

Available for Acquisition #21401

Education Technology Platform (SaaS) for Military Personnel Preparing for Advancement

ACT Capital Advisors is pleased to offer a leading exam preparation platform designed to assist enlisted members within a branch of the US military prepare for their professional advancement exams. The Company generates all of its sales through its own eCommerce website and originates its customers via word-of-mouth, organic SEO, and social media. The Company boasts double digit annual revenue growth and high Adjusted EBITDA margins.

Investment Highlights

- **Software as a Service (SaaS) Business Model and Platform.** The Company has built a repetitive learning system for test preparation that is delivered as an online service, billed monthly.
- **Revenue and Profits.** 2020 Sales of \$2,172,368 with an adjusted EBITDA of \$1,395,816.
- **Direct-to-Consumer Business Model Delivers Excellent Margins.** The Company enjoyed gross margins of 98% in 2019 and 99% in 2020. The Company's Adjusted EBITDA margin in 2020 was 64.2%.
- **Barriers to Entry.** The online study platform is highly customized to the specific needs of military advancement exam takers. Also, the Company has a deep repository of proprietary exam study content. Furthermore, the Company has excellent brand recognition and loyalty among its target market.
- **Recession Resistant.** The demand for the Company's SaaS services by its customers is independent of and more predictable than the economy's business cycle.
- **Business Designed to Run Without Owner Involvement.** The two owners currently spend less than 10 hours a week combined on running the Company. They have intentionally built the business's operations and technology to make themselves unnecessary to its day-to-day operations.
- **Steady Sales Growth.** Sales have grown every year since the company began. This includes the disruptions to the military's advancement exam schedules due to the COVID 19 pandemic.
- **Low Cost of Customer Acquisition.** The Company is well known among military personnel within the branch it serves and has an excellent reputation. Company shows up on the first page of organic results on Google for commonly searched keywords. The Company spends less than 1% of sales on web marketing.
- **Opportunity for Growth.** The Company has a highly defined, quantifiable Total Available Market (TAM). The Company has captured just 4.2% of the total available market for the branch of the military it servers. The Owners believe a buyer with more marketing capabilities could capture a larger share of the Company's TAM.

Summary Financial Performance

	2018	2019	2020	2021E	2022E	2023E
Revenue	\$ 1,505,412	\$ 1,942,598	\$ 2,172,324	\$ 2,389,556	\$ 2,867,467	\$ 3,211,563
Gross Profit	\$ 1,497,399	\$ 1,906,894	\$ 2,152,847	\$ 2,363,457	\$ 2,836,148	\$ 3,176,486
Adjusted EBITDA	\$ 217,270	\$ 685,331	\$ 1,395,816	\$ 1,676,313	\$ 2,011,575	\$ 2,252,964

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Contact Information

For more information, please contact:

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Interested parties should execute the #21401 Confidentiality Agreement (CA) and return it to ACT Capital Advisors with a written request to receive the Confidential Information Memorandum (CIM).

CAs and CIM requests should be submitted to:



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