Sale of Daniels Healthcare Group Limited to MAUSER Group</b> Sharps containers £undisclosed July 2016 Grant Thornton provided corporate finance advisory services	<b>Burgess Diagnostics Limited</b>  <b>Sale of Burgess Diagnostics to Solingen Private Equity</b> Mobile diagnostic imaging services provider to veterinary sector £undisclosed March 2016 Grant Thornton provided corporate finance advisory services
<b>The Care Division Limited</b>  <b>Sale to Alina Homecare</b> Domiciliary learning disability care business £undisclosed February 2016 Grant Thornton provided corporate finance advisory services	<b>Dycem Limited</b>  <b>Sale to SEA Equity</b> Contamination control and non slip blended polymer products £undisclosed January 2016 Grant Thornton provided corporate finance advisory services	<b>Palatine Private Equity / Vernacare</b>  <b>MBO of Vernacare by Palatine Private Equity</b> Single use healthcare products £undisclosed October 2015 Grant Thornton provided corporate finance advisory and tax advisory services	<b>Clinisupplies Limited</b>  <b>Sale to Sutures India</b> Medical products £undisclosed May 2015 Grant Thornton provided corporate finance advisory services	<b>Companion Care Vets</b>  <b>Acquisition of Northwest Surgeons</b> Specialist veterinary services £undisclosed April 2015 Grant Thornton provided due diligence services
<b>Meridian Healthcare Limited</b>  <b>Sale to HC-One Limited</b> Operator of care homes £undisclosed February 2015 Grant Thornton provided corporate finance advisory and tax services	<b>DNA Electronics Limited</b>  <b>Acquisition of Nano MR Inc</b> Pathogen capture technology direct from blood \$24 million January 2015 Grant Thornton provided due diligence services			

# Sale of Daniels Healthcare Group Limited to MAUSER Group

**Client name:**

Daniels Healthcare Group Limited

**Private equity involvement:**

Clayton, Dubilier & Rice LLC

**Sector:**

Medical devices

**Transaction type:**

Sale

**Services provided:**

Corporate finance advisory services

**Geographies served:**

North America, Germany and United Kingdom



Daniels Healthcare Group ('Daniels') was founded in 1978 as a manufacturer of moulded polypropylene waste containers. Since 1992 it has been under the ownership and management of Howard Simler and Maurice Hatton who have grown Daniels to become the pre-eminent supplier of sharps containers to the UK healthcare sector under its SHARPSGUARD range.

**Background to deal**

Based in Kidlington, Oxfordshire, Daniels now employs over 80 people manufacturing and marketing a wide range of sharps containers supplying the majority of NHS hospital trusts in the UK along with many other customers in the healthcare sector.

Grant Thornton was already well-known to majority shareholder Howard Simler as a result of previous work done for him and was his first choice of partner to help find a suitable buyer for the business.

**Solution**

The Grant Thornton team ran a competitive process to a well-researched shortlist of both UK and overseas based trade buyers.
















As a result of that process MAUSER Group was selected as the preferred buyer for the business. MAUSER is a world leading company in rigid industrial packaging and Daniels product range fits naturally into their MAUSER WIVA Medical Waste Container System. Indeed MAUSER were already well known to Daniels as a supplier of a range of large containers complementing Daniels own manufactured range.

Grant Thornton provided Corporate Finance Advisory services, utilising its strong international network to approach potential buyers, enabling a seamless and joined-up process for all parties.

"The Grant Thornton Corporate Finance team, led by Wendy Hart, clearly understood the value drivers of Daniels Healthcare and ensured the business was strategically positioned for a process and worked extremely hard to drive the process to a successful conclusion, meeting and exceeding shareholders' expectations."

