



Recently the owners of Monsanna met to discuss selling the company. It became too much work for it's distinguished president Mr. Steven J. Monsanna and his lovely wife Appelonia. In the early 80's he had worked hard to build a company based on new ideas and new products. Modifying, creating, updating it's products each year with technology took a tremendous toll on Mr. Monsanna's health.

Competition was fierce and coming from the international markets. This meant that research and development would be critical and ongoing. Then, there was internet marketing and sales going on and many people shopping online. At last years meeting, it was discussed to open retail branches in shopping centers and malls. But rents were so hight and this wasn't even tested on a small scale yet. Would the public accept all this connection teccnology? OMG expenses everywhere! The company R&D (Research and Development) is superb and always seems to be on the cutting edge, The public adores this company.

You have saved \$10,000.00 in hard earned after tax. You will need to borrow \$5,000.00 to complete the purchase. Ok, with high interest rates, is it worth the risk? Heck the interest rate to borrow is 4% per annum. (4%APR Annual Percentage Rate). Maybe you should think this through before adding such an expensive liability to your personal balance sheet.

With technology changing so fast could this company's older products be useless or just the beginning of major changes to how often customers upgrade? Will constant updates create a structural change? At what price is it a fantastic deal? Careful consideration and detailed evaluation must be reviewed before you use your liquid cash and put you signature on the note to borrow the rest.

There are 150 shares available for you to purchase which would represent 1% of the company. The offering price is \$100.00 per share. Is \$100.00 per share a good deal or a disaster? Heck that price is a \$15,000.00 (fifteen thousand dollar) investment for one percent of this company.

STUDYTHE BALANCE SHEET AND INCOME STATEMENT BELOW and DECIDE
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Monsanna Annual Balance Sheet

ASSETS	2025	2024	2023	2022
Cash	28,267	27,199	28,359	18,546
Cash Equivalents	7,667	2,744	1,606	5,100
Short Term Investments	18,763	35,228	31,590	24,658
<i>Cash & Short Term Investments</i>	<i>54,697</i>	<i>65,171</i>	<i>61,555</i>	<i>48,304</i>
Accounts Receivable AR Trade	39,777	33,410	29,508	28,184
Receivables Other AR Total	72,957	66,243	60,985	60,932
Inventories -Finished	7,168	6,128	5,854	5,804
Prepaid Expenses	1,410	920	780	726
Other Current Assets	14,585	14,287	14,695	12,223
<i>Total Current Assets</i>	<i>147,957</i>	<i>152,987</i>	<i>143,566</i>	<i>135,405</i>
FFE Furniture/Fixtures/Equipment,	77,053	74,362	68,260	62,874
Real Estate Buildings	15,091	14,233	12,839	11,271
Land and Other Parcels	27,337	24,690	23,446	22,126
<i>Property/Plant/Equipment, Total</i>	<i>137,053</i>	<i>129,362</i>	<i>125,260</i>	<i>124,874</i>
Depreciation	(76,014)	(73,448)	(70,884)	(72,340)
Goodwill, Net	1,412	1,240	1,190	1,080
Intangibles, Net	2,612	2,141	2,012	1,817
Long Term Investments	77,723	91,479	100,544	120,805
Notes and other Long Term Assets	72,522	64,600	54,097	44,011
<i>Total Assets</i>	<i>359,241</i>	<i>364,980</i>	<i>352,583</i>	<i>352,755</i>
<i>LIABILITIES</i>				
Accounts Payable AP	69,860	68,960	62,611	64,115
Accrued Expenses	10,498	1,488	1,410	1,534
Notes Payable/Short Term Debt	7,979	9,967	5,985	9,982
Capital Leases Owing	12,888	11,056	9,987	11,257
Other Current liabilities	64,406	84,921	65,315	67,094
<i>Total Current Liabilities</i>	<i>165,631</i>	<i>176,392</i>	<i>145,308</i>	<i>153,982</i>
Long Term Debt	79,020	86,502	96,140	98,959
Capital Lease Obligations	692	752	859	812
Tax	--	--	--	--
Other Long Term Liabilities	40,857	45,136	48,989	48,330
<i>Total Liabilities</i>	<i>285,508</i>	<i>308,030</i>	<i>290,437</i>	<i>302,083</i>
<i>SHAREHOLDERS EQUITY</i>				
Common Stock Par Value	0.1477	0.1512	0.1555	0.1594
Additional Paid-In Capital	93,568	83,276	73,812	64,849
Retained Earnings (Accumulated Deficit)	(14,264)	(19,154)	(214)	(3,068)
Other Equity, Total	(5,571)	(7,172)	(11,452)	(11,109)
<i>Total Equity</i>	<i>73,733</i>	<i>56,950</i>	<i>62,146</i>	<i>50,672</i>
Total Liabilities & Shareholders' Equity	359,241	364,980	352,583	352,755

MONSANNA COMPANY ANNUAL INCOME STATEMENT

	2025	2024	2023	2022
Total Revenue (TTM)	416,161	391,035	383,285	394,328
Cost of Revenue (C.O.G.S.) TTM	220,960	210,352	214,137	223,546
Gross Profit TTM	195,201	180,683	169,148	170,782
Selling/General/Admin. Expenses TTM	27,601	26,097	24,932	25,094
Research & Developmen TTM	34,550	31,370	29,915	26,251
Depreciation/Amortization	--	--	--	--
Interest/Investment Income	--	--	--	--
Total Operating Expenses TTM	283,111	267,819	268,984	274,891
Operating Income TTM	133,050	123,216	114,301	119,437
Interest Expense - Non-Operating	--	--	(3,933)	(2,931)
Interest/Invest Income - Non-Operating	--	--	3,750	2,825
Interest Inc.(Exp.),Net-Non-Op., Total	--	--	3,750	2,825
Gain (Loss) on Sale of Assets	--	--	--	--
Other Non-Operating Income (Expense)	(321)	269	(382)	(228)
Net Income Before Taxes TTM	132,729	123,485	113,736	119,103
Provision for Income Tax TTM	21,205	19,503	16,741	19,300
NET OPERATING INCOME (NOI) TTM	111,524	103,982	96,995	99,803
Preferred Dividends	--	--	--	--
Income Available to Distribute TTM	112,010	93,736	96,995	99,803
Average Shares Outstanding	15,005	15,408	15,813	16,326
EARNINGS PER SHARE (EPS) TTM	7.47	6.08	6.13	6.11

Notes and Projections

TTM refers to Trailing Twelve Months and posted is several past years results!

The Company operates various retail platforms, including it's own App Store, Gross Revenues are expected to grow at 12% with the new products due out next year in Septemeber. App store sales, licenses, and revenues are expected to add to the income. The company released it's going forward guidance. This is demonstrated in a format sometimes refered to as Pro-Forma. (which is a best guess of what is expected) Keep in mind other economic factors can vary this substansially.

PRO FORMA

Next Year Gross Revenue estimated \$467,000

Cost of Revenue estimated \$232,00 (because of Tariiffs and other trade ageements)

Selling expenses \$29,106 (higher wages, energy costs, and employee incentives)

Increase in Equity \$14,208 (due to smart real estate investments) (unrealized gain)

Average shares outstanding 14,000 (company plans to buy back 1000 shares with it's cash surplus) (creates less outstanding shares and greater value to shareholders)

Anticipated **forward earnings per share \$9.12** based on new product lines coming out & other relevant data.