



VIKING

— MERGERS + ACQUISITIONS —

Klendworth Project Company, LLC DBA

Agricruit (AG Partners)

Confidential Information Memorandum

Confidential For Approved
Recipients Only



INTRODUCTION

Purpose

This Confidential Information Memorandum ("CIM") is furnished by Viking Mergers & Acquisitions ("Viking") to a limited number of qualified prospective buyers that have executed Viking's non-disclosure agreement and have requested information pertaining to Klendworth Project Company, LLC ("the Company"). The intent of this CIM is to provide prospective buyers with the data and information to conduct an initial high-level assessment of the Company.

Buyer Responsibility

The recipients of this CIM are solely responsible for conducting their own assessment and due diligence at their own cost. Whereas Viking represents the Company, prospective buyers should engage the professional resources they deem necessary to perform a thorough assessment of the Company.

Disclaimer

This CIM was created from data, information and documentation provided by the Company owners. The data and information contained in this CIM are believed by Viking to be accurate. Viking has not performed an audit of or investigation into the data and information contained in the report. Viking disclaims all liability for the contents of this CIM, representations (expressed or implied) or omissions.

The financial information contained in this CIM has been adjusted to demonstrate the Company's profit capability. Adjustments include certain owner-related compensation, non-operating assets, extraordinary one-time charges, and other non-essential operating expenses. Adjustments and add-backs are commonly performed when determining Seller's Discretionary Earnings (SDE).

This CIM includes projections, assumptions and statements provided by the Company's owners concerning possible future growth and performance which may or may not prove correct. Any such statements should be considered subjective. Prospective buyers are advised to do their own research and develop their own projections and assumptions about future performance.

Viking and the Company provide no guarantee of future performance. Furthermore, Viking does not accept responsibility for verifying the information contained in this CIM and provides no warranty as to how accurate, truthful and/or complete the contents are.

This CIM was produced with data and information available at the time it was created. Viking does not guarantee the data and information has been updated since the CIM was created. Neither Viking or the Company are committed to updating this CIM unless and until such time they deem necessary.

Confidentiality

Recipients of this CIM agree they will not reproduce or distribute, in whole or in part, this report or its contents without prior express consent by Viking. Recipients further agree they will treat all data and information contained in this CIM as confidential and take actions necessary to ensure no parties have access to its contents unless approved in advance by Viking. This CIM is and shall remain the property of Viking. The Company and/or Viking have the right to call for the return of this document at any time and for any reason.

Continued...

INTRODUCTION

About Viking Mergers & Acquisitions

Viking Mergers & Acquisitions, headquartered in Charlotte, NC, is a leading small business brokerage firm specializing in sell-side advisory services. Most of Viking's clients are owners of small businesses with enterprise values up to \$100M. Operating in several offices throughout the Southeastern United States, Viking's team consists of professional advisors, financial analysts, marketing, and administrative specialists.

In business since 1996, Viking has achieved best-in-class performance and is ranked in the top echelon of small business advisory firms. Most of Viking's advisors are former business owners and the current advisory team consists of several former CPAs, CFOs, and Executives with extensive experience in sales, operations, management, accounting, and finance.

Viking's goal is to be the most respected small business advisory firm in the United States. With a close-ratio 3X higher than the industry average, Viking established a reputation for its well-defined, process-driven system for assessing, valuing, marketing, and closing small business transactions.

Contact Information

All questions, inquiries, requests for information and/or proposals are to be directed to:

Christian Aunspaugh - Associate Partner - Viking Mergers - Tampa, FL

Cell Phone: (727) 519 - 5755

Direct Phone: (813) 773-3779

Email: christian@vikingmerger.com

Max Roix - Associate Advisor - Viking Mergers - Tampa, FL

Cell Phone: (727) 458 -0955

Direct Phone: (813) 773-3722

Email: mroix@vikingmerger.com

Under no circumstance is a prospective buyer to visit the Company's site(s) unless approved in advance by Viking and the Company owners. All tours of the Company must be approved and scheduled in advance and all visitors must be accompanied by a Viking representative.

Continued...

INTRODUCTION

Questions and Inquiries

All questions, inquiries, or other communications regarding this CIM and/or the Company must be channeled through Viking. No direct communication with any members of the Company is allowed without advanced express approval by Viking.

