



hiltonsmythe
Business Advisers

TRANSACTIONAL & ADVISORY SERVICES



**HILTON SMYTHE.
DO MORE
THAN JUST SELL
BUSINESSES**



THE HILTON SMYTHE DIFFERENCE

As one of the nation's most trusted Business Advisers, we help thousands of people buy, sell and grow their businesses, operating in most sectors, throughout the UK. As such, our portfolio runs the gamut of industries in the UK, a fact mirrored in our ability to offer highly specialised expertise.

Matching this expertise with a director led approach, our Corporate Business Advisers can provide top-down, highly informed, and thorough guidance to a range of corporate clients. At Hilton Smythe Corporate, we advise on deals in the £1M to £20M range, so you know you're getting the specialist dedication you need and deserve, from a highly skilled and experienced team, which result in the Hilton Smythe difference.

GARETH SMYTH, CEO, Hilton Smythe Group.

KEY HIGHLIGHTS



Over £1 billion*
combined value of businesses we
have advised since 2011.



Top 10 Worldwide Adviser
2021 Refinitiv Global M&A Small-
Cap Financial Advisory league tables.



Over 1,100
completed deals since 2011.



Gold Trusted Service Award
Feefo 2021/2022.



Outstanding employer 2022
Best Companies.

Date accurate at time of print 31/03/2022. *This figure is taken from businesses we have advised and listed for sale.

EXPERIENCE TO DELIVER

Our Corporate team are hand picked and offer significant experience of completing high profile Mergers & Acquisitions of up to £20M. Many of the team have worked in both industry and M&A specifically, allowing them to relate to our clients' requirements and experiences.



SIMON DANVERS, Corporate Director.



JACOB LORD, Corporate Deal Executive.



EMMA FLOOD, Corporate Account Manager.



IAN FLOOD, Corporate Research Analyst.

WHY CHOOSE HILTON SMYTHE CORPORATE?

Our clients are the centre of everything we do at Hilton Smythe. Your goals and ambitions fuel our approach and focus from start to finish. Whether you are looking for an opinion of your businesses value or have made the decision to sell, your priorities become our priorities.

Having specialised in helping owner managed businesses through the Mergers & Acquisitions process for over ten years, we have formed some key principles and contacts which deliver results, for you.

A RANGE OF DEDICATED SERVICES FOR OWNER MANAGED BUSINESSES

At Hilton Smythe Corporate, we offer a range of corporate services designed to prepare businesses for sale.

1. EXIT STRATEGY REVIEW.

2. VALUATION OPINION.

3. COMPANY SALE.

4. ACQUISITION SUPPORT.



DIRECTOR-LED EXPERT APPROACH

We are passionate about supporting our clients through both the planning and implementation of the sale or acquisition process. Our Director-Led approach, means you get the best possible advice from start to finish.



WE USE REAL DATA, NOT SPECULATION

We focus on guiding your expectations through data, not speculation.

From our opinion of value ranges to approaching potential acquirers, we use both third-party and proprietary data to deliver results that are within expectation.



DEDICATED TEAM FROM START TO FINISH

Unlike other M&A advisers or brokers advising owner-managed business owners like you, we appoint a small, hand selected team to work with you throughout your journey with us. You will know who your team is from the outset and each member of the team will be a specialist in an essential area of the process.



PREPARATION FOCUSED, RESULTS DRIVEN

You will have heard the saying, 'fail to prepare, prepare to fail', unlike other advisers or brokers, we spend the time needed to prepare your business for the road ahead. Our process is designed to ensure the selling process is as smooth, and as successful as possible.

BESPOKE, TARGETED SALES STRATEGIES

COMPANY SALE

As part of Hilton Smythe Corporate, we work closely with owner managed businesses and entrepreneurs so that our seller support services are best placed to ensure client satisfaction.

As such, we provide a dedicated experienced adviser and support team, which, along with our international reach, will best assist in the sale of your company. Our experts are well versed in company sales and offer sell side advisory services with maximising value in mind.

