

ACQUISITION OPPORTUNITY

AWARD-WINNING YACHT SALES & SERVICE

A detailed Offering Memorandum and full financials are available to qualified partners.

OVERVIEW

The company is located in the Mid-Atlantic region and is one of the premier yacht sales and service companies, and top brokerage house in the region. The widely acclaimed service department provides all types of commissioning, boat repair and maintenance.

The Company is a one-stop-shop for:

Sail Boats	Full Service Department:
Power Boats	Mechanical, Systems, Electrical
Pre-owned boats	Fiberglass, Wood, Painting
Brokerage	Warranty Support
Financing, Insurance, Title	Rigging
Parts and Accessories	Hauling
Cleaning and Detailing	

The company has 4 locations and has tripled in size over the past 6 years to \$45 million in revenue and 59 team members, all while earning multiple awards and accolades. The company carries several premier brands in the sail and power boat categories. Details on these will be shared with qualified partners via the Offering Memorandum.

Revenue by Product and Service Category

New Boat Sales	24,000,000
Used Boat Sales	18,900,000
Service	2,100,000
Parts & Accessories	1,100,000
Detailing	665,000
Finance and Insurance	126,000

FINANCIAL SUMMARY

	2016	2017	2018	2019
Revenue	39,00,000	45,000,000	46,800,00	45,100,00
Gross Profit	4,400,00	4,700,000	4,483,000	6,040,000
N-EBITDA	837,000	844,000	124,000	1,010,000

The dip in gross profit in 2018 was due to a one-time set of events. Included for example, was a one-time inventory overage that has now been right sized, and unprofitable trade inventory has been sold through. Full details on this are included in the offering memorandum.

AT A GLANCE

Revenue	45 million
Growth Rate	13%
Employees	59
Locations	4
Profit Centers	6

ACQUISITION TERMS

Yacht dealers of this size and similar characteristics are typically valued at a Revenue multiple of .08 to .24 and a Gross Profit multiple of .6 to 1.1 which establishes a broad range of 2.8 million to 11.2 million, not including inventory. Offers are expected to be in this range, and each will be evaluated on its own merit, including deal structure and both financial and non-financial attributes.

The contemplated transaction is expected to be a traditional sale of assets where all tangible and intangible assets and goodwill are included the purchase price, and no liabilities are assumed, aside from floor plan financing attached to the inventory being acquired.

More detail on this is included in the Offering Memorandum, which will be shared with select qualified partners.

Please see the attached pages for an overview of the acquisition process and timing.

NEXT STEPS

To receive a copy of the Offering Memorandum, please eSign the [linked NDA](#) or request a PDF, and contact Jeff Hider at 410-987-7062 | jhider@thorgrouponline.com or Aimee Burley at 301-458-0884 | aimee@burleyonline.com

ACQUISITION PROCESS

It has become clear that the company is a highly desired acquisition and the potential valuation range is broad. As such, management desires to evaluate as many scenarios as possible, in a relatively short time and structured process.

The process consists of 5 stages:

Discovery

During this phase, the opportunity is being made known to select candidates and the Offering Memorandum provided.

Management Calls and Meetings

During this period, conference calls will take place with management. This phase may overlap with the Discovery Phase.

Indication of Interest Letter – June 21

After holding a conference call or meeting with management, we ask that all interested candidates submit an Indication of Interest Letter (IOI), by June 21.

See the Offering Memorandum for what should be included in the Indication of Interest letter.

Management Calls and Meetings

Based on the IOI and related discussion, we will invite selected candidates for an additional conference call, meeting, or site visit with management and additional questions and document requests.

Letter of Intent – Request Date to be Announced

After the post-IOI round of management calls and meetings, we will request interested and selected candidates submit Letter of Intent (LOI), from which the company will select an acquisition partner and move into due diligence and definitive agreements.

Due Diligence and Closing

Due Diligence terms and timeline, and closing parameters will be worked out as part of the Letter of Intent discussions.

Note that this timeline and process does not prohibit a candidate from submitting an Indication of Interest or Letter of Intent at any time. The associated dates will guide the wrap-up of the major phases of the process, but may be preempted at any time by an offer that management elects to pursue.