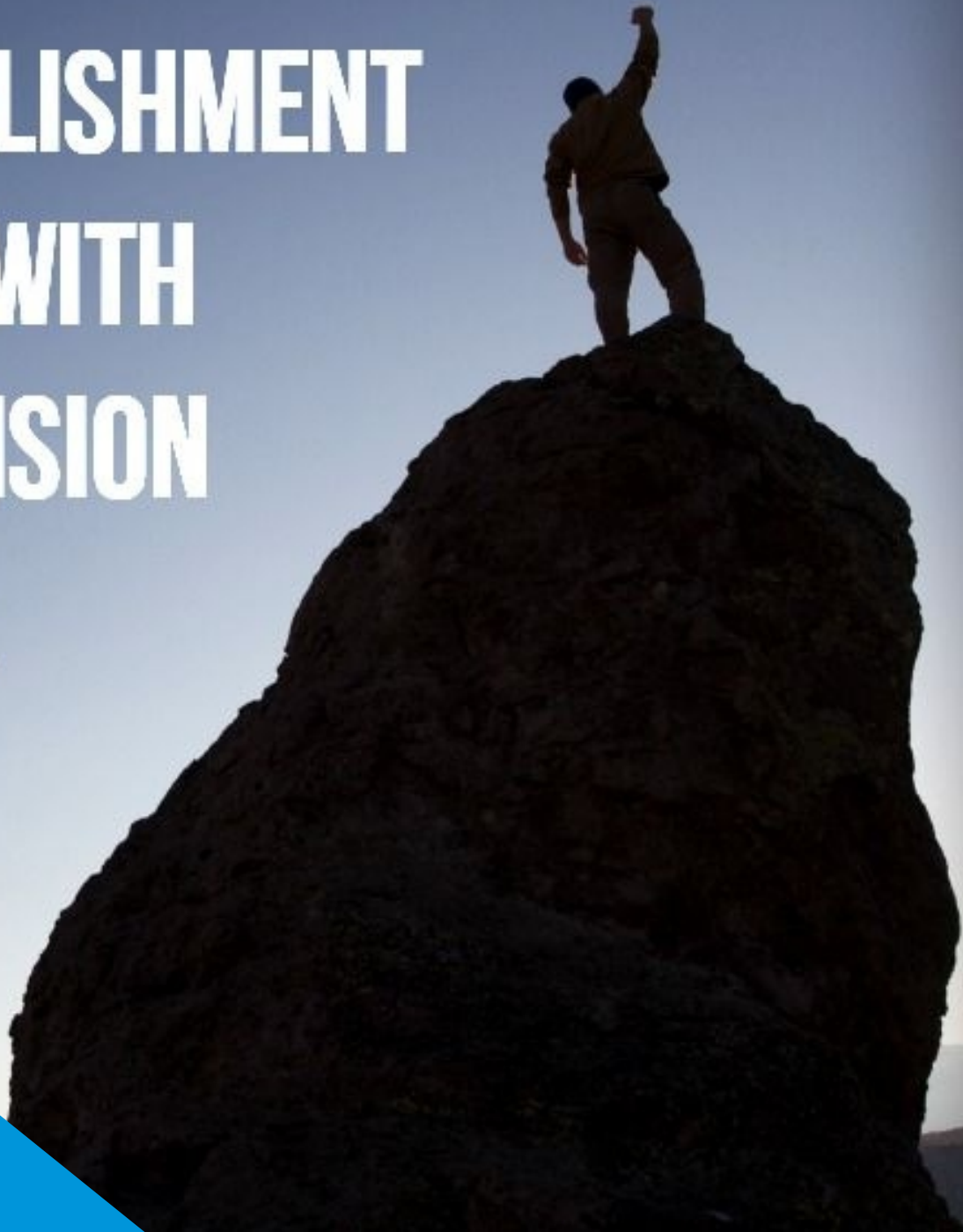


**CONFIDENTIAL
BUSINESS REVIEW**

CASEYCYCLES

**EVERY
ACCOMPLISHMENT
STARTS WITH
THE DECISION
TO *try.***





DISCLAIMER

The Information Memorandum (IM) has been prepared for information purposes only and is not intended to form any part of an agreement between you and the Vendor.

This IM is provided to parties who have completed a confidentiality agreement expressing an interest in purchasing the business known as **Casey Cycles**

The Vendor has engaged Chess Business Brokers to act as its agent to negotiate the successful sale of the business. All documents and information contained within this IM has been provided to Chess Business Brokers by the Vendors of the business and / or their advisers.

Chess Business Brokers does not warrant the information is correct and has not audited the business's financial information or verified that the documents and information contained in this IM is correct.

All Images and graphs are for indicative purposes only.

Furthermore, no representations or warranties expressed or implied have been made by Chess Business Brokers as to the accuracy or completeness of the information contained in this IM and Chess Business Brokers accepts no responsibility for any errors, omissions, inaccuracies or misstatements contained within this IM.

