

Target, Inc.

***Purchase Price Allocation For Accounting Standards
Codifications 805 (ASC 805) purposes***

**Valuation Date As of:
April 21, 2022**

OBJECTIVE

Investment Banking & Valuation

All Purchase Price Allocations will be accompanied by a written report.

Since our reports are often issued following the auditor approval of the numbers, PPA's often focus on detailed exhibits, good footnotes, and careful math that reconciles the purchase price of the transaction with the individual asset values.

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Particulars	Amount	Reference
Purchase Price	\$32,065,832	Per Securities Purchase Agreement ("SPA")
Add: Estimated Closing Cash Amount	\$399,553	Per SPA and Provided by Management
Add: Estimated Closing Working Capital Adjustment Amount	\$377,398	
Less: Estimated Closing Indebtedness Amount	(\$3,858,058)	
Less: Estimated Closing Third Party Expenses	(\$1,796,791)	
Cash Consideration	\$27,187,935	
Less: Adjustment Escrow Amount (Cash and Shares)	(\$500,000)	Per SPA
Less: Indemnity Escrow Amount (Cash and Shares)	(\$5,000,000)	Per SPA (Calculated by Management)
Add: Stock Consideration	\$4,476,742	
Add: Adjustment Escrow Amount (Cash and Shares) (1)	\$486,716	Per SPA
Add: Indemnity Escrow Amount (Cash and Shares) (1)	\$4,867,163	
Total Purchase Price	\$31,518,556	

Purchase Price Allocation

Asset Category	Fair Value	Life
Cash and Cash Equivalents	\$399,553	
Working Capital (excluding cash)	(\$1,548,189)	
Net Fixed Assets	\$0	
Total Tangible Assets	(\$1,148,636)	
Developed Technology - MPEEM	\$12,337,000	6 years
In-process research and development (IPR&D) - MPEEM	\$282,000	N/A
Customer Relationship - With/Without Method	\$5,380,900	6 years
Trademarks/Trade Names - RfR Method	\$22,350	1 year
Non-Compete Agreement - With/Without Method	\$469,730	2 years
Assembled Workforce - Cost to Recreate Method (2)	\$1,289,400	N/A
Implied Goodwill (Exc. Assembled Workforce)	\$12,885,812	N/A
Total Intangible Assets (3)	\$32,667,192	
Total Purchase Price	\$31,518,556	

Key Rates	Concluded Rates
Weighted Average Cost of Capital (WACC)	24.0%
Weighted Average Return on Assets (WARA)	25.8%
Internal Rate of Return (IRR)	25.6%

Footnotes:

- (1) Pursuant to the stock purchase agreement, the "Escrow Release Date" is 15 months. Hence, the present value of the amount was estimated at risk free rate and adjusted in the purchase consideration.
- (2) Assembled workforce is subsumed into goodwill in the final allocation of the purchase price.
- (3) Other intangible assets or liabilities considered but not valued and assumed to be at Fair Value on the closing BS:
 - (a) Deferred Revenue

Reconciling the purchase price inclusive of any fair value adjustments is key to starting off on the right track.

PPA's can be viewed as a resembling a puzzle, and it is an appraisers job to fair value the intangible assets so the accounting teams can reconcile the closing and opening balance sheets. Objective specializes in **intangible assets**, which often include Brands, Technology, and Customer Relationships.

Objective Valuation, LLC

As of April 21, 2022

Target, Inc.

Preliminary Draft

Discounted Cash Flow Method - Representative Level Forecasts
Schedule B.1

	Projected									
	For Financial Year Ending									
	2022	2023	2024	2025	2026	2027	2028	2029	2030	Terminal
Revenue	\$9,135,562	\$14,836,456	\$24,214,300	\$34,963,242	\$46,515,436	\$56,217,231	\$62,337,339	\$66,027,349	\$69,328,717	\$71,408,578
Adjusted EBIT	\$37,202	\$1,911,065	\$5,781,940	\$8,914,319	\$12,576,146	\$16,633,630	\$18,949,003	\$20,470,364	\$21,983,726	\$23,881,082
Opening NOLs (1)	(\$7,034,035)	(\$7,004,273)	(\$5,475,421)	(\$849,869)	\$0	\$0	\$0	\$0	\$0	\$0
NOLs Consumption/(Accretion)	\$29,762	\$1,528,852	\$4,625,552	\$849,869	\$0	\$0	\$0	\$0	\$0	\$0
Taxable Income	\$7,440	\$382,213	\$1,156,388	\$8,064,450	\$12,576,146	\$16,633,630	\$18,949,003	\$20,470,364	\$21,983,726	\$23,881,082
Less: Tax Expense	(\$1,972)	(\$101,286)	(\$306,443)	(\$2,137,079)	(\$3,332,679)	(\$4,407,912)	(\$5,021,486)	(\$5,424,647)	(\$5,825,687)	(\$6,328,487)
Operating Profit After Taxes	\$35,231	\$1,809,778	\$5,475,498	\$6,777,240	\$9,243,467	\$12,225,718	\$13,927,517	\$15,045,718	\$16,158,038	\$17,552,595
Add: Depreciation & Amortization	\$45,678	\$62,313	\$85,296	\$103,557	\$117,359	\$127,061	\$186,431	\$242,772	\$291,123	\$357,043
Less: Capital Expenditures	(\$45,678)	(\$74,182)	(\$121,072)	(\$174,816)	(\$232,577)	(\$281,086)	(\$311,687)	(\$330,137)	(\$346,644)	(\$357,043)
Less: Changes in Debt Free Working Capital	(\$424,038)	\$855,134	\$1,406,677	\$1,612,341	\$1,732,829	\$1,455,269	\$918,016	\$553,501	\$495,205	\$311,979
Less: Research & Development Expenditure Adjustment	(\$3,843,546)	(\$4,356,803)	(\$4,842,629)	(\$6,992,648)	(\$8,372,778)	(\$8,994,757)	(\$8,727,228)	(\$7,923,282)	(\$6,932,872)	(\$7,140,858)
Add: Research & Development Amortization	\$768,709	\$1,640,070	\$2,608,596	\$4,007,125	\$5,681,681	\$6,711,923	\$7,586,008	\$8,202,139	\$8,190,183	\$7,140,858
Free Cash Flow to Invested Capital	(\$3,463,644)	(\$63,690)	\$4,612,366	\$5,332,799	\$8,169,981	\$11,244,128	\$13,579,058	\$15,790,711	\$17,855,034	\$17,864,575
Partial Period Adjustment	0.70	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Discount Period	0.35	1.20	2.20	3.20	4.20	5.20	6.20	7.20	8.20	8.20
Present Value Discount Factor	25.6%	0.76	0.61	0.48	0.38	0.31	0.24	0.19	0.15	0.15
Present Value of Net Cash Flow	(\$2,226,249)	(\$48,472)	\$2,793,767	\$2,570,791	\$3,134,567	\$3,433,423	\$3,300,017	\$3,054,170	\$2,748,510	

Business Enterprise Value	\$30,902,873
Plus: Present Value of Amortization Tax Benefit (2)	\$0
Plus: Cash	\$399,553
Total Present Value	\$31,302,427
Total Purchase Price	\$31,518,556

Terminal Value Calculation	
2031 Cash Flow	\$17,864,575
Long-Term Growth Rate	3.0%
Terminal Value (in future)	\$78,879,856
Discount Period	8.20
Present Value Factor	0.15
PV of Terminal Value	\$12,142,348

Footnotes:

- (1) Based on the discussions with Management.
- (2) Based on the discussions with Management, the transaction is considered to be a stock deal and Management has indicated that section 338g election was not made.

A first step will always be to determine the IRR of the transaction based on the deal model used to justify the acquisition.

	Projected								
	For Financial Year Ending								
	2022	2023	2024	2025	2026	2027	2028	2029	2030
Software/Subscriptions	\$5,799,086	\$8,618,530	\$13,789,524	\$19,305,334	\$25,096,934	\$30,116,321	\$33,127,953	\$34,784,350	\$36,523,568
Services	\$710,026	\$1,570,526	\$3,037,776	\$5,316,108	\$7,974,162	\$9,967,703	\$11,462,858	\$12,609,144	\$13,239,601
Integration	\$2,626,450	\$4,647,400	\$7,387,000	\$10,341,800	\$13,444,340	\$16,133,208	\$17,746,529	\$18,633,855	\$19,565,548
Total Revenue (1)	\$9,135,562	\$14,836,456	\$24,214,300	\$34,963,242	\$46,515,436	\$56,217,231	\$62,337,339	\$66,027,349	\$69,328,717
Software/Subscriptions	\$1,245,483	\$1,278,487	\$1,630,175	\$2,179,007	\$2,666,395	\$2,941,443	\$3,116,867	\$3,301,367	\$3,466,436
Services	\$373,275	\$571,028	\$810,866	\$1,135,853	\$1,464,635	\$1,713,899	\$1,900,483	\$2,012,981	\$2,113,630
Integration	\$2,216,846	\$3,787,591	\$5,789,256	\$8,306,713	\$10,981,558	\$13,187,672	\$14,529,847	\$15,290,889	\$15,951,440
Total Cost of Revenue	\$3,835,604	\$5,637,106	\$8,230,296	\$11,621,573	\$15,112,588	\$17,843,014	\$19,547,197	\$20,605,237	\$21,531,506
Gross Profit	\$5,299,958	\$9,199,350	\$15,984,004	\$23,341,668	\$31,402,848	\$38,374,217	\$42,790,142	\$45,422,112	\$47,797,211
<i>Gross Margin</i>	<i>58.0%</i>	<i>62.0%</i>	<i>66.0%</i>	<i>66.8%</i>	<i>67.5%</i>	<i>68.3%</i>	<i>68.6%</i>	<i>68.8%</i>	<i>68.9%</i>
Operating Expenses									
Sales & Marketing Expense	\$2,078,663	\$2,933,532	\$4,414,309	\$6,024,227	\$7,549,535	\$8,561,981	\$9,350,601	\$9,904,102	\$10,399,308
General & Administrative Expense	\$2,369,706	\$2,652,370	\$3,093,863	\$4,292,440	\$5,478,127	\$6,339,622	\$6,718,100	\$6,602,735	\$6,932,872
Research & Development (2)	\$3,843,546	\$4,356,803	\$4,842,629	\$6,992,648	\$8,372,778	\$8,994,757	\$8,727,228	\$7,923,282	\$6,932,872
Depreciation (3)	\$45,678	\$62,313	\$85,296	\$103,557	\$117,359	\$127,061	\$186,431	\$242,772	\$291,123
Total Operating Expenses	\$8,337,593	\$10,005,018	\$12,436,096	\$17,412,872	\$21,517,799	\$24,023,420	\$24,982,359	\$24,672,891	\$24,556,174
EBIT	(\$3,037,635)	(\$805,669)	\$3,547,908	\$5,928,796	\$9,885,049	\$14,350,797	\$17,807,783	\$20,749,221	\$23,241,037
EBITDA	(\$2,991,957)	(\$743,355)	\$3,633,204	\$6,032,353	\$10,002,407	\$14,477,857	\$17,994,214	\$20,991,993	\$23,532,160
R&D Expenditure Adjustment (2)	\$3,843,546	\$4,356,803	\$4,842,629	\$6,992,648	\$8,372,778	\$8,994,757	\$8,727,228	\$7,923,282	\$6,932,872
R&D Amortization (2)	\$768,709	\$1,640,070	\$2,608,596	\$4,007,125	\$5,681,681	\$6,711,923	\$7,586,008	\$8,202,139	\$8,190,183
Adjusted EBIT (2)	\$37,202	\$1,911,065	\$5,781,940	\$8,914,319	\$12,576,146	\$16,633,630	\$18,949,003	\$20,470,364	\$21,983,726
Adjusted EBITDA (2)	\$851,589	\$3,613,448	\$8,475,832	\$13,025,002	\$18,375,186	\$23,472,614	\$26,721,442	\$28,915,275	\$30,465,032

