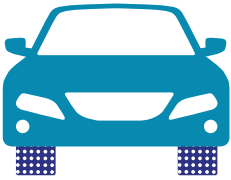




Automotive sector *Our expertise*



Dedicated automotive corporate finance team with over 15 years' experience working with privately owned businesses, grooming them for an eventual sale.



Automotive

OUR AUTOMOTIVE SECTOR EXPERTISE

Working in partnership, our aim is to maintain a close, supportive relationship that provides valuable input into your business.

'The UHY automotive team have an excellent understanding of the motor sector together with the challenges and issues which motor dealers face.'

Craig Glanville, Group financial director, Heston Garages Group

Ranked 21st in Motor Trader Top 200

Despite ongoing concerns regarding the sustainability of traditional automotive retailing, performance in recent years has been strong and buoyed by a gradual recovery from the deepest recession in living memory. However the industry is more complex than is the norm for retail and, with traditionally narrow margins, there is a fine line between success and failure.

Now more than ever dealerships need advisers with a dedicated knowledge of the industry, who can rapidly understand the issues and provide constructive recommendations to make a real difference to profitability.

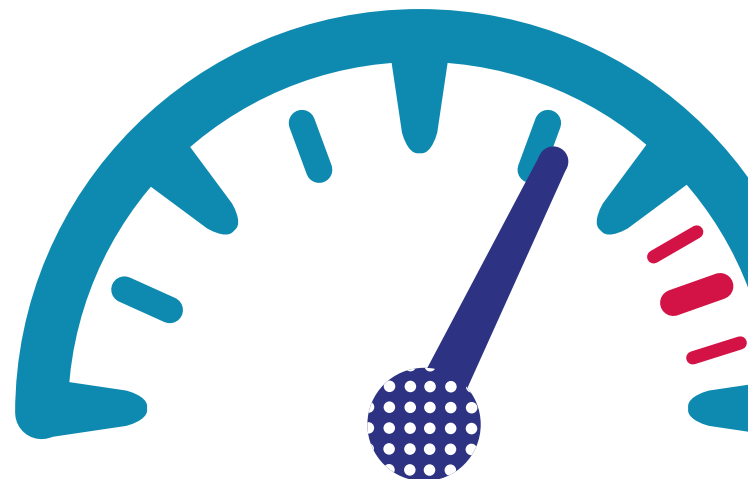
We believe our role as a key adviser to the sector is not just to help you with your day to day accounting and business issues, but help you anticipate and overcome the inevitable challenges that the sector will continue to face moving forwards.

BENEFIT FROM OUR DEDICATED AUTOMOTIVE TEAM

Our automotive service offering is led by four partners who are totally dedicated to the sector and have considerable experience in the motor industry. We provide expert advice to dealers on business management from audit and taxation to mergers and acquisitions and operational issues such as CSI and enquiry management. By providing support to our wider national automotive team, we are able to offer a local responsive service combined with deep and wide ranging automotive skills and experience.

With a client base that ranges from the supply chain to large franchise dealership groups, our experience includes dealing with automotive clients from a local and regional perspective, to working with a significant number of the Motor Trader Top 200 franchised dealer groups in the UK.

Working in partnership, our aim is to maintain a close, supportive relationship that provides valuable input into your business.



HELPING YOU ACHIEVE YOUR GOALS

'I chose UHY Hacker Young to lead our exit strategy having concluded that they had the superior automotive M&A track record and industry knowledge. so it proved out, with our transaction being expertly handled from the IM, through due diligence, contract negotiation and on to completion. I set an ambitious time line and the deal was completed inside 5 months. The UHY team did a great job and I can confidently recommend them.'

Philip Maskell, owner,
Essex Auto Group

We advise on all aspects of running a business in the automotive sector and have helped many clients to make long term and positive changes in their businesses. Our dedicated automotive corporate finance team has considerable experience working with privately owned businesses, grooming them for an eventual sale. This process may be anything from 6 months to 10 years in planning, but it delivers significant returns on exit if properly executed.

CORPORATE FINANCE SUPPORT

If your future plans include buying or selling a business, or raising equity or debt finance to facilitate growth, you will need specialist corporate finance support.

Our automotive team includes corporate finance specialists who have advised on over 150 transactions in the sector and who have considerable experience bringing parties together and helping facilitate deals. We will help you to maximise the value of your business by working closely with the manufacturer, as a key stakeholder, to select the right partner.