We employ a proven, disciplined, and pragmatic approach to selling companies in the £1M to £20M space. It starts with us getting to know you and your business inside out, so that we can understand your goals and more importantly, how to make them happen.



OUR SERVICE INCLUDES:

- Getting to know you and your business in depth.
- Indicative valuation.
- Design a value maximising sales process.
- Preparation of confidential information memorandum.
- Identifying and approaching potential acquirers.
- Dealing with indicative offers.
- Coordination of site visits (if appropriate).
- Handling enquiries and execution of Non-Disclosure Agreements.
- Negotiating letters of intent.
- Management of the due diligence process and data rooms.
- Contractual negotiations and management of the legal process through to closing.

COMPANY SALES THAT MAXIMISE VALUE

HOW WE FIND YOUR BUYER

DEDICATED TO THE BEST BUYER MATCH

At Hilton Smythe Corporate, we make it our mission to match you with the best possible buyer, using our far-reaching network, specialised tools, and comprehensive knowledge of the market.

Our bespoke outreach systems make use of up-to-date research and data to identify and match you with the buyers that most closely align to your priorities and corporate profile.

Specialising in big data, our listings are up-to-date and proactive: scanning who is acquisitive within your sector and who has the financial means and the experience to purchase your company. This is also supplemented by a wealth of experience and extensive business network, which we leverage to find buyers in places our competitors can't.

To fully ensure your business gets the exposure it requires, we also advertise your business with all the appropriate business listings websites. Working in tandem with businesses, we tailor the marketing as appropriate, using the platforms and methods available to produce maximum interest levels from prospective buyers.



SECURING THE BEST BUYER MATCH

Once we have identified a list of potential buyers, we will begin confidentially prospecting to secure as many genuine expressions of interest as possible. In doing so, we will use our professional network, our online portals, and our retained buyers data to locate the best possible fit for your company.

Using our data-driven research methods, we can accurately search and filter a variety of criteria, including financial capability, geographical location, and acquisition history to name a few.



ASSESSING FINANCIAL CAPABILITY

It's important to find a buyer who has secure finances to ensure a change of ownership also means an opportunity for the business to grow and fully retain its staff.

To secure the very best buyer match, we screen for suitable acquirers based on their financial capabilities to acquire your business. In doing so, we assess a range of criteria, such as buyers who have a proven record of maintaining a period of consistent growth.



GEOGRAPHICAL SUITABILITY

We also make a point to analyse our datasets geographically, segmenting by country, region, or local area, enabling us to focus on those who are operating in regions that may best compliment your business once acquired.

Our aim is to secure a handover that prioritises the ongoing success of the business. As such, we believe that a buyer who has a close understanding of your local market is in the best position to make this happen.



ACQUISITION HISTORY

Track records say a lot, particularly when it comes to the likelihood of a successful sale and a smooth transition after a deal has been made. For this reason, we make a point of analysing the historical acquisitions of the buyers in our network.

These results allow us to identify who is active in the sector and which organisations are geared up to secure a new purchase, allowing us to connect them to you.

EXIT OPTIONS EXPLAINED

There are many different methods of selling a company. Below we outline some of the methods that may be most appropriate for you.

MBO (MANAGEMENT BUY OUT)

The first element of our Trade and Acquisition strategy is reflected in our MBO (Management Buy Out) options. Here, we will support you in designing deal structures that work for the buyers, sellers, lenders, and equity investors equally in bringing the transaction to completion. MBOs are ideal for private businesses where owners are looking to retire and where there is a strong management team in place.

PE (PRIVATE EQUITY)

The second element to our strategy is reflected in our Private Equity offerings. PE offers the possibility of access to direct investment without the need to be listed on a public exchange. We at Hilton Smythe Corporate can provide access to a wide network of PE investors that match your corporate profile.

