



Pride Security, LLC

Financial Statement

Analysis

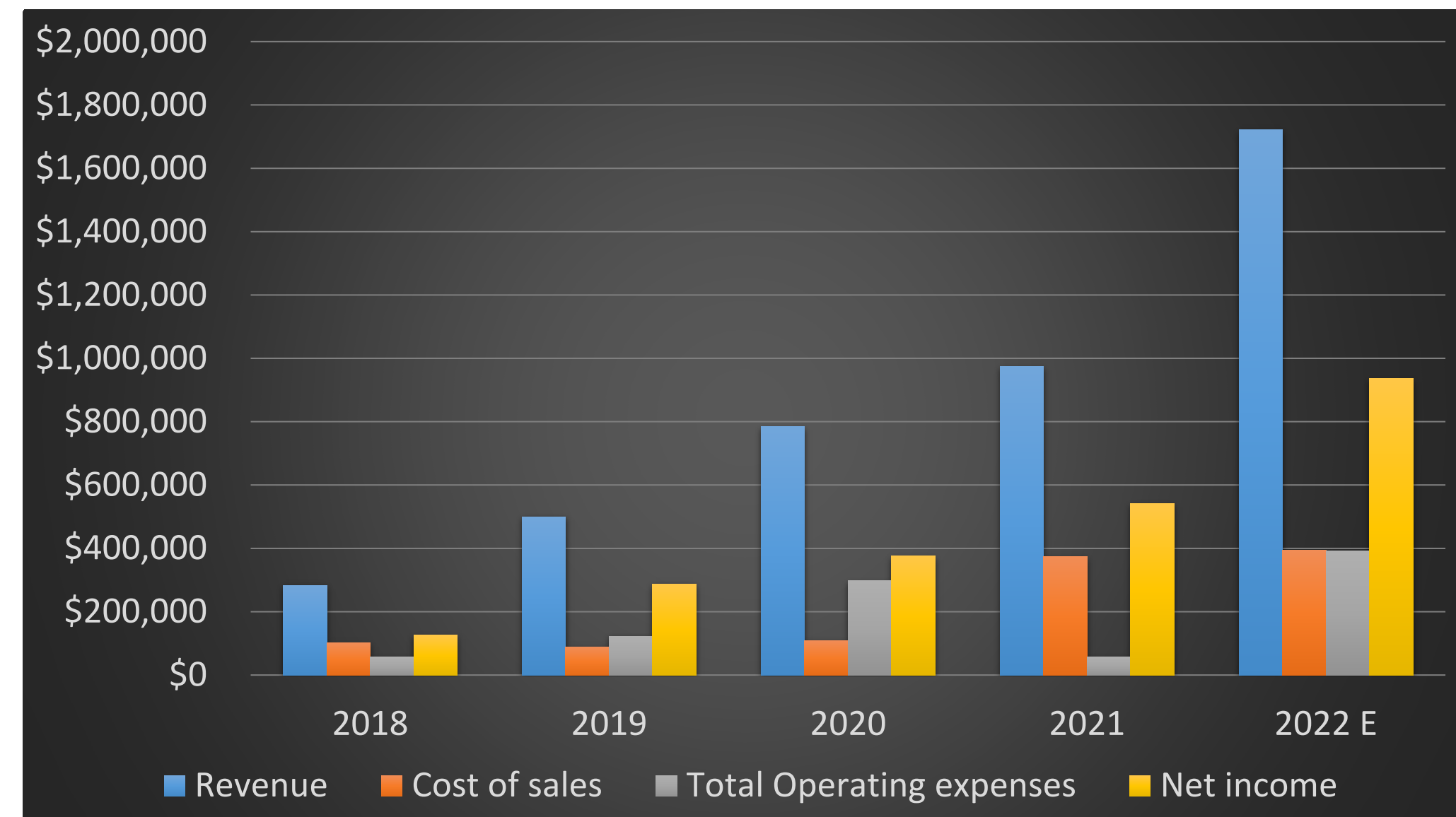
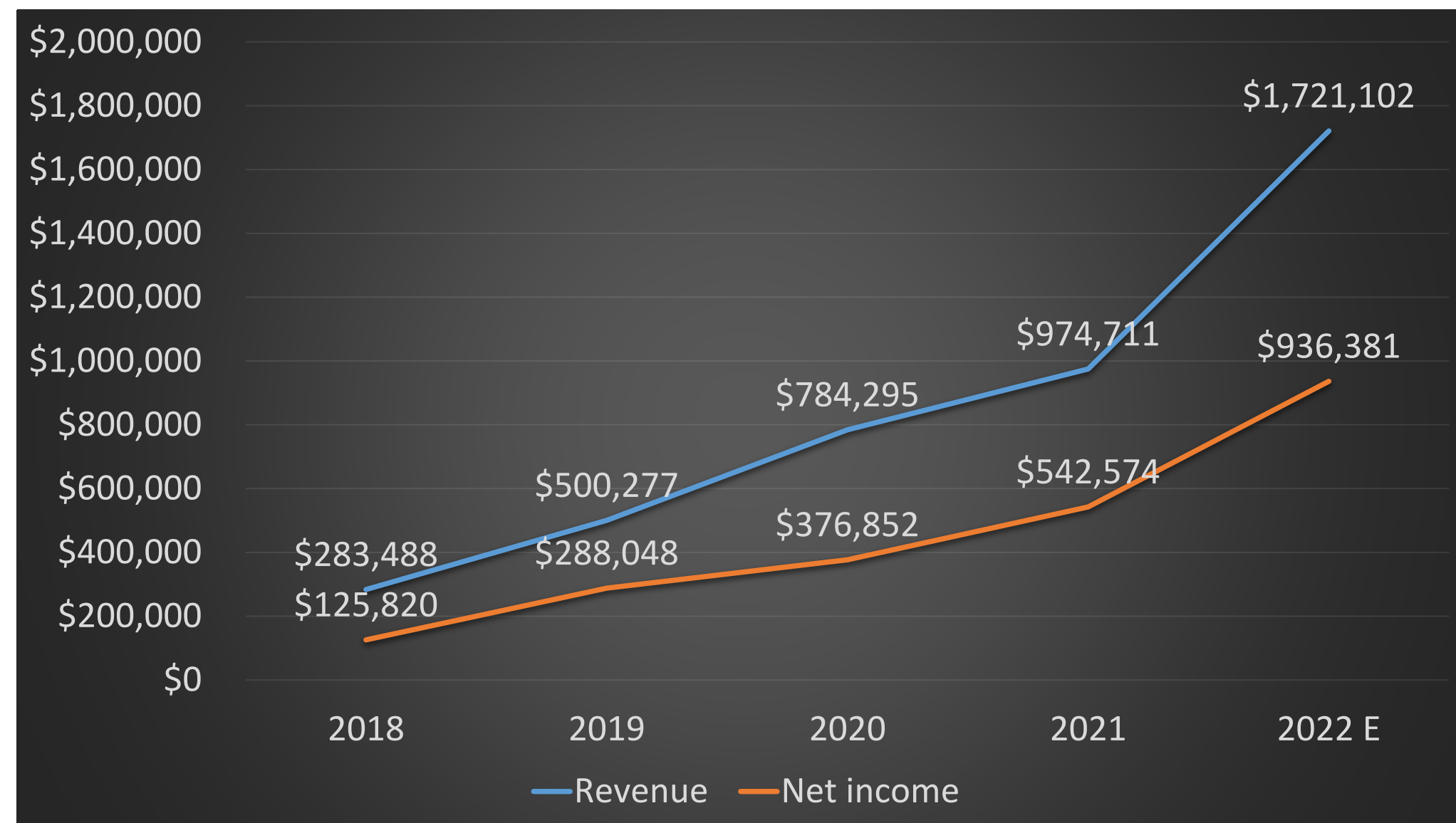
September 2022



Financial Performance

Past P & L

	2018	2019	2020	2021	2022E
Revenue	\$283,488	\$500,277	\$784,295	\$974,711	\$1,721,102
Gross Profit	\$100,703	\$89,113	\$109,454	\$373,972	\$393,343
Operating Exp.	\$56,965	\$123,116	\$297,989	\$58,165	\$391,378
Net Profit	\$125,820	\$288,048	\$376,852	\$542,574	\$936,381



Past Performance

Over the past five years, Pride Security, LLC demonstrated great prospects for growth.

Highlights of the past performance as under:

Revenue

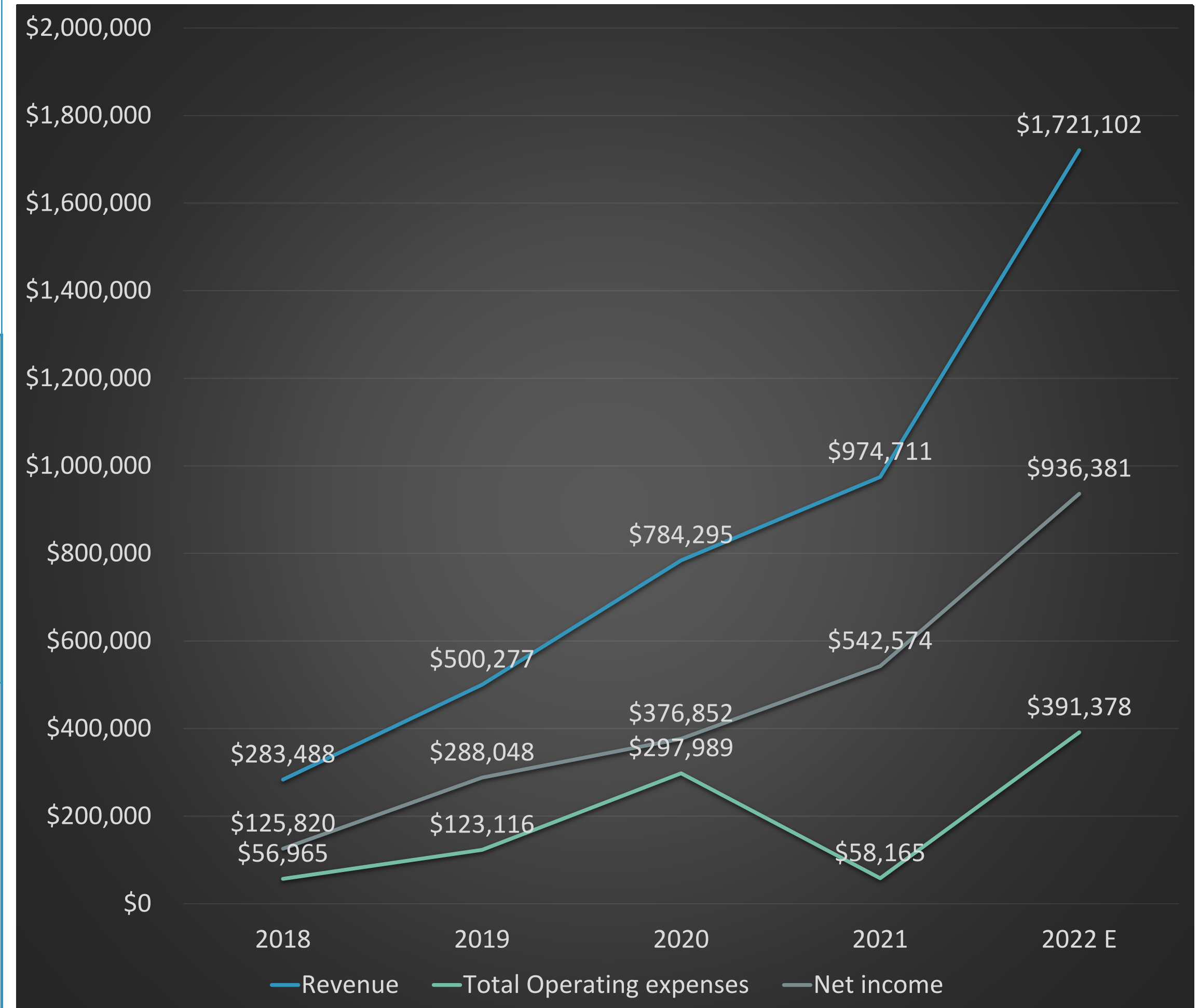
In years 2018, Revenue was \$283k which Grew to \$974k in 2021, and further projected to grow to \$1.72 million, based on the first five month of 2022.