	Projected								
	For Financial Year Ending								
	2022	2023	2024	2025	2026	2027	2028	2029	2030
Assumptions and Margins									
Revenue Growth									
Software/Subscriptions Revenue Growth	18.8%	48.6%	60.0%	40.0%	30.0%	20.0%	10.0%	5.0%	5.0%
Services Revenue Growth	66.8%	121.2%	93.4%	75.0%	50.0%	25.0%	15.0%	10.0%	5.0%
Integration Revenue Growth	120.4%	76.9%	58.9%	40.0%	30.0%	20.0%	10.0%	5.0%	5.0%
Total Revenue Growth	40.6%	62.4%	63.2%	44.4%	33.0%	20.9%	10.9%	5.9%	5.0%
Operating Costs									
Software/Subscriptions	13.6%	8.6%	6.7%	6.2%	5.7%	5.2%	5.0%	5.0%	5.0%
Services	4.1%	3.8%	3.3%	3.2%	3.1%	3.0%	3.0%	3.0%	3.0%
Integration	24.3%	25.5%	23.9%	23.8%	23.6%	23.5%	23.3%	23.2%	23.0%
Total Cost of Revenue	42.0%	38.0%	34.0%	33.2%	32.5%	31.7%	31.4%	31.2%	31.1%
Gross Margin	58.0%	62.0%	66.0%	66.8%	67.5%	68.3%	68.6%	68.8%	68.9%
Operating Costs (4)									
Sales & Mktg. Expense as % of Revenue	22.8%	19.8%	18.2%	17.2%	16.2%	15.2%	15.0%	15.0%	15.0%
General & Admin. Expense as % of Revenue	25.9%	17.9%	12.8%	12.3%	11.8%	11.3%	10.8%	10.0%	10.0%
Research & Development Expenses as % of Revenue (2)	42.1%	29.4%	20.0%	20.0%	18.0%	16.0%	14.0%	12.0%	10.0%
Depreciation & Amt. as % of Revenue	0.5%	0.4%	0.4%	0.3%	0.3%	0.2%	0.3%	0.4%	0.4%
Total Operating Cost	91.3%	67.4%	51.4%	49.8%	46.3%	42.7%	40.1%	37.4%	35.4%
Tax Rate	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%	26.5%
Profit Margins									
EBIT Margin	(33.3%)	(5.4%)	14.7%	17.0%	21.3%	25.5%	28.6%	31.4%	33.5%
EBITDA Margin	(32.8%)	(5.0%)	15.0%	17.3%	21.5%	25.8%	28.9%	31.8%	33.9%
Adjusted Profit Margins (2)									
EBIT Margin	0.4%	12.9%	23.9%	25.5%	27.0%	29.6%	30.4%	31.0%	31.7%
EBITDA Margin	9.3%	24.4%	35.0%	37.3%	39.5%	41.8%	42.9%	43.8%	43.9%

Projected									
For Financial Year Ending									
2022	2023	2024	2025	2026	2027	2028	2029	2030	2030

Cash Flow Assumptions**Capital Expenditures Assumptions**

Capital Expenditures (5)	\$45,678	\$74,182	\$121,072	\$174,816	\$232,577	\$281,086	\$311,687	\$330,137	\$346,644
% of Revenues	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
Depr. as a % of Cap. Ex	100.0%	84.0%	70.5%	59.2%	50.5%	45.2%	59.8%	73.5%	84.0%

Working Capital Assumptions

Cash-Free, Debt-Free Net Working Capital	(\$1,370,334)	(\$2,225,468)	(\$3,632,145)	(\$5,244,486)	(\$6,977,315)	(\$8,432,585)	(\$9,350,601)	(\$9,904,102)	(\$10,399,308)
% of Revenue (6)	(15.0%)	(15.0%)	(15.0%)	(15.0%)	(15.0%)	(15.0%)	(15.0%)	(15.0%)	(15.0%)
Change in Net Working Capital	(\$424,038)	\$855,134	\$1,406,677	\$1,612,341	\$1,732,829	\$1,455,269	\$918,016	\$553,501	\$495,205

Footnotes:

(1) Management provided financial projections until 2024. The projections were extended based on Management's guidance and historical trend.

(2) See Schedule B.4.

Research and development expenses as a % of revenue represent the expected research and development expenses each year without adjusting for amortization due to the TCJA. Total operating costs and profit margins include adjustments due to R&D amortization.

(3) See Schedule B.3.

(4) The operating expenses were adjusted based upon discussion with Management.

(5) Capital Expenditure as a percentage of revenues is based on lower end of guideline public companies. Historically, the Company had an asset light model.

(6) Working capital as a percentage of revenues is considered based on the discussion with Management and per the data exhibited by the guideline public companies.

Depreciation Schedule - Tax basis
Schedule B.3

Depreciation Schedule - Tax basis

Useful Life (in years) (1)	5.0									
Capital Expenditures Year (2):		12/31/2022	12/31/2023	12/31/2024	12/31/2025	12/31/2026	12/31/2027	12/31/2028	12/31/2029	12/31/2030
12/31/2022	\$45,678	\$45,678	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12/31/2023	\$74,182		\$62,313	\$2,967	\$2,967	\$2,967	\$2,967	\$0	\$0	\$0
12/31/2024	\$121,072			\$82,329	\$9,686	\$9,686	\$9,686	\$9,686	\$0	\$0
12/31/2025	\$174,816				\$90,904	\$20,978	\$20,978	\$20,978	\$20,978	\$0
12/31/2026	\$232,577					\$83,728	\$37,212	\$37,212	\$37,212	\$37,212
12/31/2027	\$281,086						\$56,217	\$56,217	\$56,217	\$56,217
12/31/2028	\$311,687							\$62,337	\$62,337	\$62,337
12/31/2029	\$330,137								\$66,027	\$66,027
12/31/2030	\$346,644									\$69,329
Depreciation - New Capex		\$45,678	\$62,313	\$85,296	\$103,557	\$117,359	\$127,061	\$186,431	\$242,772	\$291,123
Total Depreciation		\$45,678	\$62,313	\$85,296	\$103,557	\$117,359	\$127,061	\$186,431	\$242,772	\$291,123

Footnotes:

- (1) Based on information provided by Management.
- (2) Please refer to Schedule B.2.

		For Fiscal Year Ending								
		2022	2023	2024	2025	2026	2027	2028	2029	2030
Research & Development Expense (1)		\$3,843,546	\$4,356,803	\$4,842,629	\$6,992,648	\$8,372,778	\$8,994,757	\$8,727,228	\$7,923,282	\$6,932,872
Life of Research & Development (yrs.)	5.0									
R&D Amortization Schedule										
Research & Development Year:		2022	2023	2024	2025	2026	2027	2028	2029	2030
2022	\$3,843,546	\$768,709	\$768,709	\$768,709	\$768,709	\$768,709	\$0	\$0	\$0	\$0
2023	\$4,356,803		\$871,361	\$871,361	\$871,361	\$871,361	\$871,361	\$0	\$0	\$0
2024	\$4,842,629			\$968,526	\$968,526	\$968,526	\$968,526	\$968,526	\$0	\$0
2025	\$6,992,648				\$1,398,530	\$1,398,530	\$1,398,530	\$1,398,530	\$1,398,530	\$0
2026	\$8,372,778					\$1,674,556	\$1,674,556	\$1,674,556	\$1,674,556	\$1,674,556
2027	\$8,994,757						\$1,798,951	\$1,798,951	\$1,798,951	\$1,798,951
2028	\$8,727,228							\$1,745,446	\$1,745,446	\$1,745,446
2029	\$7,923,282								\$1,584,656	\$1,584,656
2030	\$6,932,872									\$1,386,574
Total Amortization		\$768,709	\$1,640,070	\$2,608,596	\$4,007,125	\$5,681,681	\$6,711,923	\$7,586,008	\$8,202,139	\$8,190,183

Footnotes:

(1) See Schedule B.2.

Research and development expenses are provided by Management on an annual basis, but are amortized over the course of the succeeding five years beginning in 2022 in adherence with the Tax Cuts and Jobs Act ("TCJA") of 2017.

Cost of Capital - Weighted Average Cost of Capital
Schedule C.1

Weighted Average Cost of Capital

Capital Structure Components	Cost of Capital	Weighting (1)	Weighted Cost	Reference
Debt	2.3%	5.0%	0.1%	
Equity	25.3%	95.0%	24.0%	
Calculated			24.1%	
Applied			24.0%	
Cost of Debt				
Pre-tax Cost of Debt			3.1%	(2)
Tax Rate			26.5%	
Post-Tax Cost of Debt			2.3%	
Cost of Equity				
Risk-Free Rate			3.1%	(3)
Market Risk Premium		6.0%		(4)
Beta, Relevered		1.3		(5)
Equity Risk Premium			7.5%	(4)*(5)
Size Premium			8.1%	(6)
Implied Unsystematic Risk Premium			6.5%	(7)
Calculated Cost of Equity			25.3%	

Footnotes:

- (1) The capital structure weight is based on the guideline public companies.
- (2) The Company's cost of borrowing was estimated using the Moody's Seasoned Baa Corporate Bond Yield as of the Valuation Date.
- (3) Reflects the yield on 20-year US treasuries as of the Valuation Date.
- (4) Source: Duff & Phelps Cost of Capital Navigator.
- (5) The beta is based on the unlevered beta of the guideline companies and relevered based on the Company's capital structure. See Schedule C.2.
- (6) Based on Duff & Phelps Cost of Capital Navigator - 10b decile companies.
- (7) Represents risk specific to the Company and includes forecast, integration and economic risks. Overall risk is in line with the Bridge/IPO stage of Venture Capital rates of return based on the AICPA practice aid.

The transaction IRR will then be benchmarked against market capital costs through a weighted average cost of capital calculation (WACC) to gauge its reasonableness.

Beta Summary

Guideline Public Companies	Market Value of Common	Book Value of Preferred	Book Value of Debt	Minority Interest	Total Invested Capital	Debt / Equity	D/MVIC	Assumed Tax Rate for Beta	Levered Beta (2)	Unlevered Beta (C1)
Snap One Holdings Corp.	\$1,060.8	\$0.0	\$452.7	\$0.3	\$1,513.8	42.7%	29.9%	26.5%	NA	nmf
Alarm.com Holdings, Inc.	\$3,037.3	\$0.0	\$468.3	\$12.9	\$3,518.4	15.4%	13.3%	26.5%	1.22x	1.10x
Appian Corporation	\$3,712.8	\$0.0	\$56.9	\$0.0	\$3,769.7	1.5%	1.5%	26.5%	1.69x	1.67x
SPS Commerce, Inc.	\$4,531.7	\$0.0	\$20.5	\$0.0	\$4,552.2	0.5%	0.5%	26.5%	0.81x	0.80x
Alteryx, Inc.	\$4,702.9	\$0.0	\$862.2	\$0.0	\$5,565.0	18.3%	15.5%	26.5%	0.65x	0.58x
Investnet, Inc.	\$4,531.6	\$0.0	\$965.8	\$2.5	\$5,499.8	21.3%	17.6%	26.5%	1.19x	1.03x
Qualys, Inc.	\$5,555.4	\$0.0	\$48.5	\$0.0	\$5,604.0	0.9%	0.9%	26.5%	0.76x	0.76x
MicroStrategy Incorporated	\$4,833.8	\$0.0	\$2,241.0	\$0.0	\$7,074.7	46.4%	31.7%	26.5%	1.62x	1.21x
Paycom Software, Inc.	\$18,298.3	\$0.0	\$60.1	\$0.0	\$18,358.4	0.3%	0.3%	26.5%	1.48x	1.48x
Splunk Inc.	\$20,225.7	\$0.0	\$3,407.3	\$0.0	\$23,633.0	16.8%	14.4%	26.5%	1.26x	1.12x
Datadog, Inc.	\$38,365.2	\$0.0	\$807.7	\$0.0	\$39,172.9	2.1%	2.1%	26.5%	1.07x	1.06x
Workday, Inc.	\$53,325.0	\$0.0	\$2,102.8	\$0.0	\$55,427.7	3.9%	3.8%	26.5%	1.37x	1.33x
Salesforce, Inc.	\$175,280.5	\$0.0	\$14,370.0	\$0.0	\$189,650.5	8.2%	7.6%	26.5%	1.09x	1.03x
Intel Corporation	\$194,211.4	\$0.0	\$38,641.0	\$0.0	\$232,852.4	19.9%	16.6%	26.5%	0.55x	0.48x
Minimum	\$1,060.8	\$0.0	\$20.5		\$1,513.8	0.3%	0.0%	26.5%	0.55x	0.48x
First Quartile	\$4,531.6	\$0.0	\$158.2		\$4,789.1	1.7%	1.6%	26.5%	0.81x	0.80x
Median	\$5,194.6	\$0.0	\$834.9		\$6,339.4	11.8%	10.4%	26.5%	1.19x	1.06x
Mean	\$37,976.6	\$0.0	\$4,607.5		\$42,585.2	14.2%	11.1%	26.5%	1.14x	1.05x
Third Quartile	\$33,830.3	\$0.0	\$2,206.4		\$35,287.9	19.5%	16.3%	26.5%	1.37x	1.21x
Maximum	\$194,211.4	\$0.0	\$38,641.0		\$232,852.4	46.4%	31.7%	26.5%	1.69x	1.67x

Selected Unlevered Beta (1)

1.2x

Footnotes:

(1) The selected beta was towards the third quartile of the guideline public companies.

Computational Note:

Levering/Unlevering Formulas:

$$\text{Unlevered Beta} = \text{Beta Observed} / [1 + D/E (1 - t)]$$

$$\text{Relevered Beta} = \text{Unlevered Beta} * [1 + D/E (1 - t)]$$

*NA or nmf represents not available or not meaningful.

Just like in a business valuation, understanding market volatility and betas is key to benchmarking the IRR, WACC, and WARA.