EOT (EMPLOYEE OWNERSHIP TRUSTS)

We are pleased to provide options for Employee Ownership Trusts. EOTs are a novel form of employee benefit trust established by the government to encourage greater adoption of the 'John Lewis' model of corporate structure. This model provides greater opportunities for employee-ownership of businesses via indirect holding. EOTs are an especially compelling option due to the generous tax breaks the government has introduced for sellers adopting this model. We at Hilton Smythe are happy to provide support and advice at every step of the way for business owners looking to move toward exit through selling their shares to an EOT.

TRADE

We make a point to offer a range of solutions, including those pertaining to a horizontal or vertical trade. In a horizontal trade, you will be selling your business to a competitor, either nationally or internationally. Given our intensive understanding, knowledge of the market, and links to businesses in a range of industries, we believe we are best placed to identify a suitable business for this kind of sale.

Alternatively, a vertical trade sale occurs should you want to sell your business to a customer or supplier, which will be particularly lucrative as there may be numerous inter-company savings to be made. Given the complicated natures of these sales, we believe we are best suited to negotiate with the required sensitivity, due diligence and with understanding of any legal complications.



OUR PROCESS EXPLAINED



PREPARE (8-12 WEEKS)*

- Detailed fact find and financial analysis of the business to identify and resolve potential issues and ascertain likely value ranges.
- Working with you to prepare the core marketing materials including detailed Information Memorandum, Financial Analysis, Forecasts and relevant confidential marketing materials.
- Research and identification of prospective purchasers to approach from both our own and third-party international databases of acquirers and investors resulting in an approved Research List.



IDENTIFY (3-6 MONTHS)*

- Pro-active and confidential outreach to your approved Research List by multiple methods of communication aimed at generating the most prospective purchasers.
- Confidential advertising across appropriate company sales portals and private, closed networks of acquirers and advisors.
- Gathering Non-Disclosure Agreements and dealing with further information requests from prospective buyers.



SECURE (2-4 WEEKS)*

- Liaising with prospective purchasers to ensure they are in a position to place their offers for the business in accordance with our preferred time-scales.
- Create a competitive bidding environment with multiple interested parties where possible to improve the overall sale price.
- Assessing and advising on multiple offers where received.



FORMALISE (2-4 WEEKS)*

- Working with lawyers and accountants where appropriate, to agree the outline heads of terms with the successful bidder.
- Liaise with Lawyers and other Advisers as appropriate on the agreed deal and structure.
- Agree the time-line for the Legal process and Due Diligence.



LEGAL & DUE DILIGENCE (3-6 MONTHS)*

- Setting up the Data Room (as required).
- Co-ordinating and project managing the Due Diligence process.
- Co-ordinating and project managing any third party Advisers.
- Drafting the necessary Memorandum to formalise the legal process, instructing lawyers.
- Project managing the legal process from start to finish.
- Dealing with and liaising with relevant parties to resolve any issues that occur throughout the process.

*Estimated average time-scales for each stage.

SPECIALIST NETWORK OF ADVISERS

Whether it's Legal services or you need wealth advice following the sale of your business, we have a carefully selected panel of advisers and specialists for every stage of the journey. With preferential rates for our clients, working with us as your exit adviser, gives you unrivalled access to some of the best professional services firms relevant to the process, at the best possible prices.

BRABNERS

Their mission to make the difference guides everything they do, pushing them to go the extra mile for their clients and empowering their people to do what they do best.

They specialise in enabling public and third sector organisations and private individuals to achieve their goals. They provide a full service legal offering to large and mid-sized businesses, SMEs, public sector bodies, charities, business owners, entrepreneurs and high-net worth individuals.

CLARKE WILLMOTT

Clarke Willmott are a leading law firm that takes pride in being different. Their strong reputation is built on genuine client relationships and their exceptional people – each chosen for their industry knowledge and passion for their field, as well as their first-class legal credentials. They have grown their expertise to seven offices around the country, whilst remaining true to their strong local roots and values.

PARETO

At the heart of their business is a clear and succinct purpose – to provide a positive client outcome in everything they do. We believe in the importance of financial planning and how they provide it.

