



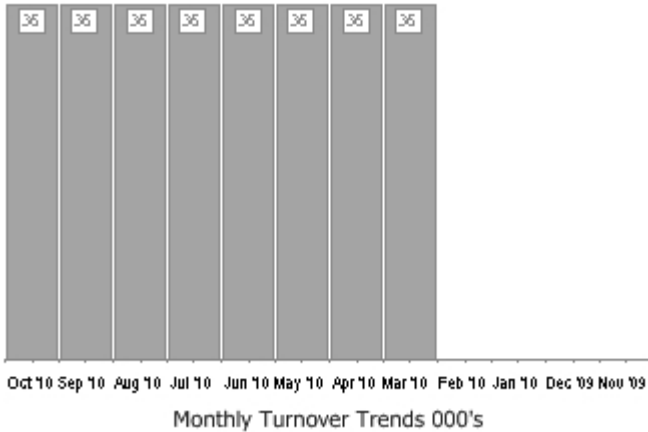
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Mandate No: 24092
Business Description: Business specializing in Boxing and MMA gear

Selling Price:	100,000	Deposit:	0
Stock:	150,000	Profit Last 12 Months:	112,964
Total Asking Price:	250,000	Total Assets:	20,000



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MANDATE REPORT

1. History Background	
Fully describe the business's activities?	Retail sales of all boxing and MMA (Mixed Martial Arts) equipment
How long has the business been established?	Three years
How long has the owner had the business?	Three years
2. Present Market	
How does the business operate on a daily basis?	Owner run
How are the clients attracted to the business?	SMS Marketing, Advertising to fighters, Selling at various shows
What Advertising/Marketing is carried out?	Works in conjunction with 3 gyms in his area
What competition exists?	None
What are the seasonal trends?	Busy periods are December and the rest of the year apart from March and April
3. Financial	
Is the business VAT Registered?	No
Are there up-to-date Management Accounts available?	Yes with the seller
What Balance Sheet and Income Statements are available?	2009, 2010, 2011

3. Financial	
What percentage of of the business is cash/credit?	Cash 40%, Card 60%, EFT 1%
What is the age analysis of the debtors book?	The seller only allows close friends, club owners and some coaches an account but the value is small at about R2,000
How could the profitability of the business be improved?	Implement E-Commerce, Pamphlet drops and advertising. The seller also uses free giveaways such as key rings to promote the business.
Is Seller finance available and for what amount?	Only with collateral and in exceptional circumstances
4. Staffing	
What is the total staff complement?	Only the owner
How involved is the Owner in running the business?	100%
5. Premises	
When does the current lease end?	In 18 months - December 2012
Is there an option of renewal & what period?	Yes, from 2 to 5 years
What is the annual escalation %?	10%
What are the trading hours?	Monday to Friday 9am to 5pm, Saturday from 8am to 2pm
What is the square meterage of the business?	40m2
Is a copy of the lease available?	Yes
Do you require a licence?	No
6. Assets	
Is a full asset list on file?	Yes with the seller
Are any items not included in the sale?	Some personal autographed momentos
What is their overall condition?	Very good condition
Do any require repairing?	Ongoing maintenance
How have they been valued. ?	Replacement value
Which assets are on lease/HP and with whom?	None
Are they presently insured?	Yes
7. S.W.O.T. Analysis	
Strengths?	Well established and known in the MMA and boxing communities. Variety and availability of stock. Client base that can be sms'd with specials and events, etc. The surrounding gyms support the business.
Weaknesses?	Destination store
Opportunities?	E-Commerce, Creating awareness of the store, stocking and supplying supplements
Threats?	Economy

8. Reason For Sale

What is the reason for the sale?	Sellers other business requires his full attention
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9. Conclusion

Why is this a good business?	Well established and known and has become a destination for many members of the MMA community to source all their gear and recommend it to their friends as well.
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What is the price plus stock and the net profit?	R250,000 Including R150,000 stock, monthly net profit of around R14,000
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