Operating Expenses

In years 2018, Operating Expenses were \$56k which Grew at steady pace and are projected to be \$391k in 2022.

Net Income

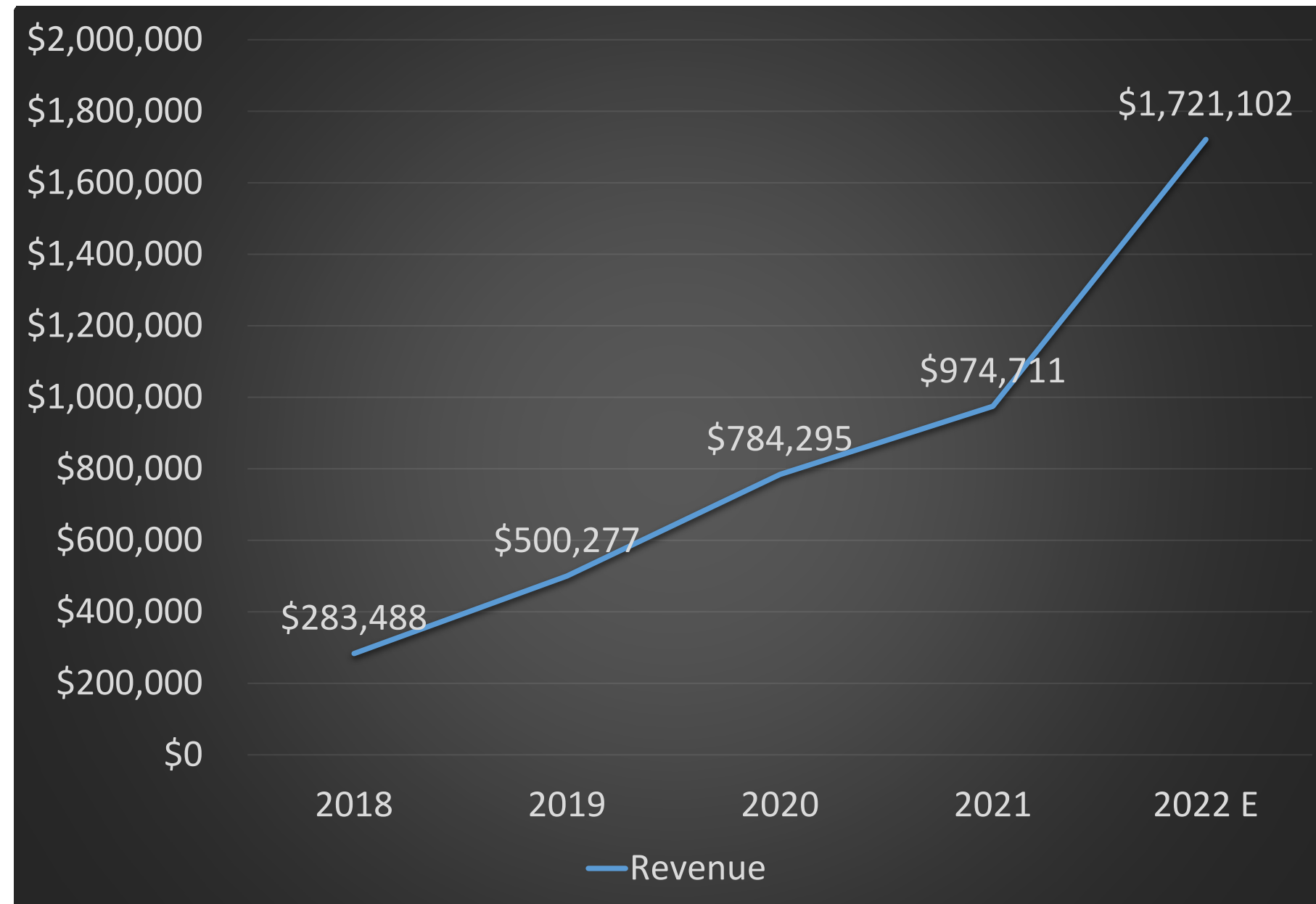
In years 2018, Net Income was \$125k, which grew at a healthy rate and is projected to reach \$936k by the end of 2022.





Revenue Metrics

Total Revenue



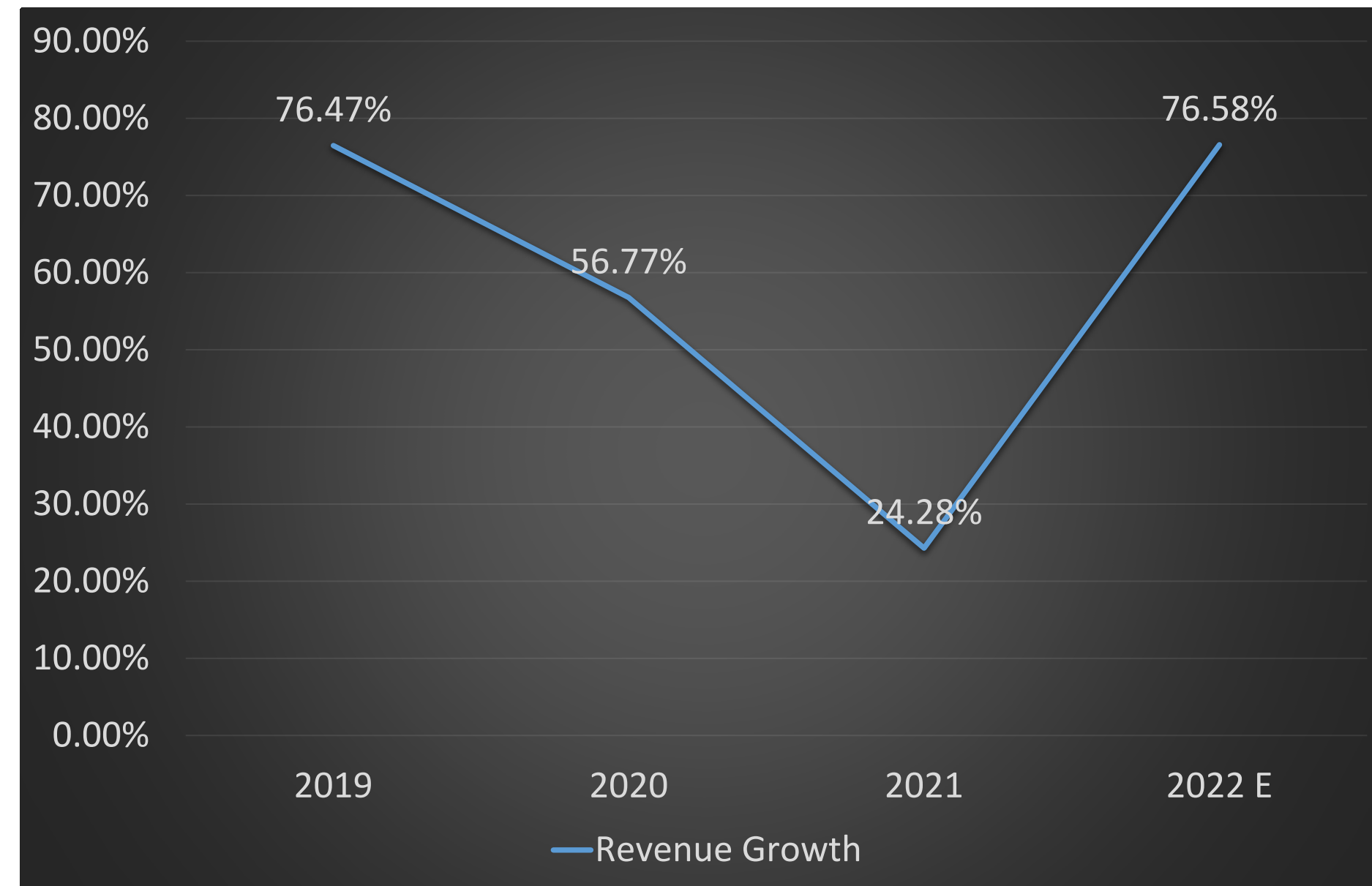
➤ **Consistent Revenue Growth**

➤ **Projected to Achieve \$1.7 million in 2022**

➤ **More than six times as compared to five years ago**

Great Revenue Numbers, Exceeding Expectations

Revenue Growth



➤ Achieved double digit revenue growth consistently.