Employees, customers, suppliers, vendors, and competitors are unaware the Company is on the market for sale. Under no circumstances are prospective buyers to contact managers, employees, suppliers, vendors, or competitors of the Company.

Prospective buyers should exercise extreme caution when talking with industry insiders and every effort must be taken to ensure confidentiality is maintained.

Next Steps

Buyers interested in pursuing a possible purchase of the Company are to work through a Viking M&A Broker. Refer to the contact information included above.

Conference calls with all parties (sellers, prospective buyers, and Viking) may be held as a means of making introductions and discussing details about the Company and the prospective buyer. **All conference calls will be scheduled and facilitated by Viking. No calls between the Company and prospective buyers will be held unless approved, scheduled, and facilitated by Viking.**

Tours of the Company's site(s) will be arranged with the most interested and best qualified prospective buyers. Viking attempts to keep tours to a minimum as to not disrupt the Company's business. Therefore, Viking reserves the right to arrange tours only after all pre-qualifying steps are taken and the seller(s) agree to the tour. Due to confidentiality concerns, tours may be scheduled after hours or on weekends.

Parties wanting to express a formal interest in purchasing the Company will submit Viking's standard Business Offer and Acceptance Agreement. After acceptance of an offer, more details about the Company will be provided during the due diligence process.

Viking requires the Company and all prospective buyers to follow Viking's rigid and structured process. The reason is to ensure confidentiality while providing for a smooth, efficient, and well-organized transaction.

Under no circumstance is a prospective buyer to visit the Company's site(s) unless approved in advance by Viking and the Company owners. **All tours of the Company must be approved and scheduled in advance and all visitors must be accompanied by a Viking representative.**

Cancellation of Interest

If you are no longer interested in pursuing the Company as a potential acquisition, please notify Viking and destroy all copies of the CIM including those stored electronically.

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COMPANY OVERVIEW



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Executive Summary

Company Name: Klendworth Project Company, LLC

DBA: Agricruit

Website: <https://www.agricruit.com/>

Address: Fully Remote Business

Year Founded: 2021

Owners:

Kale Klendworth (100%)

NAICS Code: 561300, Employment Services

About Us: Agricruit is a very strategic recruiting firm that offers full-service recruiting within the agricultural community. Not only do we create the best experience for the candidates we work with, but we also go beyond measures to ensure that our clients are taken care of so they find the help they need in a timely manner. On top of the full-service recruiting, we also offer modernized market data to ensure that our clients stay ahead of their competitors. With utilizing Agricruit's services, every step of the recruiting process is streamlined ranging from candidate acquisition to a follow-up check in 90 days after being hired. Our process is proven, and our mission is to help people find their dream job and companies build their dream time within the agricultural industry. Agricruit's vast industry knowledge plays a large part into our process and retaining the best talent the market has to offer for our clients.



Business History & Reason for Sale

- February 4, 2021 - Founded in the State of Illinois legally as "Agricultural Partners, LLC."
- July 23, 2021 - Moved the firm to Florida and closed "Agricultural Partners, LLC."
- July 23, 2021 - Founded/Transferred the firm to the name: "Klendworth Project Company, LLC DBA Ag Partners"
- July 5, 2022 - Hired first full-time employee to a salary + commission role as a Recruiter.
- December 31, 2022 - Grew 100% as a company YoY.
- March 27, 2023 - Hired second full-time employee to a salary + commission role as a Recruiter.
- April 1, 2023 - Hit \$1,000,000 in revenue.
- April 10, 2023 - Launched a professionally built website with SEO services.

Reason for Sale:

Kale and his wife Alexis have a goal to move to Texas by 2024. Kale is an innovator by trade and has an itch for starting new companies and growing strategic platforms. At this time, he believes that the firm could benefit from a strategic partner who can acquire the firm and help provide additional resources and implement prior growth based on prior success. By moving to Texas, Kale and Alexis will have the opportunity to focus on another entity of theirs and grow their contract based work. **Kale would like to see continued success for the firm and is open to staying on board for an extended transition period either in a consultant or managing leader capacity to help institute new sales and ensure a strong transition for the next management and current employees of the company. Kale understands that if buyers are interested in Kale operating in this capacity that there will be a compensation included with the role and that this will adjust and create creative structures of offers.**

Company Strengths



Competitive Pricing

Agricruit has identified their competition and has thus priced their services accordingly.