Chess Business Brokers and the Vendor strongly recommend that you conduct a thorough investigation on the business and seek independent legal, commercial and financial advice before proceeding to contract for the purchase of this business.

Chess Business Brokers and the Vendor reserve the right to amend or replace this IM or any information contained within it at any time, and are under no obligation to provide an amended IM or updated information to you or your advisors.

The IM can only be distributed to your professional advisors and consultants. You must not distribute, reproduce or use this IM in any other way without the expressed permission of Chess Business Brokers.

The Vendor has specifically requested that you do not directly approach the Vendor, any staff, customers or suppliers of the business without the express written permission of Chess Business Brokers.

Therefore all enquiries or requests for additional information must be directed to Chess Business Brokers.

If you decide not to proceed with the purchase of this business, within 7 business days you must return all copies of this IM and any other information that has been supplied to you.

If this IM and other information has been emailed to you, you agree to permanently delete the files from your computer and any other computer that stores the IM and any other information.

This document remains the property of Chess Business Brokers.

BUSINESS OVERVIEW

Casey Cycles (previously Cranbourne Cycles) was established more than 25 years ago. The current owner, worked for them for many years and then 15 years ago decided to take over the business.

This young entreprenereul man, saw an opportunity to take this business to an all time high, and with a vision of creating The Best bike store in the region offering what customers want accompanied by great customer service, motivated him to where he is today.

The team is known for their expertise, exceptional customer service and personalised advice, ensuring that every customer finds the perfect ride to suit their budget, style and discipline.

In addition to selling bicycles, Casey Cycles provides expert repair and maintenance services, ensuring your bike runs smoothly.

Casey Cycles have invested thousands of hours on their user friendly website, encouraging customers to browse and purchase on-line.

Customers have the option to "Click and Collect", Postage and Free Local Delivery.

Casey Cycles have an Organic online following on social media with 2.2K followers on Instagram and 2.7K followers on Facebook.

Thousands of customer information profiles, including phone, email and purchase history.

Casey Cycles has over 100 Google reviews with an average rating of 4.7

Casey Cycles has a large imposing store front with great signage in the heart of Cranbourne, which is easy to find.

There is plenty of parking all around the store, making it easier for customers.

Casey Cycles is experiencing a 35% growth on last year.



TRADING HOURS

Casey Cycles is open Monday to Friday 9.00am to 5.30pm and Saturday 9.00am to 4.00pm
Sunday and Public Holidays CLOSED.

EMPLOYEES

Casey Cycles currently has a team of six employees, consisting of 2 X Full Time & 6 X Casual employee. The owner is actively involved in the business. It is envisaged that the new owners would retain the current employees.

Emp	Title	Status	Hrs per Week	Rate Of Pay
1	Sales	Full-time	38 (Week 1) 38 (Week 2)	\$33.00 ph
2	Mechanic	Full-time	38	\$30.00 ph
3	Sales Assistant / website	Casual	28	\$32.72 ph
4	Scooter Mechanic	Casual	24	\$31.00 ph
5	Sales Assistant / Mechanic	Casual	4.5	\$31.61 ph
6	Sales Assistant	Casual	9.5	\$22.00 ph
7	Level 1 Junior Mechanic / Sales Assistant	Casual	6	\$13.90 ph

FORTNIGHTLY ROSTER

STAFF	MON	TUE	WED	THU	FRI	SAT	SUN	MON	TUE	WED	THU	FRI	SAT	SUN	
Owner/Manager	9-5:30	9-5:30	9-5:30	9-5:30	9-5:30	9-4:00	CLOSED	9-5:30	9-5:30	9-5:30	9-5:30	9-5:30	9-4:00	CLOSED	
EMPLOYEE 1	9-5:30	9-5:30	9-5:30	9-5:30	9-3:30			9-5	9-5		9-5	9-5	9 - 4		
EMPLOYEE 2	9-5:30	9-5:30	9-3:30	9-5:30	9-5:30			9-5:30	9-5:30	9-3:30	9-5:30	9-5:30			
EMPLOYEE 3		9 - 5		9 - 5	9-4:00	9-4:00			9 - 5		9 - 5	9-4:00	9-4:00		
EMPLOYEE 4	9-5:30	9-5:30	9-5:30					9-5:30	9-5:30	9-5:30					
EMPLOYEE 5															9 - 4
EMPLOYEE 6						9 - 4									9 - 4
EMP 7 (JUNIOR)						9 - 4									9 - 4



BRANDS OF BIKES SOLD

Huge selection of bikes



Segway-Ninebot



APOLLO
BICYCLES



HARO
BIKES



MalvernStar
THE LEGEND

TEBCO
THE ELECTRIC BICYCLE CO.



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CASEYCYCLES

ONLINE PRESENCE

Casey Cycles have consistently maintained a strong online presence, and invests significantly in its online and social media efforts and boasts a Google review rating of 4.7 stars.

