

Acquisition Opportunity : 2196

Contract Electronics Manufacturing Services

Rev: £15.6m Adj. EBITDA: £1.4m

Our client is an established business specialising in small to medium batch production for highly complex electronic and electro-mechanical assemblies. Its investment in market-leading equipment enables it to operate at the cutting edge of high-end electronics assembly complexity.

The Company has a large, long-established client base operating in dynamic and demanding industries such as medical, communications, transport, semiconductors and motorsport.

Its highly experienced technical workforce has proven expertise and delivers exemplary customer service. This is attested by the longevity of its client base, with c.25% being clients for more than 5 years.

Financially, the business is robust with a strong balance sheet and consistent profitability, averaging 10% over the last 5 years.

Notwithstanding the challenges posed by the COVID-19 pandemic, the Company had minimal interruption to production, aided by a combination of a loyal workforce and stable supply chain. In fact, the Company has increased profit despite a small drop in turnover.

Financial Summary

Year	Revenue £m	G.P. £m	Adj. EBITDA £m	Net Assets £m
2020	15.64	3.48	1.39	2.73
2019	17.00*	3.21	1.23	2.23
2018	14.00	2.75	1.16	1.68

* Turnover was increased by a significant one-off incremental order from a major customer.

With demand for CEM services continuing to rise, particularly in its core markets, this business represents an excellent acquisition opportunity, offering significant potential to scale up and deliver accelerated growth.

Highlights

- Specialists in New Product Introductions (NPI) to small and medium batch production
- Renowned for responsive, fast turnaround solutions for highly complex assemblies
- Volume manufacturing partnership with a company in the Far East
- Consistent growth in revenue and profit
- High repeat business rate – c.80%
- Large, diverse and long-established client base
- Serving OEMs in dynamic and demanding industries including medical, motorsport and semiconductors
- Experienced technical workforce and high staff retention
- Quality accreditations include AS9100 Rev D, ISO14001:2015, BS-OHAS 18001:2007
- Quality standards include IPC A-610 and IPC J-STD

To receive the Information Memorandum please sign and return the attached NDA to Neil Fortmuller, Business Development Manager nfortmuller@evolutioncbs.co.uk
0118 334 7789