Customer Service

Agricruit goes above and beyond for their clients and candidates to ensure that the placement is successful for all parties.

Repeat Customer Base



Due to their commitment to their customers and outstanding customer service, throughout their years in business Agricruit has retained many clients that they continually serve.

Potential for Growth

Started in 2021, the firm has a large market share in multiple states already with room to grow.

SERVICES

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Services

Agricruit's primary service includes full-service recruiting and consulting. For candidates, the firm handles every step of the recruiting process in order to land their dream career. Agricruit utilizes resources such as exclusive partnerships with job boards, their ATS (Applicant Tracking System) database of thousands of candidates, as well as social media (LinkedIn & Facebook) to identify the best talent in the market.

The firm also offers seasonal temporary work which is utilized by a couple of their customers. This service allows for their client to hire workers/candidates on an hourly basis and Agricruit is able to bill the client for every hour the candidate works.



Recruiting Process

Once the best talent is identified, they are screened by having what is called a "G2". A "G2" is a first phone call where detailed questions are asked about their career preferences. Post phone call, another interview, called an Internal Interview "IOI", is scheduled where further detailed questions about the candidate are asked. After the IOI, the references provided by the candidate are contacted. Once all steps are completed, there is one more call which is called a lockdown call where the team ensures the candidate is 100% committed to the position available with the clients. Agricruit then assists the candidate through the interview process and helps them every step of the way. The team checks in with the candidates after Day 1, Day 7, Day 30, and Day 90 to ensure their job is still going well and provide any feedback to the client that the candidate might have.

- Identification of talent via various means
- Phone Call 1 (G2)
- Phone Call 2 (IOI)
- References Contacted
- Phone Call 3 (Lockdown Call)
- Interview Process
- Hire
- Follow up (Days 1, 7, 30, and 90)





CUSTOMERS

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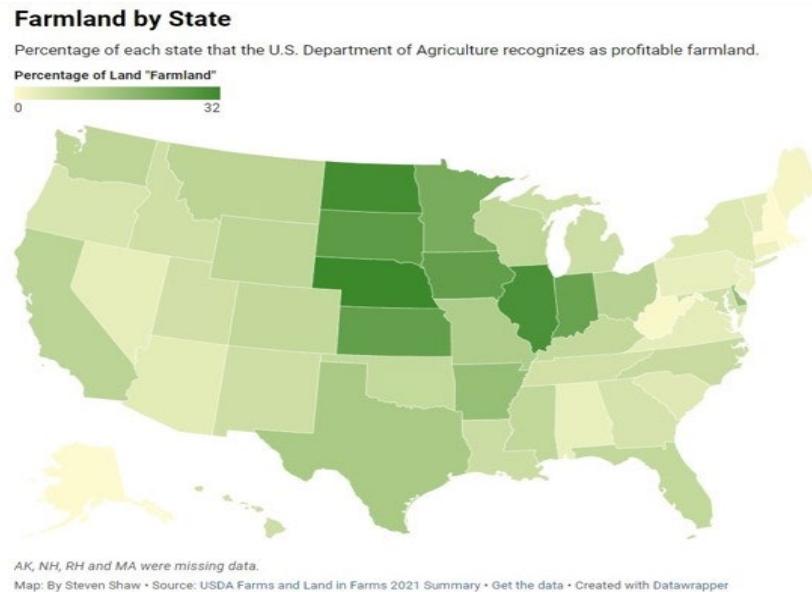
Customer Base

Agricruit is able to serve a vast customer base with the service that they provide. Clients range from the local farmer up the street to large agriculture retail or cooperative companies. Agriculture has a focus on building relationships with clients they can see their candidates growing a career with. A large part of a customer choosing to work with Agricruit is because of the work they do on the front end to ensure that their candidates are the best candidates for the job. From the initial conversations to the follow up interviews, Agricruit's customer service is an advantage that keeps customers coming back. With their current customer base, Agricruit has job openings to fill for months to come. On top of that, the firm is ready to expand into other states with untapped markets.