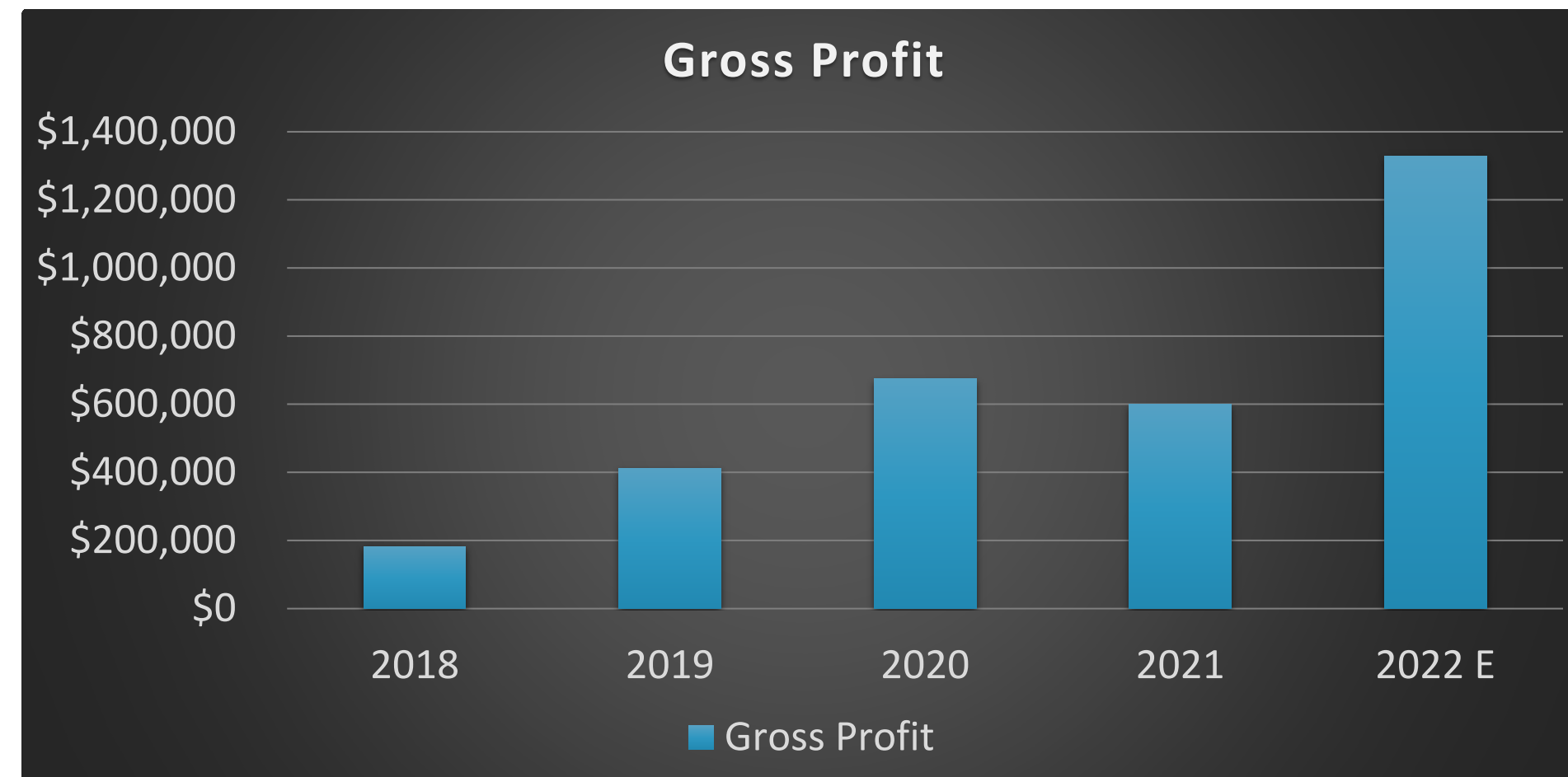
➤ Projected to achieve 76% in 2022 (based on Jan-May 2022 numbers)

Demonstrated Great Revenue Growth Over the Past Five Years



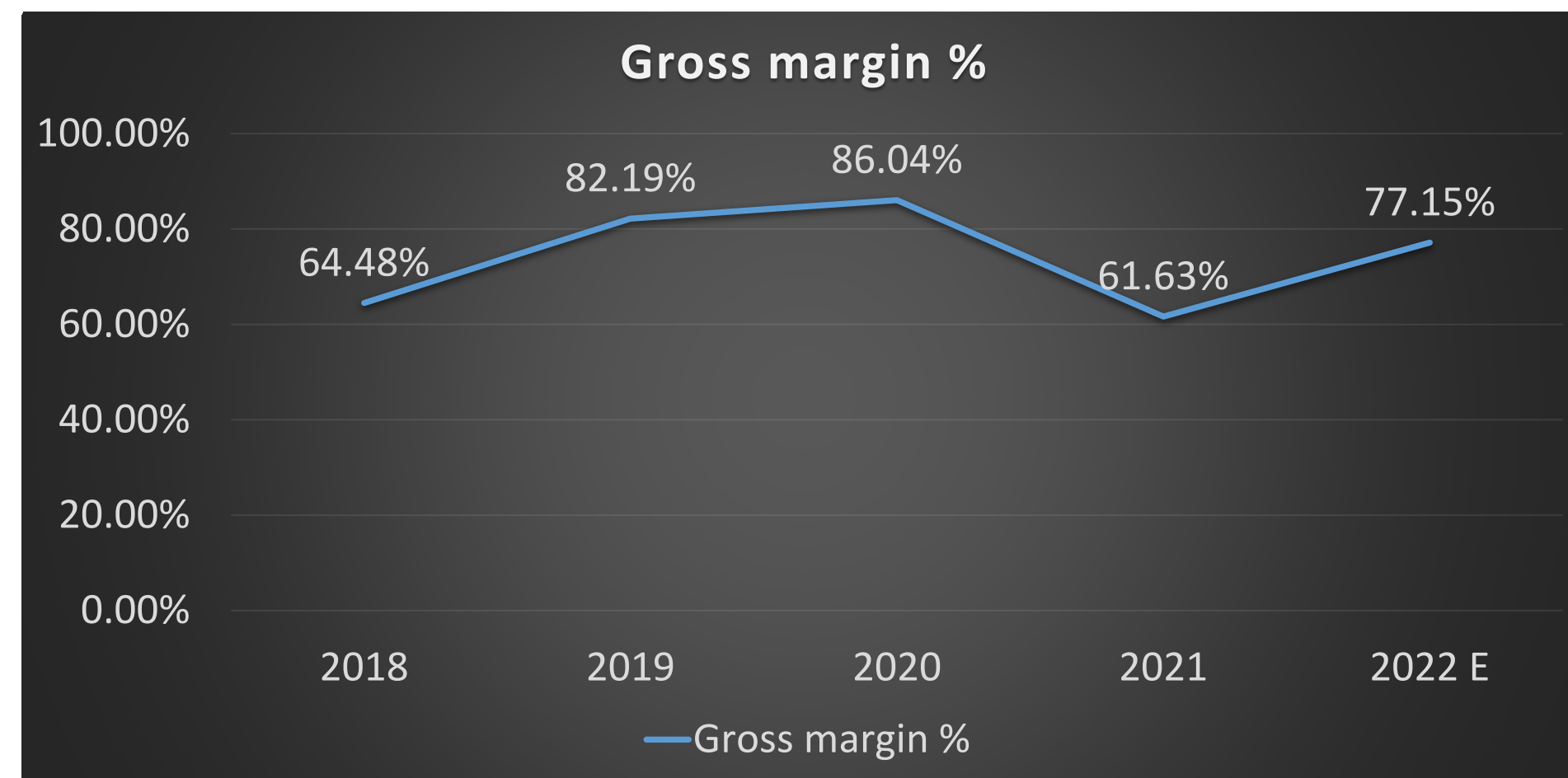
Profitability Metrics

Gross Profit



➤ **3x growth in Gross Profit by 2021**

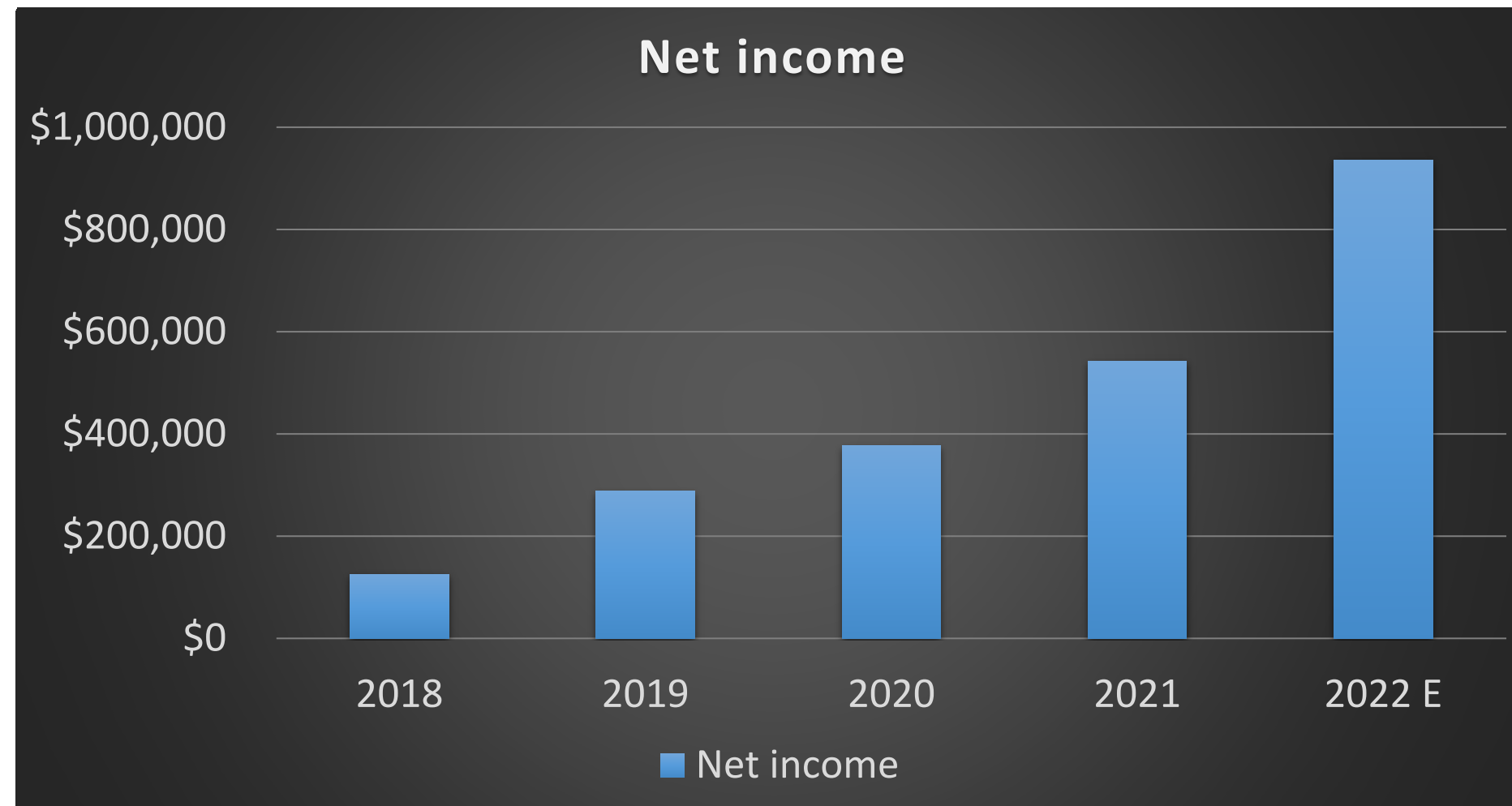
➤ **Projected to reach \$1.3+ Million in 2022**



➤ **High gross profit because of service based business model.**

Gross profit margin slightly declined because of greater focus on subcontractors.

