



BRAND GUIDELINES

Colors, Styles, and Fonts

November 5, 2016



COLOR CODES

- CMYK Colors
 - Orange: C=0 | M=80 | Y=95 | K=0
 - Dark Gray: C=19 | M=0 | Y=0 | K=87
 - Light Gray: C=0 | M=0 | Y=0 | K=65
- RGB Colors
 - Orange: R:241 | G:90 | B:41
 - Dark Gray: R:54 | G:66 | B:74
 - Light Gray: R:119 | G:120 | B:123
- WEB Colors
 - Orange: #f15a29
 - Dark Gray: #3642a
 - Light Gray: #77787b

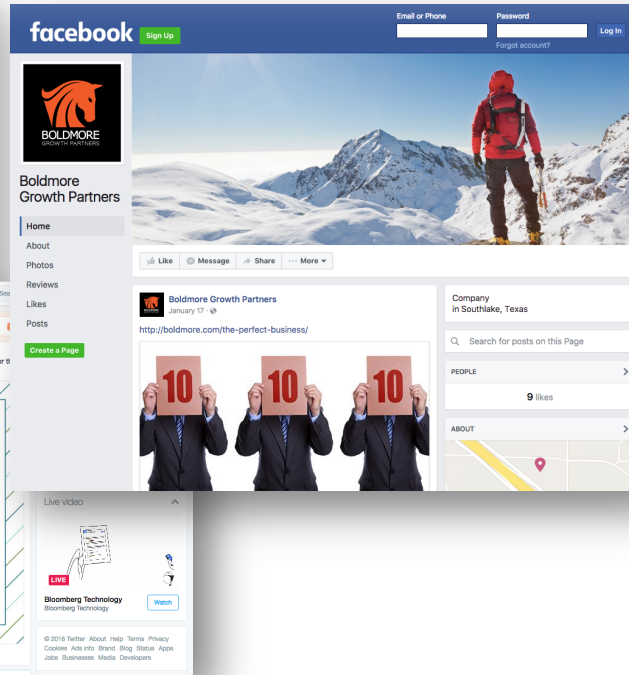
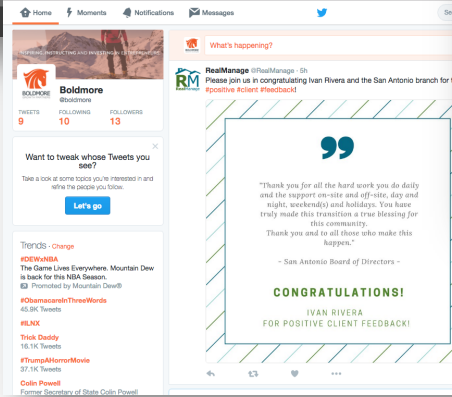
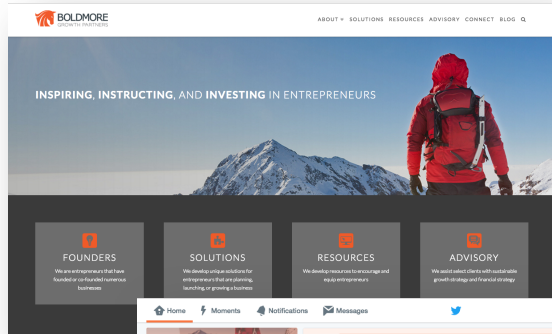


FONTS

- Logo fonts:
 - Verdana – for "**BOLDMORE**"
 - Phinster Fine – for "GROWTH PARTNERS"
- Content fonts:
 - Lato Light
 - Lato Regular
 - **Lato Regular Bold**