Brabners
we make the difference

*
clarke
willmott
solicitors

Pareto
ALL MATTERS FINANCIAL

SUPPORTING OUR STAFF & THE LOCAL COMMUNITY

From the work we do with our partner charities, to our goal to reduce our carbon footprint, we take our Corporate & Social Responsibilities seriously. We're members of various trade bodies and associations and are proud to be a living wage employer and we've been awarded a 2 star Best Companies Accreditation for 'Outstanding' levels of Workplace Engagement. We're also proud to be Gold status with Feefo, the independent review site.



SILVER PATRON OF THE BOLTON LADS & GIRLS CLUB

The charity, which was established in 1889 during the Industrial Revolution, is one of the largest youth clubs in the UK. It offers year-round support for young people aged eight to 19, with young people with disabilities able to stay on until they are 21. Through sports, arts, mentoring and community outreach, the club aims to help the young people of Bolton become the happy, caring and responsible citizens of tomorrow.



BEST COMPANIES

Best Companies Accreditation is based on the unique BCI score generated by a b-Heard survey. The BCI score is scored on a fixed scale of 0 – 1000, Hilton Smythe has been awarded a 2 Star Accreditation with a BCI score of over 696.5, which represents 'Outstanding' levels of Workplace Engagement.



DISABILITY CONFIDENT EMPLOYER

The Disability Confident Employer scheme supports employers to make the most of the talents disabled people can bring to your workplace. Disability Confident organisations play a leading role in changing attitudes for the better. They're changing behaviour and cultures in their own businesses, networks and communities, and reaping the benefits of inclusive recruitment practices.



GOLD TRUSTED SERVICE AWARD

Feefo is an automated customer feedback solution that is very powerful in terms of gathering and analysing genuine feedbacks, suggestions, and observations from actual customers.



LIVING WAGE EMPLOYER

The real Living Wage is the only UK wage rate that is voluntarily paid by 7,000 UK businesses who believe their staff deserve a wage which meets everyday needs – like the weekly shop, or a surprise trip to the dentist. Over 250,000 employees have received a pay rise as a result of the Living Wage campaign and they enjoy cross-party support. They have a broad range of employers accredited with the Foundation including 2/5 of the FTSE 100 and big household names including Nationwide, Google, Brewdog, Everton FC and Chelsea FC.



NACFB

NACFB comprises over 1600 commercial finance brokers covering the whole of the UK. They're required to have Full or Limited Consumer Credit Permission, Professional Indemnity Insurance, a Data Protection Licence, and a strong track record with nationally recognised lenders. They are striving to be the professional association of choice for all commercial finance brokers and lenders servicing the needs of business borrowers and property investors.



THE PROPERTY OMBUDSMAN

The Property Ombudsman scheme has been providing consumers and property agents with an alternative dispute resolution service since 1990. If somebody has a complaint about an agent or broker, they can make a claim to The Ombudsman. Ombudsman provides redress, where appropriate, to consumers whose complaints are considered on a case by case basis. By working alongside TPO we are making sure clients can trust us to be compliant and offer a premium service.

HILTON SMYTHE'S TOY APPEAL

The Toy Appeal is a great opportunity to put a smile on a child's face even though they may be spending Christmas in hospital. Overall we've donated 154 toys and £1,862.



Helping you buy, sell and grow.

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ACQUISITION SUPPORT

Using our expansive databases

Our Corporate Business Team has many years of collective acquisition expertise and leverage's a robust infrastructure of databases and experience to source domestic and international targets for our clients.

In the sourcing of acquisition candidates, Hilton Smythe employs its own proprietary business owner database while also having access to and assistance from global database partners.

The trust our clients place with us is evidenced by testimonials from clients who know we will provide meaningful diligence, analysis, and senior level attention to meet their urgent needs on a strict time-line.





