



BUSINESS HIGHLIGHTS

The Company is a 30+ year old, independently owned producer and distributor of holiday novelties, with a product line of approximately 1,000 items. It designs, contracts overseas manufacturing, and distributes through retailers. Revenue is derived from the sale of children's holiday jewelry, home decorations, and miscellaneous holiday novelties. Holidays represented include Halloween, Christmas, NYE, Valentine's Day, 4th of July, St. Patrick's Day, and others that are widely celebrated by Americans of all ages.

Its products are distributed throughout the U.S., selling to grocery stores, drugstores, specialty stores, and mail-order companies.

Historical (Recast) Financial Summary

	2016	2017	2018	2019
Revenue	\$2.47M	\$3.01M	\$2.67M	\$2.57M
Gross Profit	\$0.94M	\$0.90M	\$0.85M	\$0.79M
Margin	37.8%	29.9%	31.7%	30.8%
Adj. EBITDA	\$0.41M	\$0.41M	\$0.39M	\$0.25M

Pro-Forma Financial Summary

	2020E	2021E	2022E	2023E
Revenue	\$2.61M	\$2.99M	\$3.36M	\$3.66M
Gross Profit	\$0.80M	\$0.92M	\$1.03M	\$1.13M
Margin	30.8%	30.8%	30.8%	30.8%
Adj. EBITDA	\$0.35M	\$0.40M	\$0.45M	\$0.49M

KEY CUSTOMERS



INVESTMENT CONSIDERATIONS

- ◆ **Loyal High Visibility Customers:** The Company's customers include high power retailers such as Safeway, Albertsons, Rite Aid, CVS, Hobby Lobby and Kroger. About 95% of the revenue is generated by repeat customers.
- ◆ **Strong Supplier Relations:** The Company deals directly with factories in China, thus acquiring the best price possible. The Company has maintained relationships with their suppliers for over 20 years.
- ◆ **Facility Large Enough to Accommodate Growth:** The Company is currently operating at less than 25% capacity and facilities can support sales in excess of \$20 million.
- ◆ **Broad Product Line:** The Company offers more than 1,000 products for all major holiday seasons.
- ◆ **Superior Brand & Reputation:** The Company enjoys a long-standing reputation for its focus on quality products and service.
- ◆ **National Reach:** The Company's customer base consists of between 30 to 40 accounts located throughout the United States.

GROWTH OPPORTUNITIES

- Customer Base Expansion
- Expand to Online Retailers
- Increased Marketing Efforts
- Geographical Expansion
- Product Portfolio Profitability Review
- Search Engine Optimization

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