

A person is paragliding over a vast mountain valley. The paraglider's wings are a vibrant orange and red, contrasting with the blue and green tones of the landscape. In the background, a large, prominent rock formation, likely Half Dome, rises majestically. The sky is a clear, pale blue, and the overall atmosphere is one of adventure and exploration.

GROWTH ADVISORY

APRIL 2023

IDEAS | PEOPLE | TRUST

BDO

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Agile and dynamic
as the companies
we work with...

BDO Growth
Advisory helps
companies succeed
as the go-to
professional firm to
prepare for and
successfully raise
growth capital
funding

INTRODUCING BDO GROWTH ADVISORY

High-touch advisory service offering a blend of strategy and fund-raising support

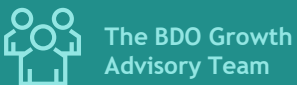
We're a specialist team within BDO exclusively focused on working with businesses seeking to raise funds from a variety of sources including banks, specialist lenders, venture capital and private equity.

The team is led by Paul Morris, a former partner and growth investor at a leading private equity house.

We take a holistic approach to fundraising, looking at all aspects of a company's business model and growth potential. We work closely with founders and management teams to identify key areas for improvement and develop a fundraising strategy that aligns with the company's long-term goals, whilst vastly increasing the likelihood of successfully raising capital.

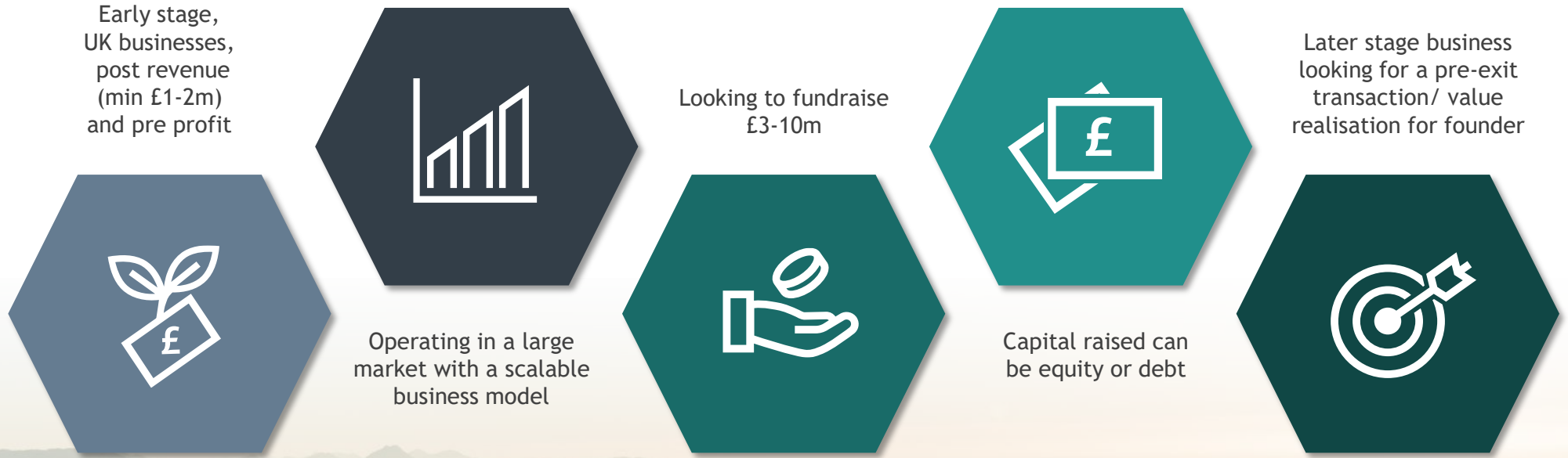
Taking advantage of BDO's 17 offices, more than 5,000 staff across the UK, and operations in 162 countries, the team draw on whatever disciplines are most relevant, creating teams of technically strong, commercially minded people who are empowered to think on their feet.

The following document provides an overview of our offering where we discuss how to shape the optimum fund-raising strategy and how best to position an opportunity for investors and funders.



INTRODUCING BDO GROWTH ADVISORY (CONTINUED)

The typical profile of business we work with:



STRENGTH IN DEPTH - OUR TEAM

Taking an **'investor lens'** approach to advising **high growth businesses**



ADAM BARON

I'm a former lawyer who passed the bar before requalifying as a chartered accountant so I could use my analytical skills to best help growth companies.

I have a passion for supporting companies from early stages of development to maturity. I provide strategic guidance, aid in recruiting c-suite executives, and evaluate the best investors for the team.

