

# BKO



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# **Market Opportunities**

# Potential Market Size

ACCOUNTING / BOOKKEEPING	ELEARNING	INFORMATION TECHNOLOGY	STRATEGIC MANAGEMENT
2023 Market: <i>\$61.3 Billion</i>	2023 Market: <i>\$74.08 Billion</i>	2023 Market: <i>\$242.9 Billion</i>	2023 Market: <i>\$329.9 Billion</i>
2023 growth: <i>1.6%</i>	2023 Growth: <i>15.6%</i>	2023 Growth: <i>7.9%</i>	2023 Growth: <i>4.8%</i>
2018-2023 growth: <i>2.7%</i>	2018 – 2023 growth: <i>10.0%</i>	2018 – 2023 growth: <i>8.0%</i>	2018 – 2023 growth: <i>1.1%</i>
Number of companies nationwide: <i>~312,000</i>	Number of companies nationwide: <i>~68,000</i>	Number of companies nationwide: <i>~40,000</i>	Number of Consultants nationwide: <i>~900,000</i>
US Businesses outsourcing service: <i>37%</i>	US Businesses outsourcing service: <i>28%</i>	US Businesses outsourcing service: <i>33%</i>	US Businesses outsourcing service: <i>Unknown</i>

# Average Business Spending

- **IT:**
  - \$2,100 – \$3,000 / year / user
- **Bookkeeping:**
  - \$6,000 – \$30,000 / year
  - \$500 - \$2,500 / month
- **Corporate Education:**
  - \$1,252 / year / user
- **Turnover Costs:**
  - Hourly Workers - \$1,500
  - Technical Worker - 1-1.5x Salary
  - C-Suite – 2-2.1x Salary





# Growth Metrics

# Valuation Metrics and Multiple Expansion

1-  
3x

EST. REV: \$0 - \$2.499M  
EBITDA: \$0 - \$499K

4x

EST. REV: \$1M - \$4.999M  
EBITDA: \$500K - \$999K

5x

EST. REV: \$2M - \$7.499M  
EBITDA: \$1,000 - \$1,499

6x

EST. REV: \$3M - \$9.999M  
EBITDA: \$1.500M - \$1.999M

7x

EST. REV: \$4M - \$12.499M  
EBITDA: \$2M - \$2.499M

7.5  
x

EST. REV: \$5 - \$14.999M  
EBITDA: \$2.5M - \$2.999M

8x

EST. REV: \$6M - \$19.999M  
EBITDA: \$3M - \$3.999

8.5  
x

EST. REV: \$8M - \$24.999M  
EBITDA: \$4M - \$4.999M

*Note: These Multiples are based on EBITDA and growth potential. These multiples are benchmarks and may deviate slightly deal by deal.*

# Business Cycle



## ENTREPRENEUR

Revenue: <\$5M  
EBITDA: <\$1M  
Multiple: 2-5

## PORTFOLIO

Revenue: \$2-12M  
EBITDA: \$1-2M  
Multiple: 5-7

## PRE-INSTITUTIONAL

Revenue: \$5-50M  
EBITDA: \$2-10M  
Multiple: 7-10

## INSTITUTIONAL

Revenue: \$50-250M  
EBITDA: \$10-50M  
Multiple: 10-15

## PUBLIC

Revenue: \$250M<  
EBITDA: \$50M<  
Multiple: 15<



# VISION MISSION STRATEGY

# Vision/Mission/Strategy

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**VISION:** Alter the paradigm of how business's are served by third party vendors.

**MISSION:** To create a business service offering that supports and fosters growth for businesses.

**STRATEGY:** Create a Platform that encompasses Strategic Management, Accounting, Bookkeeping, Managed Services, and Education under a single umbrella.





# Objectives

01

TARGET AN  
ACQUIRE  
BUSINESSES: SUB  
\$1.5M REVENUE  
AND \$500K  
EBITDA.

02

GROW EBITDA  
THROUGH  
ACQUISITION AND  
CROSS SELLING.

