



Acquisition Opportunity Profile

Regulatory Inspections Biopharmaceutical Industry

Client #2252KS

Location: United States

\$27 Million Revenue

\$13 Million Adj. EBITDA,

(Estimated FYE December 31, 2023P)



The Best Price. The Best Terms.®

EBIT ASSOCIATES, LTD.

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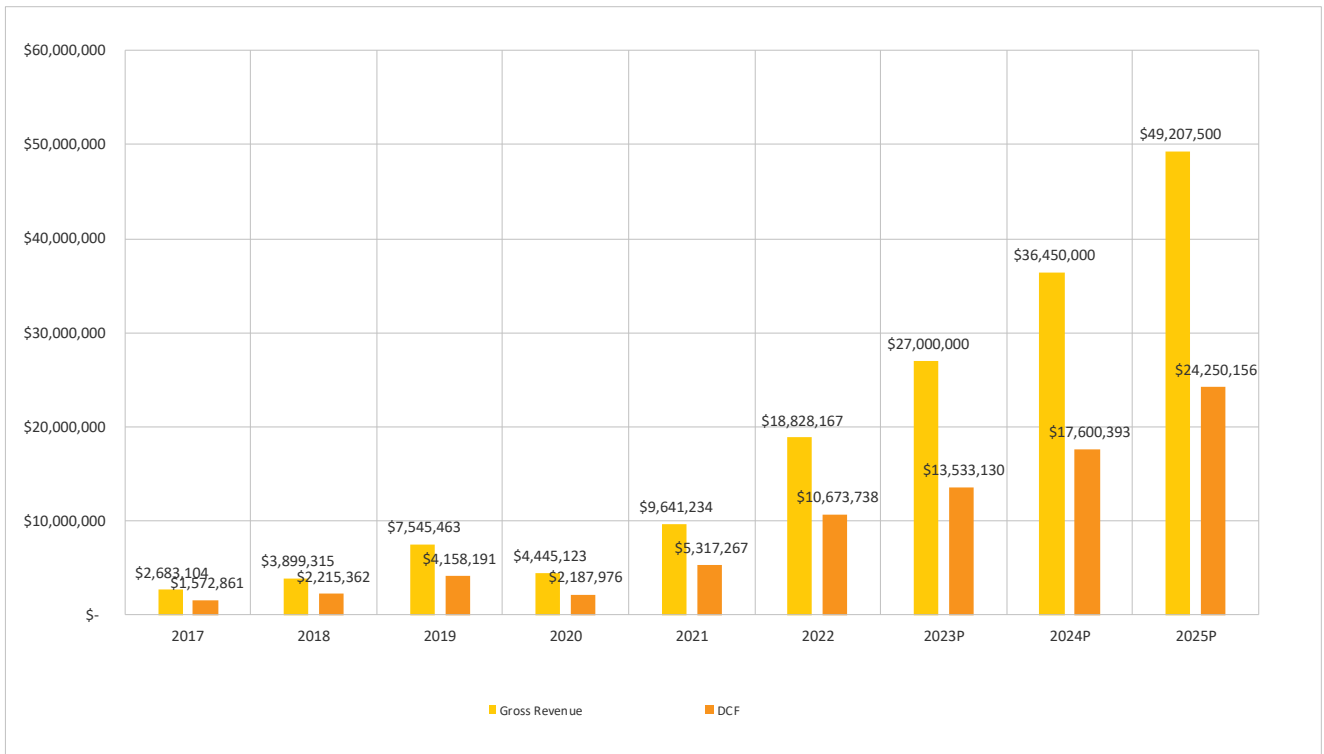
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Financial Year Ends December 31