Total Annual Customers in 2022: 20

Total Number of Reoccurring Customers: 15

States Served: 8



Geographical Footprint

1. Illinois
2. Indiana
3. Iowa
4. Kentucky
5. Missouri
6. Ohio
7. Tennessee
8. Wisconsin



Pricing Terms



Many of the terms Agricruit negotiates with their clients revolve around their history with the firm and how many candidates they have placed with them. Most of the time, Agricruit looks for about a 25% margin on placement. If the client is placing more than one candidate, the firm is more apt to give them better terms.

The payment terms stay very rigid on a net 30 basis.

MARKETS & INDUSTRY TRENDS



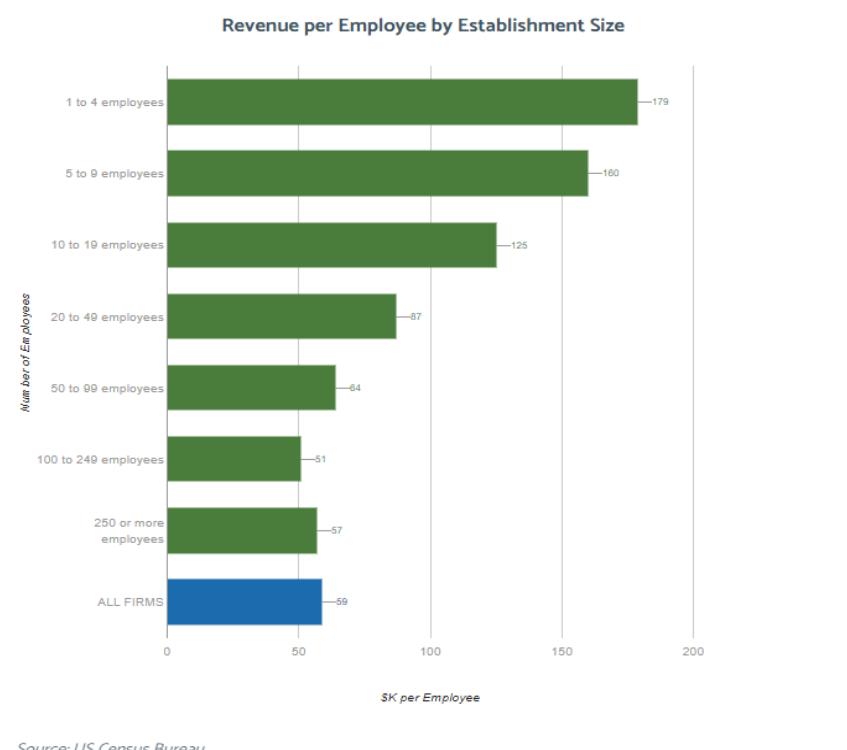
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Industry - Employment Services (via VerticalIQ)

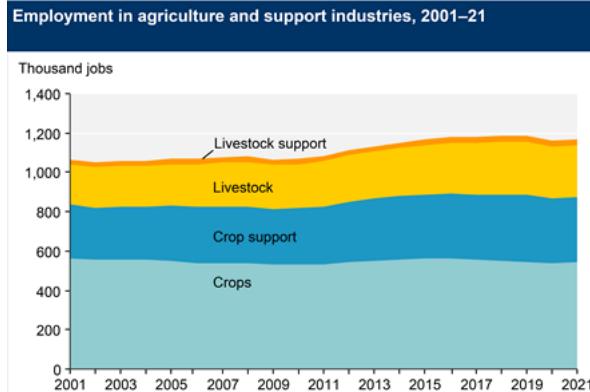
Increasing Duration Of Placements

Employment services can increase the revenue per temporary worker placed by increasing the duration of work assignments. Successfully matching qualified candidates with assignments can lead to contract extensions. Agencies also usually earn fees when temporary workers are offered permanent positions. By specializing in particular functional areas or industries, employment services can develop a pipeline of high quality workers who are more likely to be offered extensions or job offers.

- The overall industry consists of about 28,200 firms and generates around \$575 billion in annual revenue.
- 56% of firms have less than 10 employees.
- The top 4 firms account for over 25% of industry revenue. The largest employment services firms include Adecco, Kelly Services, Manpower, Spherion, and Kforce.
- Workers average 34-35 hours per week, comparable to permanent employees.
- Services are provided to customers in all employment segments: manufacturing, services, and government.
- With limited capital costs associated with start up, there is little barrier to entry into this field



Industry - Farming Labor (Economic Research Service, US Dept. of Agriculture)



Note: Employment is measured as the annual average number of full- and part-time jobs. Data do not cover smaller farm employers in those States that exempt them from participation in the unemployment insurance system.

