

# Tall Trees Capital

## Providing Advice and Alternative Financing for Small and Mid-size Companies

Growing and established companies recognize the difficulty in reaching their goals due to lack of adequate capital, shortage of knowledgeable operations personnel or changes in the marketplace. In today's uncertain times, there are few options available for additional equity financing or working capital from traditional funding sources.

Tall Trees is dedicated to providing the financial and managerial expertise and creative solutions necessary to maintain and grow a company's market share in its core business, even if the company has recently experienced flat or declining sales, eroding margins, or decaying EBITDA.

### We Help Clients in Three Distinct Ways

1. Advisory Services – Strategic and operational consulting to resolve performance risk issues: Value and monetize your business, Succession Planning, Funding options
2. Access to our network of investment partners for new equity or alternative financing
3. Assistance in packaging company for fund raising

Common situations where we have helped our clients:

- *Capital to fund growth*
- *Capital to provide shareholder liquidity*
- *New equity financing to maintain lender's compliance*
- *Operational assistance to improve cash flow & profitability*
- *Borrowers no longer deemed strategic to the bank*
- *Borrower's with eroding financial performance*

The underlying financial characteristics of our investor financings focus on companies that have a potential for near-term profitable operations with long term growth. We will consider distribution and third party service companies in addition to traditional electrical, electronic, food, healthcare, metalworking, and woodworking manufacturers.

**Our professionals have years of experience providing operations and financing assistance.**

### Near Term Profits, Long-Term Growth

We bring a network of specialty private equity firms who seek controlling and non-controlling investments in companies that need additional capital and management expertise in order to create the potential for success. In order for investors to provide an accurate and timely proposal, we require the following information from the company for an Investment Appraisal:

- *Summary of the business and organization*
- *Prior three years financial statements*
- *Current and future projected financial statements*
- *Appraisal of real estate and equipment*
- *List of current inventory and accounts receivable*
- *Details of Debt Obligations*
- *Profitability analysis of each product/service line*
- *Profitability analysis of top customers*
- *Summary of Key Supplier Agreements*
- *Operating strategy of how the financing will be used*
- *Description of changes/improvements to be made*
- *Details on Pending Litigation*

Should the company require assistance in providing this information, our professionals can package this data in an appropriate format. During this process Tall Trees professionals, with backgrounds in manufacturing, operations, sales, marketing, legal, banking and finance, will help realize underlying value that is attractive to our investor network. Our investment sources focus on transactions with values of \$500,000 - \$15,000,000 and are able to make quick funding decisions based upon the vertical markets and profit potential.

For more information please contact Tall Trees Capital:

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## Tall Trees Services for Operating Companies

### Evaluate

#### **Assessment of Current Operations**

Tall Trees professionals will perform an operations review and financial analysis to develop a clear picture of a company's status. During this process we will identify and prioritize key areas for improvement and estimate the economic benefits of key opportunities. With agreement from management, our team will provide a detailed plan for two or three critical initiatives with the highest impact to the company. Should we uncover the need for additional working capital, we will highlight the investment required, and convey expectations for the terms and structure of new financing.

### Restructure

#### **Improve Compliance with Lenders and Suppliers**

For companies not in compliance with their lending institutions and/or delinquent with their suppliers, our banking professionals will perform a credit analysis from the bank's point of view and provide recommendations to return to good standing. Companies not in compliance with their lending institutions are under extreme pressure to rebuild their balance sheets, improve cash flow, increase their collateral, and increase personal guarantees. Excessive and delinquent payables to suppliers may require COD payments furthering the pressure on cash flow and lender compliance. Rather than have a lender or workout consultant dictate how to run your business, our professionals can assist in developing alternatives including a payoff plan and ways to renegotiate more flexible payment terms with suppliers.

### Assist

#### **Business Renewal and Turnaround**

Tall Trees is dedicated to providing financial and operations expertise and creative solutions necessary to maintain and grow a company's market share, even if the company is in workout or has recently experienced declining sales or eroding margins. We use a process driven approach to assess today's challenges and identify financial and operational improvements or execute entire revitalization plans. We can assist in the stabilization of the business, reshape the balance sheet to reduce cash flow and reduce risk to creditor's and augment a company's staff to implement our recommended solutions. We can provide interim management of going concerns as we implement operational improvements to improve the cash flow and value of underlying assets.

### Invest

#### **Investment Capital/Refinancing**

Tall Trees is focused on operating companies that have been unable to reach their goals due to lack of adequate capital, shortage of knowledgeable personnel or changes in the marketplace. With our network of investment partners we can provide new equity to stabilize their balance sheets, increase sales and marketing and generate operating profits. These specialty equity firms may seek minority or controlling investments. We can assist in preparing for new financings by packaging a company for an investment appraisal to accelerate an investment decision.

## Our Process

- **Appraisal** of how you can maximize your asset value
- **Assessment** to identify ideas to increase company value through improvements in operations, cash flow, finance, profits or sales
- **Assistance** from our network of professionals to prepare & implement recommendations on critical initiatives that will increase value or prepare for financing
- **Access** to alternative financing/investors interested in supported your objectives