Cost of Capital ("CAC") to Weighted Average Return on Assets ("WARA") Reconciliation

Asset Category	Reference	Fair Value	Return	Premium (1)	Required Return	Percent of Purchase Price	WARA
Cash and Cash Equivalents	Appendix A.3	\$399,553	2.6%	0.0%	2.6%	1.3%	0.0%
Working Capital (excluding cash)	Appendix A.3	(\$1,548,189)	2.6%	0.7%	3.3%	(4.9%)	(0.2%)
Net Fixed Assets	Appendix A.3	\$0	4.0%	0.0%	4.0%	0.0%	0.0%
Developed Technology - MPEEM	Schedule D.1.a	\$12,337,000	24.0%	0.0%	24.0%	39.1%	9.4%
In-process research and development (IPR&D) - MPEEM	Schedule D.1.b	\$282,000	24.0%	1.0%	25.0%	0.9%	0.2%
Customer Relationship - With/Without Method	Schedule E.1	\$5,380,900	24.0%	0.0%	24.0%	17.1%	4.1%
Trademarks/Trade Names - RfR Method	Schedule F.1	\$22,350	24.0%	0.0%	24.0%	0.1%	0.0%
Non-Compete Agreement - With/Without Method	Schedule G.1	\$469,730	24.0%	0.0%	24.0%	1.5%	0.4%
Assembled Workforce - Cost to Recreate Method (2)	Schedule H.1	\$1,289,400	24.0%	0.0%	24.0%	4.1%	1.0%
Implied Goodwill (Exc. Assembled Workforce)	Residual	\$12,885,812	24.0%	2.5%	26.5%	40.9%	10.8%
Total Purchase Price		\$31,518,556				100.0%	25.8%

Footnotes:

- (1) Required rate of return on cash is equal to the US Prime Lending Rate. The premium is added to US Prime Lending Rate for all other tangible assets and to the WACC for all intangible assets.
- (2) Assembled workforce is subsumed into goodwill in the final allocation of the purchase price.

The total purchase price should equal the total assets as well as the weighted average return on these assets. This is an important check that all appraisers should do in order to validate the IRR and the reasonableness of each individual discount rate used for the intangible assets.

Intangible Assets

Intangible assets include the key intellectual property items that make up the value add for the business.

In the case of retail and e-commerce, Brand (including trade names, trademarks, and domain names) will have significant value.

In the case of SaaS companies, technology in the form of software will often make up the bulk of the purchase price.

However, in situations in which contracts and customer retention is key to profit generation, Customer Contracts and Related Relationships will be the most important intangible.

While Goodwill is not explicitly valued, assembled workforce is often split as a component.

Further, it is worth noting that goodwill will often depend on how much premium was paid for the control of the individual assets, and how much value the acquirer attributes to future intangibles.

	Projected										
	For Financial Year Ending										
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Total Company Revenue	\$9,135,562	\$14,836,456	\$24,214,300	\$34,963,242	\$46,515,436	\$56,217,231	\$62,337,339	\$66,027,349	\$69,328,717	\$71,408,578	\$73,550,836
<i>Growth Rate</i>	NA	62.4%	63.2%	44.4%	33.0%	20.9%	10.9%	5.9%	5.0%	3.0%	3.0%
Percentage attributable to Existing Technology (1)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Revenue Attributable to Technology	\$9,135,562	\$14,836,456	\$24,214,300	\$34,963,242	\$46,515,436	\$56,217,231	\$62,337,339	\$66,027,349	\$69,328,717	\$71,408,578	\$73,550,836
Average Remaining Technology (2)	99.7%	97.5%	95.0%	90.0%	80.0%	60.0%	20.0%	10.0%	5.0%	2.5%	1.0%
Existing Technology Revenue	\$9,107,774	\$14,465,544	\$23,003,585	\$31,466,918	\$37,212,349	\$33,730,339	\$12,467,468	\$6,602,735	\$3,466,436	\$1,785,214	\$735,508
Cost of Sales	\$3,823,937	\$5,496,178	\$7,818,782	\$10,459,416	\$12,090,070	\$10,705,809	\$3,909,439	\$2,060,524	\$1,076,575	\$554,436	\$228,428
<i>As a % of Revenue</i>	42.0%	38.0%	34.0%	33.2%	32.5%	31.7%	31.4%	31.2%	31.1%	31.1%	31.1%
Gross Profit	\$5,283,837	\$8,969,366	\$15,184,804	\$21,007,502	\$25,122,278	\$23,024,530	\$8,558,028	\$4,542,211	\$2,389,861	\$1,230,778	\$507,081
<i>Gross Margin</i>	58.0%	62.0%	66.0%	66.8%	67.5%	68.3%	68.6%	68.8%	68.9%	68.9%	68.9%
Selling & Marketing Expense	\$2,072,340	\$2,860,194	\$4,193,593	\$5,421,804	\$6,039,628	\$5,137,189	\$1,870,120	\$990,410	\$519,965	\$267,782	\$110,326
<i>As a % of Revenue</i>	22.8%	19.8%	18.2%	17.2%	16.2%	15.2%	15.0%	15.0%	15.0%	15.0%	15.0%
General & Administrative Expense	\$2,362,498	\$2,586,060	\$2,939,170	\$3,863,196	\$4,382,501	\$3,803,773	\$1,343,620	\$660,273	\$346,644	\$178,521	\$73,551
<i>As a % of Revenue</i>	25.9%	17.9%	12.8%	12.3%	11.8%	11.3%	10.8%	10.0%	10.0%	10.0%	10.0%
Research & Development	\$957,964	\$1,061,971	\$1,150,124	\$1,573,346	\$1,674,556	\$1,349,214	\$436,361	\$198,082	\$86,661	\$44,630	\$18,388
<i>Unadjusted R&D As a % of Revenue</i>	42.1%	29.4%	20.0%	20.0%	18.0%	16.0%	14.0%	12.0%	10.0%	10.0%	10.0%
<i>% Attributable to Developed Technology (3)</i>	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
<i>As a % of Revenue</i>	10.5%	7.3%	5.0%	5.0%	4.5%	4.0%	3.5%	3.0%	2.5%	2.5%	2.5%
EBITDA	(\$108,965)	\$2,461,141	\$6,901,916	\$10,149,156	\$13,025,593	\$12,734,355	\$4,907,927	\$2,693,445	\$1,436,591	\$739,844	\$304,816
<i>As a % of Revenue</i>	(1.2%)	17.0%	30.0%	32.3%	35.0%	37.8%	39.4%	40.8%	41.4%	41.4%	41.4%
Less: Depreciation and Amortization	\$45,539	\$60,755	\$81,031	\$93,202	\$93,887	\$76,236	\$37,286	\$24,277	\$14,556	\$7,496	\$3,089
<i>As a % of Revenue</i>	0.5%	0.4%	0.4%	0.3%	0.3%	0.2%	0.3%	0.4%	0.4%	0.4%	0.4%
EBIT	(\$154,504)	\$2,400,386	\$6,820,885	\$10,055,954	\$12,931,706	\$12,658,119	\$4,870,641	\$2,669,168	\$1,422,035	\$732,348	\$301,727
<i>As a % of Revenue</i>	(1.7%)	16.6%	29.7%	32.0%	34.8%	37.5%	39.1%	40.4%	41.0%	41.0%	41.0%

		Projected										
		For Financial Year Ending										
		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Tax Expense	26.5%	(\$40,943)	\$636,102	\$1,807,535	\$2,664,828	\$3,426,902	\$3,354,401	\$1,290,720	\$707,330	\$376,839	\$194,072	\$79,958
Operating Profit After Tax		(\$113,560)	\$1,764,283	\$5,013,351	\$7,391,126	\$9,504,804	\$9,303,717	\$3,579,921	\$1,961,839	\$1,045,195	\$538,276	\$221,770
Contributory Asset Charges (After-Tax) (4)												
Working Capital		\$52,177	\$57,979	\$92,027	\$132,118	\$161,694	\$152,905	\$58,818	\$31,842	\$16,788	\$8,728	\$3,596
Net Fixed Assets		\$0	(\$234)	(\$1,143)	(\$3,030)	(\$5,708)	(\$7,547)	(\$3,645)	(\$2,252)	(\$1,270)	(\$663)	(\$265)
Non-Compete Agreements		(\$112,392)	(\$109,917)	(\$32,570)								
Assembled Workforce		(\$308,515)	(\$301,720)	(\$293,983)	(\$278,510)	(\$247,565)	(\$185,674)	(\$61,891)	(\$30,946)	(\$15,473)	(\$7,736)	(\$3,095)
Customer Relationships		(\$1,287,488)	(\$1,259,131)	(\$1,226,845)	(\$1,162,274)	(\$1,033,133)	(\$774,850)	(\$258,283)	(\$129,142)	(\$64,571)	(\$32,285)	(\$12,914)
Trade Name		(\$66,942)	(\$106,322)	(\$169,076)	(\$231,282)	(\$273,511)	(\$247,918)	(\$91,636)	(\$48,530)	(\$25,478)	(\$13,121)	(\$5,406)
Total Contributory Asset Charges		(\$1,723,160)	(\$1,719,344)	(\$1,631,590)	(\$1,542,979)	(\$1,398,222)	(\$1,063,083)	(\$356,637)	(\$179,027)	(\$90,004)	(\$45,078)	(\$18,084)
After Tax Cash Flow		(\$1,836,720)	\$44,940	\$3,381,760	\$5,848,147	\$8,106,582	\$8,240,634	\$3,223,284	\$1,782,812	\$955,191	\$493,197	\$203,685
Partial Period Adjustment		0.70	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Discount period		0.35	1.20	2.20	3.20	4.20	5.20	6.20	7.20	8.20	9.20	9.85
Present Value Discount Factor	24.0%	0.93	0.77	0.62	0.50	0.41	0.33	0.26	0.21	0.17	0.14	0.12
Present Value of Cash Flows		(\$1,185,982)	\$34,746	\$2,108,623	\$2,940,714	\$3,287,385	\$2,694,957	\$850,096	\$379,187	\$163,839	\$68,222	\$24,488
Net Present Value of Cash Flows	\$11,366,275											
Present Value of Future Tax Benefit	\$971,160											
Total Value	\$12,337,435											
Fair Value (Rounded)	\$12,337,000											
Useful Life	6 years											

Footnotes:

- (1) Based on discussions with Management, 100.0% of revenue is attributable to technology.
- (2) Obsolescence rate used to compute average remaining technology is based on an S-curve of decay based on a 10-year pattern as discussed with Management.
- (3) Based on discussions with Management, 25.0% of the R&D expense would be incurred towards maintaining the existing technology.
- (4) Refer to Schedule D.2.a for contributory asset charges.

A Multi-period earning model is often used to value the primary asset.

The excess profits determine its value, or the profits left after deducting contributory asset charges from other assets that help generate the company's profit.

	Projected										
	For Financial Year Ending										
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Total Company Revenue	\$9,135,562	\$14,836,456	\$24,214,300	\$34,963,242	\$46,515,436	\$56,217,231	\$62,337,339	\$66,027,349	\$69,328,717	\$71,408,578	\$73,550,836
<i>Growth Rate</i>	NA	62.4%	63.2%	44.4%	33.0%	20.9%	10.9%	5.9%	5.0%	3.0%	3.0%
Percentage attributable to Existing Technology (1)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Revenue Attributable to Technology	\$9,135,562	\$14,836,456	\$24,214,300	\$34,963,242	\$46,515,436	\$56,217,231	\$62,337,339	\$66,027,349	\$69,328,717	\$71,408,578	\$73,550,836
Average Remaining Technology (2)	0.3%	1.5%	1.5%	1.5%	1.4%	1.2%	1.0%	0.6%	0.1%	0.0%	0.0%
Existing Technology Revenue	\$27,787	\$222,547	\$362,110	\$509,782	\$644,308	\$700,823	\$621,695	\$395,097	\$82,970	\$8,546	\$440
Cost of Sales	\$11,667	\$84,557	\$123,079	\$169,449	\$209,332	\$222,437	\$194,946	\$123,299	\$25,768	\$2,654	\$137
<i>As a % of Revenue</i>	42.0%	38.0%	34.0%	33.2%	32.5%	31.7%	31.4%	31.2%	31.1%	31.1%	31.1%
Gross Profit	\$16,121	\$137,990	\$239,031	\$340,334	\$434,976	\$478,386	\$426,749	\$271,799	\$57,202	\$5,892	\$303
<i>Gross Margin</i>	58.0%	62.0%	66.0%	66.8%	67.5%	68.3%	68.6%	68.8%	68.9%	68.9%	68.9%
Selling & Marketing Expense	\$6,323	\$44,003	\$66,013	\$87,836	\$104,572	\$106,737	\$93,254	\$59,265	\$12,446	\$1,282	\$66
<i>As a % of Revenue</i>	22.8%	19.8%	18.2%	17.2%	16.2%	15.2%	15.0%	15.0%	15.0%	15.0%	15.0%
General & Administrative Expense	\$7,208	\$39,786	\$46,267	\$62,586	\$75,880	\$79,032	\$67,000	\$39,510	\$8,297	\$855	\$44
<i>As a % of Revenue</i>	25.9%	17.9%	12.8%	12.3%	11.8%	11.3%	10.8%	10.0%	10.0%	10.0%	10.0%
Research & Development	\$2,923	\$16,338	\$18,105	\$25,489	\$28,994	\$28,033	\$21,759	\$11,853	\$2,074	\$214	\$11
<i>Unadjusted R&D As a % of Revenue</i>	42.1%	29.4%	20.0%	20.0%	18.0%	16.0%	14.0%	12.0%	10.0%	10.0%	10.0%
<i>% Attributable to Developed Technology (3)</i>	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
<i>As a % of Revenue</i>	10.5%	7.3%	5.0%	5.0%	4.5%	4.0%	3.5%	3.0%	2.5%	2.5%	2.5%
EBITDA	(\$332)	\$37,864	\$108,646	\$164,422	\$225,530	\$264,585	\$244,736	\$161,172	\$34,385	\$3,542	\$182
<i>As a % of Revenue</i>	(1.2%)	17.0%	30.0%	32.3%	35.0%	37.8%	39.4%	40.8%	41.4%	41.4%	41.4%
Less: Depreciation and Amortization	\$139	\$935	\$1,276	\$1,510	\$1,626	\$1,584	\$1,859	\$1,453	\$348	\$36	\$2
<i>As a % of Revenue</i>	0.5%	0.4%	0.4%	0.3%	0.3%	0.2%	0.3%	0.4%	0.4%	0.4%	0.4%
EBIT	(\$471)	\$36,929	\$107,371	\$162,912	\$223,904	\$263,001	\$242,876	\$159,719	\$34,037	\$3,506	\$181
<i>As a % of Revenue</i>	(1.7%)	16.6%	29.7%	32.0%	34.8%	37.5%	39.1%	40.4%	41.0%	41.0%	41.0%

