

# AARONITE

MANAGING TURNAROUND

## **An Aaronite partner will join a client as part of the leadership team to make turnaround happen.**

Aaronite manages turnaround by providing one of its experienced partners to act as Chairman, Chief Executive, Chief Restructuring Officer or Turnaround Director leading a turnaround or restructuring work within a client organisation. We always aim to align our interests with the stakeholders, taking officer positions where appropriate.



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# Experience

## The Aaronite years

Mike Grant and Iain Lynam formed Aaronite Partners Limited in June 2006 to provide leadership in managing turnarounds by providing "chief restructuring officer" services. The firm expanded becoming the Aaronite Partnership LLP in June 2009. There are now 7 partners.

Current Aaronite assignments in the public domain include:-

**The Investment Dar** – CRO

**NHS NW** – Turnaround Director

**Libra NHP Limited** – CRO and non-executive director

**McCarthy & Stone PLC** – non-executive director

Recent completed Aaronite assignments include: -

**2 entertain Limited** – Chairman and non-executive director – joint venture between the BBC and the Woolworths Group commissioning and distributing DVD's, which was highly profitable. Appointed by the Administrators of Woolworth Group to represent their shareholder interests on the board of 2 entertain.

**Care Principles Group** – Chief Executive Officer, non-executive director and Company Secretarial support – a major care home business, involved in the care of the mentally ill, Returned by its equity investors to its bank, it has been the subject of a full successful operational turnaround and then sale

**Hospedia Limited (formerly Patientline)** - Non-Executive Director in a telephone service provider to hospitals, which was restructured and then sold through a pre-pack process

**Chairman, Bison Limited** – manufacturer of concrete flooring based in the UK Midlands, which was restructured and then sold through a pre-pack process

**Advisor, Deutsche Woolworths** – major German retailer that went through a major cost reduction exercise

**Non-executive directors** – part of the contingency plan in a major restructuring of a UK insurance business

**Strategic advisor, Parliamentary Estates Office** – to assist with a cost reduction exercise

**Advisor, North West NHS Strategic Health Authority** - to help address financial underperformance in a number of its trusts

**Advisor** – assisted a major UK institution conduct a stalking horse bid to facilitate the successful sale of a UK/US media rights business

**CRO & non-executive director, Torex Retail PLC** – sale of a troubled software business through a pre-pack process

## ... the years before

Prior to joining Aaronite the individual partners have considerable senior level experience including:

Abu Dhabi Water & Electricity Authority, UAE

British Railways Board and Strategic Rail Authority

Cable & Wireless PLC

Crossrail

Eastern Electricity

Eurotunnel PLC & SA

Factiva

Georgian Wholesale Electricity Market, Georgia FSU

Great Eastern Telecommunications, Cayman Islands

John Dickinson Stationery

Liverpool Vision

Mobile1 Ltd, Singapore

Monaco Telecom, Monaco

Murray Darling Basin Commission, Australia

National Electric Power Authority, Nigeria

National Health Service, (over 20 NHS hospital trust, PCT and SHA turnaround programs

Railtrack Property

Reuters PLC

Safetynet, Japan

Shaheen Investment Group, Jordan

South Australian Water Corporation, Australia

Thames Water



# What We Do

**Aaronite Partners are a respected provider of turnaround professionals operating at the most senior level within underperforming or distressed organisations.**

Delivering turnaround at Aaronite is first and foremost a general management skill developed by a few senior individuals who have years of experience in delivering change at the highest levels in many types of organisation. We feel successful turnaround has at its heart leadership, drive, focus and direction, and is all about bringing out the best in the people within an organisation facing difficulties. During the implementation of any turnaround an Aaronite Partner will be responsible for managing many individual elements and skills, which are often specialisations in their own right, including:

- **Implementing class leading cash controls**
- **Operational restructuring and cost reduction actions**
- **Implementing effective HR management**
- **Securing and strengthening revenues**
- **Tightening of working capital management**
- **Assessment and reorganisation of assets**
- **Financial restructuring, raising additional funds or addressing debt**
- **Managing a sale or merger process or alternative concluding strategies**

During a turnaround we understand liaising and negotiating with stakeholders is a key responsibility, be they secured lenders, bond holders, credit insurers or large trade creditors and HM Revenue and Customs.

