



SOUTHBRIDGE ADVISORY GROUP, INC.

406 SOUTH BOULDER • SUITE 820 • TULSA, OKLAHOMA 74119 • 918.599.9251 • www.southbridgegroup.biz

MERGER & ACQUISITION INVESTMENT OPPORTUNITY

Southbridge is introducing an excellent investment participation in a merger / acquisition process of four companies into a publicly traded company with assets of \$220,500,000 and year-one revenue projected to be \$125,000,000 with \$25,000,000 EBITDA. The acquisitions are each a stock exchange transaction.

The principal corporation has rapid growth capability; it is a twenty seven old USA manufacturer and distributor of off-road premium motorcycles, ATVs, accessories, and spare parts. It is the second oldest motorcycle manufacturer in the United States and the only United States manufacturer of off-road motorcycles. The Company is seeking additional distribution in the United States and a dealer distribution network in Europe. Their fair market valuation is \$12,000,000.

Company 2 is a research and Development Corporation specializes in high tech motors such a green technology high performance motorcycle engines, motorcycles, off-road vehicles, and racing. Company 2 has patented technology that is fully tested and government approved that will be launched this year in multiple world markets. Company w has the rights to export up to \$400,000,000 to China. Their fair market valuation is \$92,000,000.

Europe Company 1 is an eleven-year-old company specializing in building top of class racing motorcycles. It has a major dealer network in Europe and needs USA dealer distribution. It has a long-term contract to provide motors for a major manufacturer that grossed \$7,000,000 Euros annually, as well as ownership participation in the major motorcycle manufacturer in China. Their fair market valuation is \$100,000,000.

European Company 2 also specializes in building the top racing motorcycles in there class. They have dealers in Europe and need USA dealers. It produces motors for manufactures world wide. The Company has intellectual property and several new designs that will add a new dimension to the industry. Their fair market valuation is \$10,000,000.

The above companies have reached agreement to be purchased and merged into a bulletin board registered publicly trading corporation. Combined these four companies cover the manufacturing and distribution of all off road vehicles and complete a single on-road and off-road motorcycle manufacture product line and have networks for distribution in multiple world markets.

The three-year business for growth through expansion and introduction of additional new technology products and acquisition is projected to be 100% annual growth the initial three years.

PRO FORMA SNAPSHOT				
Balance Sheet		Profit & Loss	Year 1	Year 2
Cash	200,000,000	Revenue	\$125,000,000	\$250,000,000
A/R	10,000,000	Cost of Goods	87,500,000	175,000,000
Inventory	10,500,000	Gross Margin	37,500,000	75,000,000
Fixed Assets	2,000,000	G & A / Sales	12,500,000	25,000,000
Total Assets	222,500,000	EBITDA	\$ 25,000,000	\$ 50,000,000
Current Liabilities	0			
Long-term Liabilities	0			

The long-term focus of The Company is two fold:

1. Maximize the performance of the initial acquisitions and to create a greatly enhanced sale value in year one.
2. To create a highly profitable exit strategy in year one through three by sale or merger to a major motorcycle manufacturer with solid management and growth capabilities. Significant initial offers have been expressed prior to the new public company formation.

The initial corporate management and staff would be limited to an excellent industry team consisting of eight key executives and needed administrative support staff. Other key management required will be added as revenue growth dictates.

A reverse merger into a publicly traded company is underway and The Company will be an AMEX traded company by the completion of year post acquisition.

A private placement memorandum for \$50,000,000 is being offered with preferred position for the first \$5,000,000 of investment.