		Projected										
		For Financial Year Ending										
		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Tax Expense	26.5%	(\$125)	\$9,786	\$28,453	\$43,172	\$59,335	\$69,695	\$64,362	\$42,325	\$9,020	\$929	\$48
Operating Profit After Tax		(\$346)	\$27,143	\$78,917	\$119,740	\$164,570	\$193,306	\$178,514	\$117,393	\$25,017	\$2,577	\$133
Contributory Asset Charges (After-Tax) (4)												
Working Capital		\$159	\$892	\$1,449	\$2,140	\$2,800	\$3,177	\$2,933	\$1,905	\$402	\$42	\$2
Net Fixed Assets		\$0	(\$4)	(\$18)	(\$49)	(\$99)	(\$157)	(\$182)	(\$135)	(\$30)	(\$3)	(\$0)
Non-Compete		(\$343)	(\$1,691)	(\$513)								
Assembled Workforce		(\$941)	(\$4,642)	(\$4,628)	(\$4,512)	(\$4,286)	(\$3,858)	(\$3,086)	(\$1,852)	(\$370)	(\$37)	(\$2)
Customer Relationships		(\$3,928)	(\$19,371)	(\$19,312)	(\$18,830)	(\$17,888)	(\$16,099)	(\$12,879)	(\$7,728)	(\$1,546)	(\$155)	(\$8)
Trade Name		(\$204)										
Total Contributory Asset Charges		(\$5,257)	(\$24,816)	(\$23,022)	(\$21,250)	(\$19,474)	(\$16,937)	(\$13,214)	(\$7,809)	(\$1,544)	(\$153)	(\$8)
After Tax Cash Flow		(\$5,604)	\$2,327	\$55,895	\$98,490	\$145,096	\$176,369	\$165,300	\$109,585	\$23,473	\$2,424	\$125
Partial Period Adjustment		0.70	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Discount period		0.35	1.20	2.20	3.20	4.20	5.20	6.20	7.20	8.20	9.20	9.85
Present Value Discount Factor	25.0%	0.93	0.77	0.61	0.49	0.39	0.31	0.25	0.20	0.16	0.13	0.11
Present Value of Cash Flows		(\$3,608)	\$1,782	\$34,243	\$48,270	\$56,889	\$55,321	\$41,479	\$21,999	\$3,770	\$311	\$14
Net Present Value of Cash Flows		\$260,470										
Present Value of Future Tax Benefit		\$21,493										
Total Value		\$281,963										
Fair Value (Rounded)		\$282,000										

For assets yet to be developed - such as In-process Research & Development or IPR&D - an MPEEM can also be used.

The asset is not amortized and instead tested for impairment, but the model looks similar to a core tech valuation.

Footnotes:

- (1) Based on discussions with Management, 100.0% of revenue is attributable to technology.
- (2) Obsolescence rate is based on an S-curve of decay based on a 10-year pattern as discussed with Management. Each feature was assumed to generate a approximately 0.25% of revenue in the following year.
- (3) Based on discussions with Management, 25.0% of the R&D expense would be incurred towards maintaining the existing technology.
- (4) Refer to Schedule D.2.b for contributory asset charges.

Technology Revenue curve
Schedule D.3

	Projected										
	For Financial Year Ending										
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Total Company Revenue	\$9,135,562	\$14,836,456	\$24,214,300	\$34,963,242	\$46,515,436	\$56,217,231	\$62,337,339	\$66,027,349	\$69,328,717	\$71,408,578	\$73,550,836
<i>Growth Rate</i>	NA	62.4%	63.2%	44.4%	33.0%	20.9%	10.9%	5.9%	5.0%	3.0%	3.0%
Percentage attributable to Existing Technology (1) (2)	99.7%	97.5%	95.0%	90.0%	80.0%	60.0%	20.0%	10.0%	5.0%	2.5%	1.0%
Percentage attributable to IPR&D (3)	0.3%	1.5%	1.5%	1.5%	1.4%	1.2%	1.0%	0.6%	0.1%	0.0%	0.0%
Percentage attributable to future technology	0.0%	1.0%	3.5%	8.5%	18.6%	38.8%	79.0%	89.4%	94.9%	97.5%	99.0%
Revenue Attributable to Technology	\$9,107,774	\$14,465,544	\$23,003,585	\$31,466,918	\$37,212,349	\$33,730,339	\$12,467,468	\$6,602,735	\$3,466,436	\$1,785,214	\$735,508
Revenue Attributable to IPR&D	\$27,787	\$222,547	\$362,110	\$509,782	\$644,308	\$700,823	\$621,695	\$395,097	\$82,970	\$8,546	\$440
Revenue Attributable to Future Technology	\$0	\$148,365	\$848,605	\$2,986,542	\$8,658,779	\$21,786,069	\$49,248,177	\$59,029,517	\$65,779,310	\$69,614,818	\$72,814,887

Footnotes:

- (1) Based on discussions with Management and the Product Roadmap presented, there were approximately 6 features currently in development. Each feature was assumed to generate a approximately 0.25% of revenue in the following year.
(2) Obsolescence rate used to compute average remaining technology is based on an S-curve of decay based on a 10-year pattern and based on discussions with Management.
(3) IPR&D is assumed to replace revenue over CY 2022 and 2023, after which it decays at the same rate as developed technology.

Since technology doesn't last forever, understanding its decay patterns is important to determining the useful life of the asset and the ideal revenue curve for the technology purchased as of the acquisition date.

Customer Relationships Summary
Schedule E.1

Scenario	
With Customer Relationships in Place (1)	\$10,130,824
Without Customer Relationships in Place (2)	\$5,173,494
Differential	\$4,957,330
Total Value of Relationships	\$4,957,330
Present Value of Future Tax Benefit	\$423,565
Total Value	\$5,380,895
Fair Value (rounded)	\$5,380,900
Life (3)	6 years

Footnotes:

- (1) Schedule E.2.
(2) Schedule E.3.
(3) Based on the discussions with Management the life of customers is expected to align with the technology life, and considers the lives of core vs. non-core customers and expected churn of 17.0% on

Since an MPEEM was used on technology as the primary asset, using a with and without can be an alternative for the customer relationship asset.

Other models include the distributor method.

	Projected				
	For Financial Year Ending				
	2022	2023	2024	2025	2026
Total Revenue Pertaining to Customer Relationships (1)	\$9,135,562	\$12,314,258	\$20,097,869	\$29,019,491	\$38,607,812
<i>Growth Rate</i>	NA	34.8%	63.2%	44.4%	NA
Total Customer Relationships Revenue	\$9,135,562	\$12,314,258	\$20,097,869	\$29,019,491	\$38,607,812
<i>Revenue Growth Rate</i>	NA	34.8%	63.2%	44.4%	NA
Cost of Sales	\$3,835,604	\$4,678,798	\$6,831,146	\$9,645,906	\$12,543,448
<i>% of Revenue</i>	42.0%	38.0%	34.0%	33.2%	32.5%
Gross Profit	\$5,299,958	\$7,635,460	\$13,266,723	\$19,373,585	\$26,064,364
<i>% of Revenue</i>	58.0%	62.0%	66.0%	66.8%	67.5%
Operating Expenses					
Sales & Marketing Expense	\$103,933	\$121,742	\$183,194	\$250,005	\$313,306
<i>% of Revenue</i>	22.8%	19.8%	18.2%	17.2%	16.2%
<i>% of S&M dedicated to existing relationships (2)</i>	1.1%	1.0%	0.9%	0.9%	0.8%
General & Administrative Expense	\$2,369,706	\$2,201,467	\$2,567,906	\$3,562,725	\$4,546,845
<i>% of Revenue</i>	25.9%	17.9%	12.8%	12.3%	11.8%
Research & Development	\$3,843,546	\$3,616,147	\$4,019,382	\$5,803,898	\$6,949,406
<i>% of Revenue</i>	42.1%	29.4%	20.0%	20.0%	18.0%
EBITDA	(\$1,017,227)	\$1,696,105	\$6,496,241	\$9,756,956	\$14,254,807
<i>% of Revenue</i>	(11.1%)	13.8%	32.3%	33.6%	36.9%
Depreciation	\$45,678	\$51,720	\$70,796	\$85,953	\$97,408
<i>% of Revenue</i>	0.5%	0.4%	0.4%	0.3%	0.3%
EBIT	(\$1,062,905)	\$1,644,385	\$6,425,446	\$9,671,003	\$14,157,399
<i>% of Revenue</i>	(11.6%)	13.4%	32.0%	33.3%	36.7%

5.0%

		Projected				
		For Financial Year Ending				
		2022	2023	2024	2025	2026
Tax Expense	26.5%	(\$281,670)	\$435,762	\$1,702,743	\$2,562,816	\$3,751,711
Operating Profit After Tax		(\$781,235)	\$1,208,623	\$4,722,703	\$7,108,187	\$10,405,688
Add: Depreciation & Amortization		\$45,678	\$51,720	\$70,796	\$85,953	\$97,408
Less: Capital Expenditures		(\$45,678)	(\$61,571)	(\$100,489)	(\$145,097)	(\$193,039)
Less: Changes in Debt Free Working Capital		(\$424,038)	\$709,761	\$1,167,542	\$1,338,243	\$1,438,248
After Tax Cash Flows		(\$1,205,273)	\$1,908,533	\$5,860,550	\$8,387,286	\$11,748,305
Partial Period Adjustment		0.70	1.00	1.00	1.00	0.30
Discount Period		0.35	1.20	2.20	3.20	3.85
Present Value Discount Factor	24.0%	0.93	0.77	0.62	0.50	0.44
Present Value of Cash Flows		(\$778,253)	\$1,475,630	\$3,654,219	\$4,217,509	\$1,561,718
Net Present Value of Cash Flows - Customer Relationship Period		\$10,130,824				

Footnotes:

- (1) Refer to Schedule B.2.
- (2) Based on discussions with Management, a minimal amount of S&M is necessary to support existing relationships.

		Projected				
		For Financial Year Ending				
		2022	2023	2024	2025	2026
Total Revenue Pertaining to Customer Relationships (1)		\$9,135,562	\$12,314,258	\$20,097,869	\$29,019,491	\$38,607,812
Percent of Revenue Lost (2)		60.0%	45.0%	15.0%	5.0%	0.0%
Total Customer Relationships Revenue		\$3,654,225	\$6,772,842	\$17,083,189	\$27,568,516	\$38,607,812
Revenue Growth Rate		NA	85.3%	152.2%	61.4%	NA
Cost of Sales		\$1,534,241	\$2,573,339	\$5,806,474	\$9,163,611	\$12,543,448
% of Revenue	Variable 100.0%	42.0%	38.0%	34.0%	33.2%	32.5%
Gross Profit		\$2,119,983	\$4,199,503	\$11,276,715	\$18,404,906	\$26,064,364
% of Revenue		58.0%	62.0%	66.0%	66.8%	67.5%
Operating Expenses						
Sales & Marketing Expense	Variable 0.0%	\$0	\$0	\$0	\$0	\$0
	Fixed 100.0%	\$103,933	\$121,742	\$183,194	\$250,005	\$313,306
% of Revenue		22.8%	19.8%	18.2%	17.2%	16.2%
General & Administrative Expense	Variable 0.0%	\$0	\$0	\$0	\$0	\$0
	Fixed 100.0%	\$2,369,706	\$2,201,467	\$2,567,906	\$3,562,725	\$4,546,845
% of Revenue		64.8%	32.5%	15.0%	12.9%	11.8%
Research & Development	Variable 0.0%	\$0	\$0	\$0	\$0	\$0
	Fixed 100.0%	\$3,843,546	\$3,616,147	\$4,019,382	\$5,803,898	\$6,949,406
% of Revenue		105.2%	53.4%	23.5%	21.1%	18.0%
EBITDA		(\$4,197,202)	(\$1,739,852)	\$4,506,233	\$8,788,277	\$14,254,807
% of Revenue		(114.9%)	(25.7%)	26.4%	31.9%	36.9%
Depreciation		\$45,678	\$51,720	\$70,796	\$85,953	\$97,408
% of Revenue		0.5%	0.4%	0.4%	0.3%	0.3%
EBIT		(\$4,242,880)	(\$1,791,572)	\$4,435,437	\$8,702,324	\$14,157,399
% of Revenue		(116.1%)	(26.5%)	26.0%	31.6%	36.7%

		Projected				
		For Financial Year Ending				
		2022	2023	2024	2025	2026
Tax Expense	26.5%	(\$1,124,363)	(\$474,767)	\$1,175,391	\$2,306,116	\$3,751,711
Operating Profit After Tax		(\$3,118,517)	(\$1,316,805)	\$3,260,046	\$6,396,208	\$10,405,688
Add: Depreciation & Amortization		\$45,678	\$51,720	\$70,796	\$85,953	\$97,408
Less: Capital Expenditures		(\$45,678)	(\$61,571)	(\$100,489)	(\$145,097)	(\$193,039)
Less: Changes in Debt Free Working Capital		(\$169,615)	\$390,369	\$992,410	\$1,271,331	\$1,438,248
After Tax Cash Flows		(\$3,288,132)	(\$936,288)	\$4,222,763	\$7,608,395	\$11,748,305
Partial Period Adjustment		0.70	1.00	1.00	1.00	0.30
Discount Period		0.35	1.20	2.20	3.20	3.85
Present Value Discount Factor	24.0%	0.93	0.77	0.62	0.50	0.44
Present Value of Cash Flows		(\$2,123,168)	(\$723,915)	\$2,633,012	\$3,825,847	\$1,561,718
Total PV of Cash Flows		<u>\$5,173,494</u>				

Footnotes:

(1) Refer to Schedule B.2.