	2017	2018	2019	2020	2021	2022	2023P	2024P	2025P
Gross Revenue	\$ 2,683,104	\$ 3,899,315	\$ 7,545,463	\$ 4,445,123	\$ 9,641,234	\$ 18,828,167	\$ 27,000,000	\$ 36,450,000	\$ 49,207,500
% Growth	N/A	45%	94%	-41%	117%	95%	180%	35%	35%
EBT	\$ 957,935	\$ 1,539,194	\$ 3,040,526	\$ 1,302,241	\$ 3,902,151	\$ 9,076,449	\$ 11,552,249	\$ 16,173,149	\$ 22,642,408
Margin Growth	N/A	61%	98%	-57%	200%	133%	196%	40%	40%
DCF	\$ 1,572,861	\$ 2,215,362	\$ 4,158,191	\$ 2,187,976	\$ 5,317,267	\$ 10,673,738	\$ 13,533,130	\$ 17,600,393	\$ 24,250,156
Margin Growth	N/A	41%	88%	-47%	143%	101%	155%	30%	38%
ADJ. EBITDA	\$ 1,347,861	\$ 1,965,362	\$ 3,883,191	\$ 1,887,976	\$ 5,017,267	\$ 10,313,738	\$ 13,113,130	\$ 17,150,393	\$ 23,750,156
Margin	N/A	50%	51%	42%	52%	55%	49%	47%	48%

EBITDA = Earnings Before Tax + Interest + Depreciation + Amortization + DCF = Discretionary Cash Flow - Adj. Owner/Manager Salary.



Business Summary

Overview

The Company offers Quality and Compliance and Clinical Development consultancy to pharmaceutical and biotech companies across the globe. They help companies build robust Quality Management Systems and improve Regulatory Compliance across GXPs.

The Company has a team of experts with experience and have stayed together since the company started. They execute as a team. The Company does high quality work at half the cost of what other companies charge their clients. They have a success rate of 90% compared to the industry average of 10% of drugs that make it to market.

In 2022, the Company yielded \$18.8M in revenue with an Adjusted EBITDA of \$10.3M. The Company is on track to achieve over \$25M in revenue with \$13M Adjusted EBITDA for 2023. End of 2021 company had WIP \$1M and end of year 2022 WIP \$18M.

Terms

The client is looking for recapitulation from a minority investor at 40%.

We will only consider offers 12X Up Adjusted EBITDA for THE CLIENT COMPANY. The competitive market will establish the value of the Company.

Reason For Recap

The Company is ready for a recap because the owner feels that the timing is right for to implement a recapitalization. The Company is in growth mode and can be over \$25M EBITDA for 2023 with the right partner. Company will be adding over 40+ W-2 staff 2023.

Business Summary (cont.)

Marketing

The Company's primary target market are small to large biopharmaceutical companies.

Over the five years to 2026, industry revenue is forecast to grow at an annualized rate of 2.7% to \$15.3 billion. According to data from the American Pharmaceutical Review, R&D outsourcing among biotechnology companies is expected to grow significantly, likely stimulating demand for industry services. Over the next five years, many pharmaceutical companies will likely continue to examine strategic goals and use management consultants to develop new objectives, focus their product pipelines on drugs that garner favorable reimbursement rates and provide advice on merger and acquisition activity. Growth in corporate profit and a continued increase in total health expenditure is also expected to further industry revenue growth.

The Company does no marketing. They use networking and referral to get business.

Facilities

The owner opening new office 2023.

Days & Hours

Sometimes work 8am-5pm; have deliverables by certain time

Employees

Total Employees: 40+ Consultants (corp. to corp.) projected to hire 30-40 FTEs in 2023

40+ Associates: 36 consultants in the U.S., 2 consultants outside of U.S. 1 in China and 1 in India.

All Consultants of the Company are Non-Union.

Company adding over 40+ W-2 staff 2023.

Financial Summary

Dec-22

Account Description	Book Value	Fair Market Value
Current Assets:		
Cash	\$ -	\$ -
Bank Account 2	\$ 45,622	\$ -
Payroll Bank Account	\$ 1,144,879	\$ -
Accounts Receivable	\$ 1,684,648	\$ 1,684,648
Total Current Assets	\$ 2,875,150	\$ 1,684,648
Fixed Assets:		
Net PP&E	\$ 20,253	\$ 10,127
Total Fixed Assets	\$ 20,253	\$ 10,127
Total Assets	\$ 2,895,403	\$ 1,694,774
Liabilities:		
Accounts Payable	\$ -	\$ -
Total Liabilities	\$ -	\$ -
Equity	\$ 2,895,403	\$ 1,694,774

NOTES:

Book Value stays with Seller and Fair Market Value goes with Buyer

NON-DISCLOSURE AGREEMENT

COMPANY REPRESENTED: Regulatory Inspections Biopharmaceutical Industry
(the "Company")

ACCOUNT #:2252KS

This Non-Disclosure Agreement (the "Agreement") is entered into by and among EBIT Associates, Ltd., a registered business broker under the laws of the State of Illinois which represents the Company (the "Broker"), and the undersigned entity and/or individuals which have requested confidential information concerning the Company (collectively, the "Recipient"). The Broker is signing this Agreement as an agent (and for the direct benefit) of the Company. The Company is an intended third-party beneficiary of this Agreement and may enforce this Agreement against the Recipient.