**Howard Simler, Managing Director, Daniels Healthcare Group Limited**

# Technology, Media and Telecommunications

<p>Roc Technologies Limited</p>  <p>Minority sale to BGF and acquisition of City Change Management</p> <p>IT services</p> <p>£Undisclosed September 2017</p> <p>Grant Thornton provided corporate finance advisory services</p>	<p>Magdalene Holdings Limited</p>  <p>Sale to M Group Services Limited</p> <p>Telecommunications infrastructure</p> <p>£Undisclosed September 2017</p> <p>Grant Thornton provided corporate finance advisory services</p>	<p>Esendex Topco Limited</p>  <p>Sale of Esendex to HgCapital</p> <p>Business critical application-to-person messaging solutions</p> <p>£Undisclosed June 2017</p> <p>Grant Thornton provided vendor due diligence services</p>	<p>Nom-iq Limited (t/a Com Laude) &amp; Valideus Limited</p>  <p>Investment by Vespa Capital LLP</p> <p>Domain names, registry and online intellectual property management</p> <p>£Undisclosed May 2017</p> <p>Grant Thornton provided corporate finance advisory, due diligence, tax and modelling services</p>	<p>Infomedia Services Limited</p>  <p>Debt finance from Beechbrook Capital LLP</p> <p>Monetisation of mobile content via Direct Carrier Billing</p> <p>£Undisclosed March 2017</p> <p>Grant Thornton provided vendor due diligence services</p>
<p>PEI Group Topco Limited</p>  <p>Refinancing</p> <p>Media and publishing</p> <p>£Undisclosed December 2016</p> <p>Grant Thornton provided due diligence services</p>	<p>Rigby Private Equity / Nuvias</p>  <p>Acquisition of a majority stake in SIPHON Networks Limited</p> <p>Unified Communications</p> <p>£Undisclosed October 2016</p> <p>Grant Thornton provided due diligence services</p>	<p>White Clarke Group</p>  <p>Investment by Five Arrows Principal Investments in White Clarke Group</p> <p>Automotive and asset finance software and consultancy services</p> <p>£Undisclosed October 2016</p> <p>Grant Thornton provided vendor assistance services</p>	<p>Attenda Limited</p>  <p>Sale of Attenda Limited to Ensono</p> <p>Critical applications and hybrid IT managed services</p> <p>£Undisclosed September 2016</p> <p>Grant Thornton provided vendor assistance services</p>	<p>Tenzing Private Equity</p>  <p>Acquisition of Bond Payroll Services Limited, Bond HR &amp; Payroll Software Limited &amp; Eurowage Limited</p> <p>Software and payroll services provider</p> <p>£30 million August 2016</p> <p>Grant Thornton provided due diligence services</p>
<p>RJD Partners Limited</p>  <p>Sale to MBO team backed by WestBridge Capital</p> <p>Network and Wi-Fi services</p> <p>£10.5 million July 2016</p> <p>Grant Thornton provided corporate finance advisory and tax services</p>	<p>Sabio Limited</p>  <p>Management buyout of founder shareholders</p> <p>Contact centre technology solutions</p> <p>£50 million June 2016</p> <p>Grant Thornton provided corporate finance advisory, tax and SPA advisory services</p>	<p>Amadeus Capital Partners Limited</p>  <p>Investment in Relayware Limited</p> <p>Computer hardware and software</p> <p>\$11 million May 2016</p> <p>Grant Thornton provided due diligence services</p>	<p>NVM Private Equity / myparceldelivery.com</p>  <p>Investment in myparceldelivery.com Limited</p> <p>Delivery management software</p> <p>£Undisclosed April 2016</p> <p>Grant Thornton provided due diligence services</p>	<p>Cerillion plc</p>  <p>Admission to AIM and loan finance raised</p> <p>Billing, charging and CRM software solutions provider</p> <p>£15 million March 2016</p> <p>Grant Thornton acted as reporting accountant</p>