CORE IMAGE – MOUNTAIN CLIMBER

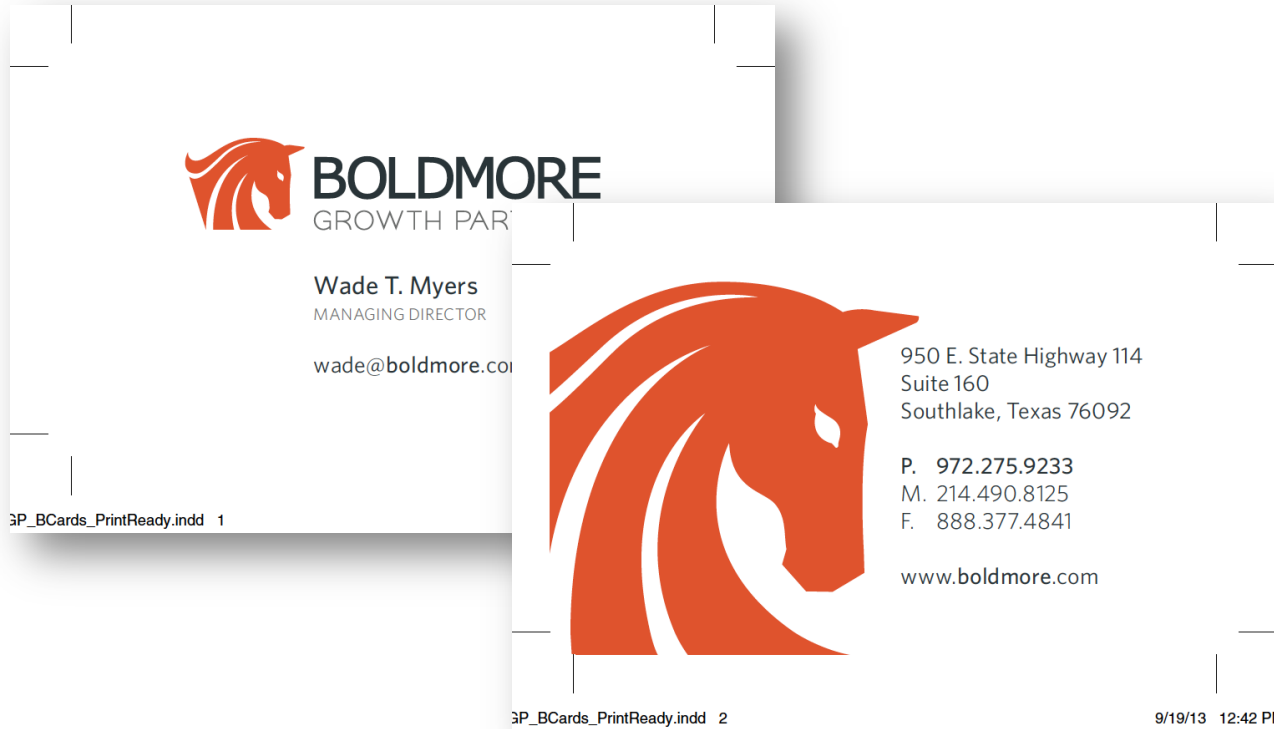


WEBSITE LINKS

- Current website: <http://boldmore.com>
- Draft new website:
<http://boldmore-1738124.hs-sites.com/home-page-1>



BUSINESS CARD



EXAMPLE PRESENTATION SLIDES

50% OF SMALL BUSINESS TRANSITIONS ARE INVOLUNTARY...

...because of the 5 D's

- Death
- Disability
- Disagreement
- Distress
- Divorce



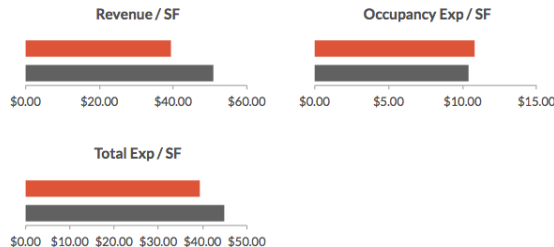
Source: Exit Planning Institute State of Owner Readiness, Results

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XTC Fitness Square Foot Analysis Summary

- Lower Revenue/SF (23% below benchmark)
- Lower Expenses/SF (12% below benchmark)
- Occupancy Expense is on par with the average
- Overall Revenue and Expense metrics per Square Foot appear to be normal

REVENUE AND EXPENSE METRICS ON A SQUARE FOOT BASIS ARE OK...



