

# Investor Memorandum

## Acquisition Opportunity – Established Printing Company, Aiken, SC

### 1. Executive Summary

We are acquiring a long-standing B2B printing company in Aiken, SC, established in 1876 and continuously operated for over 147 years. The business generates \$500,000 in annual revenue with \$120,000 in discretionary earnings (SDE).

The current owner is retiring but has agreed to:

- Stay on for 12 months post-sale to ensure a smooth transition.
- Finance a portion of the acquisition through seller financing.
- Lease the property to the buyer, keeping the transaction focused on the business only.

The seller has no deadline to close and prefers to sell to me, believing I am the right fit to carry the business forward.

### 2. Business Snapshot

- Founded: 1876
- Revenue: \$500,000 annually
- Profit (SDE): \$120,000 annually
- Employees: 4 (including owner)
- Debt: None (except one printer lease ending 2026)
- Clients: Primarily B2B, with multi-decade relationships (some since previous generation of ownership).
- Geographic Reach: Local + extended client base across the East Coast.
- Competition: Low impact — business thrives on relationships and reputation.

### 3. The Opportunity

This acquisition represents a chance to own a profitable, predictable, relationship-driven business with:

- Longstanding client loyalty (recurring B2B accounts).
- Generational trust that creates high barriers to entry.
- A scalable platform for expansion into digital printing, signage, and marketing services.
- Predictable cashflow with low operational risk.

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## 4. Deal Structure

- Purchase Price: ~\$550,000 (business only, property not included).
- Down Payment: \$275,000 (equity investors fund this).
- Seller Financing: Balance financed directly by seller, reducing reliance on bank loans.
- Lease: Seller retains building and becomes landlord.

## 5. Investment Proposal

We are seeking equity partners to fund the \$275,000 down payment.

- Investors will receive equity ownership from Day 1.
- A buyout agreement ensures that I will purchase investor equity within 3–5 years, at a mutually agreed multiple (e.g., 2x or 3x the initial investment).
- Buyout funded directly from business profits, not personal income.
- Investors have a clear, contracted exit strategy.

Example:

\$275,000 investment → Buyout at 2x = \$550,000 payout (within 3–5 years).

## 6. Operator Commitment

- I will continue my current W2 employment and draw no salary from the business.
- I will operate from the printing office to oversee daily activities.
- The current owner will mentor and support operations for 12 months post-sale.
- Plan to transition to a management-led model, allowing for scale and investor-friendly operations.

## 7. Exit Strategy

- **Short-term (3–5 years):** Investor buyout at agreed multiple.
- **Long-term (5–7 years):** Business positioned for roll-up strategy or sale to:
  - Private Equity (PE) firms targeting B2B service companies.
  - Strategic buyers (regional print/marketing companies).
  - Consolidation opportunities in the fragmented printing sector.

## 8. Risk Management

- Seller support reduces transition risk.
- Strong B2B client relationships protect revenue.
- No significant debt exposure.
- Diversified client base (no single customer >10%).

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- Predictable and stable cashflow.

## **9. Next Steps**

- Finalizing deal terms with seller.
- Seeking aligned investors to fund \$275,000 equity contribution.
- Open to structuring investor exit on conservative, balanced, or aggressive multiples.

For investor discussions and detailed financials, please contact:

Andre Thomas, President

706-426-3022