

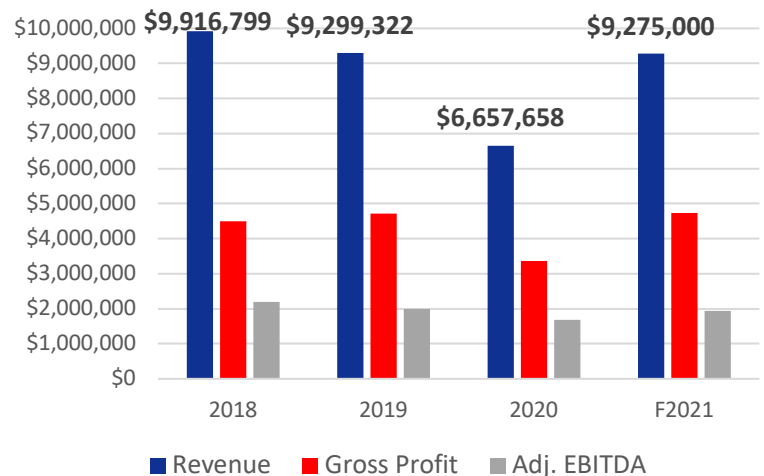
Acquisition Opportunity: Project Spirit

Company Overview

- Founded in 1959, Project Spirit (or “the Company”) is the **U.S.’s largest centrally-owned renter of party inflatables**, concessions and party supplies nationwide.
- Offering affordable cost of entry, protected territories, and inflatable equipment insurance supported by a robust custom business rental management platform, the Company has grown to over 200 different communities with 124 fully licensed and insured Independent Rental Agents.
- Headquartered in the southeastern U.S., the Company campus has 3 facilities: main office, inflatable repair studio, and warehouse.
- Two profitable, primary lines of business include inflatables rentals through its network of Independent Rental Agents and resale of used inflatables.
- The Company maximizes inflatable life-cycle and revenue per unit via a three step process:
 - 1.) Equipment is purchased directly from the manufacturer at negotiated pricing
 - 2.) Units go into the rental fleet driving rental profits
 - 3.) Once rental units are retired, the Company profits again when the used equipment is sold.
- Strong supplier relationships allows for significant price discounts of new inflatables with a healthy resale value 5+ years later.
- Many long-term Rental Agents and low agent turnover. Agents are provided with corporate marketing and business support designed to help them succeed.
- Project Spirit boasts a robust, fully integrated rental business management platform that streamlines independent agent and home-office business management designed to easily scale for growth.
- Investment in the Company might be of particular interest to:
 - National chains/franchises serving smaller regional communities leveraging community relationships.
 - Entertainment companies looking to expand into inflatables.
 - Domestic inflatable manufacturers desiring a distribution platform.
 - Investment companies looking for a readily scalable business benefitting from adding its strong management team.

Financial Performance (USD)

- Highly Profitable Independent Agent Model Adjusted EBITDA of 20+%
- While the industry overall saw a 49% revenues decline, the Company’s COVID-related revenue softening was well under industry average at just 25%. **Rental revenue is forecast to rebound in 2021 back to 2019 levels.**
- Significant downside protection with minimal overhead expenses and scalable partner fees based on revenue.



Growth Opportunities

Ample opportunity for geographic expansion in the Midwest, West Coast, Southwest and Pacific Northwest.

Implement a sales hierarchical business model where existing Independent Rental Agents recruit new Independent Agents and build a sales team, earning commissions.

Strategic partnerships with other national inflatable entertainment franchise companies or other general rental firms.

Grow into Canada and Mexico, with strategically positioned equipment hubs.



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