I'm also an accomplished athlete who has represented my country in Athletics and still run a few times a week (when my three daughters aren't running rings around me!)

ANDY HALL

I have advised growth companies on their funding strategy for a number of years in various sectors, having previously supported SME's with their financial reporting, controls and processes. The most fulfilling part of my role is working closely with founders, and understanding the exciting plans that will be fuelled by investment. Outside of work, you can find me tinkering with old cars or running in the countryside.

KATE PRENTICE

I joined BDO about four years ago. I qualified as a Chartered Accountant in our Financial Services team and moved across to Growth Advisory shortly after.

I enjoy working in the GA team as I'm constantly exposed to innovative companies with the genuine potential to transform the way things are done. I'm ever-inspired working with founders, hearing how they built their companies and their ambitions for the future.

Outside of work, you'll find me travelling, (trying) to stay fit and being South African, planning my next braai (barbeque).

PAUL MORRIS

Prior to setting up the Growth Advisory team I was a scale up investor for 15 years.

Throughout my career I have had the pleasure of working with entrepreneurs, whether as a banker, investor, non executive or advisor. Nothing pleases me more than helping an entrepreneur raise funding which will enable a business to reach its full potential.

Outside of work I have an avid interest in a wide range of sports. But as I get older there is less participation and more observation - save for the odd game of darts!

ED HEDGER

In my student days I ran my university's entrepreneur society and started two businesses. Since then, I've worked in BDO's corporate finance team for over four years, where I've provided financial diligence for 27 deals for PE houses, VCs, investment banks and corporates before joining the Growth Advisory team.

I feel inspired and energised to work closely with innovative companies at the cutting edge of their fields and have the opportunity to provide hands-on advice as we develop their strategic roadmaps.

Outside of work, I'm a keen rugby fan and all-round sports enthusiast (scuba, surfing, skiing, you name it).

SOME OF OUR RECENTLY COMPLETED DEALS

The logo for Orri, featuring the word "Orri" in a white, elegant serif font on a dark teal background.

BDO advised Orri, a specialist private clinic for the treatment of eating disorders on a growth equity investment from Gresham House.

Orri is a specialist private clinic for the treatment of eating disorders, providing multi-disciplinary care programmes to clients on their road to recovery.

We supported the team in raising the growth capital needed to open a second London site (doubling the amount of people they can support in-person) and to further enhance their online product (broadening the reach of their services beyond the immediate London area).

The logo for Xiatech consulting, with "xiatech:" in a white sans-serif font and "consulting" in a smaller font below it, all on a dark teal background.

Advisers to the shareholders of Xiatech Limited on their equity investment from Rockpool.

The technology company's specialised team sought funding to add key hires to support client projects and revenue growth whilst also building on the advanced platform via their R&D function.

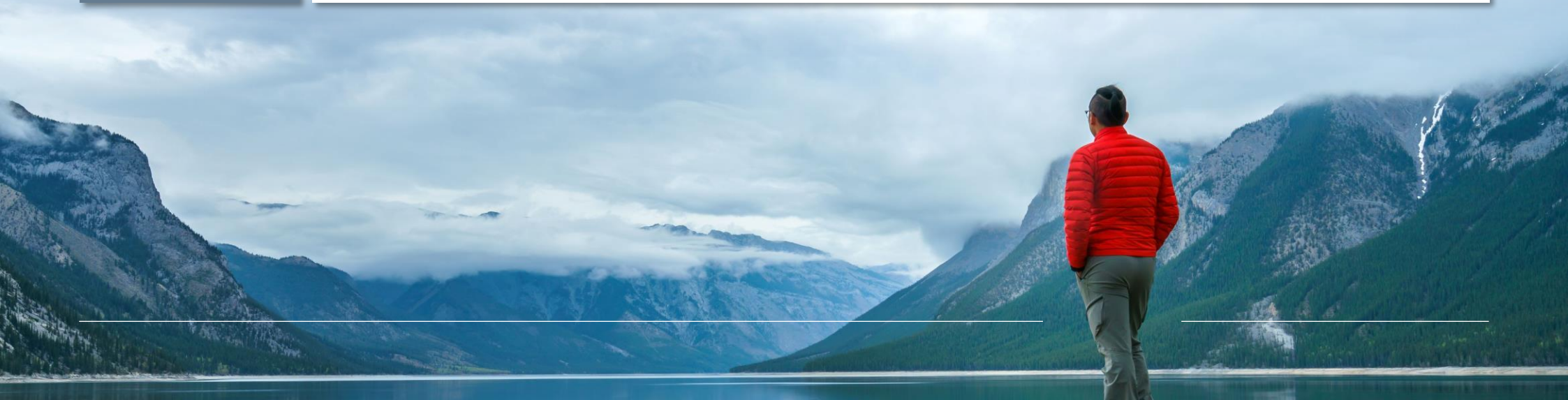
BDO's Growth Advisory team provided advice on the fundraise strategy, deal structure and facilitated introductions to private equity and new board members.

