

Stark Industries, Inc

NOTE ON COLOR, SHADING, AND BORDERS THROUGHOUT WORKBOOK

BLUE -INPUT UNLOCKED CELLS-USER INPUT OF METRICS, RESULTS, & ASSUMPTIONS.

YELLOW HIGHLIGHTS	26.50%	OR < 20% FROM INDUSTRY METRIC
RED-EXPENSE/LIABILITY/LOSS	34.00%	OR > 20% FROM DESIRED METRIC
GREEN - INCOME / ASSET	25.00%	OR MEETS/EXCEEDS METRIC

INPUT TAB - INDUSTRY BENCHMARKS			Reports Menu <input type="button" value=""/>	Valuation Tools Menu <input type="button" value=""/>	Key Stats - Change Graphs Range <input type="button" value=""/>
NAICS:	INPUT <input type="button" value=""/>	321456	INDUSTRY AVERAGES		
Industry Average # of FTEs	INPUT <input type="button" value=""/>	50			
Industry Average Revenue Growth	INPUT <input type="button" value=""/> =>	5.0%			
Industry Revenue Per Labor FTE	INPUT <input type="button" value=""/> =>	\$200,000	LABOR PAYROLL		
Industry Average Labor Wage:	INPUT <input type="button" value=""/> =<	\$60,000	30.00%		
Materials	INPUT <input type="button" value=""/> =<	14.0%	COGS:		
Supplies	INPUT <input type="button" value=""/> =<	8.0%	52.00%		
Gross Profit Margin			48.00%		
Industry Revenue Per Office FTE	INPUT <input type="button" value=""/> =>	\$400,000	OFFICE PAYROLL	A/R Days Out :	< 45
Industry Average Office Wage	INPUT <input type="button" value=""/> =<	\$86,000	22.00%	Inventory Days Out :	< 90
Industry Owner's Comp - % of Revenue	INPUT <input type="button" value=""/> =<	3.0%	OTHER OPER EXPENSES	A/P Days Out :	< 45
Industry Non-payroll Expenses - % of Revenue	INPUT <input type="button" value=""/> =<	13.0%	16.00%	Net Working Capital %	< 15.0%
Industry Pre-Tax Margin	INPUT <input type="button" value=""/> =>	6.0%	OPERATING PROFIT	Current Ratio:	> 1.50
Industry Return on Assets %:	INPUT <input type="button" value=""/> =>	10.0%	MARGIN	A/R Loan Advance Rate:	80%
Industry Return on Equity %:	INPUT <input type="button" value=""/> =>	20.0%	10.00%	Inventory Loan Advance Rate:	60%
	Primary Margins Graph <input type="button" value=""/>	Industry Gross Margin Analysis <input type="button" value=""/>	Industry Operating Margin Analysis <input type="button" value=""/>	P&L Common Size Analysis <input type="button" value=""/>	Cash Flow Statements <input type="button" value=""/>
	Debt Analysis <input type="button" value=""/>	Risk Ratings <input type="button" value=""/>	Collateral Analysis <input type="button" value=""/>		Net Working Capital Analysis <input type="button" value=""/>
					Breakeven Analysis <input type="button" value=""/>
					Balance Sheet Charts <input type="button" value=""/>

Liquid Assets/Total Liabilities	>	20%	Ownership
Debt/Net Worth	<	2.00	Bill James 35%
Fixed Asset Turnover	>	4.00	Steve James 35%
Total Asset Turnover	>	1.50	Tim Lane 10%
EBITDA/Debt Service	>	1.50	Jim Jones 10%
Fixed Charge Coverage:	>	1.15	Tom Brady 10%
(Cash + A/R)/Monthly Expenses:	>	3.00	Total Shares 100%
Total Liabilities/Total Assets:	<	70.00%	Legal Structure S-Corp
Total Liabilities/EBITDA:	<	4.50	Fiscal Year End 31-Dec
Cash Benchmark: # of Avg Month's Expenses	=	2.00	Statement Type Reviewed
Max Leverage Benchmark: Total Debt/EBITDA:	<	3.00	
Net Worth Benchmark: Total Liabs/Net Worth:	<	2.00	Market Approach Value <input type="button" value=""/>
Maximum Distributions - % of Earnings:	<	50%	Business Value Summary <input type="button" value=""/>



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Enter Company Financials	2020	2021	2022	2023	2024
# of F-T-E Production Employees	81	87	92	93	96
# of F-T-E Office Employees	47	49	50	50	53
128					
Equipment Sales	10,712,648	11,593,379	12,190,115	12,393,045	12,772,686
Service	3,974,407	4,188,890	4,773,608	5,255,181	5,464,217
Other	-	-	-	-	-
Total Revenue	14,687,055	15,782,269	16,963,723	17,648,226	18,236,903
Materials	2,082,179	2,337,135	2,540,183	2,502,859	2,600,316
Production Wages	4,214,352	4,725,366	5,631,941	5,442,962	5,689,813
Supplies	1,157,899	1,192,635	1,028,415	1,214,404	1,532,789
Total COGS	7,454,430	8,255,136	9,200,539	9,160,225	9,822,918
Office Wages	3,159,521	3,397,932	3,932,600	3,782,500	3,969,649
Payroll Taxes	229,065	246,350	294,945	274,231	287,799
Futa	-	-	-	-	-
Wages & Payroll Taxes	3,388,586	3,644,282	4,227,545	4,056,731	4,257,448
401k	-	-	-	-	-
Employee Health Insurance	486,400	571,200	653,200	686,400	745,000
Medical	-	-	-	-	-
Employee Benefits	486,400	571,200	653,200	686,400	745,000
Owner's Comp	385,850	398,143	405,745	411,234	426,057
Bonuses	-	-	-	-	-
Custom Name	-	-	-	-	-
Compensation of Officers	385,850	398,143	405,745	411,234	426,057
Owner's Health Insurance	67,890	88,760	92,345	88,765	93,450
Owner's Other Benefits	70,000	72,500	74,000	75,000	77,000
Rent	204,000	207,500	212,500	215,600	218,500
Rent	204,000	207,500	212,500	215,600	218,500
Custom Name	-	-	-	-	-
Office Utilities & Phones	53,457	57,896	61,234	63,438	64,562
Utilities	53,457	57,896	61,234	63,438	64,562
Other	-	-	-	-	-
Workers Comp Ins.	-	-	-	-	-
Auto	-	-	-	-	-
GL	330,459	370,883	483,466	529,447	565,344
Property Liability Insurance	-	-	-	-	-
Custom Name	-	-	-	-	-
Insurance	330,459	370,883	483,466	529,447	565,344
Office Expense	91,766	123,770	124,946	121,345	133,567
Printing	-	-	-	-	-
Contributions	-	-	-	-	-
Postage and Delivery	-	-	-	-	-
Office Supplies	-	-	-	-	-
Bank Charges	-	-	-	-	-
Office Expenses	-	-	-	-	-
Merchant Fees	-	-	-	-	-
51150 · Lease Expense -Copy/Wide Format	-	-	-	-	-
Payroll	-	-	-	-	-
Printing and Reproduction	-	-	-	-	-
Office Expenses	91,766	123,770	124,946	121,345	133,567

Accounting	-	-	-	-	-
Legal	-	-	-	-	-
Professional Fees	100,965	105,031	127,924	121,539	124,325
IT	-	-	-	-	-
Outside Services	-	-	-	-	-
Professional Fees	100,965	105,031	127,924	121,539	124,325
Fuel	99,355	104,725	108,003	115,562	139,765
DMV-Registration	-	-	-	-	-
Auto Repairs / Mileage / Other	-	-	-	-	-
Equipment Expenses	99,355	104,725	108,003	115,562	139,765
Building Repairs & Mainten	54,102	54,939	55,378	56,704	60,315
50300 - Building Fee's (HOA Fees for Building Ma	-	-	-	-	-
Repairs & Maintenance	54,102	54,939	55,378	56,704	60,315
Supplies	-	-	-	-	-
Dues	-	-	-	-	-
Advertising	-	-	-	-	-
Small Tools	-	-	-	-	-
Parking & Tolls	-	-	-	-	-
Compliance	-	-	-	-	-
Lease	-	-	-	-	-
Shipping & Handling	-	-	-	-	-
Tolls	-	-	-	-	-
Stipend	-	-	-	-	-
Other Operating Expenses	220,306	268,299	305,347	335,316	364,738
Misc	-	-	-	-	-
Property Taxes	-	-	-	-	-
Travel & Entertainment	-	-	-	-	-
Total 50050 - GPS/Radio	-	-	-	-	-
Licenses	-	-	-	-	-
Taxes & Licenses	-	-	-	-	-
Loan Fees	-	-	-	-	-
Bad Debt	-	-	-	-	-
Charitable Donations	-	-	-	-	-
Other Operating Expenses	220,306	268,299	305,347	335,316	364,738
Gain (Loss) Sale of Assets	9,850	(13,451)	-	17,810	(35,896)
Loan Fees	-	-	-	-	-
Bad Debt	-	-	-	-	-
66900 - Reconciliation Discrepancies (Discrepan	-	-	-	-	-
Extraordinary Expenses	-	-	-	-	-
	9,449	18,330	44,242	39,990	47,678
Non Operating Income	9,449	18,330	44,242	39,990	47,678
Depreciation	349,447	338,518	317,101	290,282	277,648
Amortization of Goodwill	14,000	14,000	14,000	14,000	14,000
Finance Charge	-	-	-	-	-
Merchant Finance Charge	-	-	-	-	-
Loan Interest	431,022	418,879	382,645	411,713	402,572
Bank Fees/Interest Expense	-	-	-	-	-
Interest Expense	431,022	418,879	382,645	411,713	402,572
Local Taxes	214,567	189,765	45,678	187,908	98,769
Taxes	-	-	-	-	50,000
Total Taxes	214,567	189,765	45,678	187,908	148,769
Net Income	689,752	502,922	116,369	764,817	312,707
Actual Net Income	689,752	502,922	116,369	764,817	312,707
Net Income Balance	-	-	-	-	-

Balance Sheet	2,020	2,021	2,022	2,023	2,024
	-	-	-	-	-
	4,268,339	3,481,819	2,949,841	2,511,657	1,646,345
	-	-	-	-	-
Cash	4,268,339	3,481,819	2,949,841	2,511,657	1,646,345
	-	-	-	-	-
Line of Credit - Commitment	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
	-	-	-	-	-
	2,232,126	2,645,062	2,449,794	2,681,963	3,005,059
	-	-	-	-	-
Accounts Receivable	2,232,126	2,645,062	2,449,794	2,681,963	3,005,059
	-	-	-	-	-
WIP	-	-	-	-	-
Chemical Inventory	673,921	799,283	575,025	707,643	795,760
Packaging	-	-	-	-	-
Inventory	673,921	799,283	575,025	707,643	795,760
	-	-	-	-	-
	115,659	85,773	85,684	65,084	150,000
	-	-	-	-	-
Total Other Current Assets	115,659	85,773	85,684	65,084	150,000
	-	-	-	-	-
Total Current Assets	7,290,045	7,011,937	6,060,344	5,966,347	5,597,164
Land	-	-	-	-	-
Leasehold	-	-	-	-	-
Equipment	3,829,650	3,756,789	3,814,007	3,835,219	3,850,987
FFE	-	-	-	-	-
Accumulated Depreciation	-	-	-	-	-
Property & Equipment	3,829,650	3,756,789	3,814,007	3,835,219	3,850,987
	-	-	-	-	-
Goodwill	191,650	177,650	163,650	149,650	135,650
	-	-	-	-	-
Cash Surrender	122,447	136,241	156,003	157,916	211,856
Marketables	-	-	-	-	-
Other L-T Assets	122,447	136,241	156,003	157,916	211,856
	-	-	-	-	-
Total Assets	11,433,792	11,082,617	10,194,004	10,109,132	9,795,657
Actual Total Assets	11,433,792	11,082,617	10,194,004	10,109,132	9,795,657
Total Assets Balance	-	-	-	-	-
	-	-	-	-	-
Accounts Payable	525,433	431,743	451,799	420,578	428,578
Line of Credit	1,125,732	1,225,769	987,094	1,309,876	1,450,875
Accruals	202,766	147,823	398,860	210,242	252,317
	-	-	-	-	-
Other Current Liabilities	439,341	452,490	316,727	254,864	300,220
	-	-	-	-	-
Other Current Liabilities	439,341	452,490	316,727	254,864	300,220
	-	-	-	-	-
Total Current Liabilities	2,293,272	2,257,825	2,154,480	2,195,560	2,431,990
	-	-	-	-	-
	3,689,399	3,389,399	3,089,399	2,789,399	2,489,399
Bank Loan	3,689,399	3,389,399	3,089,399	2,789,399	2,489,399
	-	-	-	-	-
Equipment Loans	1,956,543	1,756,543	1,556,543	1,356,543	1,156,543
Vehicle Loans	745,345	680,345	615,345	550,345	485,345
Shareholder Loan	-	100,000	100,000	100,000	100,000
Seller Note	-	-	-	-	-
	-	-	-	-	-
Capital	515,235	515,235	515,235	515,235	515,235
Issue / (Retire) Capital Stock	-	-	-	-	-
(Distributions) Paid in Surplus	(300,000)	(353,650)	(336,637)	(325,769)	(297,612)
Retained Earnings	2,233,998	2,383,270	2,163,002	2,602,050	2,617,145
Total Net Worth	2,749,233	2,898,505	2,678,237	3,117,285	3,132,380
	-	-	-	-	-
Total Liabilities & NW	11,433,792	11,082,617	10,194,004	10,109,132	9,795,657
	-	-	-	-	-