Our automotive corporate finance services include:

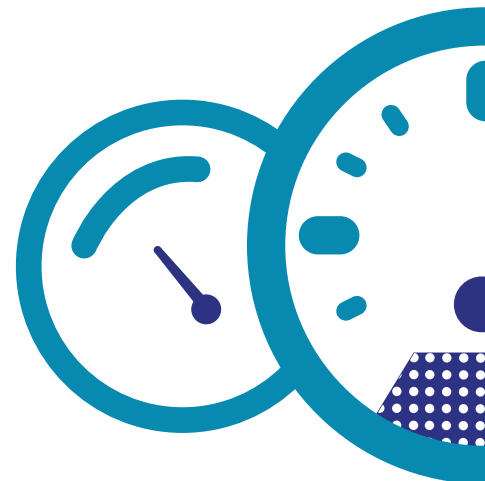
- Confidential targeting exercises
- Funding advice
- M&A and transaction support
- New market entry assignments
- Sponsored dealer programmes
- Strategic advice
- Valuations

FULL DEAL MANAGEMENT SERVICE

Our dedicated automotive corporate finance team has considerable experience working with privately owned businesses, strategically working with them towards an eventual sale.

We can advise you on the entire transaction, from initial approaches to negotiations and completion. Our experience allows us specialist understanding of motor retail transactions and the operational processes that can affect these transactions, meaning that we will provide you with a unique and highly relevant service which ensures you achieve the best possible outcome.

We provide a full deal management service and will manage all parties involved in a transaction (buyer, legal team, DD team) to a successful close, leaving you to continue running the day to day operations.



RELEVANT AND INFORMED EXPERIENCE

Judging the correct moment to exit against a backdrop of varying factors is a complex decision and having the right advice is critical. We believe timing has never been as important and we are well versed in working to ambitious timetables and, utilising our extensive experience in the execution of transactions in the sector, will deliver significant returns on exit.

We have successfully brought several franchises to market in recent years. Our M&A activity in 2017 included the successful sale of a number of automotive businesses including the sale of Pentagon Group, Grassicks, Trainer BMW & Mini, Beadles Group, Essex Auto Group Limited and Cambrian Garages Limited. Our approach is to work with our clients to present the business for sale in the best possible light and ensure everything is done so that maximum value is achieved when the business goes to market.

Our extensive experience in the sector means that we are well-placed to realise the best deal for you as shareholders.

A DYNAMIC TEAM WITH EXTENSIVE CONTACTS

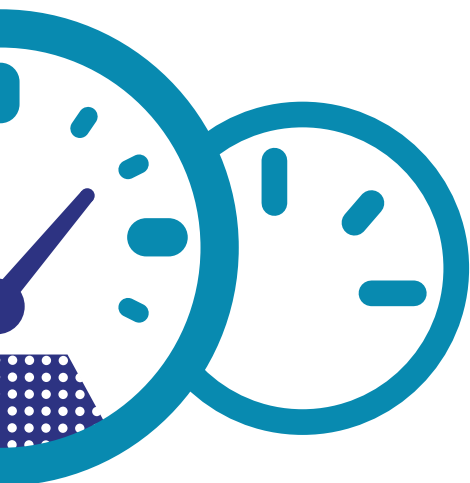
Our dedicated automotive offering is led by David Kendrick and Paul Daly who are often referred to as the leading specialist advisors to the sector by many CEO's. As a result, they have access to a specialist database of relevant automotive contacts, giving us a unique position to ensure that we have the best possible acquirer list to drive the deal value.

Both rank in the Top 3 most active Manchester-based professionals in the financial sector (according to Experian's Annual Corporate Finance Review 2016), testament to their success and the quality of work they deliver. In recognition of their success and quality of work they deliver, they were also awarded Advisory Team of the Year by the 2017 Corporate LiveWire Finance Awards.

'They helped in a number of key areas including valuing the business, assisting with discussions with the manufacturer, negotiating with potential purchasers and presenting the business for sale in the best possible light. They have achieved an excellent result for Perrys and really helped us maximise our sales price.'

Ken Savage, Chairman, Perrys

Ranked 17th in Motor Trader Top 200



RECENT TRANSACTIONS

The UHY Hacker Young automotive team were involved in more than 1/3 of the successfully completed transactions within the automotive retail market in the last three years, advising on both the buy and sell side.

We have a particularly strong track record of helping sellers to achieve their longer term objectives and of selecting the right partner to ensure the successful completion of a deal.

Recent highlights include:

'We selected UHY Hacker Young as our professional advisers for the sale of Beadles Group due to their strong reputation and specialist automotive expertise. They produced a high quality document and negotiated a very good deal for the sale of the business with Group 1 which completed in a very smooth manner. I would have no hesitation in recommending their services to any motor retail business looking to expand or exit.'