(2) The analysis assumed that as of the valuation date, the Target would lose all its existing customer relationships, which would materially impact revenue. However, due to the technology driven nature of the business, it is reasonable to assume that a majority of the relationships would be recovered relatively quickly. Accordingly, the revenue impact has been assumed on a decreasing basis.

		Projected	
		For Financial Year Ending	
		2022	2023
Total Company Revenue		\$9,135,562	\$14,836,456
Probability of use (1)		50.0%	0.0%
Revenue Subject to Royalty payments		\$4,567,781	\$0
Royalty Revenue (2)	1.0%	\$45,678	\$0
General & Administrative Expenses (3)	5.0%	\$2,284	\$0
Pretax Cash Flow		\$43,394	\$0
Income Tax Expense	26.5%	\$11,499	\$0
After Tax Cash Flow		\$31,895	\$0
Partial Period Adjustment		0.70	0.30
Discount Period		0.35	0.85
Present Value Discount Factor	24.0%	0.93	0.83
Present Value of Cash Flows		\$20,595	\$0
Net Present Value of Cash Flows		\$20,595	
Present Value of Future Tax Benefit		\$1,760	
Total Value		\$22,354	
Fair Value (rounded)		\$22,350	
Life		1 year	

Footnotes:

- (1) We have considered a quickly declining probability of use based on Management's plan to rebrand the products in the short-term, consistent with likely market participant actions.
- (2) Refer to Schedule F.2. Estimated at the low end of royalties, given the B2B nature of the Brand, and the reliance on technology for purchasing decisions.
- (3) Estimated at the low end of the comparable range due to expected lower requirement for royalty management.

Brands are most often valued using a Relief-from-royalty method. A market participant use time is key to this model.

While this method can also be used for technology, brand royalties tend to have more information available, despite databases often not having perfect comparables.

Royalty Rates - Trade Name

Date	Description	Licensee	Licensor	Term Description	Royalty Rate - Low	Royalty Rate - High	Royalty Rate - Average
2001	Grant the right to use the PowerMatch Software and all documentation with respect to the foregoing, to make, have made, use, improve, market and license products and to provide services to customers in the Territory.	Digital Descriptor Systems Inc.	Authentec Corporation	Perpetual	10.0%	10.0%	10.0%
2001	Grant the right to use and otherwise exploit the System Technology and Localizations thereof and associated Intellectual Property Rights relating to internet-based customer relationship management application services in the Territory, and to sublicense the System Technology and Localizations thereof and associated Intellectual Property Rights in the Territory.	salesforce.com Japan, Ltd.	salesforce.com, Inc.	Perpetual	30.0%	30.0%	30.0%
1998	Grant the right to use Momentum Business Applications, Inc.'s tradenames and trademarks which relate to the Momentum Products (including electronic business applications, analytic applications and industry-specific applications) in connection with PeopleSoft, Inc.'s distribution of the Momentum Products or marketing materials associated with this Marketing Agreement, provided PeopleSoft, Inc. clearly identifies Momentum Business Applications, Inc.'s ownership of such names or marks.	PeopleSoft, Inc.	Momentum Business Applications, Inc.	N/A	0.1%	6.0%	3.1%
1998	Grant the right to use Momentum Business Applications, Inc.'s tradenames and trademarks which relate to the Momentum Products (including electronic business applications, analytic applications and industry-specific applications) in connection with PeopleSoft, Inc.'s distribution of the Momentum Products or marketing materials associated with this Marketing Agreement, provided PeopleSoft, Inc. clearly identifies Momentum Business Applications, Inc.'s ownership of such names or marks.	PeopleSoft, Inc.	Momentum Business Applications, Inc.	N/A	0.1%	6.0%	3.1%
1988	Grant the right to distribute, and copy certain computer software for interactive analysis, reduction and display of scientific data marketed under the name and trademark IDL.	PRECISION VISUALS, INC.	RESEARCH SYSTEMS, INC	6 years	17.0%	25.0%	21.0%
2006	Grant the right to use the SHINE Software, with the right to sublicense in applications relating to, explosives detection, detection of weapons of mass destruction, environmental monitoring and control, automotive and transportation, power and gas management, water management, asset and personnel tracking, financial, business intelligence, supply chain management, gaming, interactive radio and television, video and audio processing, maritime security, building and structure security and management (including security access, HVAC, control systems), inference and sensor data fusion products for emergency response applications, and Artificial Intelligence software development environments.	VIASPACE Inc., California Institute of Technology, Jet Propulsion Laboratory	California Institute of Technology, Jet Propulsion Laboratory, VIASPACE Inc.	10 years	2.0%	30.0%	16.0%

Royalty Rates - Trade Name

Date	Description	Licensee	Licensor	Term Description	Royalty Rate -		
					Low	High	Average
2009	Grant the right to utilize the SECURECARE Technology with the right to sublicense, to computer programmes currently deployed as Software-as-a-Service (SaaS) under the name Sfax, which allows end-users to digitally sign business agreements, contracts, and other business documents and easily exchange them with other parties (primarily through fax) using secure internet technology that provides verification of sender authenticity, an audit trail and document integrity.	SecureCare Technologies UK Limited	SecureCare Technologies, INC.	Perpetual	5.0%	5.0%	5.0%
1998	Grant the right to use Momentum Business Applications, Inc.'s tradenames and trademarks which relate to the Momentum Products (including electronic business applications, analytic applications and industry-specific applications) in connection with PeopleSoft, Inc.'s distribution of the Momentum Products or marketing materials associated with this Marketing Agreement, provided PeopleSoft, Inc. clearly identifies Momentum Business Applications, Inc.'s ownership of such names or marks.	PeopleSoft, Inc.	Momentum Business Applications, Inc.	N/A	0.1%	6.0%	3.1%
1998	Grant the right to enter into a DEVELOPMENT AND LICENSE AGREEMENT whereas the Parties intend to work together to develop software application products which shall be known as the Momentum Products (electronic business, analytic applications and industry-specific software applications), and which may be based on PEOPLESOFT, INC.'s PeopleTools technology. Grant the right to use, market, manufacture, reproduce, copy, sublicense, distribute through PEOPLESOFT, INC.'s then current worldwide channel distribution system.	MOMENTUM BUSINESS APPLICATIONS, INC., PEOPLESOFT, INC.	PEOPLESOFT, INC., MOMENTUM BUSINESS APPLICATIONS, INC.	Perpetual	1.0%	1.0%	1.0%
2010	Grant the right to use the Technology (Environmental Impact Manager Technology, a combination of hardware and software as a service components which provide an energy management system designed for global companies to see their location's energy consumption or renewable energy generation by country/state or province/zip code/city/campus/building/floor/electrical panel board/circuit/device).	Octus, Inc.	EcoNexus	7 years	1.8%	1.8%	1.8%
2013	Grant the right to to sell and market Klarity Analytic Dashboard in Canada, the United States and the United Kingdom (including the Republic of Ireland).	Media Analytics Corporation	Social Media Broadcasts (SMB) Limited	2 years	30.0%	30.0%	30.0%
N/A	Grant the right to use, reproduce and prepare derivative works from 'the object and source code of the Bonitasoft Software 'provided to Customer under the SLSA, for the Initial Term specified therein and for Renewal Terms (hereafter, the "Term" of this license), for the purpose of internal testing of such Bonitasoft Software in connection with the development of, and integration of such Bonitasoft Software into, the Customer Solution(a s defined in the OEM Supplement attached hereto).	Talend Inc.	Bonitasoft Inc.	N/A	10.0%	10.0%	10.0%

Royalty Rates - Trade Name

Date	Description	Licensee	Licensor	Term Description	Royalty Rate - Low	Royalty Rate - High	Royalty Rate - Average
1997	Grant the right to purchase all of the trademarks, trademark applications, trade names, designs, logos and service marks owned or used by Seller in the Business, including without limitation, "COPERNICUS".	VIE Systems, Inc.	New Paradigm Software Corp.	Perpetual	5.0%	5.0%	5.0%
Minimum							1.0%
First Quartile							3.5%
Median							6.0%
Mean							11.7%
Third Quartile							19.8%
Maximum							30.0%
Selected Royalty Rate - Trade Name							1.0%

Footnotes:

Source: ktMINE Database

Benchmarking from a wide array of transactions can help select the most reasonable royalty for the brands of the company acquired.

Non-Compete Agreements Summary
Schedule G.1

Scenario	
With Non-Compete in Place	(\$708,243)
Without Non-Compete in Place	(\$2,872,013)
Value of Relationship	\$2,163,770
Probability of Competition (1)	10.0%
Probability Adjusted Value of Relationship	\$216,377
Total Value of Relationships	\$216,377
Present Value of Future Tax Benefit	\$18,488
Total Value	\$234,865
Number of Employees covered by Non-Compete Agreements	2
Fair Value (rounded)	\$469,730
Life	2 years

For non-competes, with-and-without models are preferred.

However, in a lot of cases, non-competes are hard to enforce and tend to have minimal impact on operations. Thus, you may find that value in nominal and not presented in the PPA.

Footnotes:

(1)

The probability of competition is estimated based on discussions with Management and considers the equity packages received by the co-founders.

	Projected		
	For Financial Year Ending		
	2022	2023	2024
Total Revenue Pertaining to Non-Compete Agreements (1)	\$9,135,562	\$14,836,456	\$24,214,300
<i>Percent of Revenue Lost</i>	0.0%	0.0%	0.0%
Total Non-Compete Revenue	\$9,135,562	\$14,836,456	\$24,214,300
<i>Revenue Growth</i>	NA	62.4%	NA
Cost of Sales	\$3,835,604	\$5,637,106	\$8,230,296
<i>% of Revenue</i>	42.0%	38.0%	34.0%
Gross Profit	\$5,299,958	\$9,199,350	\$15,984,004
<i>% of Revenue</i>	58.0%	62.0%	66.0%
Operating Expenses			
Sales & Marketing Expense	\$2,078,663	\$2,933,532	\$4,414,309
<i>% of Revenue</i>	22.8%	19.8%	18.2%
General & Administrative Expense	\$2,369,706	\$2,652,370	\$3,093,863
<i>% of Revenue</i>	25.9%	17.9%	12.8%
Research & Development	\$3,843,546	\$4,356,803	\$4,842,629
<i>% of Revenue</i>	42.1%	29.4%	20.0%
Total Operating Expenses	\$8,291,915	\$9,942,705	\$12,350,800
<i>% of Revenue</i>	90.8%	67.0%	51.0%
EBITDA	(\$2,991,957)	(\$743,355)	\$3,633,204
<i>% of Revenue</i>	(32.8%)	(5.0%)	15.0%
Depreciation & Amortization	\$45,678	\$62,313	\$85,296
<i>% of Revenue</i>	0.5%	0.4%	0.4%
EBIT	(\$3,037,635)	(\$805,669)	\$3,547,908
<i>% of Revenue</i>	(33.3%)	(5.4%)	14.7%

		Projected		
		For Financial Year Ending		
		2022	2023	2024
Tax Expense	26.5%	(\$804,973)	(\$213,502)	\$940,196
Operating Profit After Tax		(\$2,232,662)	(\$592,166)	\$2,607,712
Add: Depreciation & Amortization		\$45,678	\$62,313	\$85,296
Less: Capital Expenditures		(\$45,678)	(\$74,182)	(\$121,072)
Less: Changes in Debt Free Working Capital		(\$424,038)	\$855,134	\$1,406,677
After Tax Cash Flows		(\$2,656,700)	\$251,099	\$3,978,613
Partial Period Adjustment		0.70	1.00	0.30
Discount Period		0.35	1.20	1.85
Present Value Discount Factor	24.0%	0.93	0.77	0.67
Present Value of Cash Flows		(\$1,715,448)	\$194,143	\$813,062
Net Present Value of Cash Flows - Non-Compete Period		(\$708,243)		

Footnotes:

(1) Refer to Schedule B.2.

