

Project Loki

UNIQUE INVESTMENT OPPORTUNITY



This is a unique opportunity to transform a stable and profitable FS business into a vibrant Insurtech that can rapidly scale and be a catalyst for future M&A

Innovative solutions for retirement and the globally mobile affluent

Project Aim

- Significant growth and scale up of an existing established Wealth and Protection business through Management Buy-In, change of strategy, rebranding as a retirement solutions innovator and with option of strategic acquisitions.

Why Invest?

- **Time-sensitive** opportunity as the business is undervalued by the market
- The company is in strong growing markets but due to weak management has lower financial performance relative to market and to competitors
- **Strong underlying business** can be exploited by the incoming management team that we have put together
- Extending the reach of the business into Insurtech would **also take advantage of higher valuations in the sector**

-  Headquarters: UK
-  Sector: Financial Services
-  Investment Required: £10-15m

Company Background

- Operating in a growing financial services market, Project Loki is a multi-jurisdictional financial services group listed on AIM for more than 10 years.
- Based in London with multiple offices across the UK and offshore territories, with a team of circa 200.

200,000+

Existing customers

£24M

Revenue in 2020

Investment Highlights

UNIQUE INVESTMENT OPPORTUNITY

Initial cornerstone transaction to be used as platform for 'Buy and Build' strategy achieving scale and valuation arbitrage

Investment Requirements

- £10-15M equity investment to match existing debt offers of similar amounts
- Future additional investment to fund acquisitions

Projections

- Treble revenue to £70m and quadruple EBITDA to £14m within 5 years
- 9-fold increase in valuation, from c£20m to £168m in 2025
- Stretch opportunity with an extension into Insurtech could take valuation to possible £390m

Financial Overview

- Revenues of c£20-25m and EBITDA 15% in 2020
- Share prices have halved over the past two years creating a temporary time-sensitive valuation opportunity
- Net assets c£35m, including goodwill of £20m
- Cash at bank over £15m
- Projected savings of c.£500k per year through delisting

Projected revenues including revenues generated from acquisitions (In £M's)

