

# Inherited Business Stake, Inc.

*Business Enterprise Valuation for Estate Planning Purposes*

**Valuation Date As of:  
October 29, 2021**



This **Sample Report** shows a **Business Enterprise Valuation**  
for **Estate Planning Purposes**.

This Valuation Summarizes the Value of a minority stake inherited by a spouse upon the death of her Husband. The goal was to establish a reasonable basis for the purchase of the inherited stake.

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## Executive Summary

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### Scope of Work

At your request, Objective Valuation, LLC (“Objective”) has estimated the fair market value of a 25.0% equity interest (the “Subject Interest”) Inherited Business Stake, Inc. (or the “Company”), as of October 29, 2021 (the “Valuation Date”) on a non-controlling, non-marketable basis for certain management planning purposes.

### Valuation Summary

#### Valuation Approaches

There is no universal formula to determine an appropriate value for an illiquid, non-controlling interest in a closely held company. Determination of value is a matter of judgment, which takes into consideration economic and market conditions, as well as investment opportunities that would be considered as alternatives to the interest being valued. The methods commonly used to value a closely held business include the following:

#### Income Approach

This approach focuses on the income-producing capability of a business. The income approach estimates value based on the expectation of future cash flows that a company will generate – such as cash earnings, cost savings, tax deductions, and the proceeds from disposition. These cash flows are discounted to the present using a rate of return that incorporates the risk-free rate for the use of funds, the expected rate of inflation, and risks associated with the particular investment. The selected discount rate is generally based on rates of return available from alternative investments of similar type, quality, and risk.

#### Market Approach

This approach measures the value of an asset or business through an analysis of recent sales or offerings of comparable investments or assets. When applied to the valuation of equity interests, consideration is given to the financial condition and operating performance of the entity being appraised relative to those of publicly traded entities operating in the same or similar lines of business, potentially subject to corresponding economic, environmental, and political factors and considered to be reasonable investment alternatives. The market approach can be applied by utilizing one or both of the following methods:

Guideline Public Company Method (“GPCM”): This methodology focuses on comparing the subject entity to guideline publicly traded entities. In applying this method, valuation multiples are: (i) derived from historical or forecasted operating data of selected guideline entities; (ii) evaluated and/or adjusted based on the strengths and weaknesses of the subject entity relative to the selected guideline entities; and (iii) applied to the appropriate operating data of the subject entity to arrive at a value indication.

Guideline Transactions Method (“GTM”): This methodology utilizes valuation multiples based on actual transactions that have occurred in the subject entity’s industry or related industries to arrive at an indication of value. These derived multiples are then adjusted and applied to the appropriate operating data of the subject entity to arrive at an indication of value.

#### Cost Approach

This approach measures the value of an asset by the cost to reconstruct or replace it with another of like utility. When applied to the valuation of equity interests in businesses, value is based on the net aggregate fair market value of the entity’s underlying individual assets. The technique entails a restatement of the balance sheet of the enterprise, substituting the fair market value of its individual assets and liabilities for their book values. The resulting approach is reflective of a 100.0% ownership interest in the business. This approach is frequently used in valuing holding companies or capital-intensive firms. It is not necessarily an appropriate valuation approach for companies having significant intangible value or those with little liquidation value.

In certain situations, abridged reports help maintain the focus on the detailed exhibits and numbers. However, descriptions of methodologies, assumptions, and key facts is always included.

## Executive Summary

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### Valuation Summary

Considering the above, the valuation determination herein has been developed primarily on the basis of the Income Approach and the Market Approach as the primary methodologies to determine the enterprise value of the Company. In the Income Approach, we considered Capitalization of Earnings Method (“CEM”) Method. Refer to Schedule B for further details on the analysis. For the Market Approach, we used Guideline Public Company Method and Guideline Transaction Method. Refer to Schedule C and Schedule D, respectively for further details.

### Income Approach – Capitalization of Earnings Method

Under the Capitalization of Earnings method, the principal valuation focus is on an entity’s cash-generating capabilities. This method is typically used in a business that has reached maturity and is expecting relatively stable cash flows in the future. As used in our valuation analysis, this method is an invested capital value method that estimates the value of a company by capitalizing trailing twelve months normalized cash flow at the required return less the expected future growth rate in cash flows.

The principal difference between a Discounted Cash Flow method and Capitalization of Earnings method is that while the former utilizes a series of cash flows over a period of time (until the business is expected to earn a stabilized level of earnings) to estimate the present value of an enterprise while the Capitalization of Earnings method uses only a single year’s cash flows to determine the value of an enterprise.

For the purposes of this analysis, as detailed above, we relied on the Capitalization of Earnings method to determine a valuation indication for the Company. Further, we have done certain normalization adjustment based on guideline public company data and discussion with Management. Refer to Schedule B.1 for further details.

### Discount Rates

The weighted average cost of capital is calculated by identifying and inputting the following data points into the WACC formula: the Company’s cost of equity, cost of debt, the percentage of equity in the capital structure, the percentage of debt in the capital structure, and the tax rate. The WACC is calculated by multiplying the (i) the after-tax cost of a hypothetical senior secured loan facility (“Kd”) applied against the total value of debt relative to the total value of the enterprise and (ii) the cost of equity (“Ke”) applied against the total value of equity relative to the total value of the enterprise. The formula for the after-tax WACC is found below:

$$WACC = Kd * (d\%) + Ke * (e\%)$$

Kd = After-tax cost of a senior secured loan facility

Ke = Cost of Equity

d% = Value of interest-bearing debt relative to total enterprise value

e% = Value of equity relative to total enterprise value

To determine the cost of debt (“Kd”), we considered the cost of debt of the Company as of the Valuation Date. The d% and e% were based on observations of the capital structures of selected guideline companies, which resulted in a debt-to-enterprise value of 15.0% and an equity-to-enterprise value of 85.0%.

### Executive Summary

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The cost of equity (“Ke”) is derived by applying the widely accepted Capital Asset Pricing Model (“CAPM”), while the remaining data points are readily observable. The CAPM formula is defined as follows:

$$Re = Rf + \beta (Rm) + Rc + CSRP$$

Where:

Re = Return on Equity

Rf = Risk-Free Rate

$\beta$  = Beta

Rm = Market Risk Premium

Rc = Size Premium

CSRP = Company-Specific Risk Premium

With respect to the risk-free rate of return, we considered the yields on 20-year US treasuries as of the Valuation Date. Beta was based on the unlevered beta of the selected guideline public comparable companies and re-levered based on the applied capital structure noted above. The market risk premium was obtained from the BVR Cost of Capital Navigator with considerations of current market volatility reflecting the long- horizon equity risk premium. We added the size premium into the calculation of the cost of capital since the CAPM does not fully account for the higher returns of small stage company stocks. Size premium was based on the small stock premium for the "10b" decile companies from BVR Cost of Capital Navigator. In addition to the size premium, we also added an unsystematic risk premium to the total cost of capital to reflect the risk specific to the Company and includes forecast and economic risk. Refer to Schedule B.2 for further details.

### Market Approach – Guideline Public Company Method

We estimated enterprise value using the set of guideline public companies (“GPCs”) deemed comparable to the Company. The Company offers nameplates in a wide range of materials, finishes, shapes, and sizes for all the industry and applications. The Company has been generating decent revenues and exhibited ~25.0% year-on-year revenue growth in FY 2021. However, the Company demonstrates a year-on-year negative revenue growth in FY 2019 and 2020 and operates at a positive cash flow based on normalized EBITDA level. Multiples are selected based on the Guideline Public Companies’ size business description, operating metrics, and discussions with Management. The Guideline Public Companies are larger in size and more diversified. Based on our review of the size and stage of development of the Company coupled with uncertainties associated with the forecast, we gave 100.0% weightage to the adjusted EBITDA and have selected the revenue and EBITDA multiples towards the minimum of the range and applied to the LTM revenue and adjusted EBITDA of the Company. Refer to Schedule C.1 for further details.