Aaronite Partners work in the UK and internationally for clients on either creditor or debtor sides. If requested, we hold shares for institutions during periods of change and provide advice on the structure and performance of senior management teams.

Services we offer:

Leadership  
Stakeholder management  
Financial restructuring  
Operational restructuring  
Performance improvement  
Turnaround planning & implementation  
Working capital optimization  
Direction of sale and exit strategies

## Services we offer:

Corporate exit services

Debt advisory

Financial restructuring

Operational restructuring

Performance improvement

Turnaround planning & implementation

Working capital optimisation

**It is surprising how often turnaround involves a business rediscovering what it thought it knew all along - and then being determined to get the basics right first time every time.**

## Mike Grant - Partner



**Our skill is getting in, quickly assessing what needs to be done then taking control and making it happen.**

**Mike Grant is an experienced Director, having worked in the restructuring arena for over 20 years. He has led some of the largest and most complex restructuring projects of recent times; having been appointed to senior positions in Eurotunnel, Railtrack, HM Government Cable & Wireless and most recently the Investment Dar, a multi billion dollar Kuwait investment company. He has held a number of international and domestic non-executive director's roles including Mobile1 (Singapore), Great Eastern Telecommunications (Cayman Islands), Monaco Telecom (Monaco), Liverpool Vision, British Railways Board, Railtrack Developments, Crossrail and Torex PLC. His particular skills are in delivering complex financial and operational restructurings.**

His first restructuring experience was at Eurotunnel, where he headed up a number of Eurotunnel departments including Investor Relations, Treasury and Corporate Finance before being appointed to lead Eurotunnel's 1998 financial restructuring. In 1999 he was appointed to a senior UK Government position initially as Franchising Director then CEO of the Strategic Rail Authority. As Accounting Officer he was responsible for the UK Government's £2 billion annual funding of the railways. After leaving the SRA he worked in a variety of posts at Cable & Wireless including Chairman of Cable & Wireless US that was sold through the US Chapter 11 process, CEO of Monaco Telecom and then led the initial integration of Energis following its £700m acquisition by Cable & Wireless. His more recent appointments include an assignment as Strategic Adviser to the UK Parliamentary Estate, the CRO at Deutsche Woolworth, advising a large and complex UK Private Equity group and as CRO at the Investment Dar.

Mike has a first degree in Civil Engineering and began his career as a Civil Engineer, before completing an MBA, specialising in Finance, at London's Cass Business School. He has also completed the Corporate Finance course at London Business School and the Advanced Management Programme at Harvard Business School. He taught Corporate Finance on the MBA at the Open University Business School. He is a Chartered Engineer, a Fellow of the Institution of Civil Engineers, a Fellow of the Association of Corporate Treasurers and a Member of the Institute for Turnaround.

## Iain Lynam - Partner



**Iain Lynam is an experienced turnaround executive who specialises in stepping in to fill executive roles in troubled businesses. Iain has wide experience gained in a variety of assignments, nowadays normally as chairman.**

With Aaronite, Iain's past roles have included work at Care Principles Limited, Bison Limited, Charterhouse Communications Group PLC, Entertainment Rights PLC, the Northwest NHS Strategic Health Authority, Torex Retail PLC and Whitehead Mann Group PLC and Willis Gambier Holdings Limited.

Previously he has led turnaround workouts at John Dickinson Stationery, Coolchain, a chilled distribution supplier to the supermarkets, at Telecom Security, an alarm services provider owned by BT. He has worked on a wide range of restructuring and change management assignments in the construction, distribution, manufacturing, motor and electricity supply sectors, including a number of troubled projects including Galileo, the travel ticketing and reservation system built at Swindon and at AES Barry to support a claim in the TXU Administration for this PPA power station company.