Target Business Description	Sale Date	Net Sales	Sales Price	Adj EBITDA	SDE
Industrial Equip Manuf.	11/05/2024	\$19,787,000	\$10,684,980	\$1,978,700	\$3,089,738
Industrial Equip Manuf.	03/20/2022	\$18,986,216	\$9,303,246	\$1,841,663	\$2,342,130
Industrial Equip Manuf.	02/26/2019	\$15,401,294	\$7,192,404	\$1,694,142	\$1,966,271
Industrial Equip Manuf.	06/28/2022	\$17,560,936	\$9,008,760	\$2,107,312	\$2,602,190
Industrial Equip Manuf.	07/31/2020	\$16,397,616	\$7,641,289	\$1,639,762	\$2,269,922
Industrial Equip Manuf.	09/28/2021	\$12,941,711	\$6,910,874	\$1,391,234	\$1,946,045
Industrial Equip Manuf.	03/03/2022	\$15,671,034	\$7,318,373	\$1,841,346	\$1,890,710
Industrial Equip Manuf.	10/31/2023	\$12,582,887	\$6,838,799	\$1,384,118	\$1,788,592
Industrial Equip Manuf.	05/26/2018	\$17,860,376	\$8,969,481	\$1,786,038	\$2,210,466
Industrial Equip Manuf.	09/26/2024	\$19,860,376	\$9,469,481	\$1,589,038	\$2,098,765
Industrial Equip Manuf.	02/21/2021	\$20,860,376	\$10,969,481	\$2,386,038	\$2,810,466
Industrial Equip Manuf.	08/04/2023	\$12,860,376	\$4,969,481	\$786,038	\$1,210,466
	01/27/2022	\$16,730,850	\$8,273,054	\$1,702,119	\$2,185,480

Stark Industries, Inc



Management Report & Estimate of Value

Date of Report: **12/31/2025**

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PREPARED BY : "COFIA"™
CHIEF OFFICER, FINANCIAL INSIGHTS & ANALYSIS

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Assumptions in Blue	Actual % Δ	Project % Δ	Revenue & Profit Measures				# of FTE's	Last Yr	Input ▾	Projected		
	3 Yr Actual	3 Yr Project	2020	2021	2022	2023	2024	2025	2026	2027		
Equipment Sales			10,712,648	11,593,379	12,190,115	12,393,045	12,772,686	14,049,955	15,454,950	17,000,445		
Annual Growth %	6.0%	10.0%			8.2%	5.1%	1.7%	3.1%	10.0%	10.0%	10.0%	
Service			3,974,407	4,188,890	4,773,608	5,255,181	5,464,217	6,010,639	6,611,703	7,272,873		
Annual Growth %	9.3%	10.0%			5.4%	14.0%	10.1%	4.0%	10.0%	10.0%	10.0%	
Total Revenue			\$14,687,055	15,782,269	16,963,723	17,648,226	\$18,236,903	20,060,593	22,066,653	\$24,273,318		
Annual Growth %	4.9%	10.0%			7.5%	7.5%	4.0%	3.3%	10.0%	10.0%	10.0%	
Labor FTEs	96	114	81	87	92	93	96	102	107	114		
Revenue/Labor FTE	1.5%	4.0%	\$181,322	\$181,405	\$184,388	\$189,766	\$189,968	\$197,566	\$205,469	\$213,688		
Labor Wage % Incr	3.0%	3.0%	\$52,029	\$54,315	\$61,217	\$58,526	\$59,269	\$61,047	\$62,878	\$64,765		
Total Labor Wages			4,214,352	4,725,366	5,631,941	5,442,962	5,689,813	6,226,789	6,727,985	7,383,177		
% of Revenue	31.3%	30.9%			30.78%	28.7%	29.9%	33.2%	30.8%	31.2%	30.5%	
Materials			2,082,179	2,337,135	2,540,183	2,502,859	2,600,316	2,908,786	3,199,665	3,519,631		
% of Revenue	14.5%	14.5%			14.2%	14.8%	15.0%	14.2%	14.3%	14.5%	14.5%	
Supplies			1,157,899	1,192,635	1,028,415	1,214,404	1,532,789	1,484,484	1,632,932	1,796,226		
% of Revenue	7.4%	7.4%			7.9%	7.6%	6.1%	6.9%	8.4%	7.4%	7.4%	
Gross Profit			\$7,232,625	7,527,133	7,763,184	8,488,001	\$8,413,985	9,440,534	10,506,071	\$11,574,284		
Gross Margin	46.7%	47.5%	49.2%	47.7%	45.8%	48.1%	46.1%	47.1%	47.6%	47.7%		
Office FTEs	53	61	47	49	50	50	53	56	58	61		
Revenue/Office FTE	2.2%	5.0%	\$312,491	\$322,087	\$339,274	\$352,965	\$344,093	\$361,297	\$379,362	\$398,330		
Office Wage % Incr	2.6%	5.0%	\$72,098	\$74,373	\$84,551	\$81,135	\$80,329	\$84,346	\$88,563	\$92,991		
Wages & Payroll Tax	5.3%	10.0%	3,388,586	3,644,282	4,227,545	4,056,731	4,257,448	4,723,357	5,136,651	5,672,457		
Employee Benefits	9.3%	9.3%	486,400	571,200	653,200	686,400	745,000	814,285	890,014	972,785		
Owner's Comp	2.3%	2.3%	385,850	398,143	405,745	411,234	426,057	435,856	445,881	456,136		
Owner's Health	1.7%	1.7%	67,890	88,760	92,345	88,765	93,450	95,039	96,654	98,297		
Owner's Other Benefit	2.0%	2.0%	70,000	72,500	74,000	75,000	77,000	78,540	80,111	81,713		
Rent	1.7%	1.7%	204,000	207,500	212,500	215,600	218,500	222,215	225,992	229,834		
Utilities	3.7%	3.7%	53,457	57,896	61,234	63,438	64,562	66,951	69,428	71,997		
Insurance	15.1%	8.0%	330,459	370,883	483,466	529,447	565,344	610,572	659,417	712,171		
Office Expenses	2.6%	2.6%	91,766	123,770	124,946	121,345	133,567	137,040	140,603	144,258		
Professional Fees	5.8%	5.8%	100,965	105,031	127,924	121,539	124,325	131,536	139,165	147,236		
Equipment Expenses	10.1%	8.0%	99,355	104,725	108,003	115,562	139,765	150,946	163,022	176,064		
Repairs & Maintenance	3.2%	3.2%	54,102	54,939	55,378	56,704	60,315	62,245	64,237	66,293		
Other Operating Expenses	10.8%	5.0%	220,306	268,299	305,347	335,316	364,738	382,975	402,124	422,230		
Total Operating Expenses			5,553,136	6,067,928	6,931,633	6,877,081	7,270,071	7,911,556	8,513,298	9,251,471		
% Incr (Decr)	6.4%	8.4%	N/A	9.3%	14.2%	-0.8%	5.7%	8.8%	7.6%	8.7%		
Operating Profit			1,679,489	1,459,205	831,551	1,610,920	\$1,143,914	\$1,528,978	\$1,992,773	\$2,322,813		
Operating Margin	8.2%	8.7%			11.4%	9.2%	4.9%	9.1%	7.6%	9.0%	9.6%	
Total Company FTEs	149	175	128	136	142	143	149	158	165	175		
Revenue /All FTEs	1.6%	4.3%	\$114,743	\$116,046	\$119,463	\$123,414	\$122,395	\$126,966	\$133,737	\$138,705		
Avg FTE Compensation	3.0%	3.8%	\$59,398	\$61,542	\$69,433	\$66,431	\$66,760	\$69,305	\$71,907	\$74,604		
All Compensation/Revenue	54.3%	54.0%	51.8%	53.0%	58.1%	53.8%	54.5%	54.6%	53.8%	53.8%		
Gain (Loss) Asset Sale	(4,337)	(4,337)	9,850	(13,451)	-	17,810	(35,896)	(4,337)	(4,337)	(4,337)		
Extraordinary Expenses			-	-	-	-	-	-	-	-		
Non-Operating Income	31,938	31,938	9,449	18,330	44,242	39,990	47,678	31,938	31,938	31,938		
Total Other Income/(Expense)	27,600	27,600	19,299	4,879	44,242	57,800	\$11,782	27,600	27,600	27,600		
EBITDA			1,698,788	1,464,084	875,793	1,668,720	\$1,155,696	1,556,579	2,020,373	\$2,350,414		
Depreciation			349,447	338,518	317,101	290,282	277,648	315,781	318,212	323,276		
Depreciation %	8.2%	8.2%			9.1%	9.0%	8.3%	7.6%	7.2%	8.2%	8.2%	
Amortization			14,000	14,000	14,000	14,000	14,000	11,802	10,775	9,837		
Amortization %	8.7%	8.7%			7.3%	7.9%	8.6%	9.4%	10.3%	8.7%	8.7%	
Interest Expense			431,022	418,879	382,645	411,713	402,572	314,698	272,138	229,578		
Effective Interest Rate	6.4%	6.4%			5.7%	5.9%	6.1%	6.9%	7.2%	6.4%	6.4%	
Pre-Tax Profit			904,319	692,687	162,047	952,725	\$461,476	914,298	1,419,248	\$1,787,722		
Taxes			214,567	189,765	45,678	187,908	148,769	244,118	378,939	477,322		
Tax Rate	26.7%	26.7%			23.7%	27.4%	28.2%	19.7%	32.2%	26.7%	26.7%	
Net Income			689,752	502,922	116,369	764,817	\$312,707	670,180	1,040,309	1,310,400		

Stark Industries, Inc		Balance Sheet Changes & Assumptions									
Balance Sheet		5 Year Avg	Project Avg	2020	2021	2022	2023	2024	2025	2026	2027
Cash				4,268,339	3,481,819	2,949,841	2,511,657	1,646,345	961,814	524,270	361,796
Cash Incr (Decr)		(491,555)	(428,183)	164,219	(786,520)	(531,978)	(438,184)	(865,312)	(684,531)	(437,544)	(162,474)
Accounts Receivable				2,232,126	2,645,062	2,449,794	2,681,963	3,005,059	3,132,409	3,325,112	3,524,619
A/R Days Input		57	55	55	61	53	55	60	57	55	53
Inventory				673,921	799,283	575,025	707,643	795,760	902,727	1,125,399	1,310,759
Inventory # of Days Input		71	83	76	83	59	69	70	75	85	90
Other Current Assets				115,659	85,773	85,684	65,084	150,000	156,868	163,736	170,605
Input Incr (Decr)		6,868	6,868	-	(29,886)	(89)	(20,600)	84,916	6,868	6,868	6,868
Total Current Assets				7,290,045	7,011,937	6,060,344	5,966,347	5,597,164	5,153,818	5,138,518	5,367,778
PP&E		% of Revenue		3,829,650	3,756,789	3,814,007	3,835,219	3,850,987	3,880,634	3,942,393	4,037,085
Capex -% Revenue		1.7%	1.7%	(189,789)	(265,657)	(374,319)	(311,494)	(293,416)	(345,428)	(379,971)	(417,968)
Goodwill				191,650	177,650	163,650	149,650	135,650	123,848	113,074	103,236
Incr (Decr)		(11,200)	(10,805)	-	(14,000)	(14,000)	(14,000)	(14,000)	(11,802)	(10,775)	(9,837)
Other L-T Assets				122,447	136,241	156,003	157,916	211,856	220,738	229,620	238,501
Input Incr (Decr)		8,882	8,882	(45,000)	13,794	19,762	19,913	53,940	8,882	8,882	8,882
Total Assets				11,433,792	11,082,617	10,194,004	10,109,132	9,795,657	9,379,038	9,423,604	9,746,600
Accounts Payable				525,433	431,743	451,799	420,578	428,578	405,448	473,375	549,641
A/P Days Input		51	54	59	49	51	47	48	51	54	57
Line of Credit				1,125,732	1,225,769	987,094	1,309,876	1,450,875	1,450,875	1,450,875	1,450,875
Input Incr (Decr)		65,029	0	-	100,037	(238,675)	322,782	140,999	-	-	-
Accruals				202,766	147,823	398,860	210,242	252,317	222,227	192,137	162,048
Input Incr (Decr)		(30,090)	(30,090)	(200,000)	(54,943)	251,037	(188,618)	42,075	(30,090)	(30,090)	(30,090)
Other Current Liabilities				439,341	452,490	316,727	254,864	300,220	274,374	248,528	222,681
Input Incr (Decr)		(25,846)	(25,846)	9,890	13,149	(135,763)	(61,863)	45,356	(25,846)	(25,846)	(25,846)
Total Current Liabilities				2,293,272	2,257,825	2,154,480	2,195,560	2,431,990	2,352,924	2,364,915	2,385,245
Bank Loan				3,689,399	3,389,399	3,089,399	2,789,399	2,489,399	2,089,399	1,689,399	1,289,399
Issuance		Input ▼		-	-	-	-	-	-	-	-
(Repay) Input		(300,000)	(400,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(400,000)	(400,000)	(400,000)
Equipment Loans				1,956,543	1,756,543	1,556,543	1,356,543	1,156,543	956,543	756,543	556,543
Issuance		Input ▼		-	-	-	-	-	-	-	-
(Repay) Input		(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)
Vehicle Loans				745,345	680,345	615,345	550,345	485,345	420,345	355,345	290,345
Issuance		Input ▼		-	-	-	-	-	-	-	-
(Repay) Input		(65,000)	(65,000)	(65,000)	(65,000)	(65,000)	(65,000)	(65,000)	(65,000)	(65,000)	(65,000)
Shareholder Loan				-	100,000	100,000	100,000	100,000	80,000	60,000	40,000
Issuance		Input ▼		-	100,000	-	-	-	-	-	-
(Repay) Input		0	(20,000)	-	-	-	-	-	(20,000)	(20,000)	(20,000)
Seller Note				-	-	-	-	-	-	-	-
Issuance		Input ▼		-	-	-	-	-	-	-	-
(Repay) Input		0	0	-	-	-	-	-	-	-	-
Total Liabilities				8,684,559	8,184,112	7,515,767	6,991,847	6,663,277	5,899,211	5,226,202	4,561,532
Equity Capital				515,235	515,235	515,235	515,235	515,235	515,235	515,235	515,235
Capital		Input New/(Retired)		-	-	-	-	-	-	-	-
Retained Earnings		5 Year Avg	Avg Distrbs ▼	2,233,998	2,383,270	2,163,002	2,602,050	2,617,145	2,964,592	3,682,167	4,669,833
Distributions		(322,734)	(322,734)	(300,000)	(353,650)	(336,637)	(325,769)	(297,612)	(322,734)	(322,734)	(322,734)
Book Equity				2,749,233	2,898,505	2,678,237	3,117,285	3,132,380	3,479,827	4,197,402	5,185,068
Total Liabilities & NW				11,433,792	11,082,617	10,194,004	10,109,132	9,795,657	9,379,038	9,423,604	9,746,600