### Market Approach – Guideline Transaction Method

We analyzed valuation multiples observed for the acquisition of companies deemed comparable (“Guideline Transactions”) to the Company by Objective. In reconciling the selected transaction multiples with the valuation multiples observed, Objective considered the underlying operations, industries, size, growth, and risk characteristics for each of the acquired companies. The Company offers nameplates in a wide range of materials, finish, shapes and sizes for all the industry and applications. The Company has been generating decent revenues and exhibited ~25.0% year-on-year revenue growth rate in FY 2021. However, the Company demonstrates a year-on-year negative revenue growth in FY 2019 and in 2020 and operating at a positive cash flow based on normalized EBITDA level. Considering the above and the growth prospects, combined with the stage and size of the Company vis-a-vis the recent transactions in the market, we gave 100.0% weightage to the adjusted EBITDA and the revenue multiples have selected between the minimum and first quartile whereas adjusted EBITDA multiples between the median and third quartile of the range and applied to LTM revenue and adjusted EBITDA of the Company respectively. Refer to Schedule D.1 for further details.

# Objective Valuation, LLC

Valuation as of October 29, 2021

## Inherited Business Stake, Inc.

Final

Valuation Summary

(Values as presented)

Schedule A.2

| Enterprise Valuation Indication  | Low         | High | Average Values | Weights     | Concluded     | Reference          |                        |
|--|-------------|------|----------------|-------------|---------------|--------------------|------------------------|
| <b>Valuation Approach</b>  |             |      |                |             |               |                    |                        |
| Income Approach - Capitalized Earnings Method  | \$1,489,000 | --   | \$1,768,000    | \$1,628,500 | 33.3%         | \$542,833          | Schedule B.1           |
| Market Approach - Guideline Public Company Method  | \$1,590,000 | --   | \$1,950,000    | \$1,770,000 | 33.3%         | \$590,000          | Schedule C.1           |
| Market Approach - Guideline Transaction Method   | \$1,420,000 | --   | \$1,730,000    | \$1,575,000 | 33.3%         | \$525,000          | Schedule D.1           |
| <b>Concluded Enterprise Value (Rounded)</b>  |             |      |                |             | <b>100.0%</b> | <b>\$1,657,800</b> |                        |
| Less: Total Debt   |             |      |                |             |               | (\$254,004)        | Appendix C.4           |
| Add: Cash  |             |      |                |             |               | \$455,456          | Appendix C.4           |
| Less: Underfunded DB Plan of \$0.48m   |             |      |                |             |               | (\$484,926)        |                        |
| <b>Concluded Equity Value on a Controlling, Marketable Basis (Rounded)</b>                                   |             |      |                |             |               | <b>\$1,374,300</b> |                        |
| Subject Interest   |             |      |                |             | 25.0%         |                    | Provided by Management |
| <b>Concluded Equity Value of 25.0% Subject Interest on a Controlling, Marketable Basis (Rounded)</b>         |             |      |                |             |               | <b>\$343,600</b>   |                        |
| Less: Discount for Lack of Control   |             |      |                | 13.0%       |               | (\$44,817)         | Schedule D.5           |
| <b>Concluded Equity Value of 25.0% Subject Interest on a Non-Controlling, Marketable Basis</b>               |             |      |                |             |               | <b>\$298,783</b>   |                        |
| Less: Discount for Lack of Marketability   |             |      |                | 25.0%       |               | (\$74,696)         | Appendix A.1           |
| <b>Concluded Equity Value of 25.0% Subject Interest on a Non-Controlling, Non-Marketable Basis</b>           |             |      |                |             |               | <b>\$224,087</b>   | Comb. Disc. of 34.8%   |
| <b>Concluded Equity Value of 25.0% Subject Interest on a Non-Controlling, Non-Marketable Basis (Rounded)</b> |             |      |                |             |               | <b>\$225,000</b>   |                        |

Estate valuations look very similar to traditional business enterprise valuations, with the goal of isolating the correct minority or majority stake being inherited, sold, or transferred. Discounts for lack of marketability and lack of control are typically included.

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# INCOME APPROACH

## Capitalized Earnings Method

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|  | Historical Financials (1) |             |             |             |             | Normalized (2)         |
|--|---------------------------|-------------|-------------|-------------|-------------|------------------------|
|  | For Fiscal Year Ending    |             |             |             |             | For Fiscal Year Ending |
|  | Dec-31-2017               | Dec-31-2018 | Dec-31-2019 | Dec-31-2020 | Dec-31-2021 | Dec-31-2022            |
| <b>Total revenue</b>                             | \$3,489,873               | \$3,489,748 | \$3,181,239 | \$2,512,476 | \$3,130,283 | \$3,333,001            |
| Revenue growth                                   | N/A                       | (0.0%)      | (8.8%)      | (21.0%)     | 24.6%       | 6.5%                   |
| Total cost of revenue                            | \$2,064,271               | \$1,869,800 | \$1,935,701 | \$1,460,035 | \$1,739,117 | \$1,791,290            |
| <b>Gross profit</b>                              | \$1,425,602               | \$1,619,947 | \$1,245,537 | \$1,052,441 | \$1,391,166 | \$1,541,711            |
| Gross margin                                     | 40.8%                     | 46.4%       | 39.2%       | 41.9%       | 44.4%       | 46.3%                  |
| <b>Operating expenses</b>                        |                           |             |             |             |             |                        |
| Sales and marketing                              | \$73,391                  | \$49,786    | \$55,543    | \$62,884    | \$72,506    | \$74,681               |
| General and administrative                       | \$1,301,906               | \$1,437,813 | \$1,239,155 | \$1,222,245 | \$1,176,342 | \$1,219,824            |
| Depreciation and amortization                    | \$11,427                  | \$3,845     | \$3,213     | \$4,693     | \$5,844     | \$6,019                |
| Total operating expenses                         | \$1,386,723               | \$1,491,443 | \$1,297,911 | \$1,289,823 | \$1,254,692 | \$1,300,525            |
| <b>EBIT</b>                                      | \$38,878                  | \$128,504   | (\$52,373)  | (\$237,382) | \$136,474   | \$241,186              |
| EBIT margin                                      | 1.1%                      | 3.7%        | (1.6%)      | (9.4%)      | 4.4%        | 7.2%                   |
| Add: Adjustments                                 |                           |             | \$32,396    | (\$41,375)  | \$40,291    | \$67,513               |
| <b>Adjusted EBIT</b>                             |                           |             | (\$19,977)  | (\$278,757) | \$176,765   | \$308,700              |
| Adjusted EBIT margin                             | N/A                       | N/A         | (0.6%)      | (11.1%)     | 5.6%        | 9.3%                   |
| Income tax expense                               |                           |             |             |             |             | \$81,805               |
| <b>Debt-free net income</b>                      |                           |             |             |             |             | \$226,894              |
| (3) Depreciation and amortization                |                           |             |             |             |             | \$33,330               |
| (4) Incremental debt-free net working capital    |                           |             |             |             |             | (\$14,190)             |
| (5) Capital expenditures                         |                           |             |             |             |             | (\$33,330)             |
| <b>Total net investment</b>                      |                           |             |             |             |             | (\$14,190)             |
| <b>Net debt-free cash flows</b>                  |                           |             |             |             |             | \$212,704              |
| (6) Capitalization rate                          |                           |             |             |             |             | 12.0%                  |
| <b>Adjusted net debt-free cash flows</b>         |                           |             |             |             |             | \$1,772,533            |
| Discount period                                  |                           |             |             |             |             | 0.59                   |
| Discount factor                                  |                           |             |             |             |             | 0.91                   |
| <b>Present value of net debt-free cash flows</b> |                           |             |             |             |             | \$1,617,000            |

When businesses lack future projections, a single period capitalized earnings method can capture value from an income perspective.

| Capitalized Earnings Method Assumptions      |              |
|--|--------------|
| Tax  | 26.5%        |
| WACC (7) [a]                                 | 17.0%        |
| Less: Expected long-term growth rate (8) [b] | 5.0%         |
| <b>Capitalization Rate</b>                   | <b>12.0%</b> |