The logo for Chill-Chain, with "CHILL-" in a white sans-serif font and "CHAIN" in a larger, bold white sans-serif font below it, all on a dark grey background.

Advisers to the shareholders of Chill-Chain on their funding round led by Episode 1.

Chill Chain are an ESG focused logistics platform aggregating space in hauliers to reduce cost and increase carbon footprint efficiency.

After engaging with the team, the opportunity came for them to pivot their revenue model into a licence product. We advised them that a bridge round would help to take advantage of this and increase valuation before a full series A and advised them on their investment from the prestigious seed investor, Episode 1.



SOME OF OUR RECENTLY COMPLETED DEALS (CONTINUED)



Advisers to the shareholders of Database Service Provider ('DSP') on its management buy out supported by YFM and Santander Growth.

BDO acted as advisor to the management team. Funding was provided by YFM (£5.3m), Santander Growth Fund (£2.5m) and a roll over from the management team.

18 months subsequent, BDO supported the management team and their investors to raise further debt from Santander growth to fund the acquisition of Explorer (UK).



Advised Highland Tech on their participation in Snappy Shopper's £19.4m Series A.

BDO's role was in supporting the family office to assess the opportunity from a commercial point of view including, use of funds, valuation and deal structure. The round was led by Paypoint PLC and included Mercia, Maven VCT, Kelvin Capital and Justin King (ex CEO of Sainsburys).



Advisers to the shareholders of Gorgeous Retail Group ('GRG') on their funding round led by Connection Capital.

GRG is a third party distributor of high end hair care and beauty products.

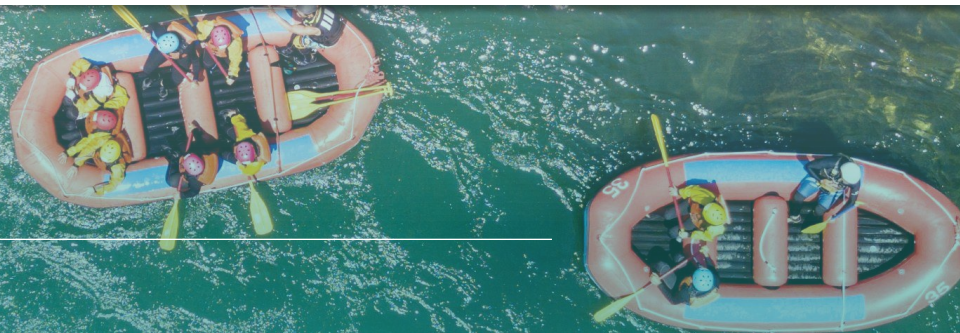
The funding allows GSL to acquire a direct competitor in LDLP Limited (Beautyflash) increasing their market share in terms of supplier contracts and customer base as well as giving them flexibility to consider future acquisition.



Advisers to the shareholders of Brompton Technology on their funding round led by Connection Capital.

BDO acted as advisor to Brompton an award-winning specialist manufacturer of video processing products and proprietary software management system to help with the performance of these hardware products for the live event, film and broadcast industries.

We first met the team in August 2019 when they were part of a larger parent company, advising them on the benefits of a demerger, EOT and the impact this would have on their ability to raise third party finance.



WHAT OUR CLIENTS HAVE TO SAY...

“ Paul Morris has a unique insight, from his years as an investor, into how to help a business successfully raise PE investment. The team were very hands on in anticipating and working through any issue that arose. The result was a great deal for both the management team and our new investor.

Simon Goodenough,
CEO, DSP

“ BDO were instrumental in our successful growth capital fundraising. They worked with us from deal origination, through the marketing process with a number of investment houses hand-picked by the BDO team and stayed close to us throughout the due diligence and execution phases. We benefited greatly from the team's focus on growth capital deals and deep understanding of the market.

In-house General Counsel,
Brompton Technology

“ The BDO team provided us with commercial and strategic advice, as well as identifying the potential investment partners that matched both the ambition and culture... They also introduced us to new board members and service providers... I have already recommended other business founders to speak with the team about their fundraising strategies and would do so in the future.