Stark Industries, Inc

Income Statements

Fiscal Year	CAGR	Reviewed 2020	Reviewed 2021	Reviewed 2022	Reviewed 2023	Reviewed 2024	Project 2025	Project 2026	Project 2027
Equipment Sales Service		10,712,648 3,974,407	11,593,379 4,188,890	12,190,115 4,773,608	12,393,045 5,255,181	12,772,686 5,464,217	14,049,955 6,010,639	15,454,950 6,611,703	17,000,445 7,272,873
Total Revenue	5.56%	14,687,055	15,782,269	16,963,723	17,648,226	18,236,903	20,060,593	22,066,653	24,273,318
Production Wages Materials Supplies		4,214,352 2,082,179 1,157,899	4,725,366 2,337,135 1,192,635	5,631,941 2,540,183 1,028,415	5,442,962 2,502,859 1,214,404	5,689,813 2,600,316 1,532,789	6,226,789 2,908,786 1,484,484	6,727,985 3,199,665 1,632,932	7,383,177 3,519,631 1,796,226
Cost of Goods Sold	7.14%	7,454,430	8,255,136	9,200,539	9,160,225	9,822,918	10,620,059	11,560,582	12,699,034
Gross Profit	3.85%	7,232,625	7,527,133	7,763,184	8,488,001	8,413,985	9,440,534	10,506,071	11,574,284
Operating Expenses									
Wages & Payroll Taxes		3,388,586	3,644,282	4,227,545	4,056,731	4,257,448	4,723,357	5,136,651	5,672,457
Employee Benefits		486,400	571,200	653,200	686,400	745,000	814,285	890,014	972,785
Owner's Comp		385,850	398,143	405,745	411,234	426,057	435,856	445,881	456,136
Owner's Health Insurance		67,890	88,760	92,345	88,765	93,450	95,039	96,654	98,297
Owner's Other Benefits		70,000	72,500	74,000	75,000	77,000	78,540	80,111	81,713
Rent		204,000	207,500	212,500	215,600	218,500	222,215	225,992	229,834
Utilities		53,457	57,896	61,234	63,438	64,562	66,951	69,428	71,997
Insurance		330,459	370,883	483,466	529,447	565,344	610,572	659,417	712,171
Office Expenses		91,766	123,770	124,946	121,345	133,567	137,040	140,603	144,258
Professional Fees		100,965	105,031	127,924	121,539	124,325	131,536	139,165	147,236
Equipment Expenses		99,355	104,725	108,003	115,562	139,765	150,946	163,022	176,064
Repairs & Maintenance		54,102	54,939	55,378	56,704	60,315	62,245	64,237	66,293
Other Operating Expenses		220,306	268,299	305,347	335,316	364,738	382,975	402,124	422,230
Total Operating Expenses	6.97%	5,553,136	6,067,928	6,931,633	6,877,081	7,270,071	7,911,556	8,513,298	9,251,471
Operating Profit	-7.79%	1,679,489	1,459,205	831,551	1,610,920	1,143,914	1,528,978	1,992,773	2,322,813
Gain (Loss) Asset Sale		9,850	(13,451)	-	17,810	(35,896)	(4,337)	(4,337)	(4,337)
Non-Operating Inc/(Expns)		9,449	18,330	44,242	39,990	47,678	31,938	31,938	31,938
EBITDA	-9.18%	1,698,788	1,464,084	875,793	1,668,720	1,155,696	1,556,579	2,020,373	2,350,414
Depreciation		349,447	338,518	317,101	290,282	277,648	315,781	318,212	323,276
Amortization		14,000	14,000	14,000	14,000	14,000	11,802	10,775	9,837
Interest Expense		431,022	418,879	382,645	411,713	402,572	314,698	272,138	229,578
Pre-Tax Profit		904,319	692,687	162,047	952,725	461,476	914,298	1,419,248	1,787,722
Taxes		214,567	189,765	45,678	187,908	148,769	244,118	378,939	477,322
Net Income		689,752	502,922	116,369	764,817	312,707	670,180	1,040,309	1,310,400

Stark Industries, Inc

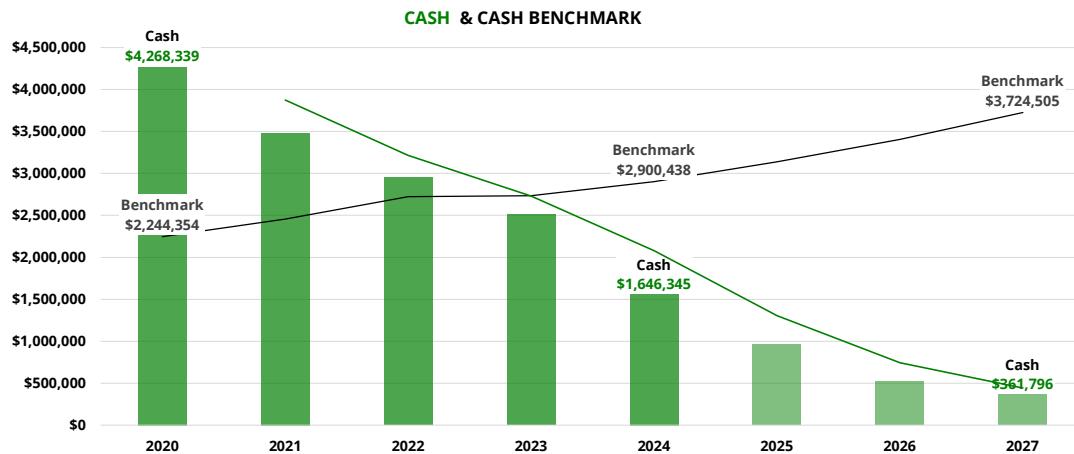
Balance Sheets

Fiscal Year	Reviewed 2020	Reviewed 2021	Reviewed 2022	Reviewed 2023	Reviewed 2024	Project 2025	Project 2026	Project 2027
Assets								
Cash	4,268,339	3,481,819	2,949,841	2,511,657	1,646,345	961,814	524,270	361,796
Accounts Receivable	2,232,126	2,645,062	2,449,794	2,681,963	3,005,059	3,132,409	3,325,112	3,524,619
Inventory	673,921	799,283	575,025	707,643	795,760	902,727	1,125,399	1,310,759
Other Current Assets	115,659	85,773	85,684	65,084	150,000	156,868	163,736	170,605
Total Current Assets	7,290,045	7,011,937	6,060,344	5,966,347	5,597,164	5,153,818	5,138,518	5,367,778
PP&E	3,829,650	3,756,789	3,814,007	3,835,219	3,850,987	3,880,634	3,942,393	4,037,085
Other L-T Assets	122,447	136,241	156,003	157,916	211,856	220,738	229,620	238,501
Goodwill	191,650	177,650	163,650	149,650	135,650	123,848	113,074	103,236
Long Term Assets	4,143,747	4,070,680	4,133,660	4,142,785	4,198,493	4,225,220	4,285,086	4,378,822
Total Assets	11,433,792	11,082,617	10,194,004	10,109,132	9,795,657	9,379,038	9,423,604	9,746,600
Liabilities & Equity								
Accounts Payable	525,433	431,743	451,799	420,578	428,578	405,448	473,375	549,641
Line of Credit	1,125,732	1,225,769	987,094	1,309,876	1,450,875	1,450,875	1,450,875	1,450,875
Accruals	202,766	147,823	398,860	210,242	252,317	222,227	192,137	162,048
Other Current Liabilities	439,341	452,490	316,727	254,864	300,220	274,374	248,528	222,681
Total Current Liabilities	2,293,272	2,257,825	2,154,480	2,195,560	2,431,990	2,352,924	2,364,915	2,385,245
Bank Loan	3,689,399	3,389,399	3,089,399	2,789,399	2,489,399	2,089,399	1,689,399	1,289,399
Equipment Loans	1,956,543	1,756,543	1,556,543	1,356,543	1,156,543	956,543	756,543	556,543
Vehicle Loans	745,345	680,345	615,345	550,345	485,345	420,345	355,345	290,345
Shareholder Loan	-	100,000	100,000	100,000	100,000	80,000	60,000	40,000
Seller Note	-	-	-	-	-	-	-	-
Long Term Liabilities	6,391,287	5,926,287	5,361,287	4,796,287	4,231,287	3,546,287	2,861,287	2,176,287
Total Liabilities	8,684,559	8,184,112	7,515,767	6,991,847	6,663,277	5,899,211	5,226,202	4,561,532
Equity								
Equity Capital	515,235	515,235	515,235	515,235	515,235	515,235	515,235	515,235
Retained Earnings	2,233,998	2,383,270	2,163,002	2,602,050	2,617,145	2,964,592	3,682,167	4,669,833
Total Equity	2,749,233	2,898,505	2,678,237	3,117,285	3,132,380	3,479,827	4,197,402	5,185,068
Total Liabilities & Equity	11,433,792	11,082,617	10,194,004	10,109,132	9,795,657	9,379,038	9,423,604	9,746,600