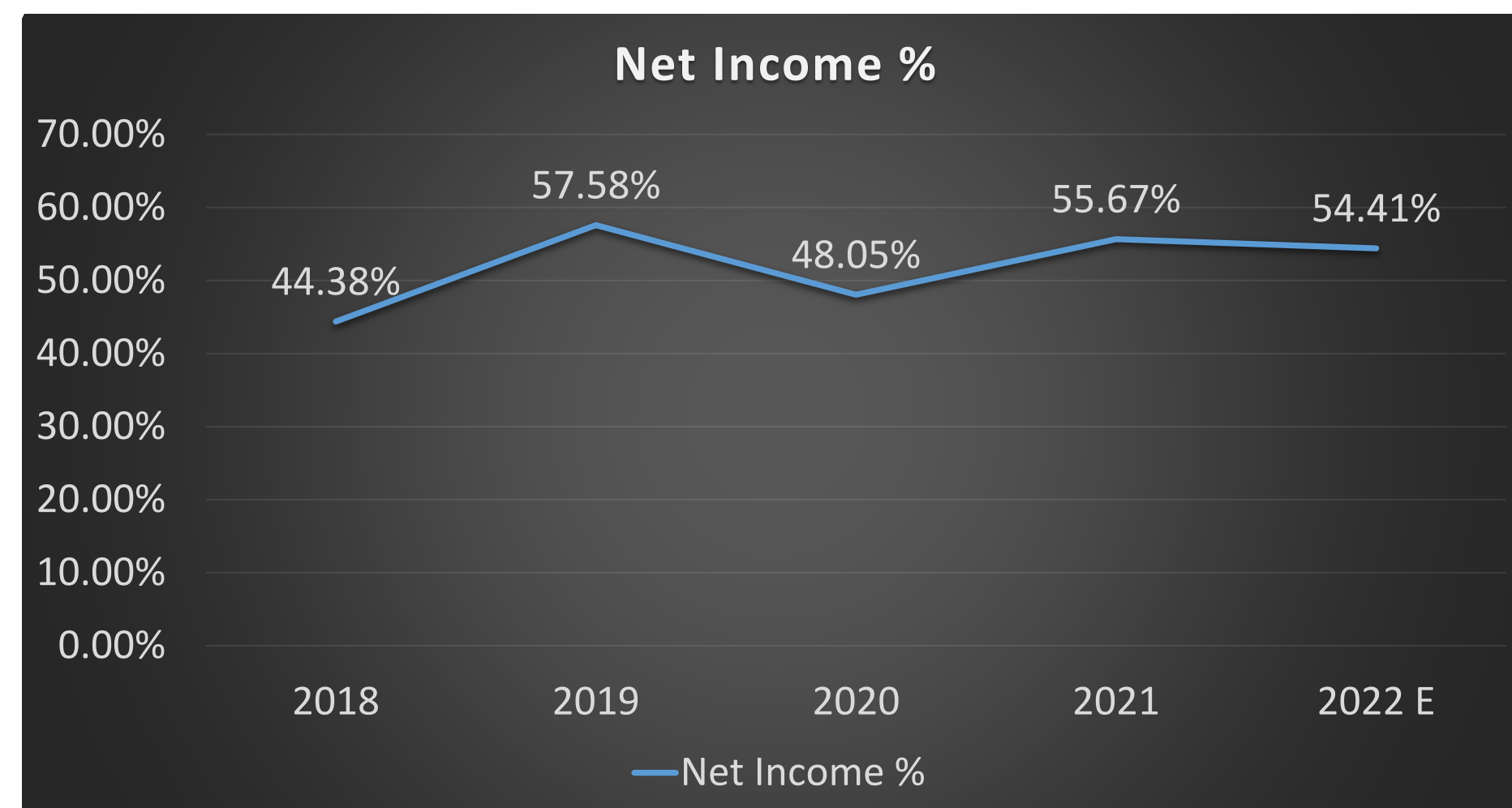
Net Income



➤ **3x growth in Net Income by 2021**

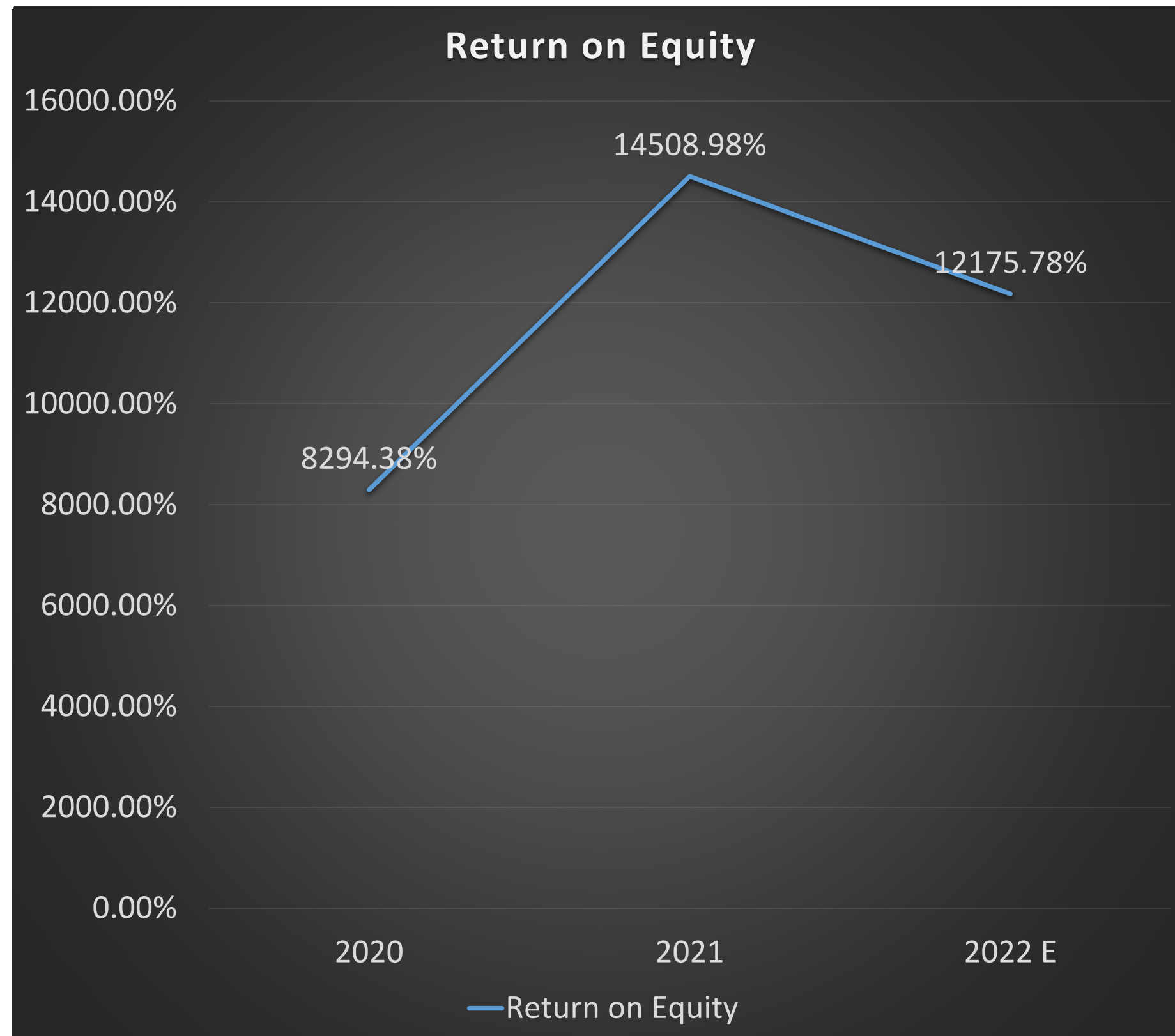
➤ **Projected to reach \$936k in 2022**

➤ **High net income because of service based business model.**



Net Income remains flat because of well established business with efficient operations

Return on Equity



➤ Return on Equity seems very high because most of profit was withdrawn by the current owner