		Projected		
		For Financial Year Ending		
		2022	2023	2024
Total Revenue Pertaining to Non-Compete Agreements (1)		\$9,135,562	\$14,836,456	\$24,214,300
Percent of Revenue Lost (2)		20.0%	20.0%	20.0%
Total Non-Compete Revenue		\$7,308,449	\$11,869,165	\$19,371,440
Revenue Growth		NA	62.4%	NA
Cost of Sales	Variable 100.0%	\$3,068,483	\$4,509,685	\$6,584,237
% of Revenue		42.0%	38.0%	34.0%
Gross Profit		\$4,239,966	\$7,359,480	\$12,787,203
% of Revenue		58.0%	62.0%	66.0%
Operating Expenses				
Sales & Marketing Expense	Variable 0.0%	\$0	\$0	\$0
% of Revenue	Fixed 100.0%	\$2,078,663	\$2,933,532	\$4,414,309
		28.4%	24.7%	22.8%
General & Administrative Expense	Variable 0.0%	\$0	\$0	\$0
% of Revenue	Fixed 100.0%	\$2,369,706	\$2,652,370	\$3,093,863
		32.4%	22.3%	16.0%
Research & Development Expense	Variable 0.0%	\$0	\$0	\$0
% of Revenue	Fixed 100.0%	\$3,843,546	\$4,356,803	\$4,842,629
		52.6%	36.7%	25.0%
Total Operating Expenses		\$8,291,915	\$9,942,705	\$12,350,800
% of Revenue		113.5%	83.8%	63.8%
EBITDA		(\$4,051,949)	(\$2,583,225)	\$436,403
% of Revenue		(55.4%)	(21.8%)	2.3%
Depreciation & Amortization		\$45,678	\$62,313	\$85,296
% of Revenue		0.5%	0.4%	0.4%
EBIT		(\$4,097,626)	(\$2,645,538)	\$351,107
% of Revenue		(56.1%)	(22.3%)	1.8%

		Projected		
		For Financial Year Ending		
		2022	2023	2024
Tax Expense	26.5%	(\$1,085,871)	(\$701,068)	\$93,043
Operating Profit After Tax		(\$3,011,755)	(\$1,944,471)	\$258,064
Add: Depreciation & Amortization		\$45,678	\$62,313	\$85,296
Less: Capital Expenditures		(\$45,678)	(\$74,182)	(\$121,072)
Less: Changes in Debt Free Working Capital		(\$339,230)	\$684,107	\$1,125,341
After Tax Cash Flows		(\$3,350,986)	(\$1,272,233)	\$1,347,629
Partial Period Adjustment		0.70	1.00	0.30
Discount Period		0.35	1.20	1.85
Present Value Discount Factor	24.0%	0.93	0.77	0.67
Present Value of Cash Flows		(\$2,163,754)	(\$983,659)	\$275,399
Net Present Value of Cash Flows - Non-Compete Period		(\$2,872,013)		

Footnotes:

(1) Refer to Schedule B.2.

(2) Based on the information provided by Management.

Objective Valuation, LLC

As of April 21, 2022

Target, Inc.

Preliminary Draft

Assembled Workforce
Schedule H.1

Position		Compensation (1)			Recruiting Costs			Training Costs				Interview Costs	Total
Designation	Count	Aggregate Salary	Average Annual Bonus	Total	Recruiter Required?	Recruiter Fees % of Salary	Total	Time to Train (Weeks)	% Productivity During Training	Working Weeks Per Year	Total	Total	Total Cost
Exec - CEO	1	\$220,600	\$13,479	\$234,079	Yes	25.0%	\$58,520	4	50.0%	52	\$9,003	\$2,000	\$69,523
G&A	2	\$172,000	\$13,485	\$185,485	Yes	23.0%	\$85,323	3	50.0%	52	\$10,701	\$1,000	\$97,024
R&D	20	\$148,000	\$13,498	\$161,498	Yes	23.0%	\$742,889	2	50.0%	52	\$62,114	\$1,500	\$806,503
S&M	16	\$136,000	\$13,491	\$149,491	Yes	23.0%	\$550,128	4	50.0%	52	\$91,995	\$1,000	\$643,122
Total	39	\$676,600		\$730,552			\$1,436,859				\$173,813	\$5,500	\$1,616,172

Total Cost to Replace Assembled Work Force	\$1,616,172
Less: Income Tax Expense	(\$428,286)
After Tax Value of Assembled Work Force	\$1,187,887
Present Value of Future Tax Benefit	\$101,496
Fair Value of Assembled Work Force	\$1,289,382

Fair Value of Assembled Work Force (Rounded) \$1,289,400

Footnotes:

(1) Based on information provided by Management.

While an element of Goodwill, Assembled Workforce value is calculated for contributory asset charge purposes, or the charges deducted from the primary MPEEM.

Appendix

Benchmarking is always useful in PPA's, and our appendices use publicly available data to establish patterns that allow us to prove that the forecasts and estimates used are reasonable.

Objective Valuation, LLC

As of April 21, 2022

Target, Inc.

Preliminary Draft

Guideline Public Company - Operating Metrics

(In Millions, Except Per Share Price)

Appendix A.1

	Snap One Holdings Corp.	Alarm.com Holdings, Inc.	Applan Corporation	SPS Commerce, Inc.	Alteryx, Inc.	Envestnet, Inc.	Qualys, Inc.	MicroStrategy Incorporated	Paycom Software, Inc.	Splunk Inc.	Datadog, Inc.	Workday, Inc.	Salesforce, Inc.	Intel Corporation
Guideline Public Companies														
Company Data:														
Ticker	NasdaqGS:SNPO	NasdaqGS:ALRM	NasdaqGM:APPN	NasdaqGS:SPSC	NYSE:AYX	NYSE:ENV	NasdaqGS:QLYS	NasdaqGS:MSTR	NYSE-PAYC	NasdaqGS:SPLK	NasdaqGS:DDOG	NasdaqGS:WDAY	NYSE:CRM	NasdaqGS:INTC
CIQ identifier	IQ573426857	IQ302151977	IQ6512739	IQ34696	IQ8548197	IQ100058833	IQ125618	IQ384976	IQ254225545	IQ13289149	IQ134521275	IQ23815047	IQ122917	IQ21127
Company name	Snap One Holdings Corp.	Alarm.com Holdings, Inc.	Applan Corporation	SPS Commerce, Inc.	Alteryx, Inc.	Envestnet, Inc.	Qualys, Inc.	MicroStrategy Incorporated	Paycom Software, Inc.	Splunk Inc.	Datadog, Inc.	Workday, Inc.	Salesforce, Inc.	Intel Corporation
Stock exchange	NasdaqGS	NasdaqGS	NasdaqGM	NasdaqGS	NYSE	NYSE	NasdaqGS	NasdaqGS	NYSE	NasdaqGS	NasdaqGS	NasdaqGS	NYSE	NasdaqGS
Enterprise Value:														
Closing stock price	\$14.0	\$60.6	\$51.4	\$125.4	\$69.0	\$82.1	\$142.3	\$427.9	\$303.9	\$125.9	\$121.8	\$212.5	\$177.2	\$47.5
Shares outstanding	\$75.9	\$50.1	\$72.2	\$36.1	\$68.1	\$55.2	\$39.0	\$11.3	\$60.2	\$160.7	\$314.9	\$251.0	\$989.0	\$4,088.7
Debt	\$452.7	\$468.3	\$56.9	\$20.5	\$862.2	\$965.8	\$48.5	\$2,241.0	\$60.1	\$3,407.3	\$807.7	\$2,102.8	\$14,370.0	\$38,641.0
Cash	\$40.6	\$710.6	\$156.0	\$257.3	\$659.2	\$429.3	\$405.3	\$63.4	\$278.0	\$1,715.0	\$1,554.4	\$3,644.2	\$10,537.0	\$28,413.0
Minority Interest	\$0.3	\$12.9	\$0.0	\$0.0	\$0.0	\$2.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Enterprise Value	\$1,473.3	\$2,807.8	\$3,613.7	\$4,294.9	\$4,905.8	\$5,070.5	\$5,198.7	\$7,011.4	\$18,080.4	\$21,918.0	\$37,618.5	\$51,783.5	\$179,113.5	\$204,439.4
Revenue:														
LTM Revenue	\$1,008.0	\$749.0	\$369.3	\$385.3	\$536.1	\$1,186.5	\$411.2	\$510.8	\$1,055.5	\$2,673.7	\$1,028.8	\$5,138.8	\$26,492.0	\$79,024.0
LTM-1 Revenue	\$814.1	\$618.0	\$304.6	\$312.6	\$495.3	\$998.2	\$363.0	\$480.7	\$841.4	\$2,229.4	\$603.5	\$4,318.0	\$21,252.0	\$77,867.0
CY2022 Est	\$1,152.8	\$815.6	\$444.3	\$444.3	\$715.7	\$1,351.8	\$483.7	\$529.2	\$1,315.3	\$3,279.9	\$1,532.3	\$6,200.9	\$32,079.7	\$75,634.1
CY2023 Est	\$1,271.1	\$878.4	\$528.3	\$511.8	\$857.1	\$1,533.5	\$565.7	\$566.0	\$1,617.9	\$3,998.9	\$2,100.7	\$7,434.3	\$37,854.2	\$78,637.5
Revenue Growth:														
LTM/LTM-1 Year [Y/Y]	23.8%	21.2%	21.2%	23.2%	8.2%	18.9%	13.3%	6.2%	25.4%	19.9%	70.5%	19.0%	24.7%	1.5%
CY2022/LTM [Y/Y]	14.4%	8.9%	20.6%	15.3%	33.5%	13.9%	17.6%	3.6%	24.6%	22.7%	48.9%	20.7%	21.1%	(4.3%)
CY2023/CY2022 [Y/Y]	10.3%	7.7%	18.6%	15.2%	19.8%	13.4%	16.9%	6.9%	23.0%	21.9%	37.1%	19.9%	18.0%	4.0%
CAGR [3 Years]	0.0%	21.2%	17.7%	15.8%	28.3%	13.5%	13.8%	0.9%	23.1%	14.0%	73.2%	22.1%	25.9%	3.7%
CAGR [5 Years]	0.0%	23.5%	22.7%	14.8%	44.3%	15.5%	15.7%	(0.1%)	26.2%	23.2%	0.0%	26.7%	25.7%	5.9%
EBITDA:														
EBITDA_LTM	\$73.9	\$99.6	-\$78.2	\$80.0	-\$114.4	\$147.1	\$150.9	\$57.5	\$284.3	-\$992.5	\$0.0	\$227.3	\$3,064.0	\$33,874.0
CY2022 Est	\$118.1	\$149.4	-\$50.9	\$126.4	-\$21.8	\$269.8	\$184.2	\$108.5	\$526.1	\$121.8	\$210.4	\$1,528.1	\$8,058.5	\$29,587.1
CY2023 Est	\$140.2	\$170.8	-\$35.9	\$152.0	\$31.3	\$327.3	\$221.4	\$116.0	\$656.6	\$414.9	\$347.3	\$1,984.3	\$9,333.8	\$31,563.9
EBITDA Growth:														
CY2022/LTM [Y/Y]	59.9%	49.9%	(34.9%)	58.0%	(81.0%)	83.4%	22.1%	88.9%	85.1%	(112.3%)	(2103901.1%)	572.4%	163.0%	(12.7%)
CY2023/CY2022 [Y/Y]	18.7%	14.3%	(29.5%)	20.3%	(243.6%)	21.3%	20.2%	6.9%	24.8%	240.7%	65.1%	29.9%	15.8%	6.7%
CAGR [3 Years]	0.0%	7.7%	NA	26.6%	NA	14.0%	23.9%	123.0%	14.2%	NA	NA	NA	26.4%	1.6%
CAGR [5 Years]	0.0%	17.1%	NA	35.2%	NA	27.0%	26.2%	(14.0%)	20.5%	NA	0.0%	NA	29.2%	8.2%
LTM Margins:														
GP (% of Revenue)	40.5%	59.2%	71.8%	65.8%	89.6%	27.8%	78.2%	82.0%	87.6%	72.5%	77.3%	72.2%	73.5%	55.4%
Oper. Inc. (% of Revenue)	1.7%	9.9%	(22.7%)	14.3%	(24.4%)	4.9%	28.0%	9.0%	24.0%	(40.8%)	(1.9%)	(2.3%)	2.3%	27.9%
EBITDA (% of Revenue)	7.3%	13.3%	(21.2%)	20.8%	(21.3%)	12.4%	36.7%	11.2%	26.9%	(37.1%)	(0.0%)	4.4%	11.6%	42.9%
SG&A (% of Revenue)	33.2%	21.6%	68.1%	38.8%	89.3%	13.0%	30.5%	95.1%	46.0%	74.9%	37.6%	37.9%	54.4%	8.3%
R&D (% of Revenue)	NM	23.7%	26.4%	10.1%	24.7%	NM	19.8%	22.9%	11.2%	38.5%	40.0%	36.6%	16.9%	19.2%
G&A (% of Revenue)	0.0%	0.1%	14.8%	19.4%	51.8%	7.1%	15.0%	28.2%	4.6%	6.0%	9.3%	9.1%	0.4%	3.2%
LTM CAPEX:														
LTM CAPEX	\$10.0	\$11.1	\$6.1	\$19.6	\$32.8	\$23.7	\$24.4	\$2.7	\$120.7	\$10.7	\$10.0	\$264.3	\$717.0	\$20,329.0
LTM CAPEX (% of Rev)	(1.0%)	(1.5%)	(1.6%)	(5.1%)	(6.1%)	(2.0%)	(5.9%)	(0.5%)	(11.4%)	(0.4%)	(1.0%)	(5.1%)	(2.7%)	(25.7%)
LTM Non-Cash Working Capital:														
LTM Non Cash Working Capital	\$150.4	\$88.0	(\$25.3)	(\$3.6)	(\$37.9)	(\$139.7)	(\$150.6)	(\$98.2)	(\$3.7)	(\$492.8)	(\$192.0)	(\$2,195.0)	(\$8,671.0)	\$6,679.0
LTM -1 Non Cash Working Capital	\$66.5	\$63.7	(\$5.8)	\$6.5	\$32.0	(\$102.1)	(\$124.7)	(\$72.7)	\$7.5	(\$80.9)	(\$80.9)	(\$1,820.1)	(\$7,000.0)	\$1,232.0
Change in Non Cash Working Capital	\$83.9	\$24.3	(\$19.5)	(\$10.2)	(\$70.0)	(\$37.6)	(\$25.8)	(\$25.5)	(\$11.3)	(\$381.6)	(\$111.1)	(\$374.9)	(\$1,671.0)	\$5,447.0
Avg. Non-Cash Working Cap. /Avg. Rev.	10.8%	10.1%	(4.2%)	0.4%	(0.5%)	(10.2%)	(33.5%)	(16.7%)	0.2%	(11.3%)	(13.3%)	(39.1%)	(29.6%)	5.0%
Metrics														
CAPEX (%)	(25.7%)	(5.7%)	(2.4%)	(5.0%)	(1.1%)	(0.4%)								
Avg. Non-Cash WC (%)	(39.1%)	(15.9%)	(7.2%)	(9.4%)	(0.3%)	(10.8%)								
GP (% of Revenue)	27.8%	60.8%	72.4%	68.1%	78.0%	89.6%								
Oper. Inc. (% of Revenue)	(22.7%)	0.8%	7.0%	7.9%	16.7%	28.0%								
EBITDA (% of Revenue)	(21.2%)	6.6%	12.0%	13.9%	22.3%	42.9%								
SG&A (% of Revenue)	8.3%	31.2%	38.3%	46.3%	64.7%	95.1%								
G&A (% of Revenue)	0.1%	4.6%	9.1%	13.0%	15.0%	51.8%								

