

LGB Corporate Finance

CASE STUDY
DECEMBER 2017

Lethington Leisure Limited

LGB Corporate Finance has advised Lethington Leisure Limited, owner and operator of Paradise Island Adventure Golf, on its sale to The Brighton Pier Group plc.

By working closely with Lethington Leisure to articulate the value of the concept and potential for an accelerated roll-out strategy, we were able to demonstrate a clear acquisition rationale and engage with a number of interested strategic acquirers. By carefully managing the due diligence, negotiation and closing process we delivered a carefully tailored transaction structure resulting in a successful outcome for the Company's founders and early investors.

PARADISE ISLAND ADVENTURE GOLF – PIONEER OF INDOOR ADVENTURE GOLF IN THE UK

Lethington Leisure Limited was established in 2005 by Edward and Joshua Dantzig. The Company opened the UK's first indoor adventure golf site in 2006 with the launch of Paradise Island Adventure Golf in Glasgow, Scotland and has subsequently opened sites in five other leisure and retail outlets in Livingston, Sheffield, Cheshire Oaks, Derby and Manchester. Paradise Island offers an accessible, entertaining activity for the whole family at high footfall retail sites around the UK. The business meets the growing demand for experiential leisure and competitive socialising and has experienced consistently strong growth since establishment.

PARADISE ISLAND AND BRIGHTON PIER GROUP – A STRONG STRATEGIC FIT

In Brighton Pier Group we identified a strategic acquirer with a clear objective of acquiring leisure businesses complementary to its existing assets which comprised the Brighton Pier and Eclectic Bars Group. The strong strategic rationale for the transaction was affirmed by Paradise Island Adventure Golf's revenue stream providing the Group with a source of less seasonal earnings.

A SUCCESSFUL TRANSACTION DELIVERED WITH CERTAINTY AND EFFICIENCY

We provided thorough and personal advice throughout to the founders working closely with the management team for a year before embarking on the transaction process. We advised on all aspects of the transaction including articulating the value proposition and acquisition rationale, preparing for due diligence, acquirer mapping and selection, negotiation and execution. Our intimate knowledge of the business allowed us to intensively project manage the transaction to alleviate the time and stress burden of the deal on our clients. Ultimately, this resulted in a successful outcome for the founders and their investors with completion occurring within three months of an agreed heads of terms.



KEY FACTS

2006

Opened first UK indoor adventure golf site in Glasgow

£10.5m

Enterprise value

6.25x

FY18 EBITDA

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LGB Corporate Finance provided high quality analysis, advice and M&A execution during the sale process and we were very pleased with the outcome.

JOSHUA DANTZIC
MANAGING DIRECTOR, LETHINGTON LEISURE