Sensitivity Analysis

|      |        | Long-Term Growth Rate |             |             |             |             |
|------|--------|-----------------------|-------------|-------------|-------------|-------------|
|      |        | 4.00%                 | 4.50%       | 5.00%       | 5.50%       | 6.00%       |
| WACC | 18.00% | \$1,379,000           | \$1,430,000 | \$1,485,000 | \$1,544,000 | \$1,609,000 |
|      | 17.50% | \$1,433,000           | \$1,489,000 | \$1,548,000 | \$1,613,000 | \$1,683,000 |
|      | 17.00% | \$1,492,000           | \$1,552,000 | \$1,617,000 | \$1,687,000 | \$1,764,000 |
|      | 16.50% | \$1,556,000           | \$1,621,000 | \$1,691,000 | \$1,768,000 | \$1,852,000 |
|      | 16.00% | \$1,625,000           | \$1,695,000 | \$1,773,000 | \$1,857,000 | \$1,950,000 |

|   |  | Low         |    | High        |
|---|--|-------------|----|-------------|
| Adjusted range of selected net present values |  | \$1,489,000 | -- | \$1,768,000 |

Footnotes:

- (1) Historical financials for the years 2017 through 2021 provided by Management. Income statement details for December 31, 2021 have been considered as placeholder for the income statement through the valuation date.
- (2) Normalized estimation for year 2022 determined through discussions with Management.
- (3) Normalized depreciation was estimated to be equal to capital expenditures ("Capex") in the long-term. Per Management indication there is no expected Capex in the future.
- (4) Working capital requirement has been estimated based on data from the guideline public companies and per the historical data exhibited by the Company.
- (5) Capital expenditure have been determined based on data from guideline public companies.
- (6) The capitalization rate equals the difference between the estimated cost of capital [a] and the Company's long-term growth rate [b].
- (7) See Schedule B.2 for the WACC determination.
- (8) Based on the long term growth expectations of the Company and inflation expectation in US.

|   | Cost of Capital | % in Capital Structure | Weighted Cost       |
|---|-----------------|------------------------|---------------------|
| <b>Weighted Average Cost of Capital (WACC)</b>                      |                 |                        |                     |
| (1) Debt  | 2.4%            | 15.0%                  | 0.4%                |
| Equity  | 19.2%           | 85.0%                  | 16.3%               |
| Weighted average cost of capital                                    |                 |                        | <u>16.7%</u>        |
| <b>Estimated WACC (rounded)</b>                                     |                 |                        | <b>17.0%</b>        |
| <b>Cost of Equity - Modified Capital Asset Pricing Model (CAPM)</b> |                 |                        |                     |
| (2) Risk-free rate  |                 |                        | 2.0%                |
| (3) Market equity risk premium                                      |                 | 6.2%                   |                     |
| (4) Relevered beta  | x               | <u>0.70</u>            |                     |
| Beta adjusted equity risk premium                                   |                 |                        | 4.4%                |
| (5) Size premium  |                 |                        | 7.9%                |
| (6) Company-specific risk adjustment                                |                 |                        | 5.0%                |
| <b>Estimated cost of equity</b>                                     |                 |                        | <u><b>19.2%</b></u> |
| <b>Cost of Debt</b>   |                 |                        |                     |
| (7) Pre-tax cost of debt  |                 |                        | 3.2%                |
| Income tax rate   |                 |                        | 26.5%               |
| <b>Estimated after-tax cost of debt</b>                             |                 |                        | <u><b>2.4%</b></u>  |

The cost of capital is often calculated through a Capital Asset Pricing Model (CAPM). Small private businesses with less stable cash flows tend to have discount rates at the high end of the range, but still below Venture Capital rates of return. Through beta benchmarking and risk adjustments, a reasonable discount rate can be calculated.

Weighted Average Cost of Capital (Footnotes)

Schedule B.2a

**Footnotes:**

- (1) Based on a company-specific capital structure.
- (2) Based on the nominal 20-year U.S. Treasury bond as of October 29, 2021. Source: S&P Capital IQ.
- (3) Source: Duff & Phelps Cost of Capital Navigator.
- (4) See Schedule B.3 for the estimation of beta.
- (5) Source: Duff & Phelps Cost of Capital Navigator.
- (6) Represents risk specific to the Company and includes risk related to the Company's ability to achieve forecasts and Management's operational plans.
- (7) The Company's cost of borrowing was estimated using the Moody's Seasoned Baa Corporate Bond Yield as of the Valuation Date.

| Guideline Company                    | Ticker Symbol | Levered Beta | Interest-bearing Debt (\$mil) | Market Capitalization (\$mil) | Market Value of Invested Capital (\$mil) | Debt  | Equity | Unlevered Beta (1) |
|--------------------------------------|---------------|--------------|-------------------------------|-------------------------------|--|-------|--------|--------------------|
| (x) Moving iMage Technologies, Inc.  | NYSEAM:MITQ   | 2.696        | \$3.8                         | \$29.4                        | \$33.2                                   | 11.5% | 88.5%  | 2.461              |
| AstroNova, Inc.                      | NasdaqGM:ALOT | 0.791        | \$10.8                        | \$119.7                       | \$130.5                                  | 8.3%  | 91.7%  | 0.742              |
| Thryv Holdings, Inc.                 | NasdaqCM:THRY | 0.792        | \$647.9                       | \$1,075.5                     | \$1,723.4                                | 37.6% | 62.4%  | 0.549              |
| Ennis, Inc.                          | NYSE:EBF      | 0.538        | \$18.2                        | \$494.7                       | \$512.9                                  | 3.5%  | 96.5%  | 0.524              |
| Boston Omaha Corporation             | NYSE:BOC      | 0.401        | \$77.5                        | \$1,048.5                     | \$1,126.0                                | 6.9%  | 93.1%  | 0.380              |
| Park-Ohio Holdings Corp.             | NasdaqGS:PKOH | 1.318        | \$643.4                       | \$277.7                       | \$921.1                                  | 69.8% | 30.2%  | 0.488              |
| Gannett Co., Inc.                    | NYSE:GCI      | 2.733        | \$1,648.7                     | \$797.1                       | \$2,445.8                                | 67.4% | 32.6%  | 1.084              |
| Brady Corporation                    | NYSE:BRC      | 0.832        | \$84.0                        | \$2,712.2                     | \$2,796.2                                | 3.0%  | 97.0%  | 0.813              |
| Sonoco Products Company              | NYSE:SON      | 0.847        | \$1,705.1                     | \$5,697.9                     | \$7,403.0                                | 23.0% | 77.0%  | 0.695              |
| Clear Channel Outdoor Holdings, Inc. | NYSE:CCO      | 2.468        | \$7,411.1                     | \$1,365.5                     | \$8,776.6                                | 84.4% | 15.6%  | 0.495              |
| Avery Dennison Corporation           | NYSE:AVY      | 1.031        | \$3,199.0                     | \$18,045.3                    | \$21,244.3                               | 15.1% | 84.9%  | 0.912              |

|                                |       |           |            |            |       |       |       |
|--------------------------------|-------|-----------|------------|------------|-------|-------|-------|
| <b>Minimum:</b>                | 0.401 | \$3.8     | \$29.4     | \$33.2     | 3.0%  | 15.6% | 0.380 |
| <b>Lower (First) Quartile:</b> | 0.791 | \$47.8    | \$386.2    | \$717.0    | 7.2%  | 40.0% | 0.502 |
| <b>Median:</b>                 | 0.847 | \$643.4   | \$1,048.5  | \$1,723.4  | 19.0% | 81.0% | 0.622 |
| <b>Upper (Third) Quartile:</b> | 1.893 | \$1,676.9 | \$2,038.8  | \$5,099.6  | 60.0% | 92.8% | 0.795 |
| <b>Maximum:</b>                | 2.733 | \$7,411.1 | \$18,045.3 | \$21,244.3 | 84.4% | 97.0% | 1.084 |

Selected unlevered beta: 0.620

| Subject Company                | Unlevered Beta | Target Cap Structure |        | Relevered Beta |
|--------------------------------|----------------|----------------------|--------|----------------|
|                                |                | Debt                 | Equity |                |
| Inherited Business Stake, Inc. | 0.620          | 15.0%                | 85.0%  | 0.700          |

Concluded levered beta: 0.700

Beta benchmarking helps us understand market risk.

Calculation of Beta (Footnotes)

Schedule B.3a

**Footnotes:**

Source: S&P Capital IQ.

(x) Denotes company excluded from the descriptive statistics. We excluded any companies with negative beta values.

(1)  $BU = BL \div [1+(1-T) \times (Wd \div We)]$ ;  $BL = BU \times [1+(1-T) \times (Wd \div We)]$ .