➤ Projected to slightly decline in 2022

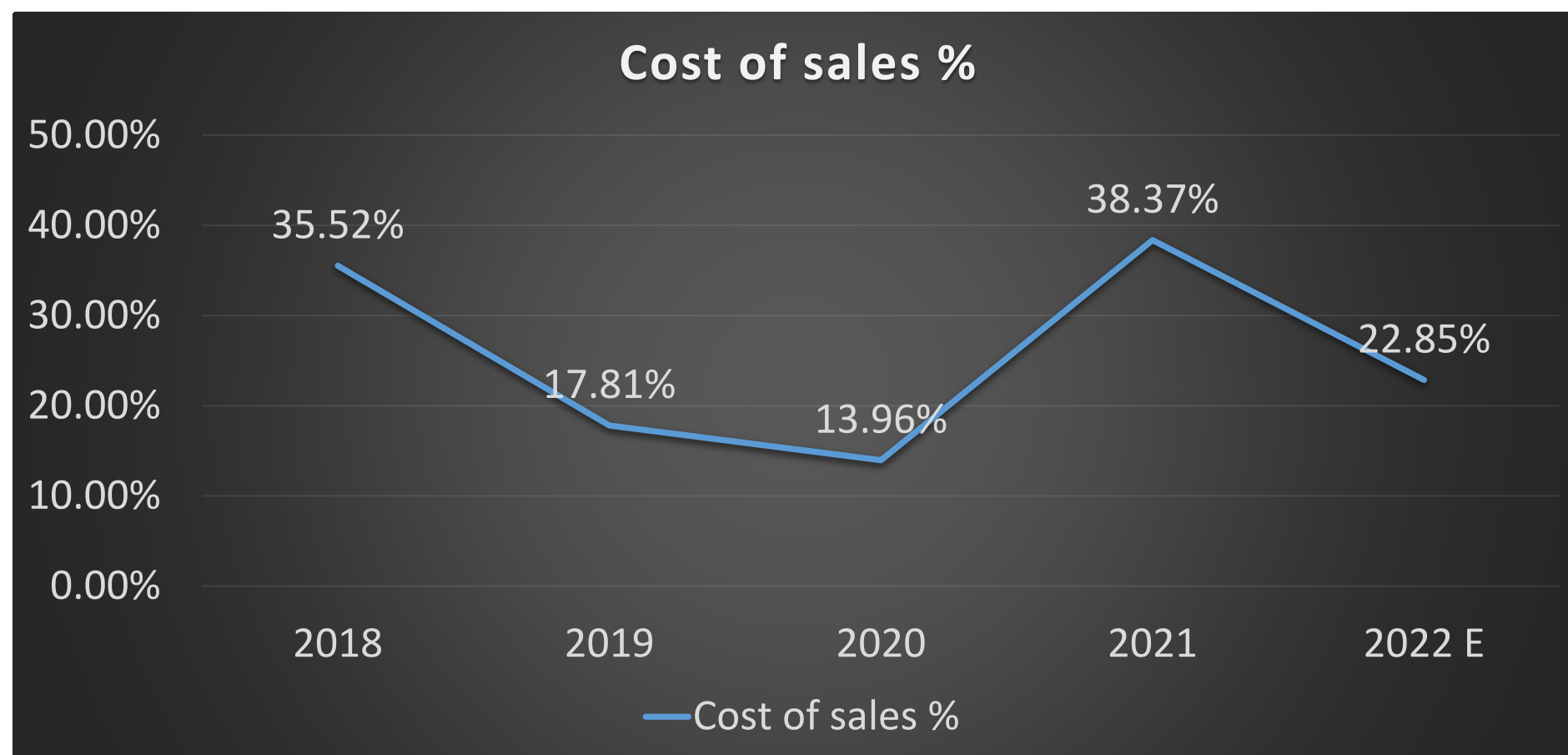
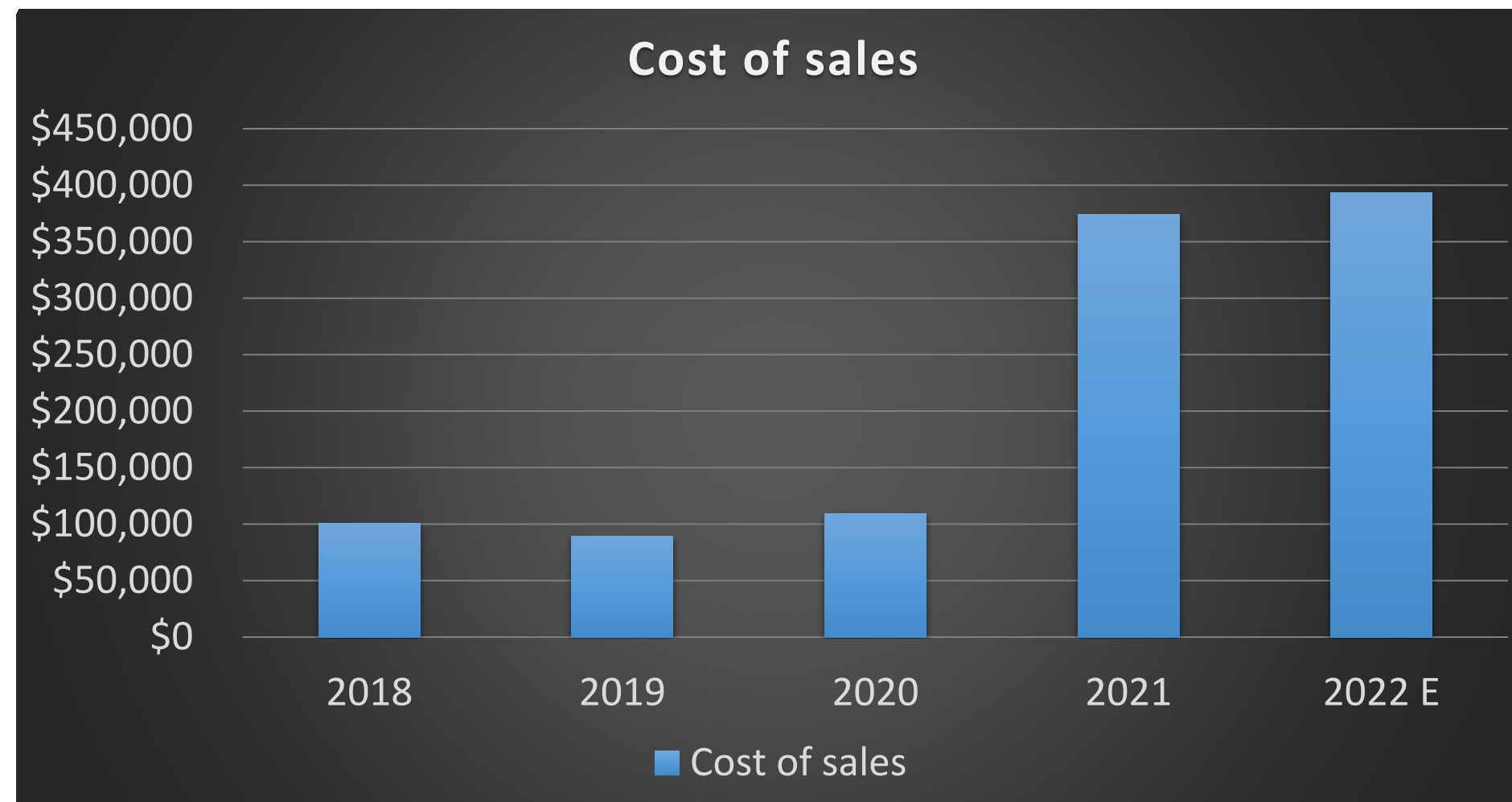
➤ High Return on Equity means the company efficiently uses its equity to generate income.