# Investment in Com Laude and Valideus Ltd by Vespa Capital LLP

**Client name:**

Com Laude and Valideus Limited

**Private equity involvement:**

Vespa Capital LLP

**Sector:**

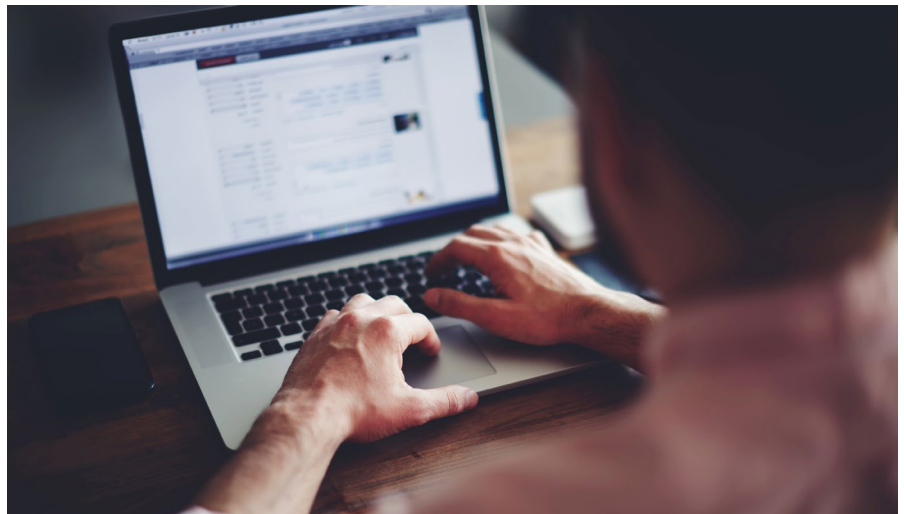
Domain names, registry and online intellectual property management

**Transaction type:**

Sale

**Services provided:**

Corporate finance advisory; due diligence; tax and modelling services



Com Laude and Valideus were founded by Nick Wood and Lorna Gradden in 2005 to provide support for brand owners seeking to protect and position their intellectual property in the domain name system.

Com Laude is a corporate domain name registrar and Valideus is a market-leading consultancy which delivers strategic advice and services to Dot Brand new gTLD registry operators.

**Background to deal**

The shareholders were seeking to crystallise value from their investment to date, and bring on board the right funding partner to capitalise on the significant growth opportunities available and maximise the strategic value in the business in the medium term.

**Solution**

We worked closely with the shareholders, understanding what was important to them, whilst refining the business plan, building a financial model, and exploring a variety of investment options with potential investors. The shareholders received a number of attractive offers and concluded that Vespa Capital was the right partner to support them through the next phase of the journey for the business.

**How we made a difference**


























Grant Thornton provided corporate finance advisory, modelling, vendor due diligence and tax advisory services, enabling a seamless and joined-up process for all parties throughout.

“The Grant Thornton team provided us with excellent advice and support. They are strategic, commercial, responsive and tireless. They helped us to develop an international vision for our business that was backed up by sound financial plans. They then guided us through a complex sale process to a result that exceeded our expectations. When we needed specialist support, they had access through the Grant Thornton network to experts who fitted neatly into the team. We will work with them again and we recommend them highly.”

