



A Neumann & Associates, LLC
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Business Profile

Engagement: 1492-2102A

Company Information

Line of business: Retail (Sporting Goods)

Location: State of New York

In Business: 65+ years

Employees: 30 (FT & PT)

Facilities: 32,000 SF Retail Store, Office & Warehouse (leased)

Reason for Sale: Retirement (consulting available)

Company Assets:

| | |
|---|------------------|
| • Net Working Capital | \$90,000 |
| • Leasehold Improvements | \$100,000 |
| • Office – Furniture & Computer | \$10,000 |
| • Store/ Warehouse Furniture & Fixtures | \$260,000 |
| • Equipment & Tooling | \$0 |
| • Other | \$0 |
| Total Assets included in Sale | \$460,000 |

Sales and Cash Flow:

(All Information Based On P&L/Tax Returns)

| <u>Fiscal Year End</u> | <u>Revenue</u> | <u>Seller Discretionary Cash Flow</u> |
|------------------------|----------------|---------------------------------------|
| 2020 | \$8,215,000 *) | \$1,095,000 |
| 2021 | \$8,450,000 *) | \$1,550,000 |
| 2022 | \$7,900,000 | \$1,170,000 |
| 2023 (e) | \$8,100,000 | \$1,220,000 |

*) Covid-19 & Industry Impact



Executive Summary

This well-known **retail sporting goods and apparel store** specializes in firearms, hunting, fishing, and camping equipment, outdoor and work apparel and footwear. The Company operates from its 32,000 square foot storefront in the State of New York and sees significant repeat business from clients seeking exceptional customer service and an extensive selection of curated sporting goods. The firm enjoys significant operating margins, documented profitability and significant owner benefit.

The Company was founded over 65 years ago and has a rich history in its community with a loyal client base and knowledgeable workforce led by an experienced management team. The Company enjoys a **strong competitive advantage** in the service area by offering uniquely individualized customer experiences in contrast to large retailers. The Company has a solid foundation and is poised for accelerated growth based on tourism and increased home ownership in the region.

It is projected that a new owner will obtain **additional growth** by expanding both in-house services/product offerings and e-commerce efforts to service a wider territory and reach new client segments. The Company projects an annual revenue growth rate under such premise of 20%+ per year with comparable gross margins.

The company has been **fully reviewed and conservatively appraised** by an accredited national valuation firm at 4.1x EBITDA (2022). A full valuation report is included and there is \$90,000 in Net Working Capital plus another \$370,000 in Fixed Assets 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 **\$640,000 benefit in after-acquisition-debt cash flow in Year #1 - over 80% return on equity investment.**

A comfortable **transition period** will be provided by the owner who truly wants to see the business continue to flourish. A very well trained and highly qualified team will stay in place and support the new owner in all aspects of the business.

(ALL DATA BASED ON SIGNED TAX RETURNS)

Deal Structure (Proposed)

| | |
|------------------------------------|--------------------|
| Buyer Cash Down @ Closing | \$790,000 |
| Buyer Bank Financing | \$2,370,000 |
| Seller Financing @ 11.0% / 5 years | \$790,000 |
| Long Term Debt Assumption | \$0 |
| Total Purchase Price | \$3,950,000 |

Note: If applicable, all real estate offered by ANA Commercial Real Estate, LLC

Buyer Benefits

| |
|---|
| 1) Ionic Independent business, Rich History 50+ years - non union shop |
| 2) Significant Growth Potential for Buyer to expand footprint/ channels |
| 3) Strong, experienced team in place to support new owner |

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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.