Stark Industries, Inc

Cash Flow Statements

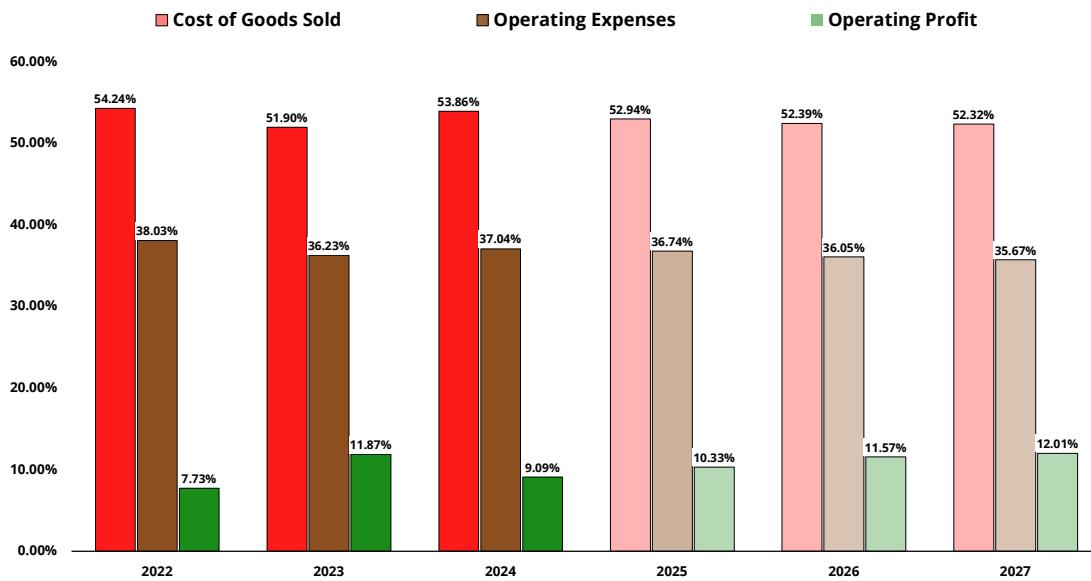
Fiscal Year	Reviewed 2020	Reviewed 2021	Reviewed 2022	Reviewed 2023	Reviewed 2024	Project 2025	Project 2026	Project 2027
Operating Cash Flow								
Net Income	689,752	502,922	116,369	764,817	312,707	670,180	1,040,309	1,310,400
Depreciation	349,447	338,518	317,101	290,282	277,648	315,781	318,212	323,276
Amortization	14,000	14,000	14,000	14,000	14,000	11,802	10,775	9,837
Net Change Working Capital	120,809	(643,896)	554,945	(625,889)	(400,698)	(320,250)	(410,253)	(371,405)
Net Operating Cash Flow	1,174,008	211,544	1,002,415	443,210	203,657	677,513	959,042	1,272,109
Investing Cash Flow								
Net Capital Expenditures	(189,789)	(265,657)	(374,319)	(311,494)	(293,416)	(345,428)	(379,971)	(417,968)
Goodwill	-	-	-	-	-	-	-	-
Other L-T Assets	45,000	(13,794)	(19,762)	(1,913)	(53,940)	(8,882)	(8,882)	(8,882)
Net Investing Cash Flow	(144,789)	(279,451)	(394,081)	(313,407)	(347,356)	(354,310)	(388,853)	(426,850)
Financing Cash Flow								
Line of Credit	-	100,037	(238,675)	322,782	140,999	-	-	-
Bank Loan	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(400,000)	(400,000)	(400,000)
Equipment Loans	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)
Vehicle Loans	(65,000)	(65,000)	(65,000)	(65,000)	(65,000)	(65,000)	(65,000)	(65,000)
Shareholder Loan	-	100,000	-	-	-	(20,000)	(20,000)	(20,000)
Seller Note	-	-	-	-	-	-	-	-
Net Equity Invest (Distribute)	(300,000)	(353,650)	(336,637)	(325,769)	(297,612)	(322,734)	(322,734)	(322,734)
Net Financing Cash Flow	(865,000)	(718,613)	(1,140,312)	(567,987)	(721,613)	(1,007,734)	(1,007,734)	(1,007,734)
Net Cash Flow	164,219	(786,520)	(531,978)	(438,184)	(865,312)	(684,531)	(437,544)	(162,474)
Beginning Cash	4,104,120	4,268,339	3,481,819	2,949,841	2,511,657	1,646,345	961,814	524,270
Net Cash Flow	164,219	(786,520)	(531,978)	(438,184)	(865,312)	(684,531)	(437,544)	(162,474)
Ending Cash	4,268,339	3,481,819	2,949,841	2,511,657	1,646,345	961,814	524,270	361,796
Benchmark Cash = # Day's Expenses	60	2,244,354	2,454,527	2,722,273	2,734,837	2,900,438	3,138,153	3,406,842
Cash Burn: # Days of Expenses =	60	113	84	64	54	34	18	9
								6



Stark Industries, Inc

Minimum Revenue - Cash Flow Breakeven





	5 yr avg	3 yr avg	2024	vs. 3 yr avg	Proj 3 yr avg	vs current avg
Cost of Goods Sold	52.61%	53.33%	53.86%	+0.53%	52.55%	-0.79%
Operating Expenses	36.43%	37.10%	37.04%	-0.06%	36.15%	-0.95%
Operating Profit Margin	10.96%	9.56%	9.09%	-0.47%	11.30%	+1.74%

Operating Profit = Profit *before* non-operating income, non-operating expenses, interest, depreciation, amortization and taxes

Peer Benchmarking

Stark Industries, Inc

	Industry	2020	2021	2022	2023	2024	2025	2026	2027
Revenue Growth	= >	5.0%	N/A	7.5%	7.5%	4.0%	3.3%	10.0%	10.0%
Labor Payroll									
Company Revenue / Labor FTE	2024	\$189,968	\$181,322	\$181,405	\$184,388	\$189,766	\$189,968	\$197,566	\$205,469
Industry Revenue/Labor FTE +3%	= >	\$200,000	\$176,000	\$182,000	\$188,000	\$194,000	\$200,000	\$206,000	\$212,180
Company Productivity vs Industry		-5.0%	-3.0%	-0.3%	-1.9%	-2.2%	-5.0%	-4.1%	-3.2%
Company Labor FTE	2024	96	81	87	92	93	96	102	107
Industry Labor FTE	< =	91	83	87	90	91	91	97	104
Labor FTEs vs Industry		+5	-2	+0	+2	+2	+5	+5	+3
Company Labor Avg Wage	2024	\$59,269	\$52,029	\$54,315	\$61,217	\$58,526	\$59,269	\$61,047	\$62,878
Industry Avg Wage - +4% annum	= >	\$60,000	\$50,400	\$52,800	\$55,200	\$57,600	\$60,000	\$62,400	\$64,896
Labor Avg Wage vs Industry		-1.2%	3.2%	2.9%	10.9%	1.6%	-1.2%	-2.2%	-3.1%
Labor Payroll	< =	30.0%	28.7%	29.9%	33.2%	30.8%	31.2%	31.0%	30.5%
Materials	< =	14.0%	14.2%	14.8%	15.0%	14.2%	14.3%	14.5%	14.5%
Supplies	< =	8.0%	7.9%	7.6%	6.1%	6.9%	8.4%	7.4%	7.4%
Total Cost of Goods Sold	< =	52.0%	50.8%	52.3%	54.2%	51.9%	53.9%	52.9%	52.4%
Gross Profit Margin	= >	48.0%	49.2%	47.7%	45.8%	48.1%	46.1%	47.1%	47.6%

Stark Industries, Inc

Peer Benchmarking

Officer/Admin Payroll	Industry	2020	2021	2022	2023	2024	2025	2026	2027	
Company Revenue / Office FTE	2024	\$344,093	\$312,491	\$322,087	\$339,274	\$352,965	\$344,093	\$361,297	\$379,362	\$398,330
Industry Revenue/Office FTE +5%	= >	\$400,000	\$320,000	\$340,000	\$360,000	\$380,000	\$400,000	\$420,000	\$441,000	\$463,050
Office Productivity to Industry		-14.0%	-2.3%	-5.3%	-5.8%	-7.1%	-14.0%	-14.0%	-14.0%	-14.0%
Company Office # FTE's	2024	53	47	49	50	50	53	56	58	61
Industry Office FTEs	< =	46	46	46	47	46	46	48	50	52
Office FTEs vs Industry		+7	+1	+3	+3	+4	+7	+8	+8	+9
Company Avg Officer Salary	2024	\$80,329	\$72,098	\$74,373	\$84,551	\$81,135	\$80,329	\$84,346	\$88,563	\$92,991
Industry Avg Officer Salary +4%	= >	\$86,000	\$72,240	\$75,680	\$79,120	\$82,560	\$86,000	\$89,440	\$93,018	\$96,738
Office Salary to Industry		-6.6%	-0.2%	-1.7%	6.9%	-1.7%	-6.6%	-5.7%	-4.8%	-3.9%
Officer/Admin Payroll	< =	22.0%	23.1%	23.1%	24.9%	23.0%	23.3%	23.5%	23.3%	23.4%
Non-Payroll Operating Expenses	< =	13.0%	11.2%	11.8%	12.6%	12.7%	13.2%	12.9%	12.5%	12.1%
Owner's Compensation & Benefits	< =	3.0%	3.6%	3.5%	3.4%	3.3%	3.3%	3.0%	2.8%	2.6%
Oper. Expenses % of Revenue	< =	38.0%	37.8%	38.4%	40.9%	39.0%	39.9%	39.4%	38.6%	38.1%
Adj Oper. Expenses % Revenue		35.2%	35.7%	38.0%	36.2%	37.0%	36.7%	36.0%	35.7%	
Adj Operating Profit Margin	= >	10.0%	14.1%	12.0%	7.7%	11.9%	9.1%	10.3%	11.6%	12.0%
Adjusted EBITDA Margin	= >	10.0%	14.1%	12.0%	7.7%	11.9%	9.1%	10.3%	11.6%	12.0%
Profitability & Efficiency		2020	2021	2022	2023	2024	2025	2026	2027	
Total Company FTE's	2024	149	128	136	142	143	149	158	165	175
Industry FTE's	< =	137	129	133	137	137	137	145	154	163
Company FTEs vs Industry		+12	-1	+3	+5	+6	+12	+13	+11	+12
Sales / NW	= >	3.00x	5.34x	5.44x	6.33x	5.66x	5.82x	5.76x	5.26x	4.68x
Current Liabilities / TNW	< =	1.00x	0.90x	0.83x	0.86x	0.74x	0.81x	0.70x	0.58x	0.47x
Fixed Assets / TNW	< =	1.25x	1.50x	1.38x	1.52x	1.29x	1.29x	1.16x	0.97x	0.79x
Fixed Asset Turnover	= >	4.00	3.84x	4.16x	4.48x	4.61x	4.75x	5.19x	5.64x	6.08x
Total Asset Turnover	= >	1.50	1.28x	1.40x	1.59x	1.74x	1.83x	2.09x	2.35x	2.53x
Pretax Profit Margin	= >	6.0%	8.7%	7.1%	3.5%	7.8%	5.3%	7.1%	8.8%	9.7%
Return on Assets	= >	10.0%	13.0%	12.2%	9.2%	15.8%	12.4%	16.0%	19.6%	21.6%
Return on Book Equity	= >	20.0%	38.5%	33.1%	19.8%	41.1%	26.1%	35.8%	41.0%	40.0%
Return on Market Equity	= >	15.0%	14.6%	14.5%	10.3%	20.3%	15.6%	20.6%	21.6%	19.9%
Market Net Equity Value / Book NW	= >	1.50x	2.64x	2.22x	2.00x	1.88x	1.67x	1.66x	1.74x	1.81x