Cost Metrics



Cost of Sales

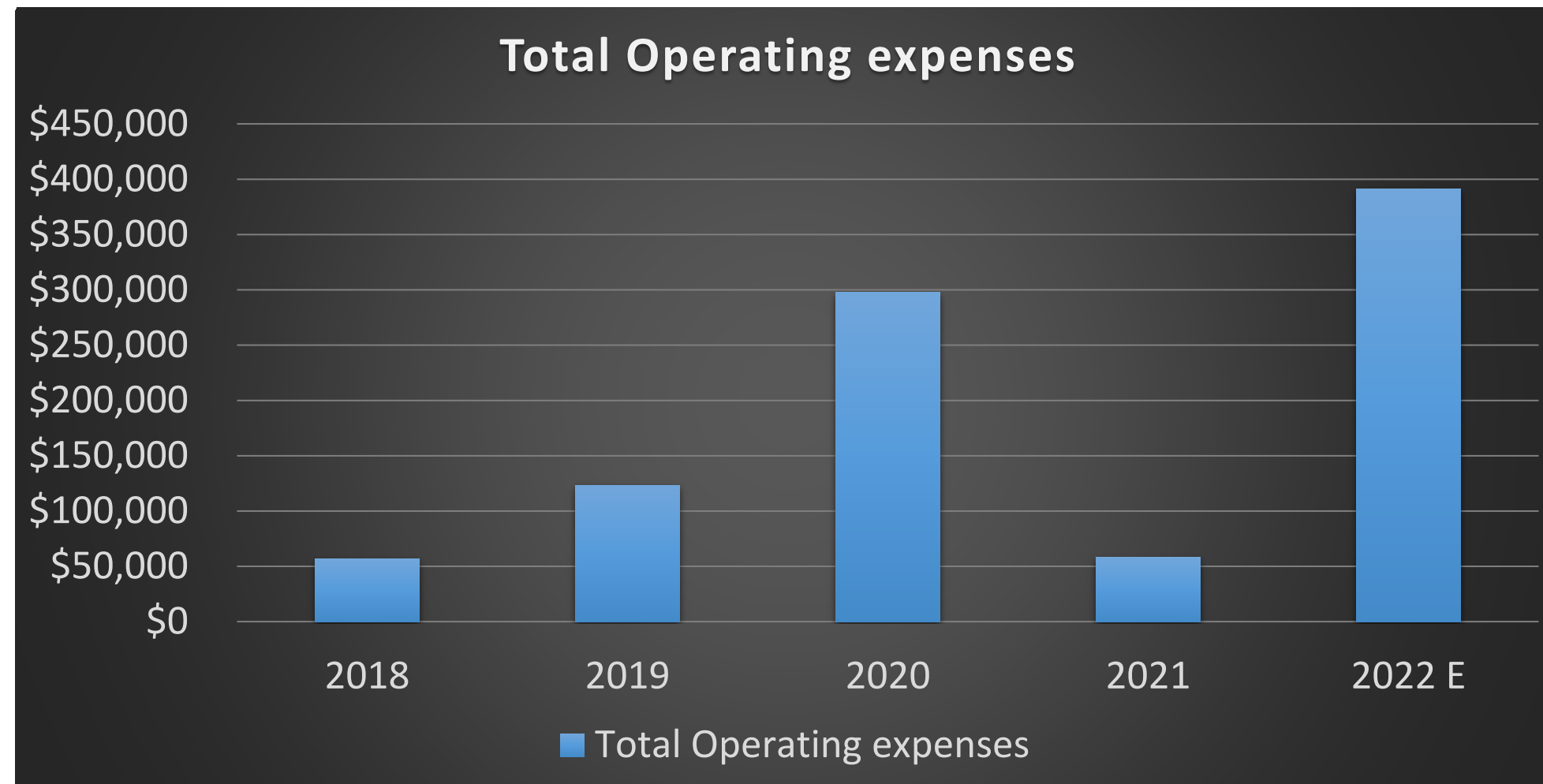


➤ **Growing Cost of Sales in line with high Revenue Growth**

➤ **Projected to reach \$393k in 2022 (based on Jan – May Data)**

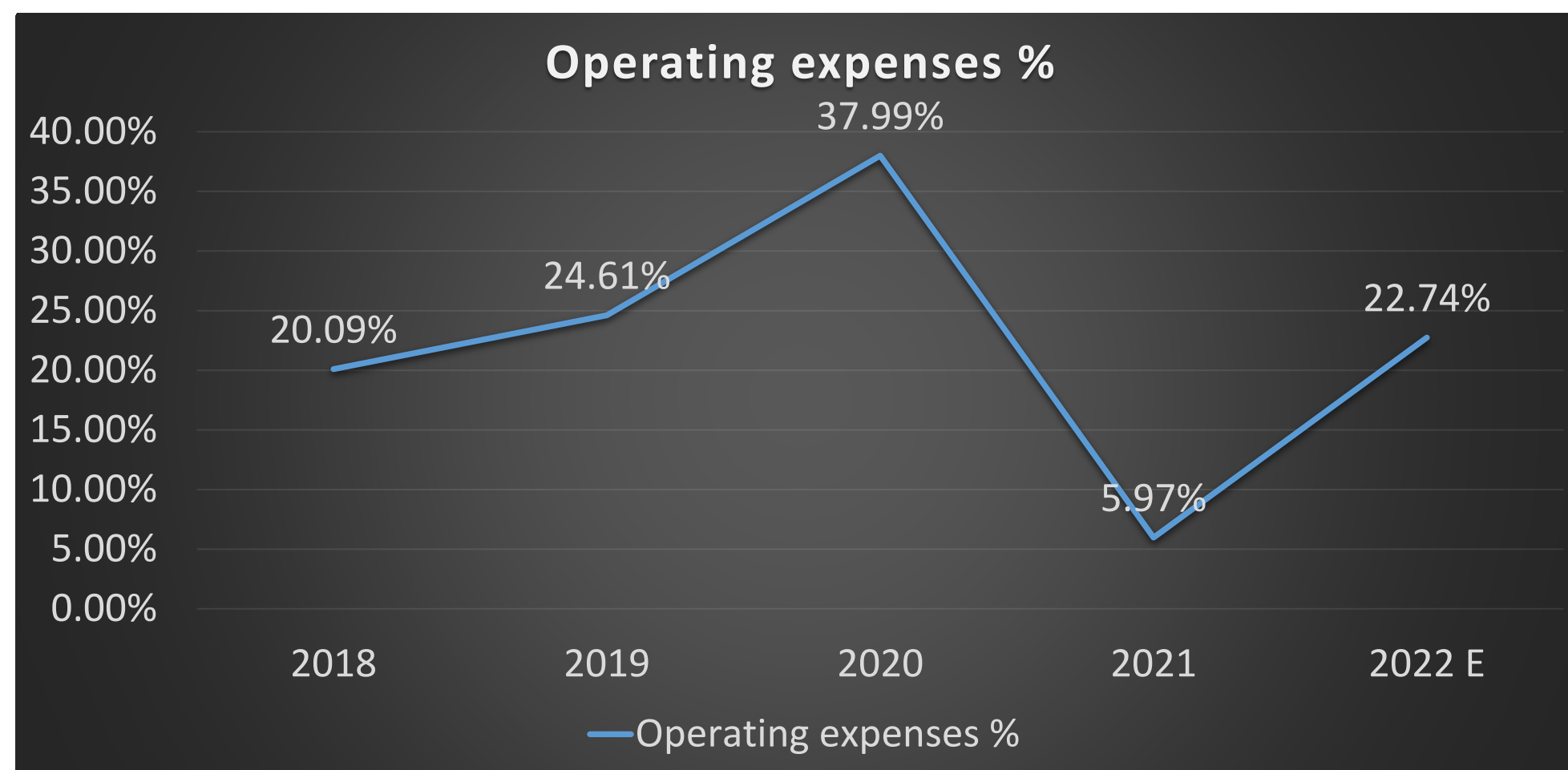
➤ **Fluctuation in Cost of Sales as a percentage of revenue because of the need to subcontractors during high demand times.**

Operating Expenses



➤ **Growing Operating Expenses**

➤ **Projected to reach \$391 in 2022**



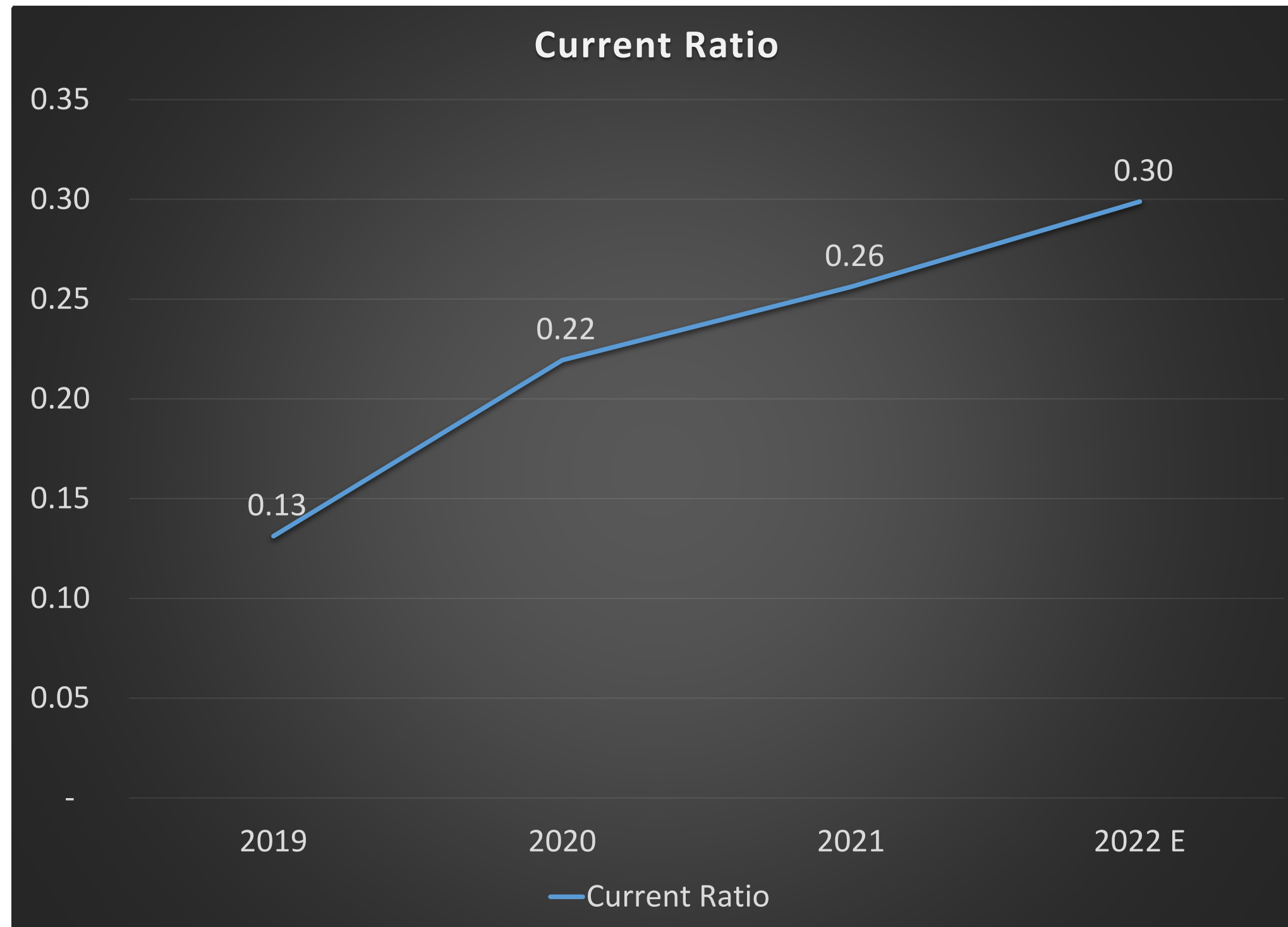
➤ **Growing operating expenses because of greater focus on business expansion**

Operating expenses declined in 2021 because of Covid-19 impact.



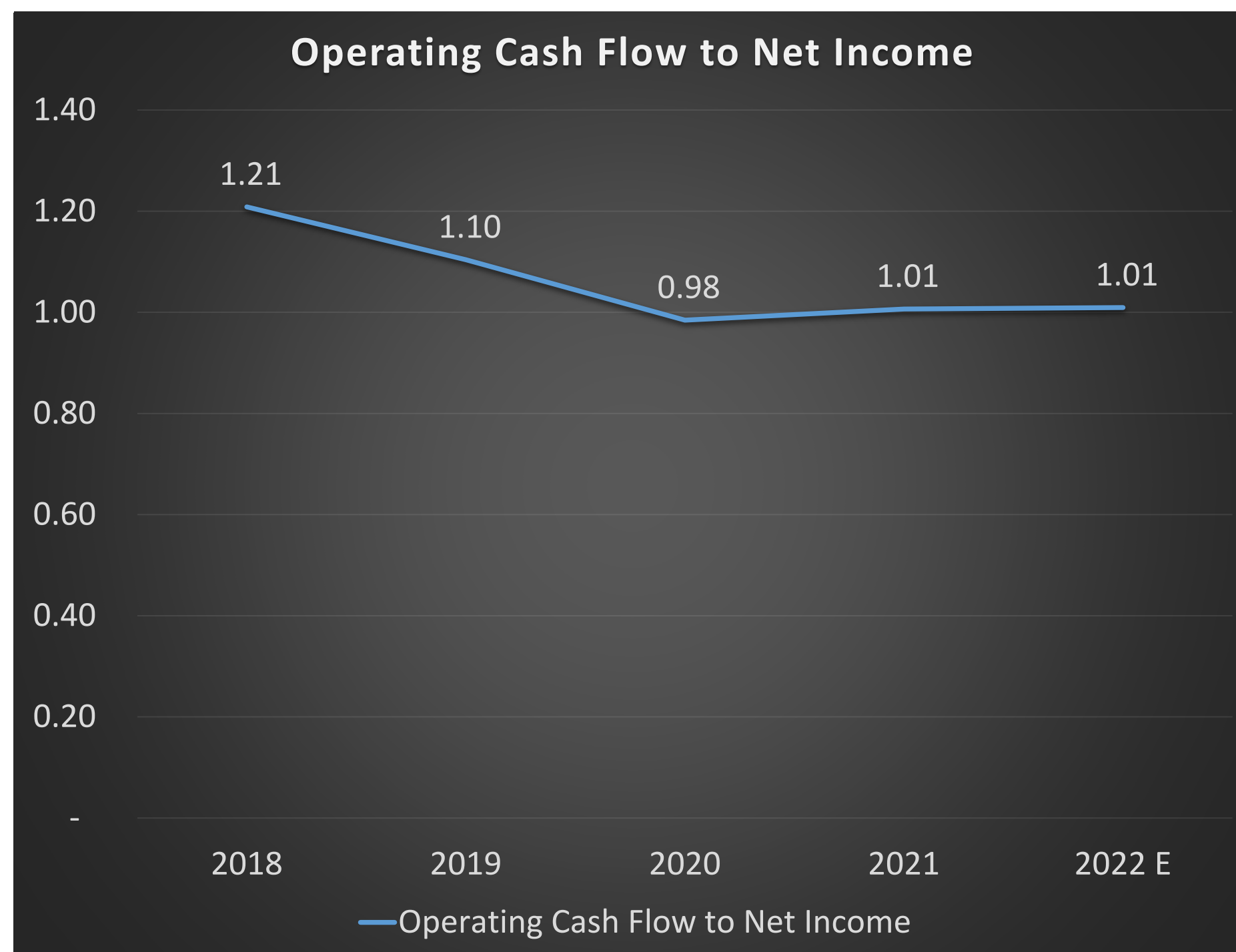
Liquidity Metrics

Current Ratio



- **Current Ratio is very low, because of limited cash being kept in the business**
- **Company may not be able to meet some obligation and will need owners to reinvest when the need arise.**
- **Current Ratio show positive signs as it continue to rise, which is good for the business in the long-run.**