Tim Humphries, financial director,
Beadles Group Limited

<p>Pentagon</p> <p>August 2017</p> <p>Sale of Pentagon Motor Holdings Limited to Imperial Holdings SA</p> <p>Deal value: £28.1m</p>	<p>Beadles Group</p> <p>July 2017</p> <p>Sale of Beadles Group Ltd to Group 1 Automotive</p> <p>Deal value: Undisclosed</p>	<p>Grassicks Garage</p> <p>July 2017</p> <p>Sale of Grassicks Garage Ltd to Eastern Holdings Ltd</p> <p>Deal value: Undisclosed</p>
<p>Essex Auto Group</p> <p>March 2017</p> <p>Sale of Essex Auto Group to Super Group</p> <p>Deal value: Undisclosed</p>	<p>Trainer (Holdings)</p> <p>July 2017</p> <p>Sale of Trainer (Holdings) Limited to Sytner Group</p> <p>Deal value: Undisclosed</p>	<p>Cambrian Garages</p> <p>March 2017</p> <p>Sale of Cambrian Garages to Rubery Owen, t/a Shukers Land Rover</p> <p>Deal value: Undisclosed</p>
<p>Caffyns</p> <p>April 2016</p> <p>Sale of Lewes Land Rover by Caffyns Plc to Harwoods</p> <p>Deal value: £5.7m plus stock</p>	<p>Vertu Motors</p> <p>March 2016</p> <p>Acquisition of Sigma Holdings Ltd and Greenoaks Ltd by Vertu Motors plc</p> <p>Deal value: £21.9m</p>	<p>Perrys Motor Sales</p> <p>February 2016</p> <p>Sale of Perrys' Land Rover and Jaguar dealerships to the Rybrook Group</p> <p>Deal value: Undisclosed</p>
<p>Spire Automotive</p> <p>February 2016</p> <p>Sale of Spire Automotive Ltd to Group 1 Automotive</p> <p>Deal value: Undisclosed</p>	<p>Drayton Group</p> <p>August 2016</p> <p>Disposal of Warwick Holdings t/a Drayton Group to Lookers plc</p> <p>Deal value: £55.4m</p>	<p>Vertu Motors</p> <p>June 2016</p> <p>Acquisition of Gordon Lamb Ltd by Vertu Motors plc</p> <p>Deal value: £18.7m, including £8.3m of goodwill</p>



A DEDICATED AUTOMOTIVE TEAM



David Kendrick
Automotive partner

David is Corporate Finance (CF) qualified, with over 16 years' experience working closely with key clients and contacts to understand their long term objectives and then assisting with action plans to achieve these. He has acted as a trusted advisor for numerous listed and privately owned businesses, working closely with them to maximise value on exit, as well as assisting acquisitive companies with their growth plans.

David has significant experience in the automotive sector and is known as one of the leading professional advisers in the marketplace. In recent times he has assisted with some high profile automotive transactions and is now head of our national automotive sector group.

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Paul Daly
Automotive partner

Paul is an experienced audit partner with a portfolio of clients focused around the automotive sector. In addition, he regularly leads other advisory work spanning transactions, due diligence and business restructuring.

Initially working within a 'Big Four' firm, Paul then moved into industry at a FTSE 100 group. This industry experience proved invaluable when he moved back into practice, working for a specialist automotive firm focusing on internal and external audit, control reviews, independent business reviews and transaction support including due diligence.

Paul has developed a unique skill set, assisting businesses with control and profitability issues as well as acquisition and disposal strategies. He has a 'hands on' approach and is regularly called upon by manufacturers and top 50 motor retail groups to personally carry out investigative work.

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Lee Collins
Director of management consultancy

Lee specialises in the operational issues many businesses face and especially in helping to significantly improve sales, develop robust enquiry management processes and in creating a culture where outstanding customer service can flourish. He is also widely regarded as a strong and robust marketeer, having run his own marketing agency for over 14 years.

Lee has a rare skill set following a successful 25 year period in business which saw him successfully own and manage his own award-winning business before successfully exiting in May 2014, having sold his entire share capital of Hillendale Group to Vertu Motors PLC.

e: l.collins@uhy-uk.com

t: 0161 236 6936



Darren Grimes
Tax partner

Darren is a tax partner in our Manchester office. He has over 17 years' experience, and works closely with owner-managed businesses on a wide range of tax issues, in particular regarding investment and innovation.

Darren has experience in implementing the Enterprise Investment Scheme tax relief for companies raising finance and also helping businesses make R&D claims.

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THE NEXT STEP

For further information about the services we provide, please contact one of our experts on: **0161 236 6936**.

Our automotive specialists are supported by UHY's wider national automotive team. For further details please visit our website at:

www.uhy-uk.com/automotive.



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