**Nick Wood, Founder & Managing Director, Com Laude**



# Industrials

<b>T.O.M. Group Limited</b>  <b>Acquisition of Transflex Vehicle Rental Limited</b> Automotive £undisclosed August 2017 Grant Thornton provided due diligence services	<b>Magal Engineering Limited</b>  <b>Sale of Arlington Industries Group Limited</b> Automotive manufacturing £undisclosed May 2017 Grant Thornton provided corporate finance advisory services	<b>The DMC Group Holdings Ltd / BlueGem Capital Partners LLP</b>   <b>Acquisition of Sirdar Group</b> Yarn manufacturing and distribution £undisclosed April 2017 Grant Thornton provided due diligence services	<b>Connection Capital LLP</b>   <b>MBO of Clamason Industries Limited</b> Precision pressings and stampings £undisclosed December 2016 Grant Thornton provided due diligence and operational advisory services	<b>2Excel Aviation Limited</b>  <b>Fundraising</b> Aviation £14.5 million December 2016 Grant Thornton provided corporate finance advisory and vendor due diligence services
<b>Connection Capital LLP</b>   <b>Investment in IconX Holdings Limited</b> Automated key cutting machines £undisclosed November 2016 Grant Thornton provided due diligence services	<b>LDC</b>   <b>MBO of PAW (Holdings) Limited</b> Design, manufacture and erection of light gauge steel building systems £undisclosed September 2016 Grant Thornton provided corporate finance advisory services	<b>Elysian Capital LLP</b>   <b>Acquisition of Raymond Brown Minerals &amp; Recycling Limited</b> Quarrying, waste management and recycling £undisclosed August 2016 Grant Thornton provided due diligence services	<b>John Henry Group</b>  <b>Investment by Growth Capital Partners</b> Telecommunications Infrastructure services £23.3 million June 2016 Grant Thornton provided corporate finance advisory services	<b>Rimstock plc</b>  <b>Acquisition of Rimstock plc by Safanad / Current Capital</b> Automotive wheels £undisclosed April 2016 Grant Thornton provided due diligence services
<b>Akcros Holdings Limited</b>   <b>Sale to private equity backed Valtris Specialty Chemicals</b> Manufacturer of speciality chemicals used in production of polymers £undisclosed April 2016 Grant Thornton provided corporate finance advisory, tax and SPA advisory services	<b>BFF Nonwovens Limited</b>   <b>Growth capital investment in BFF Nonwovens Limited by BGF Investments LLP</b> Bespoke nonwoven fabrics £undisclosed April 2016 Grant Thornton provided due diligence services	<b>Synbra UK Limited</b>    <b>MBO of Jablite and Styropack</b> Building materials and packaging £undisclosed April 2016 Grant Thornton provided corporate finance advisory services	<b>Interfloor Group Limited</b>  <b>Sale to Victoria plc</b> Manufacturer of carpet underlay and related accessories £65 million September 2015 Grant Thornton provided due diligence services	<b>OTEAC Limited</b>   <b>Acquisition of HVAC &amp; Refrigeration Engineering Limited by Oteac Limited</b> Heating, ventilation and air conditioning solutions £10.25 million May 2015 Grant Thornton provided due diligence services



# Sale of Akcros Holdings Limited to Valtris Specialty Chemicals

**Client name:**

Akcros Holdings Limited

**Private equity involvement:**

GIL Investments Limited; HIG Capital LLC

**Sector:**

Chemicals

**Transaction type:**

Sale

**Services provided:**

Corporate finance advisory, TAS tax advisory and SPA advisory services

**Geographies served:**

North America and United Kingdom



**Akcros is one of the world's leaders in the field of additives for the processing and manufacturing of polymers which are used to improve products, process and profitability for customers in many industries including sealants, paint and coatings markets.**

**Background to deal**

In 2007, a majority stake in Akcros was purchased by GIL Investments, a private investment firm specialising in turnaround or distressed investing, certain MBOs & acquisitions of non-core assets from corporate owners.

In November 2015, Akcros acquired the trade and certain assets of the operations of Lamberti based in Italy.

**Solution**

In late 2015, Akcros entered into discussions over the potential sale of the business into Polymer Additives INC (trading as Valtris Speciality Chemicals). Grant Thornton Corporate Finance was subsequently contacted by the management team in December 2015 to provide additional assistance in delivering the deal to completion following the signing of a letter of intent on 28 December 2015.

Grant Thornton's role in the transaction involved support in respect of drafting legal documentation and negotiation support in relation to the net working capital and locked box mechanism. This resulted in an improved equity value to the vendors.

“Grant Thornton advised us on the acquisition by Valtris, giving clear guidance on all financial matters, including the locked box mechanism. The locked box was a new concept to the selling and buying side teams and GT gave this mechanism good structure and accuracy, allowing all concerned to understand the transaction. They also conducted the anti-trust work that enable successful filings in various countries. Overall an excellent company to work with.”

**Richard Catchpole, President, Europe and Asia, Akcros Holdings Limited**

## Notes

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For more information on Grant Thornton International member firms, please visit [www.grantthornton.global](http://www.grantthornton.global)

#### Head of private equity

##### Mo Merali

T 020 7728 2501

E [mo.merali@uk.gt.com](mailto:mo.merali@uk.gt.com)

#### Private equity coverage

##### Michael Gray

T 020 7728 2967

E [michael.gray@uk.gt.com](mailto:michael.gray@uk.gt.com)

##### Valentina Vitali

T 020 7865 2896

E [valentina.vitali@uk.gt.com](mailto:valentina.vitali@uk.gt.com)

