Staffing Agency, Hospitality Niche

Sell-side engagement — Ottawa, Ontario & Quebec

$400,000

FINAL CLOSING PRICE

43% below the $700,000 ask

Priced for accrued tax debt and thin margins that a straight asset purchase couldn't absorb — not against the business's underlying client base.

$700K
ASKING PRICE

$100K
CASH TO CLOSE

Majority
DEBT ASSUMED IN STRUCTURE

**Priced for the debt.
Structured for the turnaround.**

01 The Situation

The business is a long-standing staffing agency placing hospitality-sector workers, with operations spanning Ontario and Quebec. Decades of client relationships anchored day-to-day revenue, but the agency was carrying two problems that don't show up on a listing headline: thin margins and accrued tax debt. The owner was retiring and needed an exit — not a buyer willing to inherit the business as-is on faith.

Ontario & Quebec

Decades of anchored client relationships across two provinces.

Owner Retiring

Needed a real exit, not a buyer inheriting the business on faith.

02 The Challenge

This wasn't a clean, bankable listing. A low-margin cost structure left little room for a buyer to service acquisition debt on top of existing obligations, and accrued tax debt on the balance sheet meant any buyer needed clarity on what liabilities transferred at close and how much runway they'd have before those obligations came due. Priced flat at $700,000, the business would have priced out most buyers before they finished the financials.

Thin margins. Real tax debt.

The two problems a straight asset sale can't price around — the exact gap ZELD's deal structuring is built to close.

- Low-margin cost structure
- Accrued tax debt on the balance sheet

03 The Structure

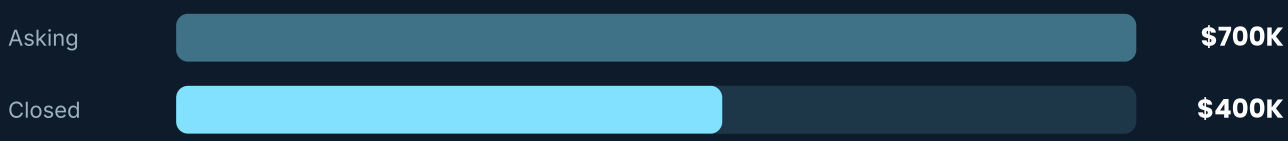
ZELD structured the transaction around what was actually wrong with the business, rather than pricing straight off the top line. The deal moved to a majority debt-assumption structure: the buyer assumed the bulk of the company's existing obligations rather than financing a clean asset purchase, with just $100,000 in cash due at close. In return, the buyer warranted to execute a turnaround, and ZELD stayed engaged past signing, coordinating with the buyer's operating partner, Athena Personnel, on the post-acquisition work needed to rebound the business.

HOW THE DEAL WAS BUILT

- Majority debt assumed
- $100K cash at close
- Turnaround warranty
- ZELD engaged with Athena Personnel

$300,000

PRICED FOR THE DEBT, STRUCTURED FOR THE TURNAROUND



Reaching a workable number meant getting realistic about what the business actually carried — on the balance sheet and in its margins — rather than defending an ask past the point it made sense for either side.

