ValuingTools

Teaser

Custom Textile Company

Creativity and textile personalization with impact and identity

With a detail-oriented approach, it combines design, printing techniques and high-quality embroidery to transform ideas into unique and memorable pieces.

Valuation	
Enterprise value	+ 120,000 €
Net financial debt	- 115,000 €
Property value	+ 250,000 €
Equity value	= 255,000 €
2025 EBITDA multiple	3.4x

KPIs	2024
Revenue	220,000 €
Reported EBITDA	35,000 €
(+/-) Adjustments	- 12,500 €
Adjusted EBITDA	22,500 €

Company based in Madeira and a regional reference in the personalization of promotional textiles and production of embroidery, operating in a market marked by growing demand for customized apparel and differentiated merchandising solutions. Its offering covers the personalization and embroidery of different types of garments, aimed at companies, organizations and private clients that value quality, consistency and visual identity. It stands out for its client proximity, operational flexibility, responsiveness and care in the execution of each project.

Creating, personalizing and enhancing brands through textiles.

1. Investment thesis

✓ Company with more than two decades of activity in textile personalization through embroidery, printing and design. It differs from a simple clothing retailer through its ability to adapt standard garments to each client's needs, benefiting from accumulated experience, proximity to the regional market and commercial relationships developed over the years.

✓ The business model benefits from a diversified customer base across companies and private clients, relatively short collection cycles and demand linked to uniforms, merchandising, events and brand communication. Currently unused production capacity allows the company to absorb higher order volumes without immediate need for significant investment, creating growth potential through operating leverage and margin improvement.

2. Other 2024 indicators

Net margin	FCFF	Payment period	Collection period	Revenue CAGR
5.2%	€10,814	37 days	43 days	27.06%

Note: The values presented were prepared based on information made available by the company and may reflect final or provisional data as of the date they were shared.

3. Opportunity

The opportunity lies in transforming an experienced regional operation into a commercial platform with broader reach. An investor could strengthen the digital presence, structure a dedicated commercial approach for the corporate segment, establish recurring contracts with companies and event organizers, and expand activity beyond the island market. Procurement optimization, pricing policy review and better use of installed equipment could increase efficiency and improve business profitability.

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Projected income statement (€)

	2025E	2026E	2027E	2028E	2029E
Revenue	**256,599**	**269,429**	**282,900**	**297,045**	**311,897**
growth (%)	*15.0%*	*5.0%*	*5.0%*	*5.0%*	*5.0%*
Cost of goods sold	-120,088	-126,093	-132,397	-139,017	-145,968
Gross profit	136,511	143,336	150,503	158,028	165,929
Gross margin %	*53.2%*	*53.2%*	*53.2%*	*53.2%*	*53.2%*
Operating grants	0	0	0	0	0
Payroll expenses	-55,698	-58,483	-61,407	-64,478	-67,701
Supplies and external services	-44,905	-47,150	-49,508	-51,983	-54,582
Other operating income	5,902	6,197	6,507	6,832	7,174
Other operating expenses	-5,902	-6,197	-6,507	-6,832	-7,174
EBITDA	35,908	37,703	39,588	41,568	43,646
EBITDA margin %	*14.0%*	*14.0%*	*14.0%*	*14.0%*	*14.0%*
Depreciation & amortization expenses	-9,129	-10,379	-11,629	-12,879	-14,129
EBIT	26,778	27,324	27,959	28,688	29,517
EBIT margin %	*10.4%*	*10.1%*	*9.9%*	*9.7%*	*9.5%*

Projected income statement (€)

	2025E	2026E	2027E	2028E	2029E
Financial expenses	-3,769	-2,408	-1,019	0	0
EBT	23,010	24,916	26,940	28,688	29,517
EBT margin %	*9.0%*	*9.2%*	*9.5%*	*9.7%*	*9.5%*
Income tax	-4,832	-5,232	-5,657	-6,025	-6,198
Net income	**18,178**	**19,683**	**21,282**	**22,664**	**23,318**
Net income margin %	*7.1%*	*7.3%*	*7.5%*	*7.6%*	*7.5%*

Projected cash flow statement (€)

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	2025E	2026E	2027E	2028E	2029E
Net income	18,178	19,683	21,282	22,664	23,318
(+) Depreciation & amortization expenses	9,129	10,379	11,629	12,879	14,129
Δ Net working capital	1,953	-401	514	540	567
Operating cash flow	**29,260**	**29,662**	**33,426**	**36,083**	**38,015**
Δ Other assets	0	0	0	0	0
Δ Short-term financial investments	0	0	0	0	0
CAPEX	-10,000	-10,000	-10,000	-10,000	-10,000
Cash flow after investment	**19,260**	**19,662**	**23,426**	**26,083**	**28,015**
Δ Short-term debt	-19,260	-16,701	0	0	0
Δ Long-term debt	0	-2,961	-14,429	0	0
Δ Equity	0	0	0	0	0
Cash flow after financing	**0**	**0**	**8,998**	**26,083**	**28,015**
Cash balance	3,107	3,107	12,105	38,188	66,203

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