

Summer 2024

Corporate Finance Update



The Corporate Finance team at PKF Francis Clark has enjoyed a successful first half to 2024 with multiple deal completions, achieving some exceptional results for their clients. They also recently won Corporate Finance Advisory Team of the Year at the prestigious South West Insider’s Dealmakers Awards 2024. This followed a strong 2023 where the team was recognised by Experian as being the most active dealmaker in the South West.

View of the market

- M&A activity is growing, partially driven by concerns regarding potential future changes to capital gains tax rates that the new Labour Government may implement. As a result, we are working with many shareholders who are proactively looking at ways to realise value at current tax rates and accelerate their exit plans.
- We continue to see many active buyers and investors seeking opportunities and are regularly approached by would be buyers, suggesting a greater demand than supply. High quality businesses continue to demand premium valuations as corporates aim to fulfil their strategic growth objectives.
- Private equity backed deals (either investment or bolt-ons), overseas strategic acquirers and buy and builds are prevalent, further adding to demand outstripping supply.
- In the wider market, deal timelines can easily become protracted with buyers taking a cautious approach during due diligence if risks emerge. To mitigate this and reduce the risk of deal breakers or value erosion, we provide vital support early in a process assisting owners and management prepare, improving the outcome and likelihood of success.
- Growing optimism around the economy, falling inflation, the prospect of falling interest rates and (hopefully) a period of stability is likely to drive an uptick in M&A activity across 2024 compared to 2023.




Recent deals



VALEPORT

SALE

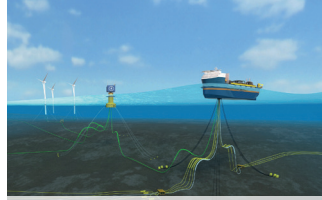
Advised on the sale to NASDAQ listed Teledyne Technologies



BV DAIRY

SALE

Advised on the sale to First Milk cooperative



CRONDALL ENERGY

MANAGEMENT BUYOUT

Advised on the MBO of Cron dall Energy



THE LITTLE GREEN ENERGY COMPANY

SALE

Advised on the sale to Hometree




FIG POWER

SALE

Advised on the sale to The Renewables Infrastructure Group (TRIG)



FORESIGHT

DUE DILIGENCE


Advised Foresight on their investment into Family Adventures Group



YFM EQUITY PARTNERS

DUE DILIGENCE

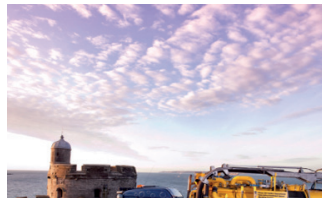
YFM investment into Smart Numbers



DP SEALS

SALE

Advised on the sale to Lagercrantz



CLEAR-FLOW

SALE

Advised on the sale of Clear-flow (subsidiary of Goonvean Holdings Ltd) to Lanes Group PLC



What our clients say



Henry Easterbrook **Fig Power CEO**

“PKF were instrumental in making this happen - we’re grateful and delighted!”

Simon Dudson **CEO of The Little Green Energy Company**

“Always there to discuss the deal or any other concerns I might have... I think it is important when doing a transaction like this to get on with the people you work with. I can honestly say this was the case and, although hard, it made the process actually enjoyable and I learnt a lot. I would not hesitate to recommend their services. Who knew it could be so much fun working with accountants?”

Andrew Piper **Managing Director of DP Seals Limited**

“PKF Francis Clark understood our concerns and priorities. At the outset, they steered us on reasonable valuation expectations in the current market and gave us financial planning advice to determine if such a valuation would meet our personal needs in retirement. What really shone through was their ability to help us take the emotion out of an emotive subject, providing a voice of reason to help us understand issues from all points of view and ultimately reach positions that were acceptable to both sides.”

Nick Mettyear **Senior Investment Manager, Foresight Group LLP**

“I have now done several financial due diligence engagements with PKF Francis Clark and the service has got better each time. They managed the engagement with the target and understood the complexities of the business model quickly. Ultimately, they delivered a report that was thorough, value additive and reader-friendly.”

Matt Quartley **Managing Director of Valeport**

“Selling our family business wasn’t something that we entered into lightly, but having decided to do so, we are extremely grateful for the efforts made by the team at PKF Francis Clark to make the whole process as smooth as possible.

“From preparing the initial information memorandum and generating an international list of potential suitors, to facilitating discussions and site visits, as well as helping us decide on the right buyer and managing the negotiation process (not to mention all the advice and input on the financial aspects of the deal), the team were professional, responsive and reassuring throughout the whole process, making sure that we stayed focussed on the important elements and not allowing us to become distracted by relatively minor discussion points. I cannot recommend them highly enough.”

Jim Highnam **Managing Director of BV Dairy**

“We were delighted with the advice and support from the team at PKF. They were always available to guide us at every step of the way. Selling a business is a marathon not a sprint, and we were supported along every step by the professional and objective guidance of PKF, who were always available to provide logical analysis and objective direction, with the minimum of fuss.”

Matthew Gazzard **Managing Director of Clear-flow Limited**

“We received interest from a potential buyer and decided to use PKF Francis Clark to run a full sales process where they introduced other potential names. During the process, the team were able to enhance the offers received and helped to negotiate a successful transaction, including negating an attempted reduction in the bridge between enterprise value and the equity value.”









We are delighted to announce that we won Corporate Finance Advisory Team of the Year at the prestigious South West Insider's Dealmakers Awards 2024.



Andrew Killick commented:

“We are delighted that our Corporate Finance team has been recognised in what is, one of the top awards in the region. This award reflects the team’s hard work and dedication in delivering exceptional outcomes for our clients.”

We were also pleased to be shortlisted 11 times across six categories:

-  **ESG Deal of the Year**
Fig Power
-  **Large Deal of the Year**
eXmoor Pharma
-  **Medium Deal of the Year**
The Barrister Group, BV Dairy, Archus
-  **Small Deal of the Year**
Clear-flow Ltd, Microwave Amps Ltd, Family Adventure Group, Fig Power
-  **Emerging Dealmaker of the Year**
Tom Hicks
-  **Dealmaker of the Year**
Matt Willmott



We support business owners and management teams throughout all stages of a transaction whether it is a business sale, MBO, EOT, acquisition or fundraising. Our comprehensive approach in preparation and our extensive experience ensures that clients maximise value and successfully achieve their strategic objectives.

If you want to discuss any transactions you are considering or want to discuss your business with our Corporate Finance team then please contact:



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