Stark Industries, Inc

Common Size Income Statements

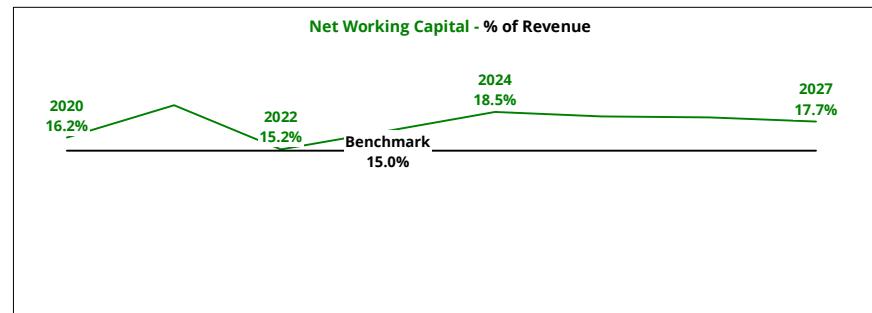
Enter Accepted Variance ▼		5 year Avg	2020	2021	2022	2023	2024	2025	2026	2027
Equipment Sales		71.7%	72.9%	73.5%	71.9%	70.2%	70.0%	70.0%	70.0%	70.0%
Service		28.3%	27.1%	26.5%	28.1%	29.8%	30.0%	30.0%	30.0%	30.0%
Dollar Value - 1.00% of Revenue		\$146,871	\$157,823	\$169,637	\$176,482	\$182,369	\$200,606	\$220,667	\$242,733	
Total Revenue		100%	100%	100%	100%	100%	100%	100%	100%	100%
Production Wages		30.8%	28.7%	29.9%	33.2%	30.8%	31.2%	31.0%	30.5%	30.4%
Materials	5%	14.5%	14.2%	14.8%	15.0%	14.2%	14.3%	14.5%	14.5%	14.5%
Supplies		7.4%	7.9%	7.6%	6.1%	6.9%	8.4%	7.4%	7.4%	7.4%
Cost of Goods Sold		52.6%	50.8%	52.3%	54.2%	51.9%	53.9%	52.9%	52.4%	52.3%
Gross Margin	5%	47.4%	49.2%	47.7%	45.8%	48.1%	46.1%	47.1%	47.6%	47.7%
		Incr (Decr)	N/A	-1.6%	-1.9%	+2.3%	-2.0%	+0.9%	+0.6%	+0.1%
Wages & Payroll Tax	5%	23.48%	23.07%	23.09%	24.92%	22.99%	23.35%	23.55%	23.28%	23.37%
Employee Benefits		3.75%	3.31%	3.62%	3.85%	3.89%	4.09%	4.06%	4.03%	4.01%
Owner's Comp & Benefits		3.40%	3.57%	3.54%	3.37%	3.26%	3.27%	3.04%	2.82%	2.62%
Rent		1.28%	1.39%	1.31%	1.25%	1.22%	1.20%	1.11%	1.02%	0.95%
Utilities		0.36%	0.36%	0.37%	0.36%	0.36%	0.35%	0.33%	0.31%	0.30%
Insurance	15%	2.71%	2.25%	2.35%	2.85%	3.00%	3.10%	3.04%	2.99%	2.93%
Office Expenses		0.71%	0.62%	0.78%	0.74%	0.69%	0.73%	0.68%	0.64%	0.59%
Professional Fees		0.70%	0.69%	0.67%	0.75%	0.69%	0.68%	0.66%	0.63%	0.61%
Equipment Expenses		0.68%	0.68%	0.66%	0.64%	0.65%	0.77%	0.75%	0.74%	0.73%
Repairs & Maintenance		0.34%	0.37%	0.35%	0.33%	0.32%	0.33%	0.31%	0.29%	0.27%
Other Operating Expenses		1.78%	1.50%	1.70%	1.80%	1.90%	2.00%	1.91%	1.82%	1.74%
Operating Expenses	5%	39.19%	37.81%	38.45%	40.86%	38.97%	39.86%	39.44%	38.58%	38.11%
		Incr (Decr)	N/A	+0.6%	+2.4%	-1.9%	+0.9%	-0.4%	-0.9%	-0.5%
Operating Margin	20%	8.20%	11.44%	9.25%	4.90%	9.13%	6.27%	7.62%	9.03%	9.57%
		Incr (Decr)	N/A	-2.2%	-4.3%	+4.2%	-2.9%	+1.3%	+1.4%	+0.5%
(Gain) Loss Sale of Assets		-0.02%	0.07%	-0.09%	0.00%	0.10%	-0.20%	-0.02%	-0.02%	-0.02%
Non-Operating Inc/Expense		0.19%	0.06%	0.12%	0.26%	0.23%	0.26%	0.16%	0.14%	0.13%
Net Adjustments to EBITDA		2.60%	2.52%	2.73%	2.57%	2.41%	2.76%	2.57%	2.41%	2.33%
Adjusted EBITDA	20%	10.96%	14.08%	12.01%	7.73%	11.87%	9.09%	10.33%	11.57%	12.01%
		Incr (Decr)	N/A	-2.1%	-4.3%	+4.1%	-2.8%	+1.2%	+1.2%	+0.4%
Depreciation & Amortization		2.00%	2.47%	2.23%	1.95%	1.72%	1.60%	1.63%	1.49%	1.37%
Interest Expense		2.48%	2.93%	2.65%	2.26%	2.33%	2.21%	1.57%	1.23%	0.95%
Adjusted Pre-Tax Profit	20%	6.5%	8.7%	7.1%	3.5%	7.8%	5.3%	7.1%	8.8%	9.7%
		Incr (Decr)	N/A	-1.6%	-3.6%	+4.3%	-2.5%	+1.8%	+1.7%	+0.9%
Taxes		0.96%	1.5%	1.2%	0.3%	1.1%	0.8%	1.2%	1.7%	2.0%
Adjusted Net Income	20%	5.5%	7.2%	5.9%	3.3%	6.7%	4.5%	5.9%	7.1%	7.7%

Stark Industries, Inc

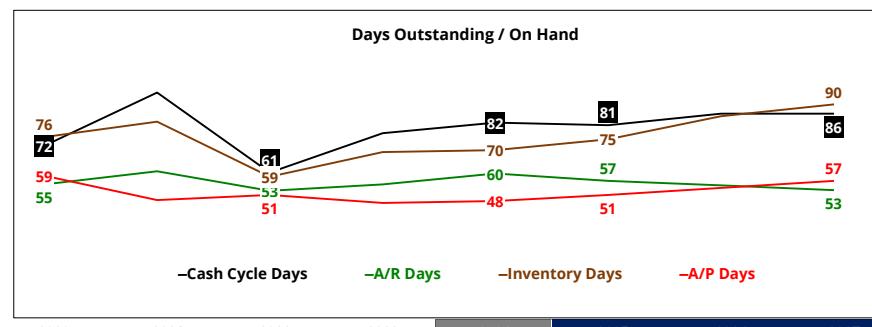
		Net Working Capital								
		2020	2021	2022	2023	2024	2025	2026	2027	
Cash	% Included	\$4,268,339	\$3,481,819	\$2,949,841	\$2,511,657	\$1,646,345	\$961,814	\$524,270	\$361,796	
	Excluded	\$1,125,732	\$1,225,769	\$987,094	\$1,309,876	\$1,450,875	\$1,450,875	\$1,450,875	\$1,450,875	
A/R	100%	NWC - Trading	\$2,232,126	\$2,645,062	\$2,449,794	\$2,681,963	\$3,005,059	\$3,132,409	\$3,325,112	\$3,524,619
			\$673,921	\$799,283	\$575,025	\$707,643	\$795,760	\$902,727	\$1,125,399	\$1,310,759
Inventory	100%	NWC - Trading	\$115,659	\$85,773	\$85,684	\$65,084	\$150,000	\$156,868	\$163,736	\$170,605
			\$3,021,706	\$3,530,118	\$3,110,503	\$3,454,690	\$3,950,819	\$4,192,004	\$4,614,248	\$5,005,983
Other Current Assets	100%	NWC - Trading	\$525,433	\$431,743	\$451,799	\$420,578	\$428,578	\$405,448	\$473,375	\$549,641
			\$202,766	\$147,823	\$398,860	\$210,242	\$252,317	\$222,227	\$192,137	\$162,048
Working Capital Assets	100%	NWC - Trading	\$439,341	\$452,490	\$316,727	\$254,864	\$300,220	\$274,374	\$248,528	\$222,681
			\$1,167,540	\$1,032,056	\$1,167,386	\$885,684	\$981,115	\$902,049	\$914,040	\$934,370
Net Working Capital		Key	\$1,854,166	\$2,498,062	\$1,943,117	\$2,569,006	\$2,969,704	\$3,289,954	\$3,700,208	\$4,071,613

		2020	2021	2022	2023	2024	2025	2026	2027
Net Working Capital Trading Accounts	NWC - Trading	\$2,380,614	\$3,012,602	\$2,573,020	\$2,969,028	\$3,372,241	\$3,629,687	\$3,977,136	\$4,285,737
Benchmark NWC Trading Accts	Industry Avg	\$2,210,194	\$2,380,936	\$2,531,382	\$2,634,101	\$2,757,946	\$3,014,860	\$3,316,346	\$3,647,980
Excess (Deficit) to Benchmark NWC	Key	\$170,420	\$631,666	\$41,638	\$334,927	\$614,295	\$614,827	\$660,790	\$637,756

Cash Collect Cycle		Benchmark Days
A/R	Input	45
Inventory	Input	90
A/P	Input	45
Benchmark Cash Collection	Goal <	90
Benchmark % of Revenue		15.0%



Benchmark Cash Collection	# of Net Days
90	

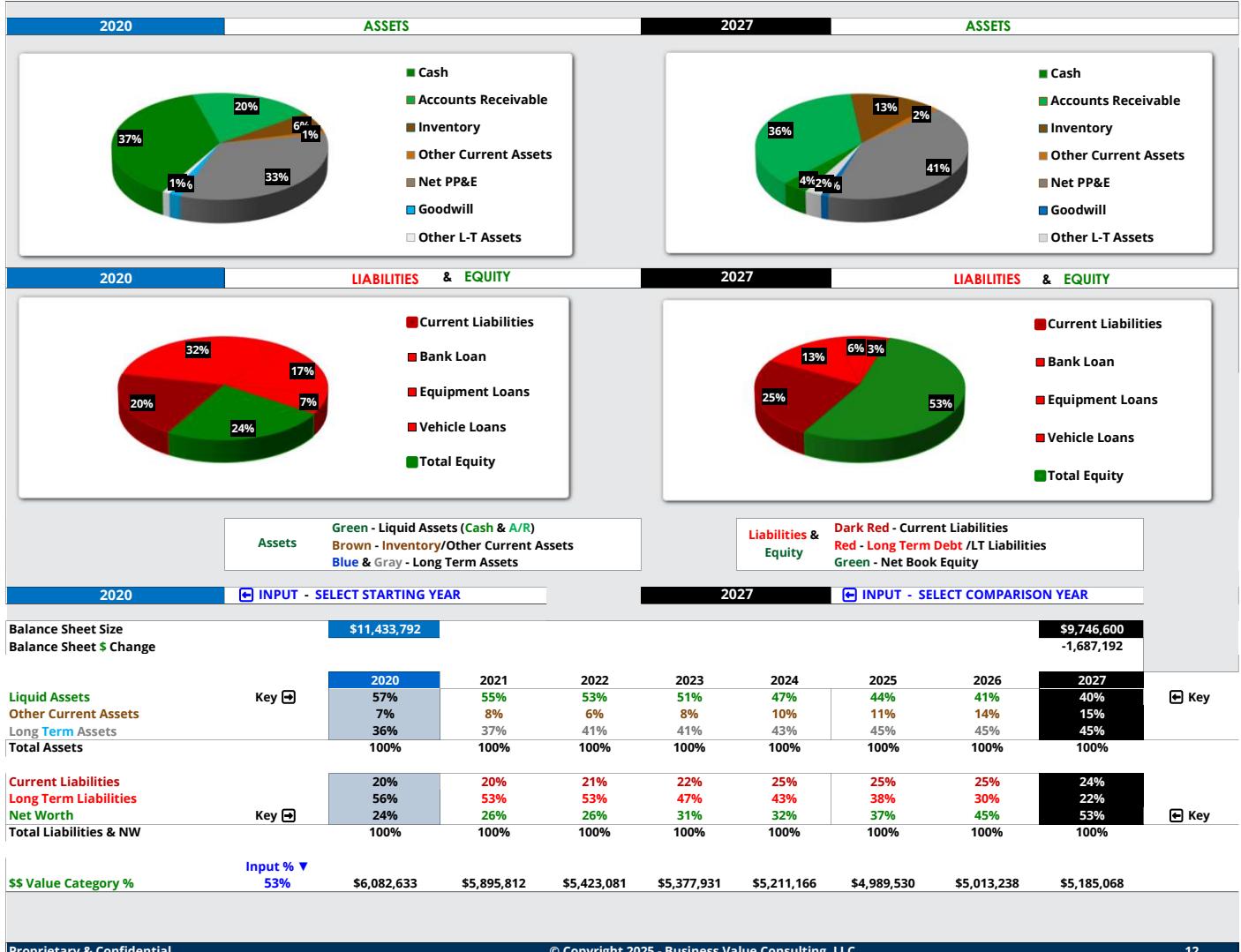


8 Yr Avg Dollar Value - 1 Day		
A/R	\$ Per Day	\$51,274
Inventory	\$ Per Day	\$11,209
A/P	\$ Per Day	\$11,209

	2020	2021	2022	2023	2024	2025	2026	2027
A/R	Industry <	45	55	61	53	55	60	57
Inventory	Industry <	90	76	83	59	69	70	75
A/P	Industry <	45	59	49	51	47	48	51
Benchmark Cash Collection	Industry <	90	72	95	61	78	82	86

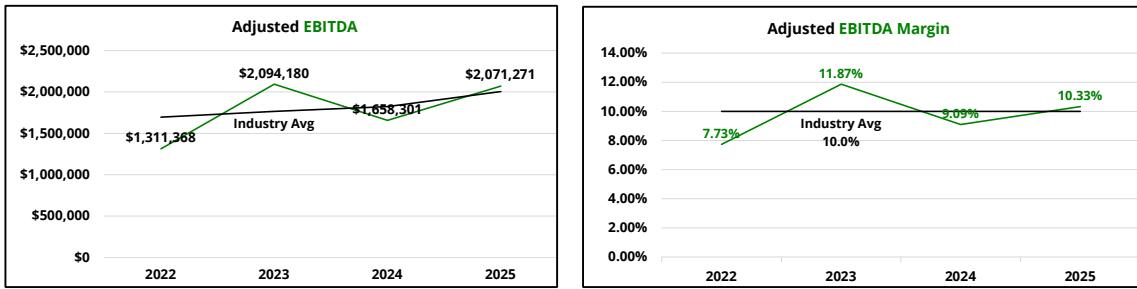
Stark Industries, Inc

Balance Sheet Pie Charts



Stark Industries, Inc

Fiscal Year	2020	2021	2022	2023	2024	Adjusted EBITDA
						2025
Total Revenue	14,687,055	15,782,269	16,963,723	17,648,226	18,236,903	20,060,593
Net Income	689,752	502,922	116,369	764,817	312,707	670,180
Interest Expense	431,022	418,879	382,645	411,713	402,572	314,698
Taxes	214,567	189,765	45,678	187,908	148,769	244,118
Depreciation	349,447	338,518	317,101	290,282	277,648	315,781
Amortization	14,000	14,000	14,000	14,000	14,000	11,802
EBITDA	1,698,788	1,464,084	875,793	1,668,720	1,155,696	1,556,579
EBITDA Margin	11.57%	9.28%	5.16%	9.46%	6.34%	7.76%
Adjustments	Input Budget ▼					
Owner's Comp-Adj + / -	250,000	135,850	148,143	155,745	161,234	176,057
Owner's Health-Adj + / -	40,000	27,890	48,760	52,345	48,765	53,450
Owner's Other Benefits-Adj + / -	20,000	50,000	52,500	54,000	55,000	57,000
Market Rent-Adj + / -	200,000	4,000	7,500	12,500	15,600	18,500
Professional Fees-Adj + / -	50,000	50,965	55,031	77,924	71,539	74,325
Travel	39,140	40,314	41,524	42,769	44,052	45,374
Phones	12,875	13,261	13,659	14,069	14,491	14,926
Owner's Retirement Benefits	46,350	47,741	49,173	50,648	52,167	53,732
Charitable Donations	21,630	22,279	22,947	23,636	24,345	25,075
Gain (Loss) Sale of Assets	(9,850)	13,451	-	(17,810)	35,896	4,337
Non-Operating Inc/(Expns)	(9,449)	(18,330)	(44,242)	(39,990)	(47,678)	(31,938)
Total Adjustments	369,401	430,650	435,575	425,460	502,605	514,692
Adjusted EBITDA	2,068,189	1,894,734	1,311,368	2,094,180	1,658,301	2,071,271
Adjusted EBITDA Margin	14.08%	12.01%	7.73%	11.87%	9.09%	10.33%