Definitions:

BU equals beta unlevered;

BL equals beta levered;

T equals estimated tax rate of 26.5%;

Wd equals percentage of debt capital in the capital structure; debt capital is comprised of interest-bearing debt; and

We equals percentage of equity capital in the capital structure; equity capital is comprised of the market value of common equity.

**Historical Working Capital Analysis**

|   | For Fiscal Year Ending |                  |                  |                  |                  |
|---|------------------------|------------------|------------------|------------------|------------------|
|   | Dec-31-2017            | Dec-31-2018      | Dec-31-2019      | Dec-31-2020      | Dec-31-2021      |
| (1) Revenue                                   | \$3,489,873            | \$3,489,748      | \$3,181,239      | \$2,512,476      | \$3,130,283      |
| Total current assets                          | \$414,380              | \$450,072        | \$439,320        | \$406,891        | \$797,593        |
| Total current liabilities                     | \$300,464              | \$306,062        | \$242,641        | \$97,443         | \$51,661         |
| <b>Working capital</b>                        | <b>\$113,916</b>       | <b>\$144,010</b> | <b>\$196,679</b> | <b>\$309,448</b> | <b>\$745,933</b> |
| (2) Accounts receivable, net                  | \$284,028              | \$298,770        | \$310,902        | \$212,956        | \$270,329        |
| (2) Inventory                                 | \$71,808               | \$71,808         | \$71,808         | \$71,808         | \$71,808         |
| (2) Prepaid expenses and other current assets | \$28,506               | \$30,899         | \$15,952         | \$38,303         | \$0              |
| Working capital assets (excl. cash)           | \$384,342              | \$401,476        | \$398,662        | \$323,067        | \$342,137        |
| (2) Accounts payable and accrued liabilities  | \$82,003               | \$116,137        | \$132,243        | \$97,054         | \$51,305         |
| (2) Due to/from profit sharing plan           | \$113,098              | \$128,098        | \$89,754         | \$0              | \$0              |
| (2) Other current liabilities                 | \$739                  | \$240            | \$1,575          | \$389            | \$356            |
| Working capital liabilities (excl. debt)      | \$195,839              | \$244,475        | \$223,571        | \$97,443         | \$51,661         |
| <b>Debt-free net working capital (DFNWC)</b>  | <b>\$188,503</b>       | <b>\$157,001</b> | <b>\$175,090</b> | <b>\$225,623</b> | <b>\$290,477</b> |
| <i>Percentage of revenue</i>                  | <i>5.4%</i>            | <i>4.5%</i>      | <i>5.5%</i>      | <i>9.0%</i>      | <i>9.3%</i>      |

Analyzing historical working capital helps us understand the businesses cash needs beyond just expenses and Capex.

**Footnotes:**

(1) See Appendix C.1 for historical income statements.

(2) See Appendix C.4 for historical balance sheets.

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# MARKET APPROACH

## Guideline Public Company Analysis

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# Objective Valuation, LLC

Valuation as of October 29, 2021

Inherited Business Stake, Inc.

Final

Guideline Public Company Method - Summary

(Values as presented)

Schedule C.1

|  | Financial<br>Metric | Selected Multiple (1) |      |        | Indicated BEV      |           |                    |
|--|---------------------|-----------------------|------|--------|--------------------|-----------|--------------------|
|  |                     | Low                   | High | Low    | High               |           |                    |
| <b>Last Twelve Months ("LTM")</b>                                      |                     |                       |      |        |                    |           |                    |
| (2) Revenue  | \$3,333,001         | 0.60 x                | --   | 0.85 x | \$1,999,801        | --        | \$2,833,051        |
| (2) Adjusted EBITDA  | \$314,719           | 4.50 x                | --   | 5.50 x | \$1,416,235        | --        | \$1,730,954        |
| Estimated weighted BEV range, minority, marketable basis               |                     |                       |      |        | \$1,416,235        | --        | \$1,730,954        |
| (3) Less: Debt   |                     |                       |      |        | (\$254,004)        | --        | (\$254,004)        |
| Business equity value, minority, marketable                            |                     |                       |      |        | \$1,162,231        | --        | \$1,476,950        |
| (4) Add: Control premium   |                     |                       |      | 15.0%  | \$174,335          | --        | \$221,542          |
| Business equity value, controlling, marketable                         |                     |                       |      |        | \$1,336,566        | --        | \$1,698,492        |
| (3) Add: Debt  |                     |                       |      |        | \$254,004          | --        | \$254,004          |
| <b>Estimated BEV range, controlling, marketable interest (rounded)</b> |                     |                       |      |        | <b>\$1,590,000</b> | <b>to</b> | <b>\$1,950,000</b> |

Using multiples benchmarked to larger public companies can help us understand how the market prices similar assets.

Depending on size, growth, and profitability, adjustments to those multiples can capture the value of the private business at hand.

## Footnotes:

(1) See Schedule C.2 and Schedule C.3 for the market multiples.

The Company offers nameplates in a wide range of materials, finishes, shapes, and sizes for all the industry and applications. The Company has been generating decent revenues and exhibited ~25.0% year-on-year revenue growth rate in FY 2021. However, the Company demonstrated a year-on-year negative revenue growth in FY 2019 and 2020, but operates at a positive cash flow based on normalized EBITDA levels. Multiples are selected based on the Guideline Public Companies' size business description, operating metrics, and discussions with Management. The Guideline Public Companies are larger in size and more diversified. Based on our review of the size and stage of development of the Company coupled with uncertainties associated with the forecast, we gave 100.0% weightage to the adjusted EBITDA and have selected the revenue and EBITDA multiples towards the minimum of the range and applied to the LTM revenue and adjusted EBITDA of the Company.

(2) See Appendix C.1 for the historical income statements.

(3) See Appendix C.4 for debt balance.

(4) See Schedule D.5 for the control premium.

| Guideline Company                    | BEV / Revenue <sup>(1)</sup> |        |             |         |        |
|--------------------------------------|------------------------------|--------|-------------|---------|--------|
|                                      | LTM                          | LFY    | 3-Year Avg. | Forward |        |
|                                      |                              |        |             | 1 Year  | 2 Year |
| Moving iMage Technologies, Inc.      | 4.40x                        | 4.40x  | 2.15x       | N/A     | N/A    |
| AstroNova, Inc.                      | 1.02x                        | 1.03x  | 0.93x       | 0.98x   | 0.92x  |
| Thryv Holdings, Inc.                 | 1.61x                        | 1.54x  | 1.19x       | 1.61x   | 1.88x  |
| Ennis, Inc.                          | 1.13x                        | 1.20x  | 1.08x       | 1.08x   | 1.05x  |
| (x) Boston Omaha Corporation         | 18.45x                       | 20.25x | 25.94x      | 16.23x  | 14.96x |
| Park-Ohio Holdings Corp.             | 0.62x                        | 0.68x  | 0.58x       | 0.62x   | 0.58x  |
| Gannett Co., Inc.                    | 0.70x                        | 0.67x  | 1.01x       | 0.70x   | 0.73x  |
| Brady Corporation                    | 2.31x                        | 2.31x  | 2.35x       | 2.06x   | 1.98x  |
| Sonoco Products Company              | 1.31x                        | 1.38x  | 1.36x       | 1.30x   | 1.24x  |
| Clear Channel Outdoor Holdings, Inc. | 4.35x                        | 4.43x  | 3.40x       | 3.80x   | 3.34x  |
| Avery Dennison Corporation           | 2.56x                        | 3.02x  | 2.98x       | 2.52x   | 2.38x  |
| <b>Minimum:</b>                      | 0.62x                        | 0.67x  | 0.58x       | 0.62x   | 0.58x  |
| <b>Lower (First) Quartile:</b>       | 1.05x                        | 1.07x  | 1.03x       | 0.98x   | 0.92x  |
| <b>Median:</b>                       | 1.46x                        | 1.46x  | 1.27x       | 1.30x   | 1.24x  |
| <b>Upper (Third) Quartile:</b>       | 2.50x                        | 2.84x  | 2.30x       | 2.06x   | 1.98x  |
| <b>Maximum:</b>                      | 4.40x                        | 4.43x  | 3.40x       | 3.80x   | 3.34x  |
| (2) <b>Coefficient of Variation:</b> | 0.70                         | 0.69   | 0.56        | 0.63    | 0.58   |

**Footnotes:**

Source: S&amp;P Capital IQ.

