

## ReSolve Refinances UK Company in a £9 Million Deal

### Overview

ReSolve advised a leading UK distributor of construction materials on a successful £9 million refinancing deal. The Company has an extensive global supply network delivering “off the shelf” and bespoke designs to a diverse customer base including household names. With an annual turnover of circa £30m, the Company had been profitable for 19 of the last 20 years but was significantly impacted by the supply chain difficulties brought about by the COVID-19 pandemic which impacted performance in 2022 and 2023.

In early 2023, the Company’s lender voiced concerns about the Company’s financial position and recommended an external advisor to seek a refinancing. The advisor completed a business review, recommended cost-cutting measures and conducted a marketing process, however only one offer for refinancing was forthcoming. This offer failed to materialise due to certain factors, including discussions regarding changes to the Company’s management team at that time. The Company’s lender had issued a deadline for refinancing, and as the date approached with no new lender secured, an administration process became a real possibility.

During this process, the Company’s management team left the business, including the CEO and head of finance. With time running out to refinance, the newly appointed interim finance director, Delphine Paterson of Forward Financials, reached out to ReSolve to further strengthen the client’s position.

### ReSolve's Strategy

ReSolve, supported by Forward Financials, immediately got to work, providing advice on the forecasting and reshaping of the business. We saw that the business had a positive level of working capital and an asset base which should therefore lead to reasonable prospects for a refinance, despite failing to secure a deal earlier in the year. ReSolve conducted an extensive process, reaching out to large, traditional lenders as well as smaller, alternative lenders with more flexible lending requirements, to get a better picture of the options available. Working with our extensive list of possible investors, within a few weeks, nine formal offers were received.

Over the next few weeks, ReSolve worked with all parties to narrow down the offers from nine to four, and finally down to two before the Company decided on the most suitable one and successfully completing a transaction in early October.

### Outcome

The Company, which initially looked like it was not going to survive, can now continue to trade, protecting over 70 jobs and ensuring a well-run British company can be successful long into the future.



**Andrew Pepper, Partner at ReSolve, commented:**

“This is an excellent result for a high-quality business and I’m delighted that jobs have been saved. This situation highlights the value of getting independent advice. There is a risk to working exclusively with a lender’s advisor; they will at a certain point skew their advice in favour of the lender and it can be hard to know your true options. It is vital that any business in a similar situation reaches out to an independent advisor to get a second opinion. By doing so you could save your business and protect the jobs of your employees.”

