

The logo for Caple, consisting of the word "CAPLE" in white, uppercase letters on a blue rectangular background.The text "FUNDING GROWTH & OWNERSHIP" in blue, uppercase letters on a white rectangular background.A dark blue background image showing a person's hands in a suit writing on a document with a pen. The text "Funding Announcement" is overlaid in white.

## Funding Announcement

### Caple supports the Management Buyout at SM Contracts Ltd with a £3.2m, fully unsecured loan

**Caple** has completed the MBO of London-based SM Contracts Ltd (“SMC”) with a £3.2m, 8-year loan. As with all businesses supported by Caple, the loan required no personal guarantees, floating charges or any other form of security.

SMC is a long established, profitable business with a prominent market position in the niche, but expanding premium in-house entertainment, lighting, security and surveillance market in the UK. The company designs, programs, installs and maintains technology in the fast-growing audio-visual, IT building control, security & connected home programming market. They serve select UK developers and HNWIs and has extensive connections with the design market engendering a high level of referral business.

Two longstanding members of the senior management team had the opportunity to purchase an increased share of the business from the original founders to facilitate a medium-term exit. The transaction sees the management team tasked with driving much of the future growth now fully incentivised through increased equity ownership of their business.

The Caple team worked alongside Partner firm HMT to understand SMC’s business model, management team and growth opportunities. HMT worked within the Caple platform to deliver detailed information and an efficient process on behalf of their client. As with all deals supported by Caple there is no requirement for external, 3<sup>rd</sup> party due diligence.

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*“We are delighted to have advised David, his fellow founders and the management team on this transaction. David and his team have successfully grown SMC over the past 10 years and the funding structure provided by Caple will allow the business to realise its growth ambitions and solidify its leading position in the connected home market.”*

**Ricky Lane, HMT**

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*“Much of SMC’s value is wrapped up in their reputation for high quality and knowledgeable staff. These assets make it difficult for traditional lenders to support as they do not have the extent of tangible collateral required by SME lenders. We worked with HMT to fully understand the SMC business and are delighted to be able to play a small part in their continued growth journey”*

**Sean Brophy, Country Manager, Caple**