(x) Represents that an outlier was excluded from one of the summarizing statistics. The "x" refers figure to the right.

\*N/A represents not available or not applicable.

(1) See Schedule C.4 and Appendix B.2 for the BEV and revenue data, respectively.

(2) Coefficient of variation measures the variability of the multiples data. It is calculated by dividing the standard deviation by the mean.

A lower coefficient of variation indicates lower variability relative to the size of the mean and suggests a more statistically relevant data set.

| Guideline Company                        | BEV / EBITDA (1) |         |             |         |         |
|--|------------------|---------|-------------|---------|---------|
|  | LTM              | LFY     | 3-Year Avg. | Forward |         |
|  |                  |         |             | 1 Year  | 2 Year  |
| Moving iMage Technologies, Inc.          | NMF              | NMF     | NMF         | N/A     | N/A     |
| AstroNova, Inc.                          | 11.26x           | 14.15x  | 11.16x      | 7.30x   | 9.49x   |
| Thryv Holdings, Inc.                     | 6.60x            | 5.91x   | 4.44x       | 5.18x   | 6.47x   |
| Ennis, Inc.                              | 7.19x            | 8.21x   | 6.90x       | 6.72x   | 6.15x   |
| (x) Boston Omaha Corporation             | 223.23x          | 251.89x | 1575.09x    | 151.69x | 104.05x |
| Park-Ohio Holdings Corp.                 | 10.54x           | 13.70x  | 7.86x       | 9.75x   | 7.30x   |
| Gannett Co., Inc.                        | 4.57x            | 5.15x   | 8.59x       | 4.84x   | 4.92x   |
| Brady Corporation                        | 13.75x           | 13.75x  | 14.34x      | 11.44x  | 10.59x  |
| (x) Sonoco Products Company              | 36.91x           | 9.68x   | 9.76x       | 9.48x   | 8.93x   |
| (x) Clear Channel Outdoor Holdings, Inc. | 51.36x           | 116.18x | 19.57x      | 24.58x  | 15.67x  |
| Avery Dennison Corporation               | 16.31x           | 20.04x  | 21.12x      | 15.89x  | 14.92x  |
| <b>Minimum:</b>                          | 4.57x            | 5.15x   | 4.44x       | 4.84x   | 4.92x   |
| <b>Lower (First) Quartile:</b>           | 6.90x            | 7.63x   | 7.86x       | 6.72x   | 6.47x   |
| <b>Median:</b>                           | 10.54x           | 11.69x  | 9.76x       | 9.48x   | 8.93x   |
| <b>Upper (Third) Quartile:</b>           | 12.51x           | 13.85x  | 14.34x      | 11.44x  | 10.59x  |
| <b>Maximum:</b>                          | 16.31x           | 20.04x  | 21.12x      | 24.58x  | 15.67x  |
| <b>(2) Coefficient of Variation:</b>     | 0.42             | 0.44    | 0.50        | 0.59    | 0.40    |

**Footnotes:**

Source: S&amp;P Capital IQ.

(x) represents that an outlier was excluded from one of the summarizing statistics.

\*N/A / NMF represents not available or not applicable or not meaningful.

(1) See Schedule C.4 and Appendix B.2 for the BEV and EBITDA data, respectively.

(2) Coefficient of variation measures the variability of the multiples data. It is calculated by dividing the standard deviation by the mean.

A lower coefficient of variation indicates lower variability relative to the size of the mean and suggests a more statistically relevant data set.

# Objective Valuation, LLC

Valuation as of October 29, 2021

## Inherited Business Stake, Inc.

Final

Guideline Public Company Method - Business Enterprise Value

(USD millions) excluding trading and price data

Schedule C.4

| Guideline Company                    | Ticker        | Shares (mil) | Closing Price Oct-29-2021 | Daily Trade Volume | 52-Week Low | 52-Week High |
|--------------------------------------|---------------|--------------|---------------------------|--------------------|-------------|--------------|
| Moving iMage Technologies, Inc.      | NYSEAM:MITQ   | 10.64        | \$2.76                    | 594,400            | \$2.48      | \$27.31      |
| AstroNova, Inc.                      | NasdaqGM:ALOT | 7.25         | \$16.50                   | 5,960              | \$7.70      | \$18.05      |
| Thryv Holdings, Inc.                 | NasdaqCM:THRY | 33.96        | \$31.67                   | 321,960            | \$8.10      | \$37.26      |
| Ennis, Inc.                          | NYSE:EBF      | 26.12        | \$18.94                   | 107,810            | \$15.18     | \$22.24      |
| Boston Omaha Corporation             | NYSE:BOC      | 29.58        | \$35.45                   | 87,170             | \$15.66     | \$49.92      |
| Park-Ohio Holdings Corp.             | NasdaqGS:PKOH | 11.91        | \$23.32                   | 42,400             | \$17.69     | \$41.78      |
| Gannett Co., Inc.                    | NYSE:GCI      | 137.44       | \$5.80                    | 710,580            | \$1.03      | \$7.05       |
| Brady Corporation                    | NYSE:BRC      | 52.07        | \$52.09                   | 373,570            | \$37.47     | \$61.76      |
| Sonoco Products Company              | NYSE:SON      | 98.32        | \$57.95                   | 1,498,400          | \$48.65     | \$69.83      |
| Clear Channel Outdoor Holdings, Inc. | NYSE:CCO      | 470.87       | \$2.90                    | 1,355,240          | \$0.87      | \$3.13       |
| Avery Dennison Corporation           | NYSE:AVY      | 82.88        | \$217.72                  | 686,060            | \$136.68    | \$228.88     |

| Guideline Company                    | Last Fiscal Year End (LFY) | Latest Filing Period Date (1) | Market Capitalization | Net Debt (2) | Preferred Stock | Minority Interest | Business Enterprise Value |
|--------------------------------------|----------------------------|-------------------------------|-----------------------|--------------|-----------------|-------------------|---------------------------|
| Moving iMage Technologies, Inc.      | 6/30/2021                  | 6/30/2021                     | \$29.4                | \$2.5        | \$0.0           | \$0.0             | \$31.9                    |
| AstroNova, Inc.                      | 1/31/2021                  | 7/31/2021                     | \$119.7               | (\$0.6)      | \$0.0           | \$0.0             | \$119.1                   |
| Thryv Holdings, Inc.                 | 12/31/2020                 | 6/30/2021                     | \$1,075.5             | \$632.1      | \$0.0           | \$0.0             | \$1,707.6                 |
| Ennis, Inc.                          | 2/28/2021                  | 8/31/2021                     | \$494.7               | (\$63.9)     | \$0.0           | \$0.0             | \$430.8                   |
| Boston Omaha Corporation             | 12/31/2020                 | 6/30/2021                     | \$1,048.5             | (\$271.3)    | \$0.0           | \$149.3           | \$926.5                   |
| Park-Ohio Holdings Corp.             | 12/31/2020                 | 6/30/2021                     | \$277.7               | \$588.1      | \$0.0           | \$12.3            | \$878.1                   |
| Gannett Co., Inc.                    | 12/31/2020                 | 6/30/2021                     | \$797.1               | \$1,490.1    | \$0.0           | \$0.0             | \$2,287.3                 |
| Brady Corporation                    | 7/31/2021                  | 7/31/2021                     | \$2,712.2             | (\$63.3)     | \$0.0           | \$0.0             | \$2,648.8                 |
| Sonoco Products Company              | 12/31/2020                 | 10/3/2021                     | \$5,697.9             | \$1,545.1    | \$0.0           | \$0.0             | \$7,243.0                 |
| Clear Channel Outdoor Holdings, Inc. | 12/31/2020                 | 6/30/2021                     | \$1,365.5             | \$6,847.1    | \$0.0           | \$9.8             | \$8,222.4                 |
| Avery Dennison Corporation           | 1/2/2021                   | 10/2/2021                     | \$18,045.3            | \$2,991.8    | \$0.0           | \$0.0             | \$21,037.1                |

|                         |            |
|-------------------------|------------|
| Minimum:                | \$31.9     |
| Lower (First) Quartile: | \$654.5    |
| Median:                 | \$1,707.6  |
| Upper (Third) Quartile: | \$4,945.9  |
| Maximum:                | \$21,037.1 |

### Footnotes:

Source: S&P Capital IQ.