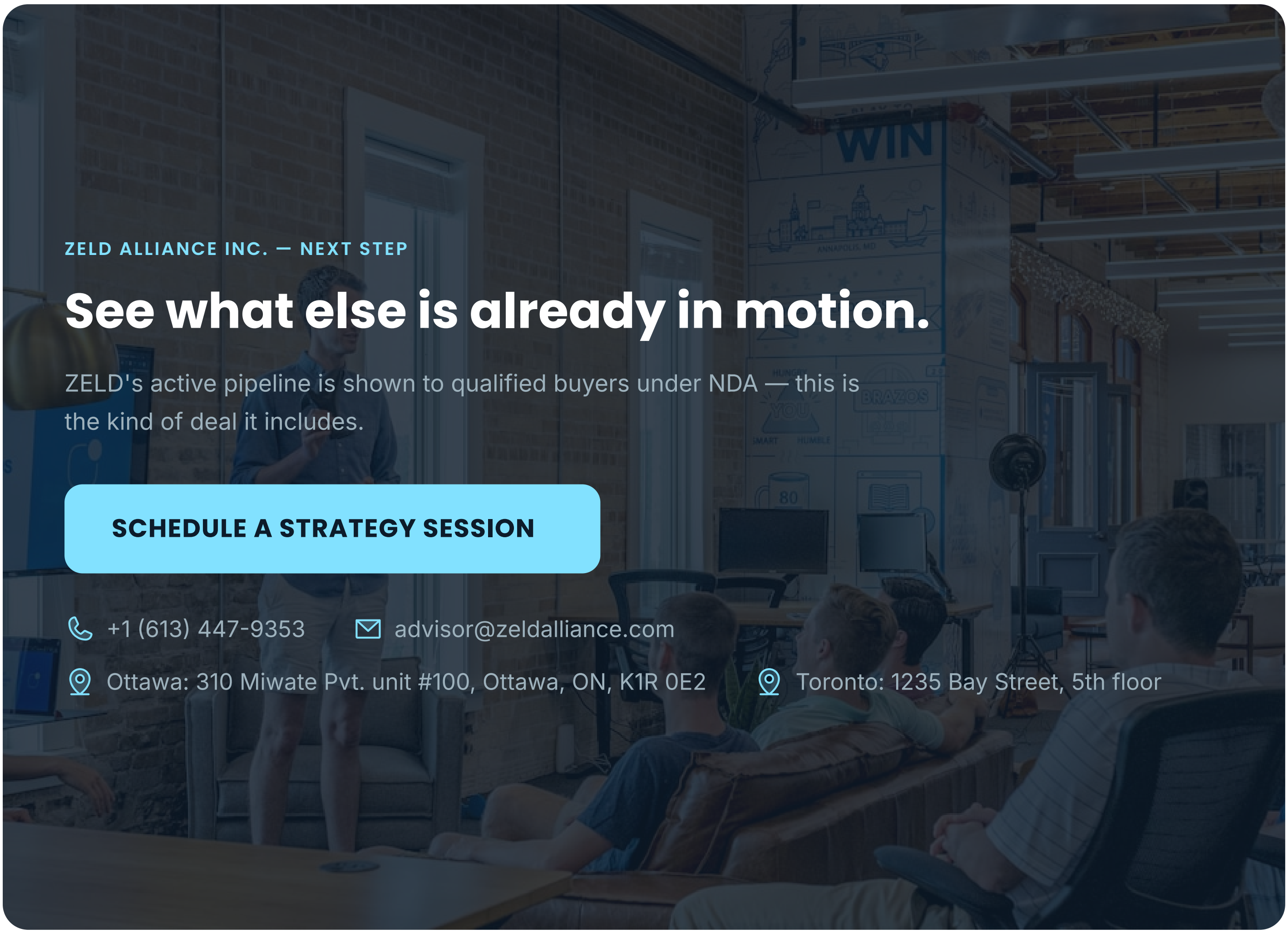
04 The Outcome

The deal closed at $400,000 with just $100,000 in cash due at close, with the balance addressed through assumed debt rather than a financing gap the buyer would have had to cover upfront. Reaching a workable number meant getting realistic about what the business actually carried, on the balance sheet and in its margins, rather than defending a $700,000 ask past the point it made sense for either side.

Why this matters for buyers

Not every good acquisition looks clean on the listing page. ZELD structures around real liabilities — tax debt, thin margins, distressed fundamentals — so qualified buyers can access opportunities a straight asset-purchase deal would price out of reach.

- No financing gap for the buyer to cover upfront
- ZELD stayed engaged through the turnaround
- A realistic price got the deal to signature



ZELD ALLIANCE INC. — NEXT STEP

See what else is already in motion.

ZELD's active pipeline is shown to qualified buyers under NDA — this is the kind of deal it includes.

SCHEDULE A STRATEGY SESSION

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