
From: Gianni Serazzi [REDACTED]
Sent: Sunday, August 16, 2015 12:49 PM
To: jeffrey E.
Subject: Re:

I understand and I thank you for your consideration.

The 800 will go to cover net working capital coming from growth and to get =ne final director for the print division. Of the other 3 directors one is =performing really well and the other 2 I just brought them over to these po=itions in July. If just one of them makes it we will be at 600k profit. Ab=ut 150-200k need to go to Paris to bring in a strong team and finance net =orking capital.

As per the forecast vs actual you see very clearly the deter=oration coming in the summer of 2014. Giancarlo started spending 2 days in=the agency, fired the director and then dealt with the problems of h=s mother. I am confident that I will put it again on the right track. Not =easy but we will become as strong as fashion.

G

On Aug 16, 2015 2:33 PM, "jeffrey E." <mailto:jeevacation@gmail.com> > =rote:

all the agencies , now sell for roughly 50 - 60 perecent of reven=e, used to be 100 -125%. no value admitteldy to co=tigent case recovery , which could/ should be out of the deal.♦=A0 ie you keep it . . where does the 800 go, =? if it is to factor receivables. . one thing if it is t= buy bookers. another, very aggressive , prior projections are=a big neg factor. in valuations. very big. . some mont=s are off by hundreds of percent. . not good. . I =ould like you to make a lot of money on your deal. so ow=ership , is not relevant getting the 800 back with secur=ty woudl be the issue,

On Sun, Aug 16, 2015 at 3:10 AM, Gianni Serazzi <[REDACTED]> wrote:

I think your consideration is accurate.

On top of it you should factor in

-800k would go entirely into the company so that should be added as post mo=ey valuation

-on top what is the value of new management (myself) coming in at zero sala=y? If we use market valuation that's quite an asset

-I only count the cash once we have it, however we have a lawsuit going on =ith QVC the big client lost that stole our models internalizing them that =he lawyer says will pay minimum 300k and max 800k within 1 to 2 years

-also please remember that it's written Ebitda but it's cash genera=ion pure and simple

Adding these aspects it brings you to the 4m post money val=ution that I honestly believe to be a fair value if I were sitting on the o=her side of the table

Thx

G

On Aug 16, 2015 5:03 AM, "jeffrey E." <jeevacation@mail.com> wrote:

ive looked carefully at the bad projections and the current numbers only ebitda. it looks as if the value and comps only give it a 1.5--2.2 value ..

=br>--

=please note

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