Source: USDA, Economic Research Service using data from U.S. Department of Labor, Quarterly Census of Employment and Wages, June 8, 2022 release.

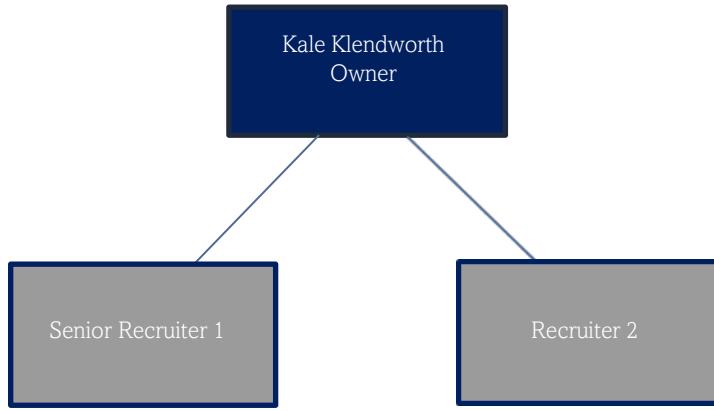
According to data from the Quarterly Census of Employment and Wages (QCEW), wage and salary employment in agriculture (measured as the annual average number of full- and part-time jobs)—including support industries such as farm labor contracting—stabilized in the 2000s and has been on a gradual upward trend since 2010, rising from 1.08 million in 2011 to 1.17 million in 2021, a gain of 8 percent.



**MANAGEMENT,
ORGANIZATION,
& STAFF**

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Organizational Chart



Staff

Owner - Kale Klendworth

Responsibilities - Coordinate meetings with the team to discuss strategies, invoicing, social media marketing, and client communication.

Bookkeeper - Alexis Klendworth

Responsibilities - Compiling monthly financials, running them through QuickBooks.

Position - Senior Recruiter 1 (Paid on Salary & Commission)

Responsibilities - Communicating with new candidates, talking with clients directly during recruiting, and creating job postings. This individual has been in the process of being trained to take on a management role which encompasses sales, bidding work, and marketing. They were/are also responsible for training all new recruiters on recruiting process.

Position - Recruiter 2 (Paid on Salary & Commission)

Responsibilities - Communicating with new candidates, speaking to clients directly through the recruiting process, and cycling candidates through interviews.

Employee Benefits

- Unlimited Commissions
- 13 days PTO
- Company Paid (50%) Insurance Benefits
- Company Cell Phone with Unlimited Data
- Company Computer
- Work Remote
- 401k + 4% Company Match (valid after 90 days of employment)
- Company Paid Office Supplies (paper, pens, ink, etc)

Hours of Operation

Hours of operation are Monday through Friday from 8:00am to 4:30pm, however Agricruit employees are always available via company cell phones.

MARKETING & TECHNOLOGY



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Marketing - Customer Acquisiton

Agricruit uses a variety of tools for customer acquisition. The firm's website generates many leads through search optimization in the markets that they currently serve.

Some of the ways that Agricruit has marketed to potential clients are:

- Cold calling (much of their business comes from cold calling)
- Handwritten Notes
- Emails
- Facebook Marketing
- LinkedIn Posts
- Advertisements in Catalogues



Marketing - Candidate Acquisition

Similar to acquiring customers, Agricruit utilizes different channels to market to potential candidates.

On top of their website, Agricruit also uses the following means to market to potential candidates:

- Advertisements on LinkedIn for positions
- Open positions on Indeed
- Pulling reports on Indeed to see what individuals are searching to do for a job



Technology & Programs

In 2022 the firm started utilizing an applicant tracking system (ATS) which houses thousands of candidates and their information (name, address, job history, contact information).

Catsone - A tracking database that allows Agricruit to categorize candidates by jobs that they could be considered for. Catsone allows for Agricruit to post a job that will be published to many different job boards.

Indeed - Allows for Agricruit to filter out resumes and contact candidates if they fit the job criteria.

