A Neumann & Associates, LLC

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Business Profile **Engagement: 1492-2169**

Company Information

Line of business: Specialty Animal Natural Food Supplement Company

Location: Mid-Atlantic – Business is Virtual

In Business: 25+ years

Employees: 2 Part Time

Facilities: None

Reason for Sale: Retirement (consulting available)

Company Assets:

• Net Working Capital	$75,000
• Leasehold Improvements	$0
• Office – Furniture & Computer	$0
• Vehicles, Trailers, Forklifts	$0
• Equipment & Tooling	$0
• Other	$0
Total Assets included in Sale	$75,000

Sales and Cash Flow: (All Information Based On P&L/Tax Returns)

Fiscal Year End	Revenue	Seller Discretionary Cash Flow
2023	$825,000	$485,000
2024	$725,000	$295,000
2025	$655,000	$295,000
2026 (e)	$725,000	$315,000

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Executive Summary

This well-known **Specialty Animal Natural Food Supplement Company** provides a wide array of specialized organic animal supplements to a broad B2B customer base throughout the US and globally. The firm enjoys significant operating margins, documented profitability and significant owner benefit. This business currently operates from the owner's home and has no need for a traditional brick and mortar location. Ownership manages this business on a part-time basis with an average of 10 hours per week. The ideal buyer should be familiar with B2B offerings as well as be knowledgeable of the all-natural food supplement industry.

The company enjoys a **strong competitive advantage** through its brand recognition and long-term history as an industry leader. The Company has a solid foundation established in multiple distribution channels and is poised for accelerated growth.

It is projected that a new owner will obtain **significant additional growth** by greater involvement in industry associations as well as expanding the product categories across other animal types. The Company projects an annual revenue growth rate under such premise of 20%+ per year with similar gross margins.

The company has been **fully reviewed and conservatively appraised** by an accredited national valuation firm at 4.8x EBITDA (ttm). A full valuation report is included and there is $75,000 in Net Working Capital included in the deal. The business is pre-qualified by an SBA lender subject to buyer's financials, and by implementing the proposed deal structure an owner operator will obtain more than **$160,000 benefit in after-acquisition-debt cash flow in Year #1 – over 60% return on equity investment**.

A comfortable **transition period** will be provided by the owner who truly wants to see the business continue to flourish. Seller will consider a mid-term consulting agreement thereafter.

(ALL DATA BASED ON SIGNED TAX RETURNS)

Deal Structure

(Proposed)

Buyer Cash Down @ Closing	$258,000
Buyer Bank Financing	$774,000
Seller Financing @ 9.75% / 5 years	$258,000
Long Term Debt Assumption	$0
Total Purchase Price	**$1,290,000**

Buyer Benefits

1) Growing business for 25+ years – leader in target market with solid growth potential
2) Currently requires 10 hours per week to manage with tremendous flexibility
3) Acquisition financing approved for 80% of asking price – over 60% ROI in Year #1

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NOTE: All data is based on signed tax returns and financial records. A Neumann & Associates has made no investigation or verification of the information presented herein. No additional information will be released until the Buyer has been fully reviewed and sufficient cash is available.

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