Adj EBITDA & Margin	3 year average	\$1,687,950	9.56%
Adj EBITDA & Margin	5 year average	\$1,805,354	10.96%

Stark Industries, Inc

Market Comparables

Target Business Description	Sale Date	Net Revenue	Sales Price	Price/Rev	EBITDA	Price/EBITDA	EBITDA Margin	SDE	Price/SDE	Comp Weighting
Industrial Equip Manuf.	11/5/2024	\$19,787,000	\$10,684,980	54.00%	\$1,978,700	5.4	10.0%	\$3,089,738	3.5	8.3%
Industrial Equip Manuf.	3/20/2022	\$18,986,216	\$9,303,246	49.00%	\$1,841,663	5.1	9.7%	\$2,342,130	4.0	8.3%
Industrial Equip Manuf.	2/26/2019	\$15,401,294	\$7,192,404	46.70%	\$1,694,142	4.2	11.0%	\$1,966,271	3.7	8.3%
Industrial Equip Manuf.	6/28/2022	\$17,560,936	\$9,008,760	51.30%	\$2,107,312	4.3	12.0%	\$2,602,190	3.5	8.3%
Industrial Equip Manuf.	7/31/2020	\$16,397,616	\$7,641,289	46.60%	\$1,639,762	4.7	10.0%	\$2,269,922	3.4	8.3%
Industrial Equip Manuf.	9/28/2021	\$12,941,711	\$6,910,874	53.40%	\$1,391,234	5.0	10.8%	\$1,946,045	3.6	8.3%
Industrial Equip Manuf.	3/3/2022	\$15,671,034	\$7,318,373	46.70%	\$1,841,346	4.0	11.8%	\$1,890,710	3.9	8.3%
Industrial Equip Manuf.	10/31/2023	\$12,582,887	\$6,838,799	54.35%	\$1,384,118	4.9	11.0%	\$1,788,592	3.8	8.3%
Industrial Equip Manuf.	5/26/2018	\$17,860,376	\$8,969,481	50.22%	\$1,786,038	5.0	10.0%	\$2,210,466	4.1	8.3%
Industrial Equip Manuf.	9/26/2024	\$19,860,376	\$9,469,481	47.68%	\$1,589,038	6.0	8.0%	\$2,098,765	4.5	8.3%
Industrial Equip Manuf.	2/21/2021	\$20,860,376	\$10,969,481	52.59%	\$2,386,038	4.6	11.4%	\$2,810,466	3.9	8.3%
Industrial Equip Manuf.	8/4/2023	\$12,860,376	\$4,969,481	38.64%	\$786,038	6.3	6.1%	\$1,210,466	4.1	8.7%
Average	1/27/2022	\$16,730,850	\$8,273,054	49.3%	\$1,702,119	4.95	10.1%	\$2,185,480	3.81	100.0%
Weighted Average		\$16,715,368	\$8,259,840	49.2%	\$1,698,455	4.96	10.1%	\$2,181,580	3.81	

Stark Industries, Inc

2024	Revenue Value	2024	EBITDA Value
Net Sales	\$18,236,903	Adj EBITDA	\$1,658,301
Revenue Multiple	49.2%	EBITDA Multiple	4.96
Business Value	\$8,976,620	Business Value	\$8,219,845
Weighted		Weighted	EBITDA Margin
Net Sales	\$17,261,345	Weighted EBITDA	\$1,763,999
Revenue Multiple	49.2%	EBITDA Multiple	4.96
Business Value	\$8,496,429	Business Value	\$8,743,766

Stark Industries, Inc

Business Value - Market Approach

	Comparables	Stark Industries, Inc	Market Business Value
EBITDA Margin	10.13%	10.22%	
Weighted EBITDA Multiple:	4.96x	x 4.96x	
Weighted Revenue Multiple:	= 49.22%	= 50.66%	\$8,639,027

Weighted Adj Revenue Multiple Business Value

Year	Revenue	Multiple	Business Value	Input ▾	Weighting	Weighted
2024	\$18,236,903	49.0%	\$8,936,082	5	\$44,680,412	
2023	\$17,648,226	49.0%	\$8,647,631	4	\$34,590,523	
2022	\$16,963,723	49.0%	\$8,312,224	3	\$24,936,673	
2021	\$15,782,269	49.0%	\$7,733,312	2	\$15,466,624	
2020	\$14,687,055	49.0%	\$7,196,657	1	\$7,196,657	
Weighted Avg	\$17,261,345	49.0%				\$8,458,059

Weighted Adj EBITDA Multiple Business Value

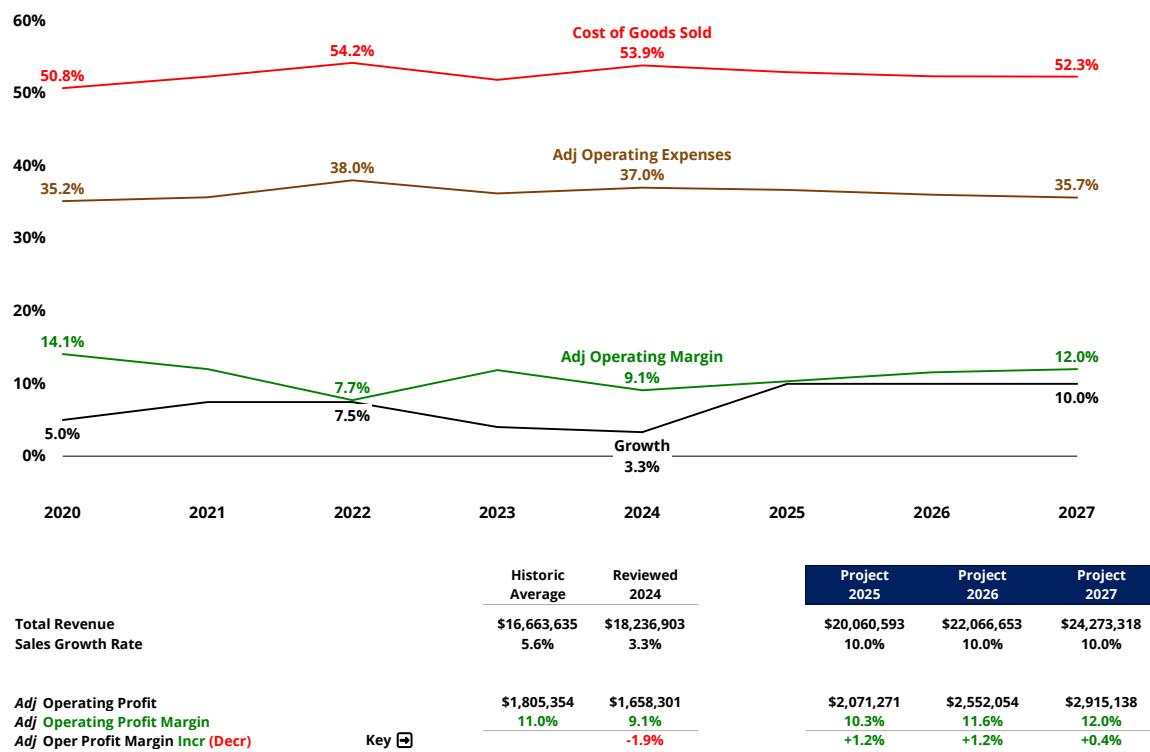
Year	Adj EBITDA	Multiple	Business Value	Input ▾	Weighting	Weighted
2024	\$1,658,301	5.0x	\$8,291,507	5	\$41,457,536	
2023	\$2,094,180	5.0x	\$10,470,899	4	\$41,883,596	
2022	\$1,311,368	5.0x	\$6,556,838	3	\$19,670,515	
2021	\$1,894,734	5.0x	\$9,473,669	2	\$18,947,339	
2020	\$2,068,189	5.0x	\$10,340,945	1	\$10,340,945	
EBITDA Weighted Avg	\$1,763,999	5.0x				\$8,819,995

Summary

Valuation Metric	Weighted Avg	Valuation Multiple	Business Value	Input ▾	Weighted Value	Final Multiples	Market Business Value
Revenue	\$17,261,345	49.0%	\$8,458,059	50%	\$42,290,30	50.0%	\$8,639,027
EBITDA	\$1,763,999	5.0x	\$8,819,995	50%	\$44,099,998	4.9x	
Primary Multiples Business Value				Weighted	☒	\$8,639,027	
Revenue	\$17,261,345	49.0%	\$8,458,059	25%	\$2,114,515	50.1%	
EBITDA	\$1,763,999	5.0x	\$8,819,995	25%	\$2,204,999	4.9x	
Gross Profit	\$8,106,558	1.0x	\$8,444,331	25%	\$2,111,083	1.1x	
SDE	\$2,337,374	3.8x	\$8,882,021	25%	\$2,220,505	3.7x	
All Multiples Business Value				Weighted	☒	\$8,651,102	\$5,217,505
Plus/Less: Working Cap Adj							+614,295
Plus: Cash							+1,646,345
Less: Debt & L-T Liabs							-5,682,162
Net Equity							

Stark Industries, Inc

Projections



Stark Industries, Inc

Business Value - Discounted Cash Flows

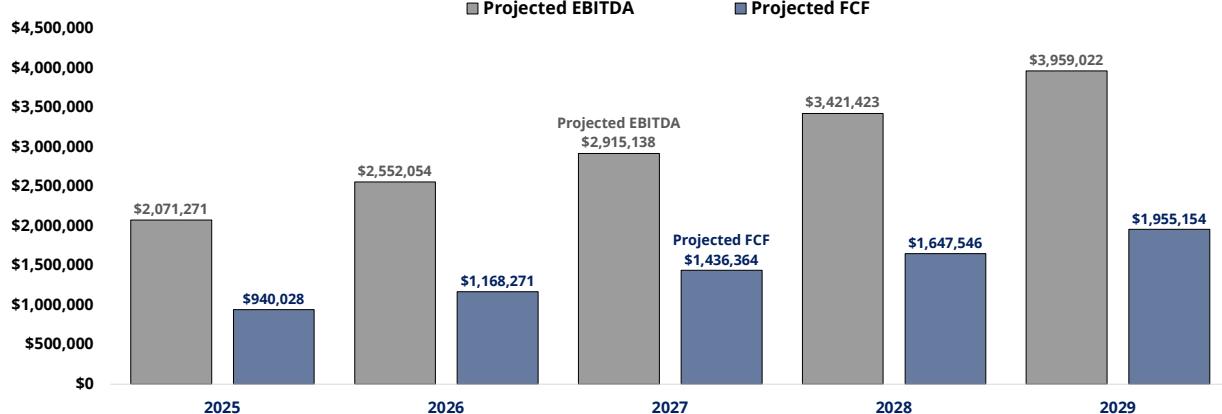
	Input <input type="button" value="✎"/>	4.50%
Risk Free Rate		6.90%
Equity Premium		7.00%
Company Size Premium		2.50%
Discount Rate		20.90%
Actual EBIT CAGR	-10.31%	
5 Yr Projected EBIT CAGR	21.44%	
Adj Projected EBIT CAGR	<input type="button" value="✎"/>	
L-T EBIT Growth	<input type="button" value="✎"/>	
Internal Rate of Return	Key <input type="button" value="✎"/>	19.61%