The Online store is coming up to 2 years old and increasing revenue month on month.

The google store profile boasts over 100 genuine reviews, with a 360 degree instore navigation.

Customer Database numbers	
facebook	2,700 followers
Instagram	2,200 followers



WORKSHOP SERVICES

Casey Cycles services and repairs all types of bicycles and components. The skilled mechanics can diagnose and resolve any bike issues, with full support from Australian distributors.

Services they provide are:-

Select Full Service	<p>Suggested for bicycle commuters or those who put plenty of miles on their bike and wants to keep it in tip-top shape.</p> <p>Before tuning your bike, they completely dismantle the drivetrain (chain, cassette,crank, bottom bracket, pedals and both front and rear derailleurs) and clean them, then reassemble and tune every component of your bike. Parts not included.</p>
Standard Service	<p>A thorough tune-up and clensing of every component on your bike (brakes, wheels, headset, hubs & drivetrains)</p>
Safety	<p>They provide a safety check, Brakes inspected and adjusted derailleur hanger alignment checked, gears inspected and adjusted breaking surfaces cleaned, tyres inspected and inflated, lubricate chain and frame wipedown.</p>
Gear	<p>Derailleur hanger alignment checked, gears inspected and adjusted and lubricate chain.</p>



BUSINESS PREMISES

Address	108 High Street, Cranbourne, Vic. 3977
Size Of Premises	Estimated 220 Square Meters
About	<p>The premises is a single Level Building, with a wide frontage.</p> <p>Current set up is display area/showroom takes up the majority of the shop space, with a workshop to the rear of the store.</p> <p>There is off street parking for the employees and for deliveries.</p>

LEASE

Rent	\$65,988 per annum including outgoings.
Term Of Lease	Currently month to month, will give the buyer a new lease 5 year term with no increases.
Further Term(s)	Can be negotiated.
Security Deposit	The amount payable will reflect one (1) months rent payable by way of eft or unconditional bank guarantee
Permitted Use	Bicycle Sales and Servicing



PLANT & EQUIPMENT

CATEGORY	DESCRIPTION
BUILDING	New Shop Front Signage
	Security Cameras
	Fixtures & Fittings
	LED Lights throughout including downlights
	Mesh bars in front windows, rear lockable metal gates.
	Workshop Tools
SOFTWARE	
	Complete integrated POS system
	3 Computers with wireless scanners
	Thermal receipt printers
	Label Printers
	All Intellectual Property
Motor Vehicle	2017 Renault Traffic LWB Van Formular Edition.
	Signwritten, with R1DER custom plates



PROFIT & LOSS STATEMENT

All figures taken from the official 24 - 25 P&L

	\$
Total Income	985,773.52
C.O.G.S.	614,918.78
Gross Profit	370,854.74
Total Expenses	368,540.95 *
Net Profit	2,313.79
Add Backs	107,202.83
Adjusted Net Profit	109,516.01

ADD BACKS EXPLAINED

Addbacks are expenses in the following categories:-

1. Personal Expenses

These are expenses which are legitimate tax deductions, but not needed for the successful operating of the business, eg. personal Mv's, personal mobile phones etc.

2. Optional Expenses

Expenses you may want to spend money on, but has little influence on the turnover or wellbeing of the business, eg bookkeeper, lawn mowing etc.

3. One Off Expenses

Expenses that creep up every now and then, but are not a normal occurrence of trading, eg. Asset replacement with a life expectancy of greater than 1 year, building repairs, expensed one off purchase.

ADD BACKS

	\$
Repairs & Maintenance	3,845.68
Shop Fittings	14,183.40
Managers Wage	78,000.00
Managers Superannuation	10,400.00
Travel & Accom	773.75
Total Addbacks	107,202.83

* Wages for 24/25 went up by \$61,494, due to full time web developer to increase on-line sales



WHAT HAPPENS NOW?

1

You have just undertaken this Step by reviewing the initial information about the business.

2

Schedule a business inspection through the Business Broker, giving you the opportunity to analyse it further.

3

If you are ready to move forward you can negotiate a conditional offer for the business.

4

Once the offer is accepted, there will be a heads of agreement to sign, this will give the vendors solicitors all they need to draw the contract of sale.

5

Once the contract of sale is signed a 10% Deposit will be paid to the Chess Trust Account.

6

Once the conditions (if any) have been satisfied, the contract moves to Unconditional and awaits settlement date.

7

When settlement day arrives, you will need to get together with the vendor or representative, to count the stock at hand, usually paid separately, and the balance of monies to be paid to the vendors solicitors.

BROKER PROFILE

John has many years of experience in the business brokerage and real estate sector in Victoria, having an exceptional knowledge of the Franchise Industry, John can make the sale process of your business as smooth a transaction as possible.

JOHN FERRARO

Principal Business Broker / Licensed Estate Agent

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