In consideration of the mutual covenants contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Nondisclosure of Evaluation Material. Recipient agrees that the Evaluation Material (as defined in Section 2) is confidential and proprietary and will be used solely for the purpose of evaluating and negotiating a possible transaction (the "Transaction"), and that Recipient will keep the Evaluation Material strictly confidential, provided that Recipient may disclose such Evaluation Material to its directors, partners, officers, members, managers, employees, agents, financing sources, including, without limitation, attorneys, accountants, consultants and financial advisors (collectively, "Representatives") who need to know such information for the purpose of evaluating or negotiating the Transaction. Recipient agrees that Recipient will inform its Representatives of the confidential nature of the Evaluation Material, will instruct such Representatives to comply with the terms of this Agreement and will be responsible for any breach of this Agreement by its Representatives. Recipient understands that the Company reserves the right to adopt additional specific procedures to protect the confidentiality of certain sensitive Evaluation Materials. Recipient also agrees the Evaluation Material shall remain the property of the Company and the disclosure of such Evaluation Material shall not confer on Recipient any rights with respect to such Evaluation Material other than rights specifically set forth in this Agreement.
2. "Evaluation Material" means all information (whether written, oral or computerized) which is or has been furnished to Recipient or any of its Representatives by or on behalf of the Company (whether prepared by the Company, its advisors or otherwise), and all analyses, compilations, forecasts, studies or other documents prepared by Recipient or its Representatives that contain or reflect such information. "Evaluation Material" shall include, without limitation, all information relating to products, services, markets, customers, research, software, developments, inventions, designs, drawings, financial condition and results of operations, and trade secrets. Notwithstanding the foregoing, "Evaluation Material" shall not include information that (i) is or becomes generally available to the public other than as a result of an act or omission by Recipient or its Representatives, (ii) was in Recipient's possession on a non-confidential basis prior to the providing of such information to Recipient pursuant to this Agreement, (iii) becomes available to Recipient on a non-confidential basis from a source other than the Broker or the Company or any of our respective representatives, or (iv) has been independently acquired or developed by Recipient or its Representatives without violating any of Recipient's obligations under this Agreement or applicable law, provided that in the circumstances described in clause (ii) or (iii) of this Section 2, the source of such information was not known by Recipient to be bound by a confidentiality agreement with, or other contractual, legal or fiduciary obligation of confidentiality to, the Broker or the Company with respect to such information.
3. Nondisclosure of Negotiations. Recipient agrees that, without the prior written consent of the Broker or the Company, Recipient and its Representatives will not disclose to any other person (i) the fact that the Evaluation Material has been made available to the Recipient, (ii) that discussions or negotiations are

taking place concerning a Transaction with the Company, (iii) any of the terms, conditions or other facts with respect to such a Transaction, or (iv) that this Agreement exists; provided that Recipient may make such disclosure regarding the status of negotiations if such disclosure is required (based upon advice of counsel) to be made by Recipient in order that Recipient not commit a violation of law or otherwise violate a court order and Recipient promptly advises the Broker and the Company of the information Recipient propose to disclose. Recipient also agrees to use all reasonable efforts, at the Company's expense, to obtain confidential treatment for any such information to be disclosed.