(1) Guideline company data is taken from the most recent quarterly or annual report filed nearest the Valuation Date.

(2) Net debt is equal to total debt minus total cash and short-term investments.

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# MARKET APPROACH

## Guideline Transaction Analysis

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|  | Financial Metric | (1) | Selected Multiple |      | Indicated BEV Range |                    |           |                    |
|--|------------------|-----|-------------------|------|---------------------|--------------------|-----------|--------------------|
|  |                  |     | Low               | High | Low                 | High               |           |                    |
| <b><u>Last Twelve Months ("LTM")</u></b>                               |                  |     |                   |      |                     |                    |           |                    |
| (2) Revenue  | \$3,333,001      |     | 0.50 x            | -    | 0.60 x              | \$1,666,501        | -         | \$1,999,801        |
| (2) Adjusted EBITDA  | \$314,719        |     | 4.50 x            | -    | 5.50 x              | \$1,416,235        | -         | \$1,730,954        |
| Estimated weighted BEV range, controlling, marketable                  |                  |     |                   |      |                     | \$1,416,235        | -         | \$1,730,954        |
| <b>Estimated BEV range, controlling, marketable interest (rounded)</b> |                  |     |                   |      |                     | <b>\$1,420,000</b> | <b>to</b> | <b>\$1,730,000</b> |

Using multiples benchmarked to recent transactions (especially purchases of similar private businesses) can help us understand how the market prices similar companies.

Depending on size, growth, and profitability, adjustments to those multiples can capture the value of the subject company.

**Footnotes:**

(1) See Schedule D.2 and Schedule D.4 for market multiples.

The Company offers nameplates in a wide range of materials, finish, shapes and sizes for all the industry and applications. The Company has been generating decent revenues and exhibited ~25.0% year-on-year revenue growth rate in FY 2021. However, the Company demonstrates a year-on-year negative revenue growth in FY 2019 and in 2020 and operating at a positive cash flow based on normalized EBITDA level. Considering the above and the growth prospects, combined with the stage and size of the Company vis-a-vis the recent transactions in the market, we gave 100.0% weightage to the adjusted EBITDA and the revenue multiples have selected between the minimum and first quartile whereas adjusted EBITDA multiples between the median and third quartile of the range and applied to LTM revenue and adjusted EBITDA of the Company respectively.

(2) See Appendix C.1 for historical income statements.

# Objective Valuation, LLC

Valuation as of October 29, 2021

Inherited Business Stake, Inc.

Final

Guideline Transaction Method - Transaction Data

(USD millions)

Schedule D.2

| Announced Date                 | Effective Date | SIC Code | Buyer Company                            | Target Company                                       | Revenue | EBITDA | EBITDA Margin | BEV       | BEV / Revenue | BEV / EBITDA |
|--------------------------------|----------------|----------|--|--|---------|--------|---------------|-----------|---------------|--------------|
| Dec-20-2021                    | Dec-20-2021    | N/A      | UFP Packaging, LLC                       | Advantage Label & Packaging, Inc.                    | \$19.8  | \$0.0  | 0.0%          | \$16.0    | 0.81x         | N/A          |
| Dec-31-2020                    | Dec-31-2020    | N/A      | Avery Dennison Corporation               | acpo, ltd.   | \$60.0  | \$0.0  | 0.0%          | \$87.6    | 1.46x         | N/A          |
| Nov-18-2019                    | Jan-6-2020     | N/A      | HFC Prestige Products, Inc.              | King Kylie, LLC                                      | \$177.0 | \$0.0  | 0.0%          | \$1,176.5 | 6.65x         | N/A          |
| Sep-27-2018                    | Oct-2-2018     | N/A      | Clinigen Group plc                       | CSM Parent, Inc.                                     | \$51.2  | \$7.6  | 14.8%         | \$240.0   | 4.69x         | 31.58x       |
| Sep-19-2017                    | Oct-10-2017    | 2621     | Industrial Assets Corp.                  | Midwest Recycled and Coated Containerboard Mill, LLC | \$300.0 | \$0.0  | 0.0%          | \$21.6    | 0.07x         | N/A          |
| Dec-15-2016                    | Jan-5-2017     | N/A      | IntegraColor, LLC (nka:Orora Visual LLC) | Register Print Group Inc.                            | \$42.0  | \$0.0  | 0.0%          | \$47.0    | 1.12x         | N/A          |
| <b>Minimum:</b>                |                |          |  |  | \$19.8  | \$0.0  | 0.0%          | \$16.0    | 0.07x         | 31.58x       |
| <b>Lower (First) Quartile:</b> |                |          |  |  | \$44.3  | \$0.0  | 0.0%          | \$27.9    | 0.89x         | 31.58x       |
| <b>Median:</b>                 |                |          |  |  | \$55.6  | \$0.0  | 0.0%          | \$67.3    | 1.29x         | 31.58x       |
| <b>Upper (Third) Quartile:</b> |                |          |  |  | \$147.8 | \$0.0  | 0.0%          | \$201.9   | 3.88x         | 31.58x       |
| <b>Maximum:</b>                |                |          |  |  | \$300.0 | \$7.6  | 14.8%         | \$1,176.5 | 6.65x         | 31.58x       |

**Footnotes:**

Source: S&P Capital IQ.

\*N/A represents not available or not applicable.

| <b>Target Company</b>                                | <b>Business Description</b>  |
|--|--|
| Advantage Label & Packaging, Inc.                    | Advantage Label & Packaging, Inc. is a provider of labels and related equipment used in industrial packaging.  |
| acpo, ltd.   | acpo, ltd. designs and manufactures self-wound pressure sensitive roll label films for label printing and flexible packaging industries.   |
| King Kylie, LLC                                      | King Kylie, LLC engages in the development, manufacture, labeling, packaging, advertising, display, distribution, and sale of beauty products.   |
| CSM Parent, Inc.                                     | CSM Parent, Inc. provides packaging, labelling, warehousing, and distribution services.  |
| Midwest Recycled and Coated Containerboard Mill, LLC | Midwest Recycled and Coated Containerboard Mill, LLC, doing business as Midwest Paper Group, manufactures and distributes coated, uncoated, and specialty and technical papers for corporations, publishers, printers, converters, and graphic designers in North America. |
| Register Print Group Inc.                            | Register Print Group Inc. provides printing services for retail market.  |

**Footnotes:**

Source: S&amp;P Capital IQ.



# Objective Valuation, LLC

Valuation as of October 29, 2021

Inherited Business Stake, Inc.

Final

Guideline Transaction Method - Transaction Data (BVR)

(Values as presented)

