iFly Holdings (Pty) Ltd *(Reg. no.: 2017/059612/07)*

Established Business Acquisitions, Funding and Purchase (US$)

iFly Holdings (Pty) Ltd | Rep. South Africa | +27-82-920-0656

Note: This Business Summary does not constitute an offer to sell, or a solicitation of an offer to buy Common Stock or any other Security. Forward-looking statements may be misleading when they are unreasonably optimistic or aggressive, or lack objectivity, or are not adequately explained.

'Baby Boomers' around the world are retiring, and many of them have built up successful and sustainable businesses over the last 20 to 40 years. For these 'Baby Boomer' entrepreneurs to retire they are busy or need to handover their businesses to their children, but for many this is not the case for various reasons. Here in South Africa and in many other countries there are a growing number of successful and sustainable businesses that are ripe for purchase. The owners of these businesses are working on their retirement exit strategy, and there is a need for qualified buyers to enter the market especially for businesses worth between US$1 & $10 million with annual EBITDA ranging between 17% and 37% of the selling price. In South Africa these businesses are classed as medium sized businesses that have established management teams running the business, with staff complements of between 50 and 400 people.

iFly Holdings (Pty) Ltd growing Management Team and Advisory Board of business, financial, legal and management experts sees the opportunity to acquire total or controlling interest in a number of medium sized businesses across South Africa that are sustainable, profitable, have a track record and ready to sell and seeks financing to begin the acquisition process.

More than 400 US Companies and many other international companies are doing direct or indirect business in and through South Africa, and using the country as a base into the rest of Africa. Companies like *Boeing, Goodyear, Nike, Reebok, Mercedes Benz, Toyota, BMW, Volkswagen, Amazon, Uber, Google and Microsoft*. The American Chamber of Commerce has been sustainably operating as a non-profit organisation in South Africa since 1977. Sub-Saharan Africa's rising population and economies have led to a growing middle class and, South Africa is the second largest economy in Africa.

Management Team

iFly Holdings (Pty) Ltd is finalizing its Management Team Members quickly, from relationships built through technical, business and capital organizations, currently totalling 89 years of expertise, with at least five stellar professionals:



Sydney Kloppers, MCSE, Project Management Engineering, Founding member & CEO, 16-year independent businessman and successful team member of various medium to large infrastructure project developments over the last 21 years for EVN Africa Consulting Services, marketing and sales, seed investor in various start-ups, and developer of various entrepreneurial projects. SydneyKloppers.com



Wilma Kloppers, Bcom Accounting, Co-founder & Chief Management Accountant (CMA), Previously Senior Management Accountant for Anglo American Platinum PLC Polokwane Smelter, responsible for $45mm annual operational budget, 9 years mining sector experience, and developer of various entrepreneurial projects and seed investor in various start-ups.



Leonard Nieuwoudt, LLB & Bcom Business Management degrees, Chief Legal Officer (CLO) Associate Attorney specialising in Commercial law & Labour law. Commercial Mediator. Extensive experience in drafting and vetting commercial agreements relating to Shares(buy/sell), Joint Ventures, Business transfers and compliance. Legal advisor to many small, medium and large companies. Due diligence and effective problem solver. Regulating and implementing labour legislation. Linkedin.com/in/Leonard-Nieuwoudt

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Doctor Phogole Sethole, BCom Hons (Ind. Psychology), Chief Business Development Officer (CBDO). Previously Deputy Director at Alexander Forbes Consultants and Actuaries (10 yrs.), Business Development Consultant at Investec Asset Management (4.5 yrs.), and Director Institutional Business Development at Prudential Portfolio Managers (10 yrs.). Current Director of One On One Community Based Programmes (NPC) since 2003 managing STEM projects at pre-tertiary level in South Africa, Lesotho and Zambia. Executive Trustee of Study Trust (NGO) since 2008. Consulting and Business Development were the key responsibilities in all businesses Linkedin.com/in/Doc-Sethole



Myron D. B. Betshanger, LLB, SPDE, Chief Governance Officer (CGO). Extensive experience in International Trade Law, Corporate Governance, Legal & Regulatory Compliance Management and Enterprise Risk Management obtained from tenures at Anglo American Platinum PLC, Transnet Pipelines SOC Ltd, ProTem Recruitment, Ernst & Young, Anglo-American Kumba Iron Ore and Leverage Corporate Consultations (Pty) Ltd. Linkedin.com/in/Myron-Duncan-Burton-Betshanger

Former Owners (CxO-level Advisors). Virtually all of the 'Baby Boomer' entrepreneurs that are selling their businesses have indicated that they are willing to be collaborative advisors for 1 to 3 years after the successful acquisition of their businesses. This will ensure that there is adequate time to transfer skills and further develop the existing management teams in areas of: planning, financing, human resources, environmental, technology, legal, industry relations and business networks.

Financial

Currently there are a number of medium sized business acquisitions available from 'Baby Boomer' entrepreneurs that are looking for a retirement exit strategy across South Africa. Acquiring one company at a time over the next two years, will yield substantial cash flow from their current business activities for the new holding company. We have received confirmation from brokers that the current owners are ready and willing to sell their businesses, and we will receive the last 3 - 5 years financial statements once we send a LOI and have proof of funds in South Africa.

Financing costs are calculated at rate of 8% over a term of 240 months (20 years) from 1 July 2019.

Currency - US$	Year 1	Year 2	Year 3	Year 4
Net Revenue	$ 2 031 092	$ 3 554 412	$ 5 077 731	$ 6 093 277
Operating Costs	$ (1 509 506)	$ (2 641 635)	$ (3 773 764)	$ (4 528 517)
Financing Costs	$ (138 013)	$ (276 025)	$ (276 025)	$ (276 025)
Cash Flow	$ 383 574	$ 636 751	$ 1 027 941	$ 1 288 735

Proposed Business Acquisition/s	Selling Price	Age (yrs)	LTV
Transport Company with 22 Vehicles	$ 1 500 000	20	52%
Highly Profitable Trucking Business	$ 4 000 000	20	66%
Total Financing Required (rounded up)	**$ 5 500 000**		

Contact

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Additional Information

The initial business plan is to secure financing for US$5.5mm initially, then as much as $10mm for additional businesses at rate of 8% over a term of 240 months for iFly Holdings (Pty) Ltd from International Financing Sources, then to purchase or obtain a controlling interest in the businesses identified. An integral part of our strategy and negotiations is to maintain the existing management teams in these businesses.

However, there are many medium- and larger-sized businesses that could be acquired, but only if they fit our model and cash flow, or additional capital becomes available. In addition, it would be reasonable to apply the cash reserves after the first year to bring additional businesses to the level of our criteria, substantially increasing our portfolio and cash flow to service our initial debt obligations.

We have identified a few businesses for possible acquisition to date, in various markets with more being selected each month, as and when they come on to the market. Buyer profiles are available to qualified financiers and Management Team candidates who will have signed a non-disclosure agreement. For further in depth access to financial statements and the like on businesses that are on the market, a Letter of Intent and proof of funds is required by sellers and or their respective representatives.

For each businesses that passes initial criteria, we will spend $10K to $20K to prepare a detailed investigation of each company's preparedness for purchase or JV, as well as a complete business plan:

- Type of business and years established
- Asset and documentation verification
- Personnel team
- Site visit
- Past Profit and Loss Statement
- Operations plan
- Community relations requirements
- Cost and net profit projections showing ROI

Once the decision is made to purchase or JV with the company:

- Make offer
- Make sure current management and staff are eased into the transition
- Negotiate
- Close
- Begin operations under new ownership within 6 to 10 weeks of the offer

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