Market Approach	DCF Value	NPV
\$8,639,027	\$8,273,108	-\$365,919

Discount Rate Build Up

Summary of Discounted Cash Flow Analysis

5 Yr Free Cash Flow Total	=	\$7,147,363
Exit Cash - Terminal Value	+	\$11,250,328
Total Free Cash & Exit Cash	=	\$18,397,691
Discount Rate/Avg Factor	x	44.97%
NPV - Cash Inflows	=	\$8,273,108
Market Approach Price	Deduct <input type="button" value="✎"/>	(\$8,639,027)
NPV - All Cash Flows	Key <input type="button" value="✎"/>	-\$365,919

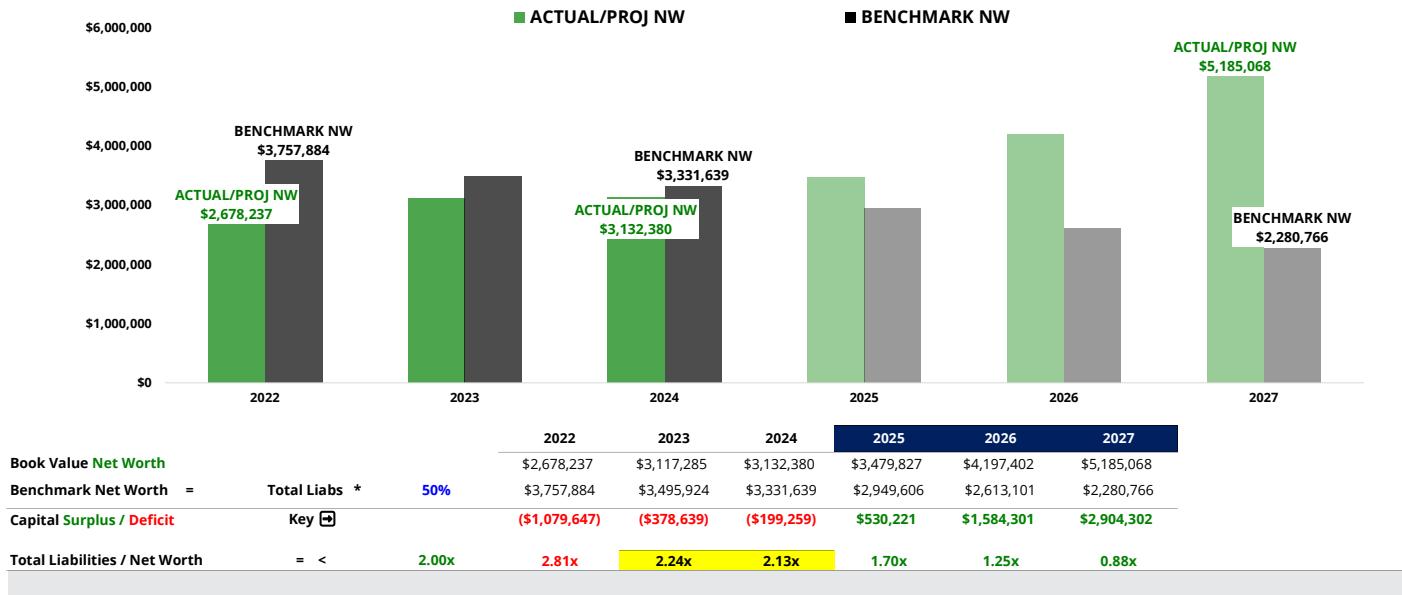


"FCF" Free Cash Flows = EBITDA - Capex - Taxes + / - Change in Working Capital

EBITDA & Free Cash Flows	2025	2026	2027	2028	2029	5 yr avg	Avg \$ Chg	5 yr Total
EBITDA	2,071,271	2,552,054	2,915,138	3,421,423	3,959,022	2,983,781	+471,938	14,918,907
Tax Rate	100.00%							
Less: Capex	(345,428)	(379,971)	(417,968)	(459,765)	(505,741)	(421,775)	(40,078)	(2,108,873)
Less: Taxes	(465,565)	(593,559)	(689,400)	(822,734)	(963,892)	(707,030)	(124,582)	(3,535,150)
Change in Working Cap	(320,250)	(410,253)	(371,405)	(491,378)	(534,235)	(425,504)	(425,504)	(2,127,522)
Operating Free Cash Flow	940,028	1,168,271	1,436,364	1,647,546	1,955,154	1,429,473	+253,782	7,147,363
Operating Free Cash Flows	940,028	1,168,271	1,436,364	1,647,546	1,955,154			= 7,147,363
Discount Factor	82.71%	68.41%	56.59%	46.81%	38.71%	Average Discount Factor	x	54.81%
Net Present Value-Operating Free Cash Flows	777,525	799,265	812,804	771,138	756,919	NPV Operating Cash	=	3,917,652
Actual Avg	Project Avg	Actual Avg	Projected					
Revenue Growth	4.52%	7.47%	Avg EBITDA \$ Change	(\$102,472)	\$471,938	Exit - Terminal Value	=	11,250,328
Gross Profit Margin	47.39%	47.77%	Avg Free Cash \$ Change	(\$242,306)	\$253,782	Exit Discount Factor	x	38.71%
		EBIT Growth	-10.31%	21.44%		NPV Exit / Terminal	=	4,355,457
						NPV - Cash Inflows	=	8,273,108

Stark Industries, Inc

Net Worth & Net Equity Value



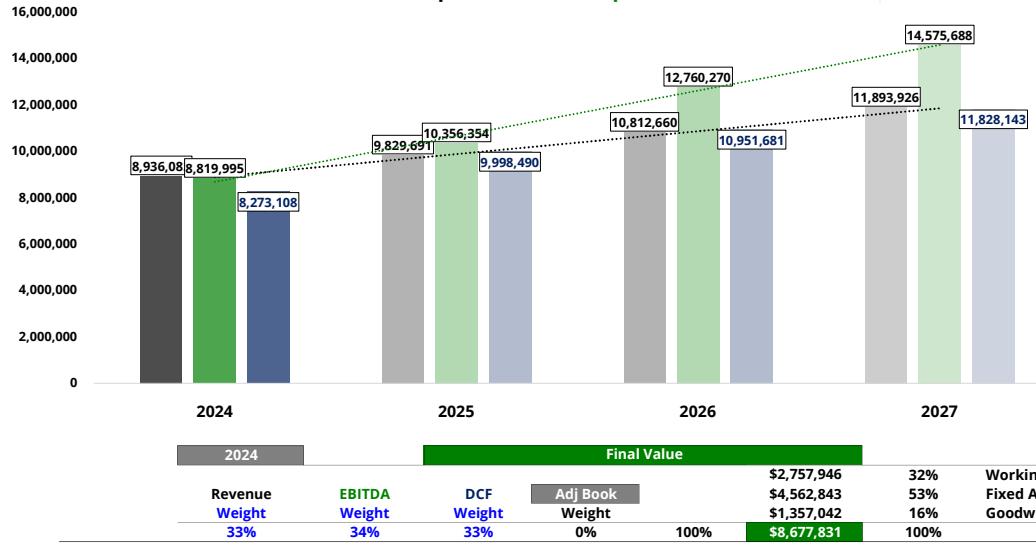
Market Approach : Net Equity Value

Key	Market Approach Business Value	2022	2023	2024	Key
	Plus: Cash Holdings	\$2,949,841	\$2,511,657	\$1,646,345	
	Plus / (Less) : Normalized Working Capital	\$41,638	\$334,927	\$614,295	
	(Less) : Interest-Bearing Debt & L-T Liabs	(\$6,348,381)	(\$6,106,163)	(\$5,682,162)	
	Asset/Liability Adjustment	(\$3,356,902)	(\$3,259,579)	(\$3,421,522)	
Key	Market Approach Net Equity Value	\$5,357,608	\$5,871,403	\$5,217,505	Key

ASSETS	FM Value 2020	FM Value 2021	FM Value 2022	FM Value 2023	Reviewed 2024	Adjustment	FM Value 2024
Adjusted Cash	4,268,339	3,481,819	2,949,841	2,511,657	1,646,345		1,646,345
Adjusted Accounts Receivable	2,165,162	2,565,710	2,376,300	2,601,504	3,005,059	-90,152	2,914,907
Adjusted Inventory	673,921	799,283	575,025	707,643	795,760		795,760
Adjusted Other Current Assets	115,659	85,773	85,684	65,084	150,000		150,000
Adjusted PP&E	4,329,650	4,256,789	4,314,007	4,335,219	3,850,987	+500,000	4,350,987
Adjusted Other Assets	122,447	136,241	156,003	157,916	211,856		211,856
Intangibles - In place Staff / Process	644,872	644,872	644,872	644,872	-	+644,872	644,872
Existing Goodwill	-	-	-	-	135,650	-135,650	-
Non-Operating Assets	2,661,442	1,742,812	1,121,324	652,700	-	-	-
Total Operating Assets	Book Value	FMV	11,675,178	11,325,615	10,456,860	10,379,023	9,795,657
Total Assets	Book Value	FMV	17,642,934	15,456,112	13,344,380	12,329,296	9,795,657
LIABILITIES & EQUITY							
Accounts Payable	525,433	431,743	451,799	420,578	428,578		428,578
Line of Credit	1,125,732	1,225,769	987,094	1,309,876	1,450,875		1,450,875
Accruals	202,766	147,823	398,860	210,242	252,317		252,317
Other Current Liabilities	439,341	452,490	316,727	254,864	300,220		300,220
Bank Loan	3,689,399	3,389,399	3,089,399	2,789,399	2,489,399		2,489,399
Equipment Loans	1,956,543	1,756,543	1,556,543	1,356,543	1,156,543		1,156,543
Vehicle Loans	745,345	680,345	615,345	550,345	485,345		485,345
Shareholder Loan	-	100,000	100,000	100,000	100,000		100,000
Total Liabilities	Book Value	FMV	8,684,559	8,184,112	7,515,767	6,991,847	6,663,277
Equity							
Equity Capital	515,235	515,235	515,235	515,235	515,235		515,235
Retained Earnings	458,815	1,528,328	1,949,407	2,864,113	2,617,145	+919,071	3,536,216
Operating Net Worth	Book Value	FMV	974,050	2,043,563	2,464,642	3,379,348	3,132,380
Total Operating Liabs & Equity	Book Value	FMV	9,658,609	10,227,675	9,980,409	10,371,195	9,795,657
Excess Cash	+2,661,442	+1,742,812	+1,121,324	+652,700	-		-
Non Operating Current Assets	-	-	-	-	-		-
Non Operating LT Assets	-	-	-	-	-		-
Total Non Operating Assets	2,661,442	1,742,812	1,121,324	652,700	-	-	-
Total Net Worth	Book Value	FMV	2,749,233	2,898,505	2,678,237	3,117,285	3,132,380
			3,635,492	3,786,376	3,585,966	4,032,049	+919,071
Total Liabilities & Equity	Book Value	FMV	11,433,792	11,082,617	10,194,004	10,109,132	9,795,657
			12,320,051	11,970,488	11,101,733	11,023,896	+919,071
							10,714,728

Fiscal Year End				2024	Avg Value	Asking Price
	Revenue Value	EBITDA Value	DCF Value	Adj Book Value		
Revenue / EBITDA / Net Cash Flows / Adj Book	\$18,236,903	\$1,763,999	\$18,397,691	\$4,051,451		
Industry multiple / Weighted Discount Factor	* 49.0%	5.0x	45.0%	2.00x		
Final Values by Approach	= \$8,936,082	\$8,819,995	\$8,273,108	\$8,102,901	\$8,533,022	\$10,000,000
Revenue Multiples	49.0%	48.4%	45.4%	44.4%	46.8%	54.8%
EBITDA Multiples	5.1x	5.0x	4.7x	4.6x	4.8x	6.0x
Value as % of DCF Value	108.0%	106.6%	100.0%	97.9%	103.1%	120.9%
Multiple of Adj Book Value	2.2x	2.2x	2.0x	2.00x	2.1x	2.5x
Working Capital Value	\$2,757,946	\$2,757,946	\$2,757,946	\$2,757,946	\$2,757,946	\$2,757,946
Earnings/LT Assets & Goodwill Value	\$6,178,136	\$6,062,049	\$5,515,162	\$5,344,955	\$5,775,076	\$7,242,054
Working Capital Multiple Portion	15.1%	1.6x	33.3%	0.68x	1.6x	1.7x
Earnings/LT Assets & Goodwill Multiple Portion	33.9%	3.4x	66.7%	1.32x	3.3x	4.4x

Revenue Multiple/EBITDA Multiple/Discounted Cash Flow



Final Value						
Revenue	EBITDA	DCF	Adj Book			
\$2,757,946	\$4,562,843	\$1,357,042	\$8,677,831	32%	53%	16%
33%	34%	33%	0%	100%		100%