Schedule D.4

| Sale Date       | SIC Code | Target Business Description   | Revenue           | EBITDA          | MVIC              | Cash           | EBITDA Margin                  | BEV               | BEV / Revenue     | BEV / EBITDA |        |
|-----------------|----------|---|-------------------|-----------------|-------------------|----------------|--------------------------------|-------------------|-------------------|--------------|--------|
| (x) May-25-2022 | 2759     | Engaged In Commercial Printing and Graphic Arts   | \$1,008,055.0     | \$26,839.0      | \$50,600.0        | \$141,936.0    | 2.7%                           | (\$91,336.0)      | (0.09x)           | (3.40x)      |        |
| Jan-13-2022     | 2759     | Printing Business, Graphic Design, and Sign Manufacturing   | \$621,771.0       | NA              | \$309,389.0       | \$0.0          | N/A                            | \$309,389.0       | 0.50x             | N/A          |        |
| Feb-12-2021     | 2759     | Screen Printing and Embroidery  | \$1,513,893.0     | \$47,720.0      | \$650,000.0       | \$345,012.0    | 3.2%                           | \$304,988.0       | 0.20x             | 6.39x        |        |
| Sep-25-2020     | 2759     | Commercial Printer with Fulfillment, Graphic Arts, and Marketing Service                            | \$5,816,111.0     | \$698,578.0     | \$1,900,000.0     | \$696,598.0    | 12.0%                          | \$1,203,402.0     | 0.21x             | 1.72x        |        |
| Jan-20-2020     | 2759     | Designs, Manufactures, and Distributes Celebrations, Stationery, Creative Play and Gifting Products | \$588,699,000.0   | \$35,969,000.0  | \$91,086,000.0    | \$25,381,000.0 | 6.1%                           | \$65,705,000.0    | 0.11x             | 1.83x        |        |
| Jul-1-2019      | 2754     | Provider of Label Solutions, Including Pressure Sensitive, Cut and Slack and Others                 | \$1,725,554,000.0 | \$165,436,000.0 | \$2,564,520,650.0 | \$57,762,000.0 | 9.6%                           | \$2,506,758,650.0 | 1.45x             | 15.15x       |        |
| (x) Apr-12-2019 | 2759     | Label Manufacturing   | \$784,821.0       | NA              | \$282,000.0       | \$383,931.0    | N/A                            | (\$101,931.0)     | (0.13x)           | N/A          |        |
| Nov-3-2017      | 3999     | Manufactures and Retail Home Crafts Products  | \$96,189,000.0    | NA              | \$68,933,000.0    | \$484,000.0    | N/A                            | \$68,449,000.0    | 0.71x             | N/A          |        |
|                 |          |   |                   |                 |                   |                | <b>Minimum:</b>                | 2.7%              | \$304,988.0       | 0.11x        | 1.72x  |
|                 |          |   |                   |                 |                   |                | <b>Lower (First) Quartile:</b> | 3.2%              | \$532,892.3       | 0.20x        | 1.80x  |
|                 |          |   |                   |                 |                   |                | <b>Median:</b>                 | 6.1%              | \$33,454,201.0    | 0.35x        | 4.11x  |
|                 |          |   |                   |                 |                   |                | <b>Upper (Third) Quartile:</b> | 9.6%              | \$67,763,000.0    | 0.66x        | 8.58x  |
|                 |          |   |                   |                 |                   |                | <b>Maximum:</b>                | 12.0%             | \$2,506,758,650.0 | 1.45x        | 15.15x |

**Footnotes:**

Source: Business Valuation Resource.

(x) represents that an outlier was excluded from one of the summarizing statistics.

\*N/A represents not available or not applicable.

**Control Premium Study - (1)**

| Target Company         | SIC Code | Closed Date | Control Premium |
|------------------------|----------|-------------|-----------------|
| TBSP Public Co. Ltd.   | 2759     | Sep-20-2021 | 6.9%            |
| (x) Cia Hering SA      | 2389     | Sep-17-2021 | 123.3%          |
| Tribune Publishing Co. | 2711     | May-24-2021 | 34.9%           |
| Ruhnn Holding Ltd.     | 2339     | Apr-20-2021 | 15.3%           |
| Axkid AB               | 2396     | Feb-22-2021 | 61.4%           |

|                         |       |
|-------------------------|-------|
| Minimum:                | 6.9%  |
| Lower (First) Quartile: | 13.2% |
| Median:                 | 25.1% |
| Upper (Third) Quartile: | 41.5% |
| Maximum:                | 61.4% |

|   |       |
|---|-------|
| Selected control premium                        | 15.0% |
| Implied discount for lack of control (DLOC) (2) | 13.0% |

Control premium studies can help benchmark discounts applied to minority private stakes by using the inverse of premiums paid in the market.

**Footnotes:**

Sources: S&P Capital IQ.

(x) represents an outlier that is not included in the statistical summary.

(1) Source: Control Premium Study, third quarter, 2021 and fourth quarter, 2021, Mergerstat. We have not considered data with negative control premium.

(2) The implied discount for lack of control is calculated as  $1 - (1 / (1 + \text{control premium}))$ .

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# Appendices

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| <b>DLOM Methods</b>                                 | <b>Discount</b> | <b>Reference</b> |
|---|-----------------|------------------|
| Discount for Lack of Marketability - Asian Put      | 21.0%           | Appendix A.2     |
| Discount for Lack of Marketability - Protective Put | 37.0%           | Appendix A.3     |
| Discount for Lack of Marketability - Finnerty Put   | 22.0%           | Appendix A.4     |
| <b>Estimated DLOM (Rounded)</b>                     | <b>25.0%</b>    |                  |

For non-marketable shares, additional discounts can be calculated using option pricing techniques that can help isolate the lack of marketability for private common shares.

**Discount for Lack of Marketability ("DLOM") - Asian Put Option Analysis**

|   |              |
|---|--------------|
| (1) Time to expiration (years)  | 3.00         |
| Current price   | \$1.00       |
| Strike price  | \$1.00       |
| Dividend yield  | 0.0%         |
| (2) Volatility  | 58.0%        |
| A = volatility <sup>2</sup> *Time   | 1.0092       |
| B = ln(2(e(volatility <sup>2</sup> *Time) - (volatility <sup>2</sup> *Time) - 1)) | 0.3842       |
| C = 2ln(e(volatility <sup>2</sup> *Time)-1)                                       | 1.1117       |
| $v_T = (A+B-C)^{0.5}$   | 0.5308       |
| (3) Asian put value   | 20.9%        |
| Implied DLOM on 3.0-year holding period   | 20.9%        |
| <b>Estimated DLOM (rounded)</b>   | <b>21.0%</b> |

**Footnotes:**

- (1) Estimated based on discussions with Management regarding expectations of a future liquidity or exit event.
- (2) See Appendix A.5 for the concluded equity volatility for the exit term.
- (3) We use an average price, or "Asian," put option where the payoff depends on the average price of the underlying asset during the life of the option. Traditional put option models can overstate marketability given that the combination of a restricted stock and a put option provides 100% percent downside protection and 100% upside participation; however, the owner of a marketable security does not have 100% downside protection.

**Discount for Lack of Marketability ("DLOM") - Protective Put Option Analysis**

|   |              |
|---|--------------|
| (1) Time to expiration (years)          | 3.00         |
| Current price                           | \$1.00       |
| Strike price                            | \$1.00       |
| Dividend yield                          | 0.0%         |
| (2) Volatility                          | 58.0%        |
| Risk-free rate                          | 0.8%         |
| D1                                      | 0.5247       |
| D2                                      | -0.4799      |
| N(D1)                                   | 0.7001       |
| N(D2)                                   | 0.3157       |
| (3) Protective put value                | \$0.37       |
| Implied DLOM on 3.0-year holding period | 36.9%        |
| <b>Estimated DLOM (rounded)</b>         | <b>37.0%</b> |

**Footnotes:**

- (1) Estimated based on discussions with Management regarding expectations of a future liquidity or exit event.
- (2) See Appendix A.5 for the concluded equity volatility for the exit term.
- (3) The implied discount for lack of marketability is equal to the value of the put option relative to the stock price.

**Discount for Lack of Marketability ("DLOM") - Finnerty Put Option Analysis**

|   |              |
|---|--------------|
| (1) Risk-free rate                                  | 0.8%         |
| (2) Time to expiration (years)                      | 3.00         |
| (3) Volatility                                      | 58.0%        |
| Dividend yield                                      | 0.0%         |
| v   | 0.5308       |
| A   | 0.3078       |
| B   | (0.2230)     |
| Finnerty put value                                  | 0.2232       |
| (4) Implied DLOM on 3.0-year holding period         | 22.3%        |
| <b>Concluded discount for lack of marketability</b> | <b>22.0%</b> |

**Footnotes:**

- (1) U.S. Treasury with term comparable to the estimated time to expiration. Source: Capital IQ, a division of Standard & Poor's.
- (2) Estimated based on discussions with Management regarding expectations of a future liquidity or exit event.
- (3) Historical volatility of the guideline companies. See Appendix A.5.
- (4) Finnerty Put Option Analysis based on John D. Finnerty, "The Impact of Transfer Restrictions on Stock Prices." October 2009.