#### Central & East

##### Phil Sharpe

T 0122 322 5609

E [phil.j.sharpe@uk.gt.com](mailto:phil.j.sharpe@uk.gt.com)

##### Darren Bear

T 0122 322 5673

E [darren.m.bear@uk.gt.com](mailto:darren.m.bear@uk.gt.com)

#### London

##### Andy Morgan

T 020 7865 2626

E [andrew.morgan@uk.gt.com](mailto:andrew.morgan@uk.gt.com)

##### Pete Dawson

T 020 7728 3197

E [peter.dawson@uk.gt.com](mailto:peter.dawson@uk.gt.com)

##### Paul H Martin

T 020 7865 2118

E [paul.h.martin@uk.gt.com](mailto:paul.h.martin@uk.gt.com)

#### Midlands

##### Claire E Davis

T 0114 262 9728

E [claire.e.davis@uk.gt.com](mailto:claire.e.davis@uk.gt.com)

##### Alex Hyde

T 0121 232 5245

E [alex.s.hyde@uk.gt.com](mailto:alex.s.hyde@uk.gt.com)

#### North

##### Richard Goldsack

T 0113 200 2653

E [richard.goldsack@uk.gt.com](mailto:richard.goldsack@uk.gt.com)

##### Philip Grindley

T 0161 953 6452

E [philip.grindley@uk.gt.com](mailto:philip.grindley@uk.gt.com)

##### Peter Terry

T 0161 953 6350

E [peter.terry@uk.gt.com](mailto:peter.terry@uk.gt.com)

##### Dan Rosinke

T 0113 200 2507

E [dan.u.rosinke@uk.gt.com](mailto:dan.u.rosinke@uk.gt.com)

#### Scotland

##### Neil McInnes

T 0141 223 0618

E [neil.mcinnnes@uk.gt.com](mailto:neil.mcinnnes@uk.gt.com)

##### Barry Fraser

T 0122 492 5986

E [barry.g.fraser@uk.gt.com](mailto:barry.g.fraser@uk.gt.com)

#### South

##### Wendy Hart

T 0186 579 9938

E [wendy.e.hart@uk.gt.com](mailto:wendy.e.hart@uk.gt.com)

##### John Panteli

T 0117 305 7680

E [john.panteli@uk.gt.com](mailto:john.panteli@uk.gt.com)

##### Trefor Griffith

T 0787 640 8624

E [trefor.a.griffith@uk.gt.com](mailto:trefor.a.griffith@uk.gt.com)

#### Transactional advisory services buy-side and sell-side

##### Debt Advisory

##### Chris McLean

T 020 7865 2133

E [christopher.mclean@uk.gt.com](mailto:christopher.mclean@uk.gt.com)

#### Financial due diligence (FDD & VDD)

##### Mo Merali

T 020 7728 2501

E [mo.merali@uk.gt.com](mailto:mo.merali@uk.gt.com)

#### Financial Modelling

##### Rob Bayliss

T 020 7865 2655

E [rob.bayliss@uk.gt.com](mailto:rob.bayliss@uk.gt.com)

#### IT / Technology / Digital Diligence

##### Richard Joyce

T 020 7728 2161

E [richard.joyce@uk.gt.com](mailto:richard.joyce@uk.gt.com)

#### Operational Diligence

##### Alan Dale

T 020 7865 2777

E [alan.dale@uk.gt.com](mailto:alan.dale@uk.gt.com)

#### Strategy and Commercial Due Diligence (CDD & VDD)

##### Ven Balakrishnan

T 020 7865 2695

E [ven.balakrishnan@uk.gt.com](mailto:ven.balakrishnan@uk.gt.com)

#### Sale and Purchase Agreement Advisory

##### Nick Andrews

T 020 7865 2174

E [nick.d.andrews@uk.gt.com](mailto:nick.d.andrews@uk.gt.com)

#### Transactional Tax

##### David Hewitt

T 020 7728 2300

E [david.a.hewitt@uk.gt.com](mailto:david.a.hewitt@uk.gt.com)

#### Working Capital

##### Mark O'Sullivan

T 020 7728 3014

E [mark.osullivan@uk.gt.com](mailto:mark.osullivan@uk.gt.com)



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