

FOR SALE: Niche Fabrication & Manufacturing with More Than \$11M in Collateral

Strong year over year growth with diverse reoccurring clients!

Financial Overview

List Price: \$9,565,000 CAN

Gross Sales

FYE 2022	FYE 2021	FYE 2020
\$5,204,180	\$4,825,410	\$3,752,544

Cash Flow

FYE 2022
\$1,143,080

****3 years of growth in both revenue and profit!**

Assets Included in Purchase: \$11,710,000

Equipment: \$2,400,000 (including: new robots, coilers, dereelers, wire formers, threaders, presses, ovens, welders, scales, and more)

A/R: \$1,239,405 – **A/P:** \$612,836

Working Capital: \$630,000

WIP: \$427,875

Inventory: \$852,445

Facility Appraisal: \$7,400,000 – **The Firm Advisors does not broker or represent the real estate.**

Business Information

Client Base: Wide range of industries including agriculture, automotive, electrical, medical, lawn & garden, and government.

Services: Manufacturing of industrial springs, wire forms, and stamping. More than 20 million products produced last year! 42% wire forms, 31% springs, 21% stamping, 4% assembly, 2% misc.

Service Area: Both domestic and international clients. Their primary international clients are the United States and Mexico. Combined, revenue from these countries make up 26% of revenue.

Facilities: 46,900 sq. ft. built in 2006

Location: Toronto, Ontario, Canada

Personnel: 22: 5 Supervisors, 1 Shipping Manager, 3 Quality Control Techs, 2 Shipping/Receiving, 1 Office Admin, 5 Set Up Operators, 5 Machine Operators

Reason for Selling: Retirement Planning

Seller Training Period: 2-4 years

Years Established: 45+ years

Funding Example

Purchase Price: \$9,565,000

10% Buyer Down Payment	\$956,500
10% Seller Financing or Equity Roll	\$956,500
80% Bank Loan	\$7,652,000

****There is \$1.9M in additional collateral over the total asking price, and the loan of \$7,652,000 would be over-collateralized by 47%!!**

Description

This niche fabrication & manufacturing company is boasting strong year over year growth with their diverse reoccurring client base. Included with the purchase is over \$11M in assets, which over-collateralizes the bank loan by \$1.9M! Their clients include a wide range of industries including agriculture, automotive, electrical, medical, lawn & garden, and government. For these clients, they are manufacturing industrial springs, wire forms, and stamping. There was more than 20 million products produced last year! The breakdown of revenue is 42% wire forms, 31% springs, 21% stamping, 4% assembly, 2% misc. Based in the Toronto area, they service both domestic and international clients. Their primary international clients are the United States and Mexico. Combined, revenue from these countries make up 26% of revenue. Their upgraded facility is 46,900 sq. ft. and was built in 2006 to allow for growth. The team of 22 is made up of 5 Supervisors, 1 Shipping Manager, 3 Quality Control Techs, 2 Shipping/Receiving, 1 Office Admin, 5 Set Up Operators, and 5 Machine Operators, not including the owners. The owners are selling as a method of retirement planning, but they are happy to stay on board for 2-4 years post-close to ensure a smooth and successful transition.

Priced at **\$9,565,000** this business offers prospective buyers the opportunity to not only purchase a business, but a legacy. In addition to their referral gathering reputation, growth opportunities for new ownership could include implementing or expanding marketing and advertising tactics. The sellers have offered 10% seller financing which shows a vested interest in the business's continued growth and success in years to come.

****The Firm Advisors is a consultant to the owner. The Firm Advisors does not represent real estate, nor provide accounting services. The Firm Advisors solely advises on exit strategy planning.**

- CONFIDENTIAL -

Last Revised MK 12.8.2022