OUR ACQUISITION ADVISORY SERVICES INCLUDE:

- Acquisition search.
- Identification and analysis of potential opportunities.
- Contact prospective targets.
- Valuation analysis.
- Advice on bidding tactics and strategy.
- Preparation of indicative offer and letter of intent.
- Deal structuring and agreeing Heads of Terms alongside your legal adviser and accountant.
- Acquisition financing through our finance team.
- Project managing contractual negotiations through to completion.

OUR ACQUISITION SUPPORT PROCESS

1. Work with you to craft the acquisition strategy.
2. Research and prepare a report of potential opportunities.
3. Make contact with identified opportunities to establish a desire to sell.
4. Co-ordinate initial information gathering.
5. Valuation analysis.
6. Prepare any offers to purchase and letters of intent.
7. Co-ordinate the deal structure and facilitate any finance requirements.
8. Agree heads of terms alongside lawyers and accountants.
9. Co-ordinate with accountants, lawyers and other third parties to navigate the due diligence and legal process.

EXIT STRATEGY REVIEW

Helping you get an early advantage

Planning for the sale of any company should start well in advance – often at least three years before the target date.

At Hilton Smythe Corporate, we assist in this planning process, by providing a critical review of the business, with the aim of steering strategic decisions to maximise shareholder value at sale. The review is performed by experienced Consultants with keen M&A insights and many years of experience.

The review shall produce an in-depth report aimed at pinpointing areas of improvement and how to maximise the results of a sale. The service is performed on a fixed fee basis which is credited against any future M&A transaction fees. In short, The Exit Strategy Review will put the business in an optimal position for a future sale. It goes without saying that it's never too early to prepare for the sale of a business, and as such, we recommend this service for any business that may be considering a sale a number of years down the line.





THE REVIEW PROCESS WILL HELP YOU BETTER UNDERSTAND:

- How a buyer will view your business.
- Developing and presenting growth strategies.
- What to Expect from a Valuation.
- How to prepare to go to market.

OUR EXIT STRATEGY REVIEW PROCESS

1. Workshop to define your objectives.
2. Conduct a thorough analysis of the business.
3. Analyse the industry and relevant transaction data.
4. Consider any strategies that will improve value and saleability.
5. Perform a financial analysis and valuation opinion.
6. Provide guidance on preparing for sale.

As part of the process, we review key value drivers, competitors, the market generally and SWOT analysis. We will also provide perspectives on the current M&A market, current value indication and recommendations covering key financial and legal factors.

VALUATION OPINION SERVICE

Bespoke reports with clout

Our experts are happy to consider bespoke reports meeting your requirements. Our reports can also be used in court proceedings as expert witness evidence if that is necessary.

Our Valuation Opinion is a full report or detailed letter with an independent opinion of the business' valuation. The report or letter is prepared by an experienced consultant with many years' experience in the M&A market.

THE LETTER WILL FOLLOW ONE OF TWO FORMATS:

OPTION 1 – FULL VALUATION OPINION REPORT

This is an individually prepared report of our opinion, which typically involves around 30-35 hours work to compile. This report goes into detail as to how we arrived at the valuation figure. This report can also be Expert Witness compliant, should you need it for court.

Subject to receiving the relevant information swiftly, the report takes 3-4 weeks to prepare. We can offer an express service, however there may be additional costs.

OPTION 2 – OPINION LETTER

Alternative to a full opinion report, we can provide an overview opinion on letterhead. This will provide a considered, independent opinion of value.

This can be provided in as little as 7-10 working days, subject to us receiving the relevant information timely.



OUR EXPERTS ARE HAPPY TO CONSIDER BESPOKE REPORTS MEETING YOUR REQUIREMENTS. PLEASE ASK FOR FURTHER INFORMATION.



OUR VALUATION OPINION PROCESS

1. Initial consultation and fact find.
2. Gathering of key information required.
3. Research of industry and businesses generally.
4. Researching of relevant M&A activity to provide comparable transaction data.
5. Adjustments as necessary to the financials to ensure suitability for valuation purposes.
6. Preparation of report/letter.
7. Follow up call to answer any questions about the report or opinion.

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