Stark Industries, Inc

Debt Covenant Analysis

Liquidity		Input > ▼	2020	2021	2022	2023	2024	2025	2026	2027	
Cash / Total Liabilities		0.20x	0.49x	0.43x	0.39x	0.36x	0.25x	0.16x	0.10x	0.08x	
Cash / Current Liabilities		0.25x	1.86x	1.54x	1.37x	1.14x	0.68x	0.41x	0.22x	0.15x	
Cash + A/R / Current Liabilities		1.25x	2.83x	2.71x	2.51x	2.37x	1.91x	1.74x	1.63x	1.63x	
Current Assets / Current Liabilities		1.50x	3.18x	3.11x	2.81x	2.72x	2.30x	2.19x	2.17x	2.25x	
Cash Flow		Input > ▼	2020	2021	2022	2023	2024	2025	2026	2027	
Oper Cash Flow / Current Liabs		0.25x	0.51x	0.09x	0.47x	0.20x	0.08x	0.29x	0.41x	0.53x	
Oper Cash Flow /Invest + Finance		0.75x	1.16x	0.21x	0.65x	0.50x	0.19x	0.50x	0.69x	0.89x	
Altman Z Score											
Low Risk		= or >	2.60	2020	2021	2022	2023	2024	2025	2026	2027
Industry		= or >	2.75	2.10	2.27	2.34	2.79	2.82	3.36	3.89	4.36
High Risk		= or <	1.10								
Leverage											
Input < ▼		2020	2021	2022	2023	2024	2025	2026	2027		
Total Debt / EBITDA		3.00x	3.63x	3.77x	4.84x	2.92x	3.43x	2.41x	1.69x	1.24x	
Total Liabilities / EBITDA		4.50x	4.20x	4.32x	5.73x	3.34x	4.02x	2.85x	2.05x	1.56x	
Debt Service		Input > ▼	2020	2021	2022	2023	2024	2025	2026	2027	
EBITDA Debt Service		1.50x	2.08x	1.93x	1.38x	2.14x	1.71x	2.06x	2.72x	3.26x	
Fixed Charge Coverage		1.15x	1.41x	1.46x	1.44x	1.51x	1.46x	1.59x	1.81x	2.00x	

-EBITDA

-MIN. EBITDA

-DEBT SERVICE

EBITDA

TOTAL DEBT

MAX DEBT

Stark Industries, Inc

Working Capital Collateral

Accounts Receivable

Ineligibles
Eligible Accounts Receivable
Advance Rate

Margined **A/R**

Inventory

Exclude Ineligibles (slow, obsolete)
Eligible Inventory
Advance Rate

Margined **Inventory**

Margined A/R & Inventory

Credit Line Commitment

Line of Credit - Balance

LOC Availability (Collateral Shortfall)

Fixed Assets Collateral

Fixed Assets

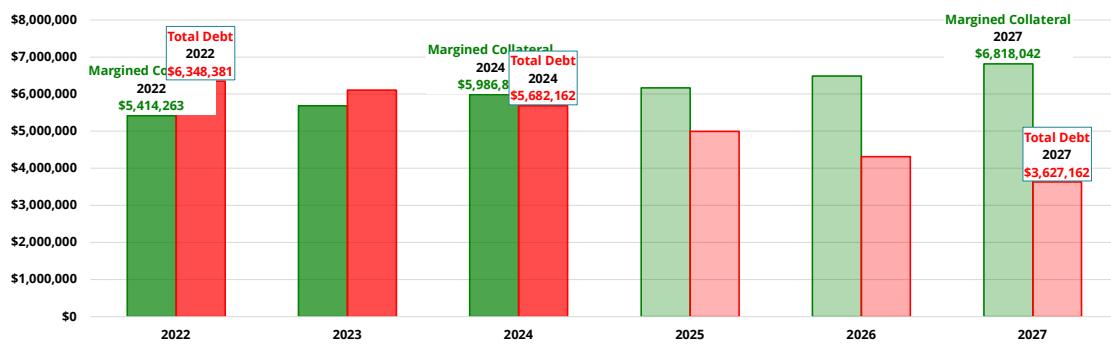
Advance Rate

Total Long Term Debt - Balance

Fixed Assets Collateral Surplus (Shortfall)

		2020	2021	2022	2023	2024	2025	2026	2027
Input ▼									
Accounts Receivable		\$2,232,126	\$2,645,062	\$2,449,794	\$2,681,963	\$3,005,059	\$3,132,409	\$3,325,112	\$3,524,619
Ineligibles	5%	(\$111,606)	(\$132,253)	(\$122,490)	(\$134,098)	(\$150,253)	(\$156,620)	(\$166,256)	(\$176,231)
Eligible Accounts Receivable		\$2,120,520	\$2,512,809	\$2,327,304	\$2,547,865	\$2,854,806	\$2,975,788	\$3,158,856	\$3,348,388
Advance Rate	80%	80%	80%	80%	80%	80%	80%	80%	80%
Margined A/R		\$1,696,416	\$2,010,247	\$1,861,843	\$2,038,292	\$2,283,845	\$2,380,631	\$2,527,085	\$2,678,710
Inventory									
Exclude Ineligibles (slow, obsolete)		\$673,921	\$799,283	\$575,025	\$707,643	\$795,760	\$902,727	\$1,125,399	\$1,310,759
Eligible Inventory	10%	(\$67,392)	(\$79,928)	(\$57,503)	(\$70,764)	(\$79,576)	(\$90,273)	(\$112,540)	(\$131,076)
Advance Rate	60%	60%	60%	60%	60%	60%	60%	60%	60%
Margined Inventory		\$363,917	\$431,613	\$310,514	\$382,127	\$429,710	\$487,472	\$607,716	\$707,810
Margined A/R & Inventory									
Green if Max	\$2,060,333	\$2,441,860	\$2,172,357	\$2,420,419	\$2,713,555	\$2,868,103	\$3,134,801	\$3,386,520	
Green if Max	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000	
Line of Credit - Balance		(\$1,125,732)	(\$1,225,769)	(\$987,094)	(\$1,309,876)	(\$1,450,875)	(\$1,450,875)	(\$1,450,875)	(\$1,450,875)
LOC Availability (Collateral Shortfall)									
		\$934,601	\$1,216,091	\$1,185,263	\$1,110,543	\$1,262,680	\$1,417,228	\$1,683,926	\$1,935,645
Fixed Assets Collateral									
Fixed Assets		\$3,829,650	\$3,756,789	\$3,814,007	\$3,835,219	\$3,850,987	\$3,880,634	\$3,942,393	\$4,037,085
Advance Rate	85%	\$3,255,203	\$3,193,271	\$3,241,906	\$3,259,936	\$3,273,339	\$3,298,539	\$3,351,034	\$3,431,522
Total Long Term Debt - Balance		(\$6,391,287)	(\$5,926,287)	(\$5,361,287)	(\$4,796,287)	(\$4,231,287)	(\$3,546,287)	(\$2,861,287)	(\$2,176,287)
Fixed Assets Collateral Surplus (Shortfall)		-\$3,136,085	-\$2,733,016	-\$2,119,381	-\$1,536,351	-\$957,948	-\$247,748	\$489,747	\$1,255,235
Total Margined Assets		\$5,315,536	\$5,635,131	\$5,414,263	\$5,680,355	\$5,986,894	\$6,166,642	\$6,485,835	\$6,818,042
Less - Total Debt + Overdrafts		-\$7,517,019	-\$7,152,056	-\$6,348,381	-\$6,106,163	-\$5,682,162	-\$4,997,162	-\$4,312,162	-\$3,627,162
Total Collateral	Surplus	(Shortfall)	-\$2,201,483	-\$1,516,925	-\$934,118	-\$425,808	\$304,732	\$1,169,480	\$2,173,673

Margined Collateral to Total Debt



Stark Industries, Inc

Debt Risk Ratings

5-Year Avg Rating		GUIDE				RATING	3-Year Projected Avg	
2020	2024						2025	2027
		LOW RISK				8-10	9.42	
		MODERATE RISK				6-8		
		HIGH RISK				4-6		
		IMPAIRED				1-4		
4.59								

Weighting	Input ▾	Max Score	2020	2021	2022	2023	2024	2025	2026	2027
Cash Flow Rating	33%	3.30	1.93	1.93	0.96	2.34	2.20	2.75	3.30	3.30
Collateral Rating	34%	3.40	0.00	0.21	0.43	1.06	1.91	2.76	3.19	3.40
Covenant Rating	33%	3.30	1.82	1.82	1.65	2.48	2.23	2.97	3.30	3.30
FINAL SCORE	100%	10.00	3.74	3.95	3.04	5.88	6.34	8.48	9.79	10.00
Cash Flow		2.00	1.17	1.17	0.58	1.42	1.33	1.67	2.00	2.00
Collateral		2.00	0.00	0.13	0.25	0.63	1.13	1.63	1.88	2.00
Covenants / Weights	Input ▾	Max Score								
Fixed Charge Coverage	20%	2.00		2.00	1.75	1.25	2.00	1.50	1.75	2.00
Debt / EBITDA	20%	2.00		0.00	0.00	0.00	1.25	0.50	1.50	2.00
Total Liabs/NW	20%	2.00		0.00	0.00	0.00	0.50	0.75	1.75	2.00
Current Ratio	20%	2.00		2.00	2.00	2.00	2.00	2.00	2.00	2.00
Altman Z Score	20%	2.00		1.50	1.75	1.75	1.75	2.00	2.00	2.00
Covenants Total	100%	10.00		1.10	1.10	1.00	1.50	1.35	1.80	2.00

Business Risk	Highest Score	2024	2027
	10.00	5.83	9.16
Earnings Variance	3.33	2.50	3.33
Revenue Variance	3.33	3.33	3.33
Operating Leverage	3.33	0.00	2.50

Financial Risk	Highest Score	2024	2027
	10.00	7.00	8.75
LTD/NW	2.50	1.75	2.25
Total Debt/Total Assets	2.50	1.25	1.75
Interest Coverage	2.50	2.50	2.50
Oper Cash/Current Liabs	2.50	1.50	2.25

[Income Statement Assumptions](#)

[Balance Sheet Assumptions](#)

[Link to Covenants Report](#)

[Link to Collateral Report](#)

LOAN ADVANCES & REPAYMENTS									
		2020	2021	2022	2023	2024	2025	2026	2027
TOTAL DEBT OPENING		8,082,019	7,517,019	7,152,056	6,348,381	6,106,163	5,682,162	4,997,162	4,312,162
Bank Loan	ISSUANCE	-	-	-	-	-	-	-	-
Bank Loan	REPAY	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(400,000)	(400,000)	(400,000)
Equipment Loans	ISSUANCE	-	-	-	-	-	-	-	-
Equipment Loans	REPAY	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)
Vehicle Loans	ISSUANCE	-	-	-	-	-	-	-	-
Vehicle Loans	REPAY	(65,000)	(65,000)	(65,000)	(65,000)	(65,000)	(65,000)	(65,000)	(65,000)
Shareholder Loan	ISSUANCE	-	100,000	-	-	-	-	-	-
Shareholder Loan	REPAY	-	-	-	-	-	(20,000)	(20,000)	(20,000)
LINE OF CREDIT	ISSUANCE/REPAY	-	100,037	(238,675)	322,782	140,999	-	-	-
Seller Note	ISSUANCE	-	-	-	-	-	-	-	-
Seller Note	REPAY	-	-	-	-	-	-	-	-
TOTAL DEBT CLOSING		7,517,019	7,152,056	6,348,381	6,106,163	5,682,162	4,997,162	4,312,162	3,627,162
DEBT BY LOAN									
Bank Loan	BALANCE	3,689,399	3,389,399	3,089,399	2,789,399	2,489,399	2,089,399	1,689,399	1,289,399
Equipment Loans	BALANCE	1,956,543	1,756,543	1,556,543	1,356,543	1,156,543	956,543	756,543	556,543
Vehicle Loans	BALANCE	745,345	680,345	615,345	550,345	485,345	420,345	355,345	290,345
Shareholder Loan	BALANCE	-	100,000	100,000	100,000	100,000	80,000	60,000	40,000
LINE OF CREDIT	BALANCE	1,125,732	1,225,769	987,094	1,309,876	1,450,875	1,450,875	1,450,875	1,450,875
Seller Note	BALANCE	-	-	-	-	-	-	-	-
TOTAL DEBT		7,517,019	7,152,056	6,348,381	6,106,163	5,682,162	4,997,162	4,312,162	3,627,162
INTEREST BY LOAN									
Bank Loan	6.40%	211,548	210,234	198,378	201,491	190,347	146,522	120,922	95,322
Equipment Loans	6.40%	112,187	110,275	101,445	99,844	90,619	67,619	54,819	42,019
Vehicle Loans	6.40%	42,738	42,342	39,673	39,953	37,346	28,982	24,822	20,662
Shareholder Loan	6.40%	-	2,970	5,940	5,940	5,940	5,346	4,158	2,970
LINE OF CREDIT	6.40%	64,549	69,837	67,757	78,727	99,549	92,856	92,856	92,856
Seller Note	6.40%	-	-	-	-	-	-	-	-
ACTUAL/PROJECTED INTEREST EXPENSE		431,022	418,879	382,645	411,713	402,572	341,324	272,138	229,578
Projected		431,022	418,879	382,645	411,713	402,572	341,324	272,138	229,578
TOTAL DEBT SERVICE		996,022	983,879	947,645	976,713	967,572	1,006,324	937,138	894,578