Operating Cash Flow to Net Income



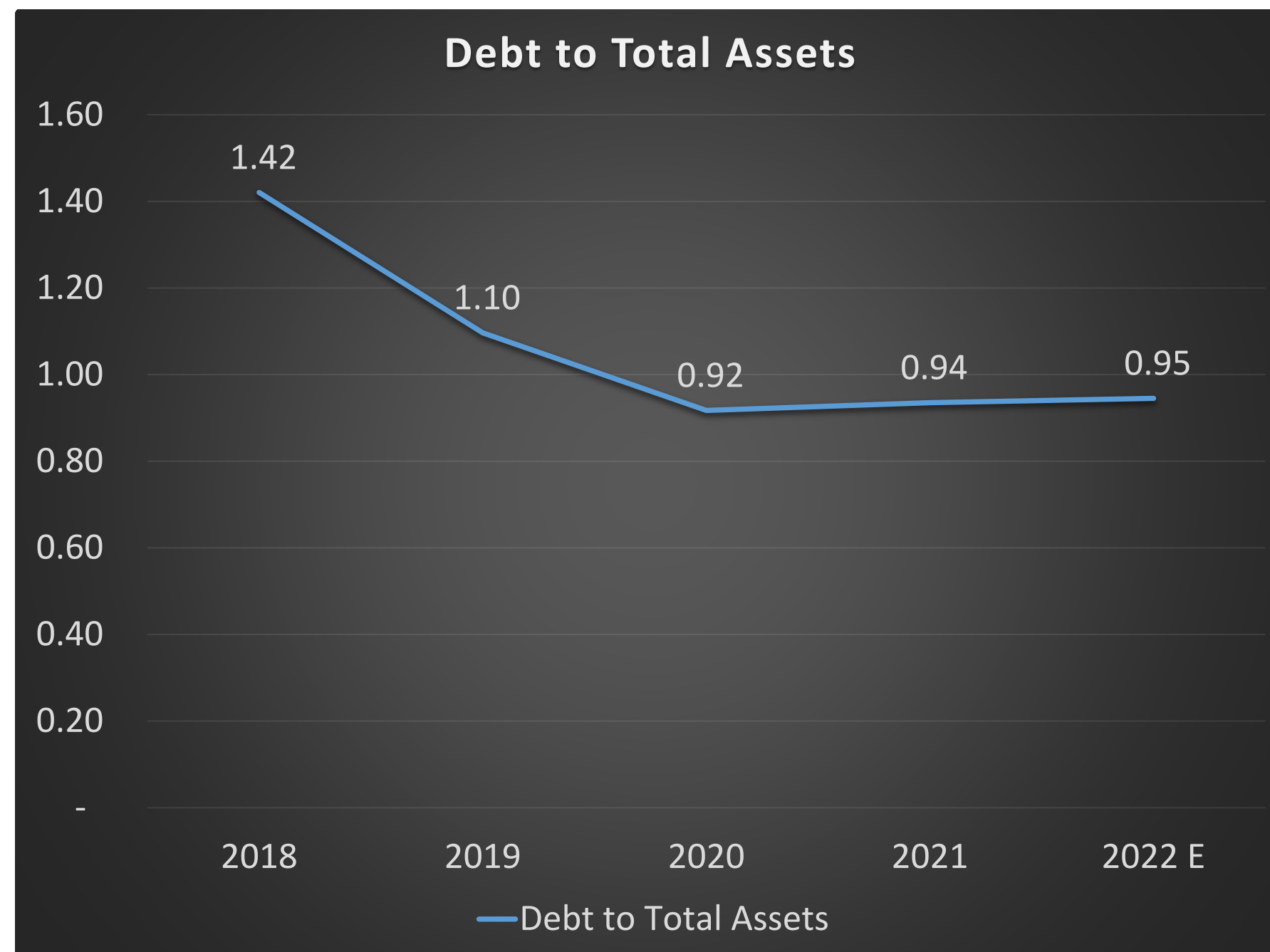
➤ Operating Cash Flow to Net Income hovers around 1, which means current liabilities are covered by the cash flows generated from a company's operations.

➤ Company is efficiently utilizing its operating cash flows.



Leverage Metrics

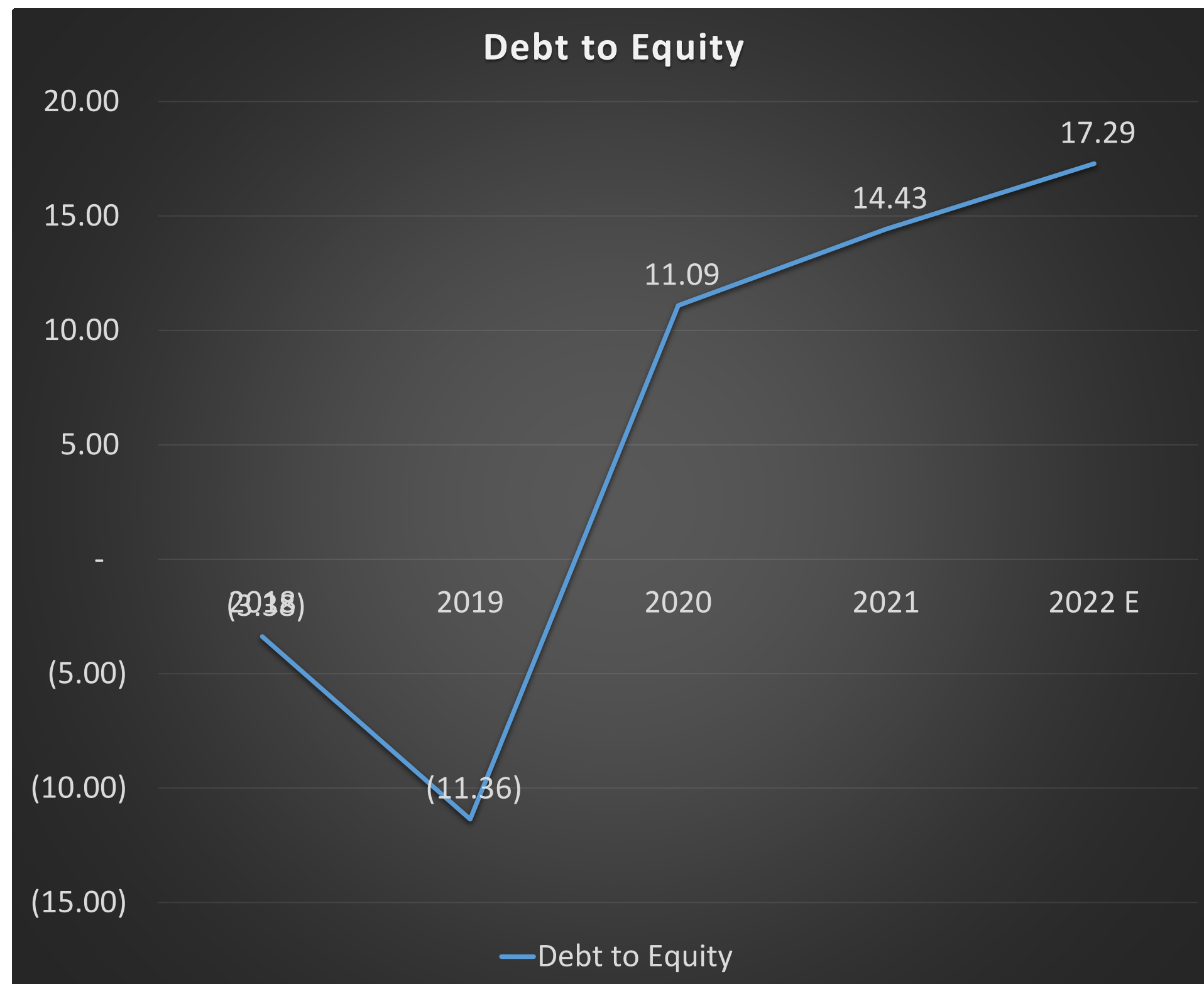
Debt to Total Assets



➤ **Almost all of the company's Assets are financed by the owners.**

➤ **Company has a low debt exposure and largely dependent upon its owners to finance its operations.**