Source: XTC Fitness 2014 results vs. Independent Club average benchmark per the 2014 IHSA Annual Industry Data Survey of the Health and Fitness Industry

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SMALL BUSINESS OWNERS

- 28m small businesses in the U.S.
 - 6m: 2 to 500 employees
 - 22m: Self employed (standard: >\$100k >\$1k Revenue)
 - Growing 0.5m small businesses per year
- Business entity:
 - 19.4m are sole proprietorships
 - 1.6m are partnerships
 - 1.4m are corporations
- 50% of the working population of the U.S. works in a small business

Annual Revenue	# of U.S. Businesses
\$37.4m - \$75m	9,523
\$18.75m - \$37.4m	19,200
\$7.5m - \$18.75m	63,253
\$3.75m - \$7.5m	115,608
\$1.5m - \$3.75m	368,752
\$500k - \$1.5m	596,849
\$250k - \$500k	1,020,418
\$50k - \$250k	2,838,755
<\$50k	18,000,000

Target market = 0.6m U.S. businesses (advisory services)

Target market = 1.6m U.S. businesses (affiliates)

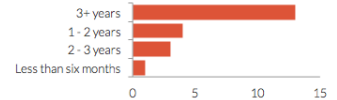
ed over 65% of new jobs
<http://business.com/sites/goonmagar/2013/01/businesses/>
<http://www.sbcrc.com/#Q41druif>

EXAMPLE ANALYSIS: INTERNAL CORE CAPABILITY SURVEY DEMOGRAPHICS

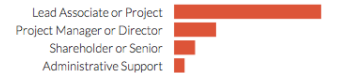
Survey Data

- 23 invitations sent
- 21 responses (1 stopped part way through and did not finish)
- 183 comments

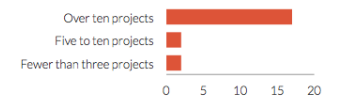
Length of Service with the Company



Position in the Company



Number of Projects Worked On



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WHITE PAPER EXAMPLE

PREPARING FOR A FINANCING

Insights and best practices for preparing to finance your company



INSIDE THIS REPORT:

- Upgrade your Organization, Assess the Deal Team

- Review Your Entity Structure
- Clean Up Your Financials
- Upgrade Your Financial Reporting
- Organize Your Operation
- Prepare for Financing Information Request



PREPARING FOR A FINANCING

PRIOR TO A FINANCING

Whether the reason for seeking debt or equity financing, a business owner should give serious thought to preparing for a financing well in advance. Much of the preparation for a successful financing to having a year or two or more of successful operations – and the clear reporting that reflects that pattern of successful growth – prior to going to market to raise capital. Investors and lenders will want to finance successful businesses and there will usually be an ample number of viable providers for companies that launch the financing process after thorough preparation and with a successful track record; there are a few items to consider prior to seeking capital:

- Clean up and verify all accounts
- Clean up, verify, and get up-to-date on tax-related matters
- Clean up all inventory-related matters (updated inventory, sell off obsolete inventory, etc.)
- Collect, sell off, or write off overvalued accounts receivable
- Get current on accounts payable



Review Your Entity Structure

One item that can be a starting block for a financing is the lack of the proper entity structure or the lack of professionally-drafted and filed organizational documents. There are a few rules of thumb to consider:

- While small business lenders may find state incorporation acceptable, most will not and very few equity investors – and certainly not institutional investors such as venture capitalists or private equity funds – will invest in a fully incorporated entity.
- Most institutional investors will also shy away from corporations and LLCs and prefer only LLCs or C corporations to anything else. If your company was organized in Delaware – even better. Most institutional investors and their attorneys are very familiar with Delaware law and the state securities laws and entity structures.
- In addition to your entity structure, you should suggest a thorough organizational document review to review all filings and amendments are in order and up-to-date.

Check the Deal Team: Few things are more critical than to clean up and clarify your financial records to make them more readable and to present a more professional appearance. Owners should consider the following:

- Reduce the income statement detail to a more summary level; you rather than laundry list of various vendors and expenses
- Remove or consolidate all personal debts, employee debts and other personal financial issues

Upgrade Your Financial Reporting – Another critical financial factor is to ensure your statements conform to industry standards and Generally Accepted Accounting Principles (GAAP). Sellers are strongly urged to upgrade their financial reporting as a means of compensation of funds, including:

- Report in accordance with full accrual accounting rather than cash, modified cash, or modified accrual
- Prepare a full set of audited financials (Income Statement, Balance Sheet, and Cash Flow) for the past three years and with monthly trend analysis
- If at all possible have your financial statements audited at least semi-annually by a reputable CPA firm for the most recent completed year