4. Compelled Disclosure. If Recipient or any of its Representatives receive a request, under the terms of a valid or effective subpoena or order issued by a court or governmental body of competent jurisdiction, to disclose any Evaluation Material, Recipient will immediately notify the Broker and the Company of the existence, terms and circumstances surrounding such request, in order to permit the Company, at the Company's expense, to seek a protective order or take other action that the Company deems appropriate. If the disclosure of such information is required in the opinion of Recipient's counsel, Recipient may disclose without liability under this Agreement only the part of the Evaluation Material that is required to be disclosed and Recipient will use reasonable efforts, at the Company's expense, to obtain confidential treatment therefor.
5. No Representation or Warranty. Recipient acknowledges that neither the Broker nor the Company has made (and neither of them will make) any express or implied representation or warranty as to the accuracy or completeness of the Evaluation Material. Recipient agrees that neither the Broker nor the Company shall have any liability to Recipient or its Representatives resulting from their use of the Evaluation Material, other than as set forth in a definitive agreement, if any, with respect to a Transaction. Recipient further agrees that Recipient is not entitled to rely on the accuracy or completeness of the Evaluation Material and that Recipient will be entitled to rely solely on the representations and warranties that may be included in the definitive agreement, if any, with respect to a Transaction, subject to the limitations and restrictions contained therein.
6. Termination of Discussions or Negotiations. Recipient and the Company agree that no contract or other agreement with respect to a Transaction shall be deemed to exist between Recipient and the Company unless and until a definitive agreement with respect thereto has been executed and delivered. Recipient acknowledges that the Company reserves its right, in its sole discretion, to reject any and all proposals made by Recipient or on Recipient's behalf with regard to a Transaction, and to terminate discussions and negotiations at any time and for any or no reason.
7. Return or Destruction. If Recipient determines not to proceed with a Transaction, or, if at any time the Company so requests, Recipient will (and will instruct its Representatives to) promptly return to the Company or destroy (and, if requested, certify as to the destruction of) all copies of Evaluation Material provided to Recipient or its Representatives and any other written material containing or reflecting, or generated from, any information in the Evaluation Material, including, without limitation, all analyses, compilations, forecasts, studies or other documents prepared by Recipient or its Representatives. Notwithstanding the return or destruction of the Evaluation Material, Recipient will continue to be bound by its obligations under this Agreement during the term of this Agreement.
8. Restrictions. Recipient shall not communicate directly with any owners, directors, officers, managers or employees of the Company without the prior written approval of the Broker or the Company. Recipient agrees that for a period of one year from the date of this Agreement, Recipient will not, directly or indirectly, solicit for employment or hire any officers, managers or employees of the Company who became known to Recipient in connection with its consideration of the Transaction, provided that the foregoing provision will not prevent Recipient from engaging in a general solicitation of employment not specifically directed towards officers, managers or employees of the Company.
9. General Provisions. This Agreement shall inure to the benefit of and be binding upon the parties' respective successors and assigns; provided that Recipient shall not assign this Agreement without the

Company's prior written consent. This Agreement contains the entire agreement between the parties concerning the subject matter hereof and supersedes all previous agreements, written or oral, relating to the subject matter hereof. No amendment, modification or discharge of this Agreement, and no waiver hereunder, shall be valid or binding unless set forth in writing and signed by each party. Any such waiver shall constitute a waiver only with respect to the specific matter described in such writing and shall in no way impair a party's rights in any other respect or at any other time. Each party also agrees that no failure or delay by a party in exercising any right, power or privilege under this Agreement will operate as a waiver thereof, nor will any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege under this Agreement. The Company reserves the right to seek equitable remedies and Recipient acknowledges that a breach of this Agreement may cause the Company irreparable harm that cannot be adequately compensated with damages. The Company shall be entitled to seek specific performance and injunctive or other equitable relief as a remedy for any such breach, without proof of damages and without posting any bond.

10. Execution. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.
11. Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois, without giving effect to its conflict of laws principles or rules to the extent such principles or rules would require application of the laws of another jurisdiction. In the event of any litigation arising hereunder, each party agrees to submit to the exclusive jurisdiction of courts of the State of Illinois and of the United States located in the City of Chicago, waiving any objection that such venue is inconvenient.
12. Term. This Agreement shall terminate on the fourth (4th) anniversary of the latest date indicated below or on which a party executes this Agreement.

IN WITNESS WHEREOF, the parties or their duly authorized representatives have executed this Non-Disclosure Agreement as of the date(s) indicated below.

EBIT ASSOCIATES, LTD.

ENTITY RECIPIENT
NAME: _____

By: _____
Name: _____
Title: _____
Phone: _____
Email: _____
Date: _____

By: _____
Name: _____
Title: _____
City: _____
State & Zip: _____
Phone: _____
Email: _____
Date: _____

INDIVIDUAL RECIPIENTS:

Name: _____
Title: _____
City: _____
State & Zip: _____
Phone: _____
Email: _____
Date: _____

Name: _____
Title: _____
City: _____
State & Zip: _____
Phone: _____
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Date: _____

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