Iain has worked in the UK, the USA, and Sweden and at times in France, Germany, the Netherlands, Portugal and Sweden in Europe, the Middle East and Japan. He has had responsibility for businesses with operations in most parts of the world. He is a fellow of the Institute of Chartered Accountants in England and Wales and a fellow of the Institute for Turnaround, where he was also Chairman for the two years 2006-2008.

**Take time to deliberate; but when the time for action arrives, stop thinking and go in.**

## Sean Sullivan - Partner



**Every client says  
“we now realise  
we really needed  
to do this sooner,  
quicker, harder and  
deeper than we ever  
imagined.”**

**Sean Sullivan is a Turnaround Director and former Chief Executive with extensive private and public sector experience in the UK and internationally. Sean has particular experience in leading larger enterprises through turnaround and major change situations.**

Recently he led a complex multi-site turnaround at Care Principles Group involving a £285m debt for equity situation for a major Barclays Capital. The assignment was shortlisted for European Turnaround of the Year in 2011.

Previous assignments have also included:

- Delivery of £39m turnaround against an original request of £20m for a regional public sector UK organisation.
- £110m turnaround program for a regional NHS Strategic Health Authority.
- Delivery of over £150m of turnaround savings for the UK Dept of Health and National Health Service dealing with over 20 Primary Care Trusts, Hospital Trusts and Strategic Health Authorities, individually ranging in size from £90million to £1.2billion. In addition to giving Ministerial briefings he has also provided evidence to the House of Commons Select Committee on NHS finances.
- One of Jordan's leading investment houses, leading negotiations with Ministers of the Pakistan Government to gain a \$650m project to complete a \$2billion asset portfolio.
- Management of Georgian Wholesale Electricity Market in Tbilisi former USSR for European Bank of Reconstruction and Development.
- Assisting the National Electric Power Authority in Nigeria with a national restructuring program.

As CEO of SA Water (the South Australian Government's largest corporation with assets of Au\$5billion), he delivered financial

and performance improvements including management of A+ rated debt of Au\$1billion.

Sean was responsible for delivery, as regional Chairman, of part of the world's first Arabic unbundling and corporatisation program in the Eastern Abu Dhabi, UAE. He went on to become MD of the largest resulting entity.

Prior to managing operations at Eastern Electricity and Thames Water he had an earlier career in the international oil and gas exploration sector. Sean completed a science degree from The University of East Anglia with additional post-graduate research at the University of Reading. He has also served as Director, Water Services Association of Australia and was appointed Commissioner, Murray Darling Basin Commission the world's largest managed basin system. He is a former member of the Advisory Board for the School of Economics, University of Adelaide.

## Jeremy Jensen - Partner



**The symptom of trouble is usually found in cash burn and customer losses. There are two priorities: the support of a good team and fundamental change to put things right for customers. Speed is essential.**

**Jeremy Jensen has extensive experience at board level in crisis management, risk management and turnaround in a career spanning 25 years in the UK and overseas.**

He has managed the disposal of multiple distressed assets including large and small trading businesses in the UK, US and Far East, the management and disposal of significant property portfolios and the formation of joint ventures.

Jeremy is currently a Director of NHP/ Libra a £1.3bn property company as Chief Restructuring Officer to run and represent the company through its lender refinancing. In April 2009 he was appointed as a Non Executive Director of McCarthy and Stone PLC following its restructuring. He is also a Director of Transform, one of the largest private cosmetic surgery businesses in the UK.

In the Media and Telecoms sector he has worked for Reuters, Factiva and latterly Cable and Wireless where he was on the board of C&W Europe, UK, America and Asia (Turnover 2.0 billion), as interim Chief Executive and Chief Financial Officer in the period 2005- 2007, setting up the turnaround and integrating the £750m Acquisition of Energis. He was responsible for the rationalisation of over 900 properties in the UK and overseas including an £80m sale and lease back of central London properties.

In 2003 - 2004 he managed the separation and disposal of a large FTSE100 subsidiary through Chapter 11, and the disposal of IDC communications to Softbank in Japan.

He was Director of Audit and Global Risk management at Reuters Group between 1999 and 2001 responsible for implementing governance processes to comply with the Combined Code.