Jonathan Summerfield,
Founder & CEO, Xiatech

“ The BDO growth advisory team were incredibly responsive aiding us with all aspects of our capital raise from the strategic direction and nature of it, to the intricate details of our negotiations. I've been hugely impressed by their professionalism throughout.

Jack Fleming,
CEO, Chill Chain

“ It was a pleasure to work with the BDO team. From early on they understood the business and the opportunity. Looking for funding in the midst of a global pandemic raised challenges, but with the knowledge and experience of the team they were able to steer us towards a number of opportunities in the market. With their help we were able to understand the differing options and they helped us negotiate the terms of the final deal. At all times we felt that the BDO team were on 'our side' and I would not hesitate to consult them on the next steps of our growth.

Mark Frey,
CEO, Gorgeous Shop Limited

“ The team provided the right level of support at each step to reduce pressure on the company whilst allowing the space for us to develop personal relationships with potential partners. We highly recommend the service.

Lucy Inmonger,
COO, Orri



FUNDING OPTIONS



We have a deep understanding of the investor landscape and can provide valuable insights into what investors are looking for in a company. This allows us to position our clients for success and maximize their chances of securing funding. Our investor network includes UK EIS/VCT funds, family offices, strategic investors, non-VCT investors (UK/EU/US VCs) and debt providers including venture debt. Typical funds out for these investors range from £250k to £15m.



INVESTOR NETWORK

We have strong relationships with investors across our funding landscape ensuring an efficient process whereby management only meet with investors where we know there will be value






EQUITY

DEBT

EQUITY & DEBT

OVERVIEW OF OUR APPROACH

Our proposal is a **straightforward, three-step approach** to supporting the client; steps one and two will run concurrently, followed by investor engagement and an agreed target close

STAGE	KEY ELEMENTS	TIMING	OUTPUT
INVESTOR READINESS 	<ul style="list-style-type: none"> ▶ Articulate and build impactful investor equity story ▶ Pre due diligence review ▶ Cover the challenges and mitigation ▶ Review or build financial model depending on need ▶ Compilation of funder/investor list based on in depth knowledge of what our network of funders are looking for at any point in time 	4-6 weeks	A compelling business plan
DEAL LAUNCH 	<ul style="list-style-type: none"> ▶ Preparation of management presentations and dummy run through ▶ Management of investor meetings and information requests ▶ Negotiation of terms ▶ Investor approaches and accompaniment to pitches 	4 weeks	Prepare management and ensure robustness of supporting information
DEAL EXECUTION 	<ul style="list-style-type: none"> ▶ Support the due diligence process (data room preparation) ▶ Support legal negotiations ▶ Management of deal to close 	8-12 weeks	An efficient process with high-quality investors



WE ARE PART OF A WIDER NETWORK OF PROFESSIONALS

Drawing on our strengths from different parts of our network to meet our clients' needs

HOW WE LEVERAGE BDO'S INTERNAL EXPERTISE

We work jointly with other BDO M&A streams to be able to give our clients the best of both our growth fundraising expertise as well our specialist M&A teams' sector knowledge. BDO M&A specialist industries and services include Technology and Media, Education, Healthcare, Retail & Consumer, Financial Services, Leisure, Life Sciences and Manufacturing.

The wider BDO network offers a broad range of advisory practices, from Innovation and R&D Tax Incentives to Business Services and Outsourcing. With the breadth of services you would expect from one of the world's largest accountancy networks, you can be confident that we have the expertise and understanding to help you solve any business challenges you are facing.

HOW WE LEVERAGE OUR EXTERNAL NETWORK

During the fundraising process, we act as your strategic support - helping shape the business not just for the raise but also to achieve long-term sustainable growth.

One of the ways we have assisted in this respect in the past is by helping companies place key hires such as CTOs, CFOs, CMOs and Product Specialists.



BDO CORPORATE FINANCE UK

362 COMPLETED DEALS IN 2022
 WITH A TOTAL DEAL VALUE OF **£31.2bn**

4% OF OUR DEALS ARE **CROSS BORDER**

ONE OF UK'S MOST ACTIVE ADVISERS*

AN AWARD WINNING CORPORATE FINANCE BUSINESS

300 CORPORATE FINANCE PROFESSIONALS IN THE UK

* #1 Financial Due Diligence provider in the UK and Ireland - Mergermarket UK account league tables by volume 2022
 #1 Financial adviser by deal volume in the UK and Ireland - Experian 2020 UK M&A and adviser league tables
 #2 Financial Due Diligence provider globally - Mergermarket global accountant league tables 2022

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