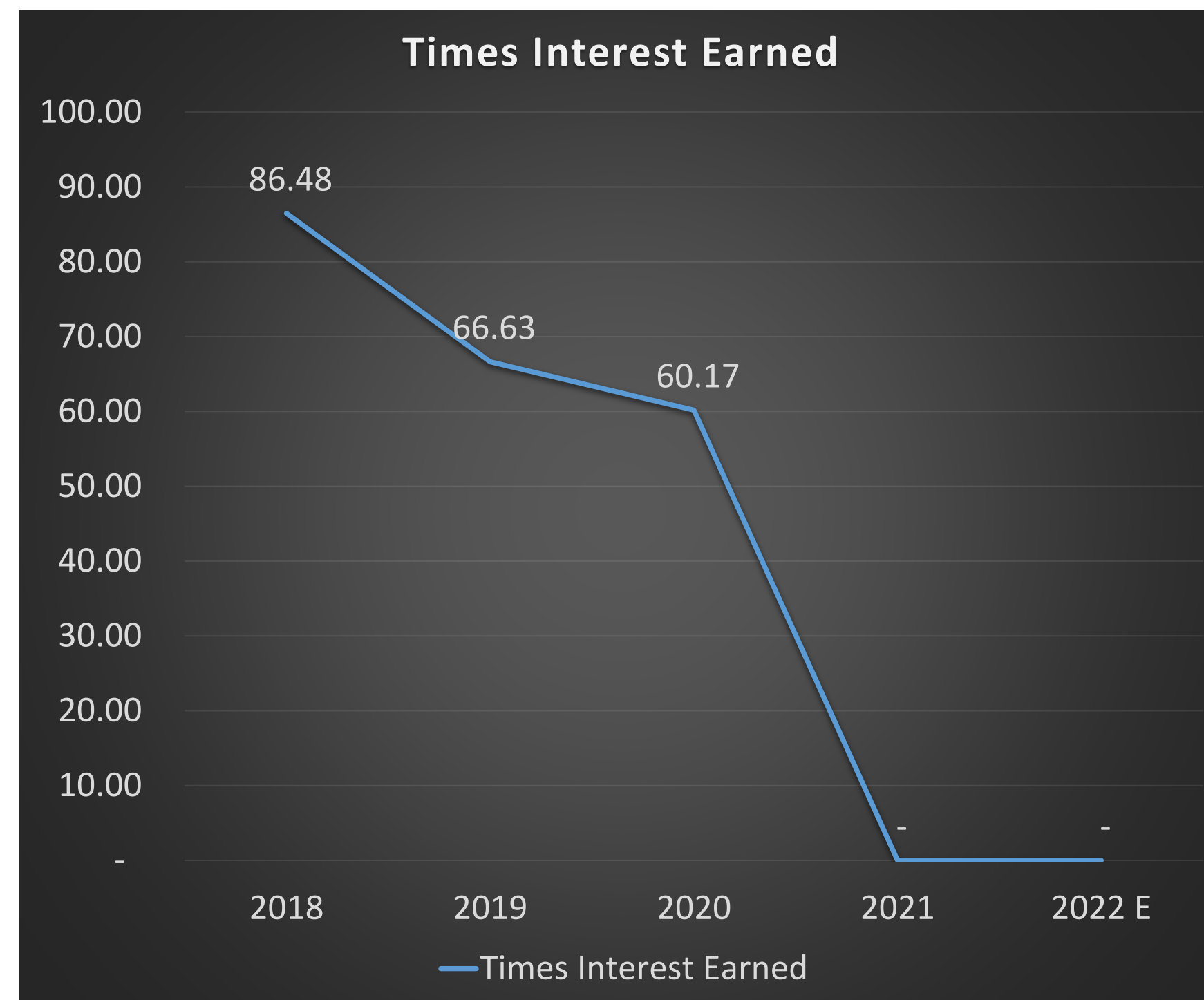
Debt to Equity



➤ **High Debt to Equity ratio means the Company has not outside debt.**

➤ **Accordingly the company has short-term liabilities only, and there isn't long-term debt.**

Times Interest Earned



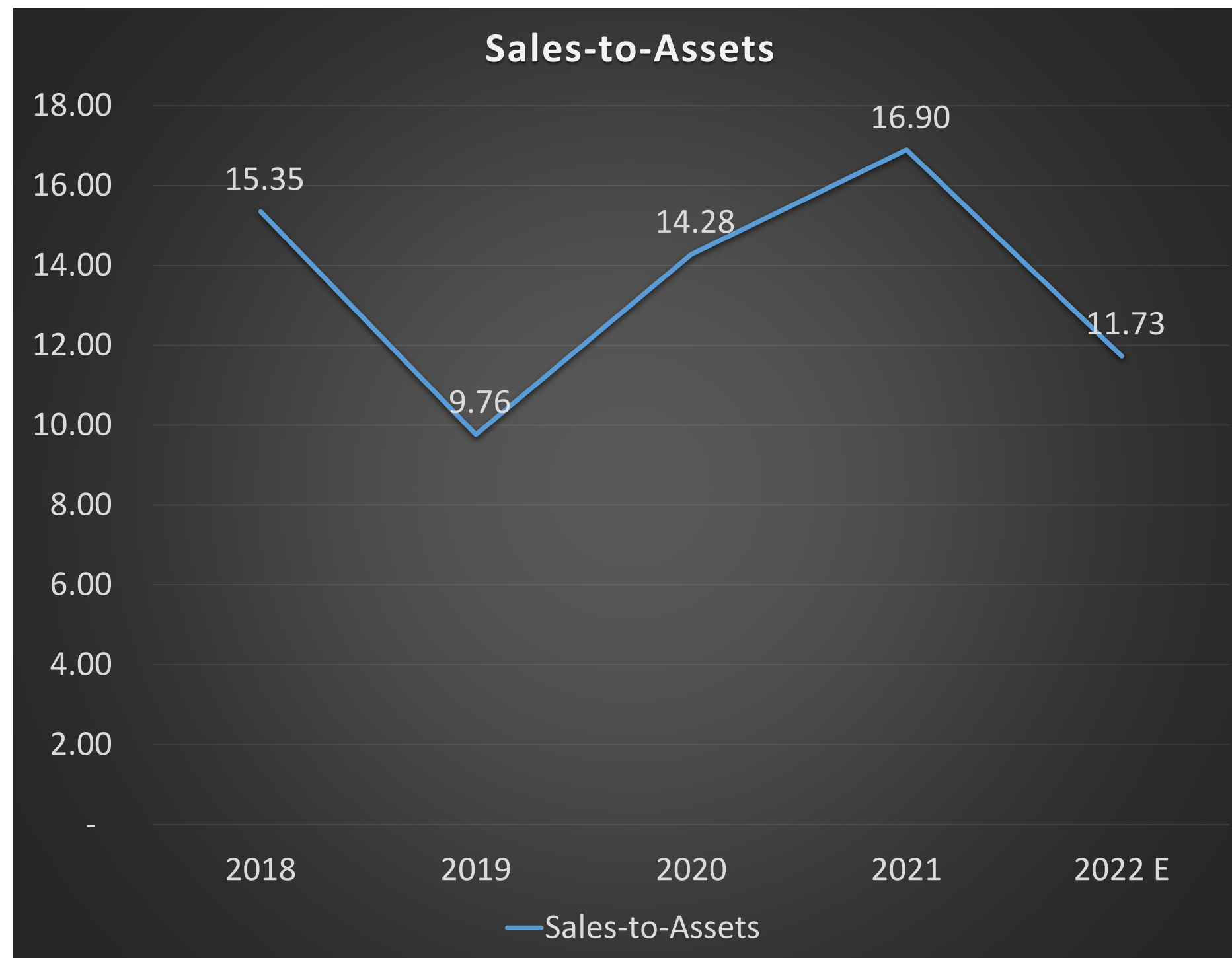
➤ **Times Interest Earned ratio indicates company has zero exposure to outside creditors.**

➤ **Company can easily meet its interest payment obligations.**



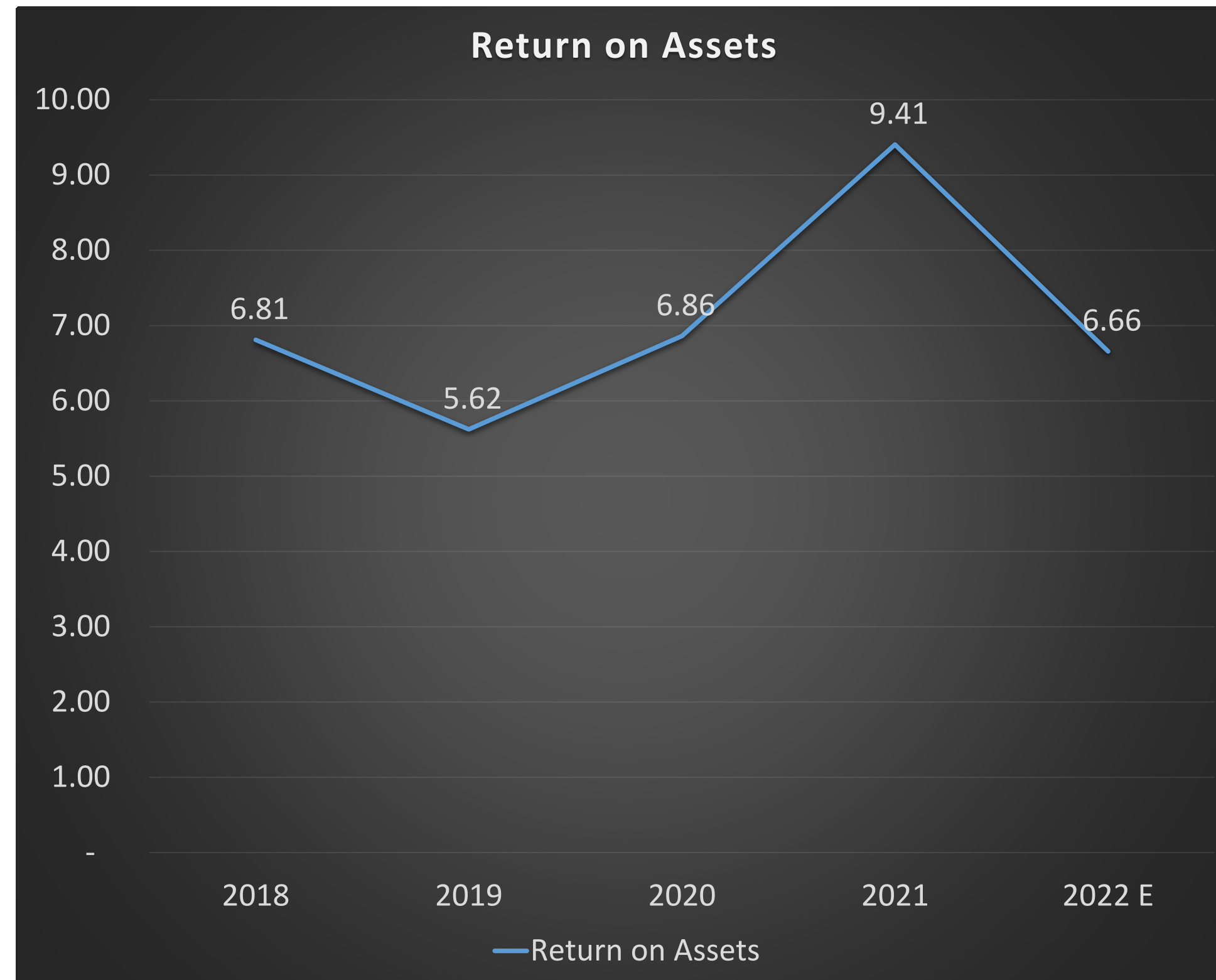
Asset Management Metrics

Sales to Total Assets



➤ **High Sales to Assets means that the Company is efficiently utilizing its Assets to generate Revenue.**

Return on Assets



- **High Return on Assets means that the Company is efficiently utilizing its Assets to generate Net Income.**
- **Overall, Company has efficient operations**



Overall Assessment



Overall Assessment

Overall, Pride Security, LLC seems to have efficient operations. Key

Highlights include:

- Pride Security, LLC growing at a health pace.
- Pride Security, LLC is generating high profitability.
- Pride Security, LLC has limited exposure to debt.
- Pride Security, LLC has good financial leverage.
- Pride Security, LLC can continue to operate without any need for outside financing.



THANK'S