He was Chief Financial Officer of Reuters Japan and a founder Director on the board of Safetynet Japan a joint Venture between KDD, Reuters and Safetynet UK between 1994 and 1997.

Prior to this he held a number of senior general management and finance positions in the Middle East and Africa.

In 1987 he raised funding through private equity for Data Entry International a private data processing company where he was a Director on the board.

Jeremy qualified as a Chartered Accountant with Arthur Andersen in London, holds a degree in Economics and Economic History from the London School of Economics and is a Trustee of Marie Curie Cancer Care in the UK.

## Paul Thompson - Partner



**Strong corporate governance is essential in a stressed environment, to make sure that the right things are done at the right time.**

Paul Thompson is an experienced restructuring banker who retired as Head of Lending Services at HSBC in 2006 having spent over 15 years dealing with underperforming businesses in the UK and Europe in a wide variety of sectors.

During this time he was responsible for the bank's relationship with Eurotunnel for 3 years, chaired the Creditors' Committee of a major media insolvency and was Chairman of a 700 branch retailer turning over in excess of £500m till its successful disposal.

Since retiring he has been an independent financial consultant, providing services to a major UK professional services firm and a leading City investment bank. He is a Director of a Guernsey registered bank and of a £1bn plus turnover mobile telephone distribution business. He has also undertaken specific projects for a building materials company and a professional services firm.

Paul has a wide range of international experience, including living in Hong Kong for three years and has worked in Australia, Latin America, Europe and the USA. He is an Associate of the Institute of Bankers, a Fellow and past Chairman of the Institute for Turnaround, and has provided expert witness services.

## Steven Parkinson - Director



**It is essential to work out which levers to pull to change the business; then act quickly to stem the losses and restore stability and confidence.**

**Steve Parkinson is a Turnaround Director with prior corporate experience in the UK and overseas where he faced many challenging business situations. He now specialises in operational turnaround and leading teams through major change.**

After an early career in the upstream oil industry with Shell in Europe, the Far East and Middle East he returned to the UK with Honeywell.

His first major turnaround experience was with Dalkia where he oversaw the integration of a number of UK subsidiaries with significant legacy issues. This required the development of a common accounting platform, harmonisation of terms and conditions, headcount reduction, claims resolution, contract base rationalisation and a new vision, strategy and brand.

He later led the turnaround of Citex, an international Facilities and Project Management business with activities in UK, Europe and the Far East, ultimately leading to disposal of the profitable FM arm. At Mowlem he inherited two seriously underperforming businesses in the support services sector, one heavily loss making and haemorrhaging cash, while the other faced significant reduction in contract base. Restructuring and rationalisation turned major losses into break-even performance just ahead of the acquisition of Mowlem by Carillion.

Since 2006 Steve has operated as a turnaround specialist, working on assignments with Alfred McAlpine Business Services, Bison Ltd, Project First Group and Interserve plc.

Steve has a Masters Degree in Engineering Science from Oxford University and a Masters in Business Administration from London Business School. He is a Chartered Engineer and a Member of the Institution of Mechanical Engineers.

## Khuder Shamieh - Director



**Khuder is a Turnaround Director with prior business and financial consulting experience in the Middle East and had seven years of experience with Deloitte. He is well experienced in due diligence, audit and assurance services.**

His first major turnaround experience was assisting Mike Grant for 2 years when Mike was CRO of the Investment Dar, a multi billion dollar Kuwait investment company.

After an early career in audit and assurance services he moved to Dubai in 2008 and supported some of the largest public and private companies and banking and financial institutions with due diligence assignments in a variety of countries including Kuwait, the UAE, and Saudi Arabia. In Nov 2010, he moved back to Kuwait to support the development of the Transaction Services practice of Deloitte in Kuwait.

He has an Executive MBA from London Business School and had a first degree in accounting and finance. He has a CPA certificate from the American Institute of Certified Public Accountants and has a Diploma in Islamic Finance from Chartered Institute of Management Accountants.

**It is important to recognise that the Middle East has no restructuring precedents, making dealing with the stakeholders more challenging.**