03

REDUCE COSTS BY  
STREAMLINING  
ADMINISTRATIVE  
AND  
OPERATIONAL  
EXPENSES

# PROs and CONs



# Operating CONS

Some loss of  
Entrepreneurial Spirit



Some loss of Financial  
control



Have to operate with  
financial benchmarks



Will need to operate  
within a budget

# Operating PROs

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- Business collaboration with educated and experienced partners
- Grow the services you can offer to your current customers
- Cross sell your services to a new book of business
- Create economies of scale
- Additional financial resources to grow your business line
- A cohesive investment strategy



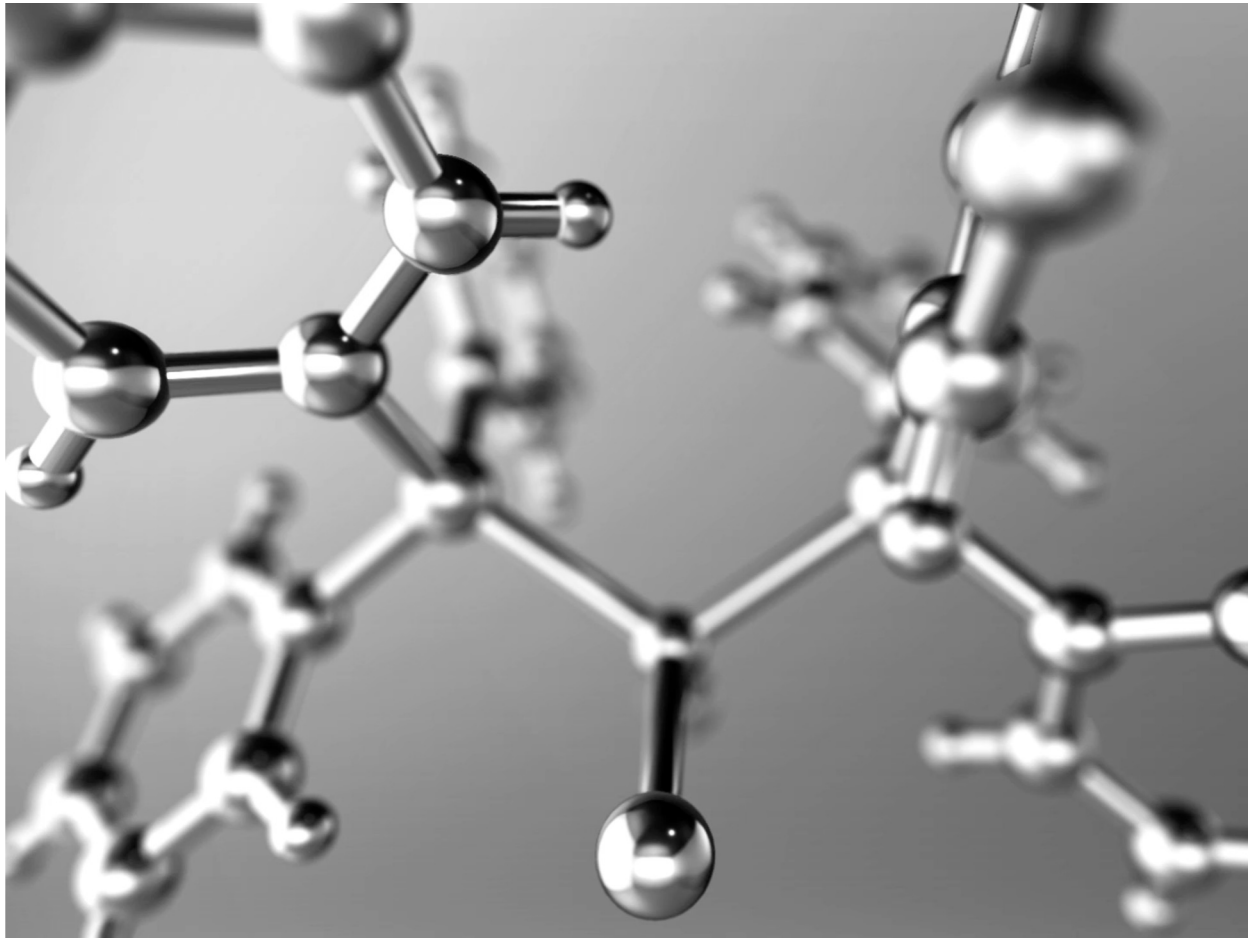
# Financial PROs

## Equity Growth

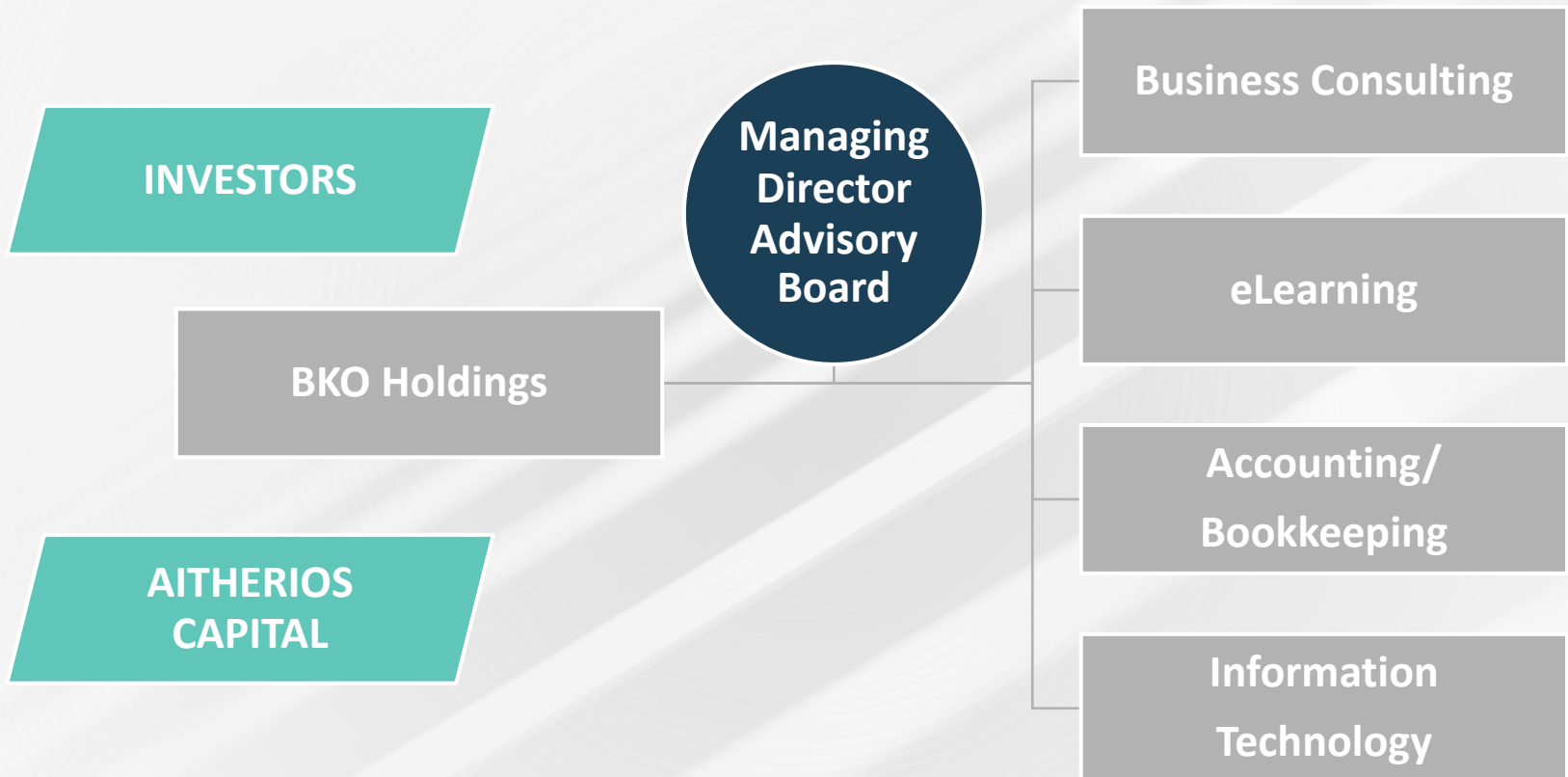
Year	Avg \$/Share Inception	Share Price n=60	Estimated return N=60
Year 1	\$ 1.24	\$ 8.47	684%
Year 2	\$ 1.77	\$ 8.47	478%
Year 3	\$ 3.61	\$ 8.47	234%
Year 4	\$ 5.73	\$ 8.47	148%
Year 5	\$ 8.26	\$ 8.47	103%

Total Capital Invested	\$6,815,068
Bus Value Projection n=60	\$32,614,454
Overall Company Growth	479%

# STRUCTURE



# Organizational Chart



- ❑ Selling business owners will have the option to sell their business outright or roll equity into BKO Holdings and remain on as a partners.
- ❑ Shareholders that remain active employees will be given the title Managing Director.
- ❑ Managing Directors will serve on the Managing Director Board
- ❑ The Managing Director Board will guide the strategic Direction of BKO Holdings.
- ❑ A representative from Aitherios Capital will serve as Chairman of the Managing Director Board



ANY QUESTIONS