

# Acquisition Opportunity

## AFEF – Iconic Candy Retail, Wholesale & Distribution Business

Corporation Type: S Corporation Location: Eastern Massachusetts SIC Code: 5441

One of largest stores and distributors of candy in New England with a tremendous reputation and several valuable assets. Apart from being one of the largest retail stores in New England, the business carries significant inventory of candy and equipment, a wholesale license, owns three websites and wholesale client list which includes large chains of convenience and retail stores. In addition, the company owns intellectual property around a registered trademark on packaging their candy. Their most significant asset is there opportunity to expand and service more retail stores and customers, potentially driving millions of revenue upside.

**ASKING**

**\$1,375,000**

Cash Flow  
potential of \$500k

### Terms/Deal Structure

- Owner is seeking a minimum of \$500,000 upfront cash and open to deferred payment structure including earn out and seller note.

### Top Details

- **Business Model:** Packages and distributes 1500 varieties of candy, including old fashioned, harder to find candy; through retail, wholesale and direct store delivery model to small and large customers with a unique, trademarked packaging.
- **Key Assets:** Registered trademark on packaging, wholesale license, ownership of three separate websites
- **Significant Upside Opportunity:** New buyer has significant potential to expand the business with existing customers and drive revenue and profits materially higher.
- **Established Reputation and Brand:** Strong reputation within the industry for service levels and breadth and availability of product. Company has been highlighted on television, radio and internet for its reputation, product and longevity in the industry.
- **Longevity:** Established in 2004 with owner having significant experience and customer relationships.
- **Demand:** Product has stable demand patterns with growth potential
- **Cash Flow:** Cash Flow potential of \$500k

### Strengths

- Well established reputation; uniqueness of business and products – old fashioned candy and one of largest retail candy stores in New England
- Unique, patented packaging of candy with boxes and bags
- Significant upside potential through additional customer penetration

### Weaknesses

- Business needs working capital in order to expand the business
- Consistent sales and managing inventory presence
- Lack of expertise in social media and marketing
- Growth has been stagnant due to owner health issues

### Marketing Strategy

- The company generates sales primarily through word of mouth and leveraging existing relationships. The company also has and maintains three websites and benefits from being highlighted on television and social websites for its size, breadth of product and history.

### Reason for selling:

- The owner is selling for health reasons.

### Key Indicators (Accrual):

Year (Financial Year End: 12/19)	2019	2018	2017	2016
	\$'000	\$'000	\$'000	\$'000
<b>Revenue</b>	1,277	1,121	1,025	1,019
<b>Gross Profit</b>	728	612	531	589
<b>Adj. EBITDA*</b>	148	128	93	130

\*Profit before interest, tax, depreciation, amortization (non-cash items) including owner salary, one-time and discretionary expenses.

### Included in offering:

- Working Capital: up to \$125,000
- Assets: approx. \$125,000
- Seller will pay off any or all debt off at closing

### Business Days and Hours

- Monday - Friday: 8:30 am to 7:30 pm
- Saturday: 8:30 am to 7:30 pm
- Sunday: 9:00 am to 4:00 pm

### Employees:

- The Company has a total of 10 full time employees.

### Support and Training

- The Owner genuinely desires an effective business transition with seamless customer service through to the buyer. They will train a buyer for at least 30 days. An additional consulting contract can be obtained as owner presence and relationships would be a benefit to growth and upside for new buyer

### Next Steps

- In order for us to release the Confidential Information Memorandum, complete the Non-Disclosure Agreement and Buyer Profile and return to:

**Anthony Forcione**, Managing Director  
Forcione@thevantgroup.com  
781-789-3712



# CORPORATE/INVESTMENT GROUP CONFIDENTIALITY AGREEMENT

## Iconic Candy Wholesale & Distribution Business

Sale Price: \$1,375,000

1. For good and valuable consideration, the receipt and sufficiency of which are acknowledged, the undersigned ("The Recipient") enters into this Confidentiality Agreement with and for the benefit of The Vant Group ("the Broker").
2. The Broker has attached hereto or has provided or may subsequently provide to the Recipient in connection herewith certain technical, financial, and/or business information (collectively the "Information") regarding the Company (as above designated) to facilitate an evaluation by the Recipient whether to acquire the Company or stock or assets thereof. The Recipient acknowledges that the Information is highly confidential and proprietary to the Company.
3. The Recipient shall not at any time, without prior written consent of the Company, furnish, copy, reproduce or distribute, in whole or in part, directly or indirectly, the Information to anyone, except Recipient's financial advisors and investors, who may be furnished with the Information for the sole purpose of advising the Recipient as to the structure of any proposed purchase of the Company (or its stock or assets), and it will keep permanently confidential the Information and will use the Information only for the purpose set forth above. The Recipient shall be under no obligation to maintain as confidential any information which (a) Recipient can show by legally sufficient written evidence was in its possession prior to disclosure by the Broker and/or the Company; or (b) becomes generally available to the public in tangible form other than by acts or omissions of Recipient; or (c) is lawfully obtained from a third party. The Recipient shall not contact the Company to discuss the sale or purchase of the Company or the Information without prior written consent of the Broker.
4. The Recipient hereby indemnifies and holds harmless the Broker, and its agents, representatives, employees and attorneys, from and against any and all claims, liabilities, actions, causes of action and damages, arising from or relating to any injury or loss arising out of, from, or attributed to the transactions or matters subject hereof, or the actions, omissions, wrongful conduct or other breach of this Confidentiality Agreement by Recipient, which indemnification shall include, without limitation, reimbursement of attorney's fees and expenses incurred by the Broker in connection herewith.
5. The Recipient shall not enter into any agreement for the purchase of the Company or its stock or assets unless said agreement contains a provision wherein the parties thereto acknowledge that the Broker is the procuring cause of such agreement and the Broker is entitled to a broker's commission as agreed upon by the Company and the Broker.
6. While the Information is believed to be accurate, it is subject to change, error or withdrawal of offering, without notice. The Company and the Broker expressly disclaim any and all liability for representations or warranties, expressed or implied, contained in the Information, or, for omissions from it. The Company reserves the right to require the return of the Information at any time.
7. A facsimile transmission of this document is legal and binding.
8. The Recipient warrants that the undersigned is a duly authorized by the company to enter into binding legal contracts on its behalf.
9. This Agreement contains the entire agreement between the parties hereto with regard to the subject matter hereof. If one or more of the provisions contained herein shall be held to be invalid, illegal or unenforceable, the balance of this Agreement shall remain in full force and effect. This Agreement shall be binding upon the parties' heirs, successors and assigns, where permitted. This Agreement may not be assigned by the Recipient without the prior written consent of the Broker. No ambiguity herein shall be resolved presumptively against any party. This Agreement shall be construed in accordance with the laws of the State of Texas, and the obligations of the parties are performable in Dallas, County, State of Texas, where venue shall lie for any actions brought hereunder.

### RECIPIENT:

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Street

\_\_\_\_\_  
Signature

\_\_\_\_\_  
City State Zip

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Phone

Date: \_\_\_\_\_

\_\_\_\_\_  
Fax