Organize Your Operation – Going through a financing process and the ensuing due diligence will be much easier if the business is well organized prior to embarking on the process. Creditability is either based on fast-depending on the quality and timeliness of the data or the quality of the information in the final stages of closing a deal. Owners should consider the following:

- Create an electronic filing system of all key documents needed by the company – this will be required for the digital data room, so sellers can get a head start on reducing the information demand during later

VALUATION METHODOLOGIES

INTRODUCTION

The entire experience of selling a business can be a very emotional process for sellers who have spent decades building their lives. The emotions involved are so great that they may no longer be as rational as they are going on their financials that they are not selling their business, but rather, they are selling their lives. It is usually the valuation of the business that makes the process so emotional. The purpose of this report is to demystify the process of how a buyer's value is established.

Sellers often feel that their company is much more valuable than the market would indicate. Sellers often will have a certain price they want, which often times their motivation can be to get the price needed to pay for a family business, or to pay for the education of their children. To do with the personal value of the business to the owner, but not the value of the business as a business. The purpose of this report is to demystify the process of how a buyer's value is established.

TYPICAL VALUATION PROCESS

Because the owner may not see the process of selling his company as a smooth or linear event, there is a lot of emotion. It may seem like the buyer's process of valuation is a linear and transactional. While the seller will want to spend more time getting to know the buyer and the buyer for the business, the other way around for the buyer's attitude is, "I have my offer, take it or leave it."



Valuation Steps

While buyers and intermediaries may use many different methods to arrive at a value for a business, there are four "main" methods used to arrive at a value. These are: 1) the "market" method, 2) the "cost" method, 3) the "income" method, and 4) the "discounted cash flow" method. The "market" method is the most common and is based on the value of similar companies in the same industry. The "cost" method is based on the cost of the assets of the company. The "income" method is based on the company's ability to generate cash flow. The "discounted cash flow" method is based on the company's ability to generate cash flow over a long period of time.

To value the private market, an owner must understand the market value of the company. The market value is the value of the company as a whole, not just the value of the assets. The market value is the value of the company as a whole, not just the value of the assets. The market value is the value of the company as a whole, not just the value of the assets.

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Boldmore

ENTERPRISE VALUE

Enterprise Value	Equity Value
1. Total Assets	1. Total Assets
2. Total Liabilities	2. Total Liabilities
3. Total Equity	3. Total Equity
4. Total Debt	4. Total Debt
5. Total Cash	5. Total Cash
6. Total Inventory	6. Total Inventory
7. Total Accounts Receivable	7. Total Accounts Receivable
8. Total Accounts Payable	8. Total Accounts Payable
9. Total Other Assets	9. Total Other Assets
10. Total Other Liabilities	10. Total Other Liabilities

Enterprise Value = Total Assets - Total Liabilities

Equity Value = Enterprise Value - Total Debt + Total Cash

Company Value = Equity Value - Total Cash

Enterprise Value = Total Assets - Total Liabilities

Equity Value = Enterprise Value - Total Debt + Total Cash

Company Value = Equity Value - Total Cash

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Equity Value = Enterprise Value - Total Debt + Total Cash

Company Value = Equity Value - Total Cash

Enterprise Value = Total Assets - Total Liabilities

Equity Value = Enterprise Value - Total Debt + Total Cash

Company Value = Equity Value - Total Cash

DRIVING STRATEGIC GROWTH

THE WINNING STRATEGY

The H&M article identified four critical responses to a recession based upon its distribution resources and how the company changed these items relative to their industry peers:

1. The cost of employees
2. The cost of goods and services provided by the company
3. The cost of capital
4. The cost of debt

The strategy the company followed was a balanced approach between improving operational efficiency, while simultaneously investing in new opportunities, while also maintaining the company's ability to act on opportunities.

What is the most effective method of expansion for each of our offerings/markets?

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KEY GROWTH STRATEGY QUESTIONS TO ANSWER

What strategy initiatives should the company undertake to investigate growth?

What is the best method to evaluate all opportunities?

What are all of the dimensions of potential growth for our company?

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Boldmore Growth Partners, LLC

www.boldmore.com

SOCIAL MEDIA AVATARS



THE END



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