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## McWin: 'It's about looking for great opportunities'

By [Shwetal Sapte](#) | 5 February 2024 | 3 min read

McWin Capital Partners has seen consistent growth across its portfolio over the past two years and believes its most recent acquisition, Sticks'n'Sushi, has significant potential to grow in the UK, partner Harry Goss tells MCA.

The Danish restaurant group is well established in its home country but has opportunity to add to its 12-strong UK portfolio, according to Goss.

"In Denmark, Sticks'n'Sushi is an institution of a brand that's been around a long time," he says. "It's loved, it's part of the fabric.

"We'll very much protect and nurture that, but in terms of expansion, there's more potential in the UK as well as Germany, where [the brand] is very nascent."

The London-based private equity firm announced its acquisition of Sticks'n'Sushi last week in a deal valuing the company at €80m (£68m). The group operates 27 sites across the UK, Denmark, and Germany, and reported £90m in revenue for the year ended June 2023.

"We always look for really strong teams," Goss continues. "It's one of the hardest things to find in restaurant businesses and when you find it, it's a real differentiator."

He adds that the sushi category overall is an attractive investment owing to its versatility and appeal.

"It's hard to build a quality sushi business at scale. That in itself is a barrier to entry.

"We like the category...it has a lot of tailwinds, it's a growing market, it's female-friendly, kid-friendly, and it works for a business meeting, a date, or a Sunday lunch. It appeals to a broad demographic."

Not many full-service groups have managed to successfully enter three markets like Sticks'n'Sushi has, adds Goss: "The business has been built patiently, with a high quality portfolio, over many years."

The private equity firm's "complete focus" on the sector – plus its expertise, platform, and the rest of its portfolio – is a "real advantage we bring." McWin's other investments include experiential dining group Big Mamma, premium bakery chain Gail's, pasta chain Vapiano, and Germany-founded Italian dining chain L'Osteria.

"Our portfolio has been very resilient over the last couple of years," Goss says. "Cost headwinds are largely abating and we're reassured by the performance of the sector.

"We're fairly realistic but optimistic about the outlook. Restaurants are incredibly operationally intensive, but the customer has held up very well.

"Strong concepts and well-run businesses have outperformed and taken share."

McWin's investment strategy, therefore, is more about opportunity than any one market or segment of the wider eating out sector.

"We look for great businesses and great leadership to scale," Goss adds. "We have multiple investments in some segments like Italian, but we're not overly scientific about how we balance our portfolio – it's about looking for great opportunities."

While QSR and fine dining have held up well, the "distinct outperformance" of some mid-market concepts shows that demand for value for money – or the price to quality ratio – is strong at any price point.

"Customers are more discerning than they're given credit for...we see a lot of potential for Sticks'n'Sushi."