Google Drive - Used to schedule meetings, organize leads, and organize candidates.

QuickBooks - The firm runs financials on QuickBooks.



FINANCIALS



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Historical Income Statement

AG Partners Recruiting

HISTORICAL INCOME STATEMENT

Exhibit A

Year: Period: Source:	2023 12 Months Profit and Loss		2022 12 Months Profit and Loss		2021 12 Months Profit and Loss	
Income Statement						
Total Sales	879,152	100.0%	596,300	100.0%	175,349	100.0%
Cost of Sales	-	0.0%	-	0.0%	-	0.0%
Gross Profit	879,152	100.0%	596,300	100.0%	175,349	100.0%
Less: Operating Expenses	606,230	69.0%	273,017	45.8%	70,365	40.1%
Other Income	-	0.0%	1,593	0.3%	-	0.0%
Pre-Tax Profit	272,922	31.0%	324,875	54.5%	104,984	59.9%
Adjustments						
Interest Expense	-	0.0%	976	0.2%	47	0.0%
Depreciation Expense	-	0.0%	-	0.0%	38,968	22.2%
Amortization Expense	-	0.0%	-	0.0%	-	0.0%
Owners Compensation	61,464	21.0%	40,245	12.9%	25,119	4.9%
Rent Equalization	-	28.0%	-	19.9%	-	41.5%
All Other Addbacks	184,606	0.0%	77,212	0.0%	8,556	0.0%
New Expenses	-	31.0%	-	54.5%	-	59.9%
Total Of Adjustments	246,070	31.0%	118,433	54.5%	72,690	59.9%
Plus: Pre-Tax Profit	272,922	31.0%	324,875	54.5%	104,984	59.9%
Discretionary Cash Flow	\$ 518,992	59.0%	\$ 443,309	74.3%	\$ 177,674	101.3%

Cash Flow Analysis

ANALYSIS OF CASH FLOWS

Exhibit A (cont.)

	Year: Period: Source:	2023 12 Months Profit and Loss	2022 12 Months Profit and Loss	2021 12 Months Profit and Loss
EBITDA:				
Earnings	\$ 272,922	\$ 325,852	\$ 143,999	
Interest	-	976	47	
Depreciation	-	-	38,968	
Amortization	-	-	-	
Total Owners Compensation:				
Kale Klendworth Salary	\$ 61,464	\$ 40,245	\$ 25,119	
Matching FICA Taxes*	30,000	31,154	20,000	
Alexis Klendworth Salary	3,865	2,383	1,530	
Matching FICA Taxes*	25,281	6,231	3,334	
	2,318	476.66	255	
Rent Equalization:				
Rent to current owner	\$ -	\$ -	\$ -	
Rent to new owner	-	-	-	
All Other Addbacks:				
Officers' Life Insurance	\$ 184,606	\$ 77,212	\$ 8,556	
Management Fee	7,247	5,404	-	
Employee Retirement Plans	160,000	60,000	-	
Office Expense	1,124	737	-	
Office Supplies	-	(1)	1,686	
Vehicle Expense	74	6,826	6,201	
Employee Reimbursement - Home Office Expenses	3,671	236	669	
Gain/Loss on Sale of Vehicle	-	7,205	-	
Advertising - Kid's Payroll	(3,194)	-	-	
	12,490	-	-	
New Expenses:				
	\$ -	\$ -	\$ -	
Seller's Discretionary Cash Flow	\$ 518,992	\$ 443,309	\$ 177,674	



INVESTMENT CONSIDERATIONS

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Business Offering

Business Transaction Structure

The Company is offered for sale on an asset-sale basis for **\$1,500,000**. All offers and deal structures based on Purchaser's valuation will be presented and discussed with the Sellers. The sale of the Company includes tangible and intangible assets, including furniture, fixtures, equipment, trademarks, trade names, trade secrets, customer lists, goodwill, and if transferable, permits or special licenses.

Kale would like to see continued success for the firm and is open to staying on board for an extended transition period either in a consultant or managing leader capacity to help institute new sales and ensure a strong transition for the next management and current employees of the company. Kale understands that if buyers are interested in Kale operating in this capacity that there will be a compensation included with the role and that this will adjust and create creative structures of offers.