Source: S&P Capital IQ

Guideline Public Companies

Description

Snap One Holdings Corp.

Snap One Holdings Corp. provides smart living solutions in the United States and internationally. The company offers end-to-end product and software ecosystem and technology-enabled workflow solutions. It also provides connected products, including networking, control and lighting, surveillance, and power products; entertainment products for indoor and outdoor solutions, such as media distribution products, as well as audio and video products; and infrastructure products, which include structured wiring and cable products, racks, and mounts. In addition, the company offers software solutions consisting of OvrC system that provides integrators with a remote management and monitoring solution; Control4 OS3 for command and control of smart living systems; Parasol, a subscription-based service that gives homeowners and small businesses access to a continuous remote support service; and 4Sight, a remote system management software for end consumers. It sells its through integrators and distributors, as well as through e-commerce portal. The company was formerly known as Crackle Intermediate Corp. and changed its name to Snap One Holdings Corp. in March 2021. The company was founded in 2005 and is headquartered in Charlotte, North Carolina. Snap One Holdings Corp. is a subsidiary of Hellman & Friedman, LLC.

Alarm.com Holdings, Inc.

Alarm.com Holdings, Inc. provides cloud-based solutions for smart residential and commercial properties in the United States and internationally. It operates in two segments, Alarm.com and Other. The company provides interactive security solutions to control and monitor their security systems, as well as connected security devices, including door locks, motion sensors, door locks, garage doors, Internet of Things, thermostats, and video cameras; and video monitoring solutions, such as video analytics, live streaming, video doorbell, video clips, video alerts, continuous high definition recording, and commercial video surveillance solutions. It also offers intelligent automation and energy management solutions comprising scenes button; smart thermostat schedules; responsive savings; precision comfort; energy usage monitoring; heating, ventilation, and air conditioning monitoring services; whole home water safety solutions; geo-services; and demand response programs. In addition, the company provides commercial solutions, such as daily safeguards, commercial grade video, energy savings, protection for valuables and inventory, temperature monitoring, multi-site management and access control, early identification, simple to use, professionally supported, and easy to maintain. Further, it offers service provider solutions, including a permission-based online portal that offers account management, sales, marketing, training, and support tools; sales, marketing, and training services; and home builder programs, as well as wellness solutions. The company serves residential and commercial subscribers. Alarm.com Holdings, Inc. was founded in 2000 and is based in Tysons, Virginia.

Appian Corporation

Appian Corporation provides low-code automation platform in the United States and internationally. The company's platform automates the creation of forms, workflows, data structures, reports, user interfaces, and other software elements that are needed to be manually coded. The company also offers professional and customer support services. It serves to financial services, government, life sciences, insurance, manufacturing, energy, healthcare, telecommunications, and transportation industries. The company was incorporated in 1999 and is headquartered in McLean, Virginia.

Guideline Public Companies

Description

SPS Commerce, Inc.

SPS Commerce, Inc. provides cloud-based supply chain management solutions worldwide. It offers solutions through the SPS Commerce, a cloud-based platform that enhances the way retailers, suppliers, grocers, distributors, and logistics firms manage and fulfill omnichannel orders, optimize sell-through performance, and automate new trading relationships. The company also provides Fulfillment solution that provides fulfillment automation and replaces or augments an organization's existing staff and trading partner electronic communication infrastructure by enabling easy compliance with retailers' rulebooks, automatic, and digital exchange of information among numerous trading partners through various protocols, and greater visibility into the journey of an order; and Analytics solution, which consists of data analytics applications that enables customers to enhance their visibility across supply chains through greater analytics capabilities. In addition, it offers various complimentary products, such as assortment product, which enables accurate order management and rapid fulfillment; and community product that accelerates vendor onboarding and ensures trading partner adoption of new supply chain requirements. The company was formerly known as St. Paul Software, Inc. and changed its name to SPS Commerce, Inc. in May 2001. SPS Commerce, Inc. was incorporated in 1987 and is headquartered in Minneapolis, Minnesota.

Alteryx, Inc.

Alteryx, Inc. provides end-to-end analytics platform for data analysts and scientists worldwide. Its analytic process automation software platform includes Alteryx Designer, a data profiling, preparation, blending, and analytics product used to create visual workflows or analytic processes; Alteryx Server, a server-based product for scheduling, sharing, and running analytic processes and applications in a Web-based environment; Alteryx Connect, a collaborative data exploration platform for discovering information assets and sharing recommendations across the enterprise; and Alteryx Promote, an analytics model management product for data scientists and analytics teams to build, manage, monitor, and deploy predictive models into real-time production applications. The company also offers Alteryx Gallery that allows users to share workflows in a centralized repository; Alteryx Intelligence Suite, a hub for machine learning and artificial intelligence capabilities for automated modeling, optical character recognition, and natural language processing; and Alteryx Community, which allow users to gain valuable insights in its platform. In addition, it provides technical support, instruction, and customer services. The company was formerly known as Alteryx, LLC and changed its name to Alteryx, Inc. in March 2011. The company was founded in 1997 and is headquartered in Irvine, California.

Envestnet, Inc.

Envestnet, Inc., together with its subsidiaries, provides wealth management software and services in the United States and internationally. It operates through Envestnet Wealth Solutions and Envestnet Data & Analytics segments. The company's product and services include Envestnet | Enterprise, which provides an end-to-end open architecture wealth management platform, as well as offers data aggregation and reporting, data analytics, and digital advice capabilities; Envestnet | Tamarac that provides trading, rebalancing, portfolio accounting, performance reporting, and client relationship management software; and Envestnet | MoneyGuide that provides goals-based financial planning solutions to the financial services industry. It also provides Envestnet | Retirement Solutions, which offer a suite of services for advisor-sold retirement plans; and Envestnet | Portfolio Management Consultants that provide research and consulting services to assist advisors in creating investment solutions for their clients, and portfolio overlay and tax optimization services, as well as data aggregation and data intelligence platform, which offers cloud-based innovation for digital financial services. Envestnet, Inc. was founded in 1999 and is headquartered in Chicago, Illinois.

Guideline Public Companies

Description

Qualys, Inc.	Qualys, Inc. provides cloud-based information technology (IT), security, and compliance solutions in the United States and internationally. The company offers Qualys Cloud Apps, which includes Vulnerability Management; Vulnerability Management, Detection and Response; Threat Protection; Continuous Monitoring; Patch Management; Multi-Vector Endpoint Detection and Response; Certificate Assessment; SaaS Detection and Response; Secure Enterprise Mobility; Policy Compliance; Security Configuration Assessment; PCI Compliance; File Integrity Monitoring; Security Assessment Questionnaire; Out of-Band Configuration Assessment; Web Application Scanning; Web Application Firewall; Global Asset Inventory; Cybersecurity Asset Management; Certificate Inventory; Cloud Inventory; Cloud Security Assessment; and Container Security. Its integrated suite of IT, security, and compliance solutions delivered on its Qualys Cloud Platform enables customers to identify and manage IT assets, collect and analyze IT security data, discover and prioritize vulnerabilities, recommend and implement remediation actions, and verify the implementation of such actions. The company also provides asset tagging and management, reporting and dashboards, questionnaires and collaboration, remediation and workflow, big data correlation and analytics engine, and alerts and notifications, which enable integrated workflows, management and real-time analysis, and reporting across IT, security, and compliance solutions. The company offers its solutions through its sales teams, as well as through its network of channel partners, such as security consulting organizations, managed service providers, resellers, and consulting firms. It serves enterprises, government entities, and small and medium-sized businesses in various industries, including education, financial services, government, healthcare, insurance, manufacturing, media, retail, technology, and utilities. The company was incorporated in 1999 and is headquartered in Foster City, California.
MicroStrategy Incorporated	MicroStrategy Incorporated provides enterprise analytics software and services worldwide. It offers MicroStrategy, an enterprise platform, which provides a modern analytics experience by delivering insights across multiple devices to users via hyperintelligence products, visualization and reporting capabilities, mobility features, and custom applications developed on the platform; analysts and data scientists with seamless access to trusted, governed data directly within their tools; and APIs and gateways, multiple deployment options, enterprise semantic graph, scalability, and security. The company also provides MicroStrategy Support that helps customers to achieve their system availability and uptime goals, and to improve the overall experience through highly responsive troubleshooting and proactive technical product support. In addition, it offers MicroStrategy Consulting that provides customers with architecture and implementation services to help them quickly realize results, and helps to achieve returns on investment derived from understanding of data; and MicroStrategy Education that offers free and paid learning options. The company provides its services through enterprise sales force and channel partners. It serves companies from a range of industries, including retail, consulting, technology, manufacturing, finance, banking, insurance, healthcare, education, and telecommunications, as well as the public sector. The company was incorporated in 1989 and is headquartered in Tysons Corner, Virginia.

Guideline Public Companies**Description**

Paycom Software, Inc.

Paycom Software, Inc. provides cloud-based human capital management (HCM) solution delivered as software-as-a-service for small to mid-sized companies in the United States. It offers functionality and data analytics that businesses need to manage the employment life cycle from recruitment to retirement. The company's HCM solution provides a suite of applications in the areas of talent acquisition, including applicant tracking, candidate tracker, background checks, on-boarding, e-verify, and tax credit services; and time and labor management, such as time and attendance, scheduling/schedule exchange, time-off requests, labor allocation, labor management reports/push reporting, and geofencing/geotracking, and Microfence, a proprietary Bluetooth. Its HCM solution also offers payroll applications comprising better employee transaction interface, payroll and tax management, Paycom pay, expense management, mileage tracker/fixed and variable rates, garnishment management, and GL concierge applications; and talent management applications that include employee self-service, compensation budgeting, performance management, position management, and Paycom learning and content subscriptions, as well as my analytics, which offer employment predictor reporting. In addition, its HCM solution provides manager on-the-go that gives supervisors and managers the ability to perform a variety of tasks, such as approving time-off requests and expense reimbursements; direct data exchange; ask here, a tool for direct line of communication to ask work-related questions; document and checklist; government and compliance; benefits administration/benefits to carrier; COBRA administration; personnel action and performance discussion forms; surveys; and affordable care act applications, as well as Clue, which securely collect, track, and manage the vaccination and testing data of the workforce. Paycom Software, Inc. was founded in 1998 and is headquartered in Oklahoma City, Oklahoma.

Splunk Inc.

Splunk Inc., together with its subsidiaries, provides software and cloud solutions that deliver and operationalize insights from the data generated by digital systems in the United States and internationally. The company offers Splunk Platform, a real-time data platform comprising collection, streaming, indexing, search, reporting, analysis, machine learning, alerting, monitoring, and data management capabilities. It also provides Splunk Solutions, such as Splunk Security solutions that enable cybersecurity teams streamline the security operations workflow, accelerate threat detection and response, enhance threat visibility, and scale resources to increase analyst productivity through machine learning and automation; Splunk IT Solutions that provide IT Operations teams visibility and control across cloud and on-premises environments; and Splunk Observability Solutions for building and maintaining infrastructure and applications. In addition, the company offers Ecosystem Solutions, which includes pre-built data inputs, workflows, searches, reports, alerts, custom dashboards, flexible UI components, custom data visualizations, and integration actions and methods, as well as Splunk On-Call, Splunk Infrastructure Monitoring, and Splunk SOAR solutions, which provides APIs, SDKs, and other interfaces that enable its ecosystem, including third-party developers, partners, and customers to build content that configures and extends Splunk solutions to accommodate specific use cases. Further, the company provides adoption and implementation services, education services, and maintenance and customer support services. It sells its offerings directly through field and inside sales, and indirectly through various routes to market with various partners. Splunk Inc. was incorporated in 2003 and is headquartered in San Francisco, California.

Guideline Public Companies

Description

Datadog, Inc.	Datadog, Inc. provides monitoring and analytics platform for developers, information technology operations teams, and business users in the cloud in North America and internationally. The company’s SaaS platform integrates and automates infrastructure monitoring, application performance monitoring, log management, and security monitoring to provide real-time observability of its customers technology stack. Its platform also provides user experience monitoring, network performance monitoring, cloud security, developer-focused observability, and incident management, as well as a range of shared features, such as dashboards, analytics, collaboration tools, and alerting capabilities. The company was incorporated in 2010 and is headquartered in New York, New York.
Workday, Inc.	Workday, Inc. provides enterprise cloud applications worldwide. Its applications help its customers to plan, execute, analyze, and extend to other applications and environments, and to manage their business and operations. The company offers a suite of financial management applications, which enable chief financial officers to maintain accounting information in the general ledger; manage financial processes; identify real-time financial, operational, and management insights; enhance financial consolidation; reduce time-to-close; promote internal control and auditability; and achieve consistency across finance operations. It also provides cloud spend management solutions that helps organizations to streamline supplier selection and contracts, manage indirect spend, and build and execute sourcing events, such as requests for proposals; Human Capital Management (HCM) solution, a suite of human capital management applications that allows organizations to manage the entire employee lifecycle from recruitment to retirement, and enables HR teams to hire, onboard, pay, develop, reskill, and provide employee experiences; Workday applications for planning; and applications for analytics and reporting, including augmented analytics to surface insights to the line of business in simple-to-understand stories, machine learning to drive efficiency and automation, and benchmarks to compare performance against other companies. It serves professional and business services, financial services, healthcare, education, government, technology, media, retail, and hospitality industries. The company was formerly known as North Tahoe Power Tools, Inc. and changed its name to Workday, Inc. in July 2005. Workday, Inc. was incorporated in 2005 and is headquartered in Pleasanton, California.

Guideline Public Companies

Description

Salesforce, Inc.

Salesforce, Inc. provides customer relationship management technology that brings companies and customers together worldwide. Its Customer 360 platform empowers its customers to work together to deliver connected experiences for their customers. The company's service offerings include Sales to store data, monitor leads and progress, forecast opportunities, gain insights through analytics and relationship intelligence, and deliver quotes, contracts, and invoices; and Service that enables companies to deliver trusted and highly personalized customer service and support at scale. Its service offerings also comprise flexible platform that enables companies of various sizes, locations, and industries to build business apps to bring them closer to their customers with drag-and-drop tools; online learning platform that allows anyone to learn in-demand Salesforce skills; and Slack, a system of engagement. In addition, the company's service offerings include Marketing offering that enables companies to plan, personalize, and optimize one-to-one customer marketing journeys; and Commerce offering, which empowers brands to unify the customer experience across mobile, web, social, and store commerce points. Further, its service offerings comprise Tableau, an end-to-end analytics solution serving various enterprise use cases; and MuleSoft, an integration offering that allows its customers to unlock data across their enterprise. The company provides its service offering for customers in financial services, healthcare and life sciences, manufacturing, and other industries. It also offers professional services; and in-person and online courses to certify its customers and partners on architecting, administering, deploying, and developing its service offerings. The company provides its services through direct sales; and consulting firms, systems integrators, and other partners. Salesforce, Inc. was incorporated in 1999 and is headquartered in San Francisco, California.

Intel Corporation

Intel Corporation engages in the design, manufacture, and sale of computer products and technologies worldwide. The company operates through CCG, DCG, IOTG, Mobileye, NSG, PSG, and All Other segments. It offers platform products, such as central processing units and chipsets, and system-on-chip and multichip packages; and non-platform or adjacent products, including accelerators, boards and systems, connectivity products, graphics, and memory and storage products. The company also provides high-performance compute solutions for targeted verticals and embedded applications for retail, industrial, and healthcare markets; and solutions for assisted and autonomous driving comprising compute platforms, computer vision and machine learning-based sensing, mapping and localization, driving policy, and active sensors. In addition, it offers workload-optimized platforms and related products for cloud service providers, enterprise and government, and communications service providers. The company serves original equipment manufacturers, original design manufacturers, and cloud service providers. Intel Corporation has a strategic partnership with MILA to develop and apply advances in artificial intelligence methods for enhancing the search in the space of drugs. The company was incorporated in 1968 and is headquartered in Santa Clara, California.

	For Financial Year Ending				As of (2)			
	12/31/2019	%	12/31/2020	%	12/31/2021	%	4/30/2022	%
Assets (1)								
Current Assets:								
Cash and Cash Equivalents	\$1,409,251	26.4%	\$1,878,999	36.2%	\$1,065,174	27.0%	\$399,553	14.4%
Accounts Receivable	\$1,599,000	30.0%	\$1,162,594	22.4%	\$1,030,992	26.1%	\$1,100,558	39.5%
Other Current Assets	\$677,779	12.7%	\$537,038	10.4%	\$295,270	7.5%	\$223,594	8.0%
Total Current Assets	\$3,686,029	69.0%	\$3,578,630	69.0%	\$2,391,436	60.6%	\$1,723,704	61.9%
Net Fixed Assets	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Intangible Assets	\$1,552,415	29.1%	\$1,506,585	29.1%	\$1,455,414	36.9%	\$960,124	34.5%
Loan Receivables	\$100,000	1.9%	\$100,000	1.9%	\$100,000	2.5%	\$100,000	3.6%
Total Assets	\$5,338,445	100.0%	\$5,185,215	100.0%	\$3,946,851	100.0%	\$2,783,828	100.0%
Liabilities and Stockholder's Equity								
Current Liabilities:								
Accounts Payable	\$108,309	2.0%	\$166,416	3.2%	\$110,995	2.8%	\$872,737	31.4%
Accrued Expenses	\$646,291	12.1%	\$2,160,077	41.7%	\$2,387,895	60.5%	\$1,021,224	36.7%
Deferred Revenue	\$765,026	14.3%	\$662,030	12.8%	\$442,123	11.2%	\$730,445	26.2%
Other Current Liabilities	\$351,570	6.6%	\$153,335	3.0%	\$179,622	4.6%	\$247,934	8.9%
Short Term Debt	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$3,788,374	136.1%
Total Current Liabilities	\$1,871,196	35.1%	\$3,141,858	60.6%	\$3,120,634	79.1%	\$6,660,714	239.3%
Long Term Debt	\$1,468,381	27.5%	\$1,747,939	33.7%	\$2,611,837	66.2%	\$0	0.0%
Other Non-Current Liabilities	\$0	0.0%	\$648,900	12.5%	\$0	0.0%	\$0	0.0%
Total Liabilities	\$3,339,577	62.6%	\$5,538,697	106.8%	\$5,732,471	145.2%	\$6,660,714	239.3%

	For Financial Year Ending				As of (2)			
	12/31/2019	%	12/31/2020	%	12/31/2021	%	4/30/2022	%
Stockholders' Equity:								
Common Stock	\$2,769,465	51.9%	\$2,942,838	56.8%	\$3,118,179	79.0%	\$3,145,911	113.0%
Cumulative Translation Adjustment	\$0	0.0%	\$0	0.0%	\$1,290	0.0%	\$11,238	0.4%
Retained Earnings	\$0	0.0%	(\$770,597)	(14.9%)	(\$3,296,320)	(83.5%)	(\$4,823,642)	(173.3%)
Net Income	(\$770,598)	(14.4%)	(\$2,525,723)	(48.7%)	(\$1,608,770)	(40.8%)	(\$2,210,393)	(79.4%)
Net Shareholders' Equity	\$1,998,867	37.4%	(\$353,482)	(6.8%)	(\$1,785,621)	(45.2%)	(\$3,876,886)	(139.3%)
Total Liabilities and Shareholders' Equity	\$5,338,445	100.0%	\$5,185,215	100.0%	\$3,946,851	100.0%	\$2,783,828	100.0%
Working Capital								
Net (3)	\$405,582	7.6%	(\$1,442,227)	(27.8%)	(\$1,794,372)	(45.5%)	(\$1,548,189)	(55.6%)
Total (3)	\$1,814,833	34.0%	\$436,772	8.4%	(\$729,198)	(18.5%)	(\$4,937,009)	(177.3%)

Footnotes:

(1) Unaudited Balance Sheets from FY 2019 through April 30, 2022 provided by Management.

(2) Balance Sheets as of April 30, 2022 considered to be a proxy for the closing balance sheet as of the Valuation Date.

(3) Equals Working Capital Less Excess Cash and Current Interest-Bearing Debt.

Objective Valuation, LLC

As of April 21, 2022

Target, Inc.

Preliminary Draft

Financial Statements - Income Statement

Appendix A.4

	For Financial Year Ending				YTD (2)			
	12/31/2019	%	12/31/2020	%	12/31/2021	%	3/31/2022	%
Software/subscriptions	\$3,687,298	96.5%	\$4,620,094	67.8%	\$4,882,190	75.1%	\$1,194,778	88.3%
Services	\$11,380	0.3%	\$746,532	11.0%	\$425,565	6.5%	\$116,833	8.6%
Integration	\$123,648	3.2%	\$1,443,311	21.2%	\$1,191,427	18.3%	\$40,889	3.0%
Total Revenue [1]	\$3,822,326	100.0%	\$6,809,937	100.0%	\$6,499,181	100.0%	\$1,352,499	100.0%
Cost of Sales (Software/Subscriptions)	\$1,105,050	28.9%	\$1,389,362	20.4%	\$1,208,043	18.6%	\$339,266	25.1%
Cost of Sales (Services)	\$60,000	1.6%	\$313,637	4.6%	\$243,603	3.7%	\$63,418	4.7%
Cost of Sales (Integration)	\$335,261	8.8%	\$1,441,151	21.2%	\$913,719	14.1%	\$153,088	11.3%
Cost of Sales	\$1,500,311	39.3%	\$3,144,150	46.2%	\$2,365,365	36.4%	\$555,772	41.1%
Gross Profit	\$2,322,014	60.7%	\$3,665,786	53.8%	\$4,133,816	63.6%	\$796,728	58.9%
Operating Expenses:								
Selling & Marketing Expense	\$445,794	11.7%	\$604,584	8.9%	\$1,171,099	18.0%	\$524,905	38.8%
General & Administrative Expense	\$1,344,349	35.2%	\$2,256,289	33.1%	\$1,922,325	29.6%	\$274,096	20.3%
Research & Development Expense	\$1,086,085	28.4%	\$2,876,474	42.2%	\$3,084,027	47.5%	\$861,566	63.7%
Total Operating Expenses	\$2,876,228	75.2%	\$5,737,348	84.2%	\$6,177,451	95.0%	\$1,660,567	122.8%
EBIT	(\$554,213)	(14.5%)	(\$2,071,561)	(30.4%)	(\$2,043,635)	(31.4%)	(\$863,839)	(63.9%)
Interest Expense (-)	(\$216,384)	(5.7%)	(\$455,600)	(6.7%)	(\$542,866)	(8.4%)	(\$172,783)	(12.8%)
Other Income / (Expense) (+/-)	\$0	0.0%	\$4,762	0.1%	\$1,080,417	16.6%	(\$94,943)	(7.0%)
Total Other Income / (Expense)	(\$216,384)	(5.7%)	(\$450,838)	(6.6%)	\$537,551	8.3%	(\$267,725)	(19.8%)
Pretax Income	(\$770,598)	(20.2%)	(\$2,522,399)	(37.0%)	(\$1,506,084)	(23.2%)	(\$1,131,565)	(83.7%)
Taxes	\$0	0.0%	\$3,323	0.0%	\$3,377	0.1%	\$0	0.0%
Net Income	(\$770,598)	(20.2%)	(\$2,525,723)	(37.1%)	(\$1,509,461)	(23.2%)	(\$1,131,565)	(83.7%)
EBITDA	(\$500,681)	(13.1%)	(\$1,964,498)	(28.8%)	(\$1,936,572)	(29.8%)	(\$837,074)	(61.9%)
Amortization	\$53,532	1.4%	\$107,063	1.6%	\$107,063	1.6%	\$26,766	2.0%

Footnotes:

(1) Unaudited Income Statements from FY 2019 through year to date March 31, 2022 provided by Management.

(2) Year to date Income Statements of March 31, 2022 considered as a proxy for the Valuation Date.