| Guideline Company                    | (1) Ticker    | (2) Capital Structure (in \$mil) |            | Black-Scholes Inputs |                    |                       |                | Black-Scholes Outputs |         |       |       | (4) Asset         |                  |                  |
|--------------------------------------|---------------|----------------------------------|------------|----------------------|--------------------|-----------------------|----------------|-----------------------|---------|-------|-------|-------------------|------------------|------------------|
|                                      |               | Market Cap                       | Total Debt | Dividend Yield       | Days to Expiration | (3) Equity Volatility | Risk-free Rate | D1                    | D2      | N(D1) | N(D2) | Equity Call Value | Volatility Ratio | Asset Volatility |
| (x) Moving iMage Technologies, Inc.  | NYSEAM:MITQ   | \$29.4                           | \$3.8      | 0.0%                 | 1,096              | 164.0%                | 0.75%          | 2.171                 | (0.581) | 0.985 | 0.281 | \$31.6            | 0.968            | 158.8%           |
| AstroNova, Inc.                      | NasdaqGM:ALOT | \$119.7                          | \$10.8     | 0.0%                 | 1,096              | 55.4%                 | 0.75%          | 3.290                 | 2.406   | 0.999 | 0.992 | \$120.0           | 0.920            | 51.0%            |
| Thryv Holdings, Inc.                 | NasdaqCM:THRY | \$1,075.5                        | \$647.9    | 0.0%                 | 1,096              | 56.6%                 | 0.75%          | 1.863                 | 1.212   | 0.969 | 0.887 | \$1,107.4         | 0.663            | 37.6%            |
| Ennis, Inc.                          | NYSE:EBF      | \$494.7                          | \$18.2     | 5.3%                 | 1,096              | 31.0%                 | 0.75%          | 6.735                 | 6.215   | 1.000 | 1.000 | \$495.1           | 0.965            | 30.0%            |
| Boston Omaha Corporation             | NYSE:BOC      | \$1,048.5                        | \$77.5     | 0.0%                 | 1,096              | 46.6%                 | 0.75%          | 3.956                 | 3.202   | 1.000 | 0.999 | \$1,050.2         | 0.933            | 43.5%            |
| Park-Ohio Holdings Corp.             | NasdaqGS:PKOH | \$277.7                          | \$643.4    | 2.1%                 | 1,096              | 62.3%                 | 0.75%          | 1.073                 | 0.624   | 0.858 | 0.734 | \$329.1           | 0.416            | 25.9%            |
| Gannett Co., Inc.                    | NYSE:GCI      | \$797.1                          | \$1,648.7  | 0.0%                 | 1,096              | 104.7%                | 0.75%          | 0.963                 | (0.306) | 0.832 | 0.380 | \$1,422.8         | 0.699            | 73.2%            |
| Brady Corporation                    | NYSE:BRC      | \$2,712.2                        | \$0.0      | 1.7%                 | 1,096              | 33.8%                 | 0.75%          | N/A                   | N/A     | 1.000 | 1.000 | \$2,712.2         | 1.000            | 33.8%            |
| Sonoco Products Company              | NYSE:SON      | \$5,697.9                        | \$3.8      | 3.1%                 | 1,096              | 30.4%                 | 0.75%          | 14.192                | 13.665  | 1.000 | 1.000 | \$5,698.0         | 0.999            | 30.4%            |
| Clear Channel Outdoor Holdings, Inc. | NYSE:CCO      | \$1,365.5                        | \$47.8     | 0.0%                 | 1,096              | 84.5%                 | 0.75%          | 3.114                 | 1.697   | 0.999 | 0.955 | \$1,367.4         | 0.968            | 81.8%            |
| Avery Dennison Corporation           | NYSE:AVY      | \$18,045.3                       | \$643.4    | 1.2%                 | 1,096              | 33.3%                 | 0.75%          | 6.367                 | 5.810   | 1.000 | 1.000 | \$18,059.6        | 0.966            | 32.2%            |

|                         |       |
|-------------------------|-------|
| Minimum:                | 25.9% |
| Lower (First) Quartile: | 30.8% |
| Median:                 | 35.7% |
| Upper (Third) Quartile: | 49.1% |
| Maximum:                | 81.8% |

(5) Selected asset volatility: 49.1%

| Subject Company                | (6) Capital Structure (in \$mil) |            | Black-Scholes Inputs |                    |                   |                | Black-Scholes Outputs |       |       |       | Asset             |                  |                  |
|--------------------------------|----------------------------------|------------|----------------------|--------------------|-------------------|----------------|-----------------------|-------|-------|-------|-------------------|------------------|------------------|
|                                | Total Equity                     | Total Debt | Dividend Yield       | Days to Expiration | Equity Volatility | Risk-free Rate | D1                    | D2    | N(D1) | N(D2) | Equity Call Value | Volatility Ratio | Asset Volatility |
| Inherited Business Stake, Inc. | \$1.4                            | \$0.3      | 0.0%                 | 1,096              | 57.6%             | 0.75%          | 2.635                 | 1.783 | 0.996 | 0.963 | \$1.4             | 0.853            | 49.1%            |
|                                | (7) Estimated equity volatility  |            |                      |                    | 58.0%             |                |                       |       |       |       |                   |                  |                  |

Understanding the volatility of similar public assets helps benchmark the right perceptions of volatility in the industry.

**Footnotes:**

Source: Capital IQ, a division of Standard &amp; Poor's.

(x) represents that an outlier was excluded from one of the summarizing statistics.

\*N/A represents not available or not applicable.

(1) See Appendix B.1 for descriptions of the selected guideline public companies.

(2) Market data of guideline companies was based on the latest reported financials available as of the Valuation Date.

(3) Equity volatility was calculated using daily price changes over a 3.00-year lookback from October 29, 2021.

(4) Asset volatility as a percentage of equity volatility. Calculation based on equity call value as a percentage of enterprise value divided by N(D1) from Black-Scholes equity call value calculation.

(5) Volatility was selected near the upper (third) quartile end of the market data.

(6) Based on a Company-specific capital structure.

(7) Concluded equity volatility was based on the selected asset volatility from the guideline company data and the Company's capital structure.



| Guideline Company                    | Ticker        | Description  |
|--------------------------------------|---------------|--|
| Moving iMage Technologies, Inc.      | NYSEAM:MITQ   | Moving iMage Technologies, Inc., a digital cinema company, designs, manufactures, integrates, installs, and distributes proprietary and custom designed equipment, and other off the shelf cinema products for cinema requirements in the United States and internationally. |
| AstroNova, Inc.                      | NasdaqGM:ALOT | AstroNova, Inc. designs, develops, manufactures, and distributes specialty printers, and data acquisition and analysis systems in the United States, Europe, Asia, Canada, Central and South America, and internationally.   |
| Thryv Holdings, Inc.                 | NasdaqCM:THRY | Thryv Holdings, Inc. provides digital marketing solutions and cloud-based tools to the small-to-medium sized businesses (SMBs).  |
| Ennis, Inc.                          | NYSE:EBF      | Ennis, Inc. designs, manufactures, and sells business forms and other business products in the United States.  |
| Boston Omaha Corporation             | NYSE:BOC      | Boston Omaha Corporation, together with its subsidiaries, engages in the outdoor billboard advertising business in the southeast United States.  |
| Park-Ohio Holdings Corp.             | NasdaqGS:PKOH | Park-Ohio Holdings Corp. provides supply chain management outsourcing services, capital equipment, and manufactured components in the United States, Europe, Asia, Mexico, Canada, and internationally.  |
| Gannett Co., Inc.                    | NYSE:GCI      | Gannett Co., Inc. operates as a media and marketing solutions company in the United States.  |
| Brady Corporation                    | NYSE:BRC      | Brady Corporation manufactures and supplies identification solutions (IDS) and workplace safety (WPS) products to identify and protect premises, products, and people in the United States and internationally.  |
| Sonoco Products Company              | NYSE:SON      | Sonoco Products Company, together with its subsidiaries, manufactures and sells industrial and consumer packaging products in North and South America, Europe, Australia, and Asia.  |
| Clear Channel Outdoor Holdings, Inc. | NYSE:CCO      | Clear Channel Outdoor Holdings, Inc. owns, operates, and sells advertising displays in the United States and internationally.  |
| Avery Dennison Corporation           | NYSE:AVY      | Avery Dennison Corporation manufactures and markets pressure-sensitive materials and products in the United States, Europe, Asia, Latin America, and internationally.  |

**Footnotes:**

Source: S&amp;P Capital IQ.

| Guideline Company                  | Last Fiscal Year (LFY) End | Revenue   |           |                |                | EBITDA    |           |                |                | EBIT      |           |
|------------------------------------|----------------------------|-----------|-----------|----------------|----------------|-----------|-----------|----------------|----------------|-----------|-----------|
|                                    |                            | LTM       | LFY       | 1-Year Forward | 2-Year Forward | LTM       | LFY       | 1-Year Forward | 2-Year Forward | LTM       | LFY       |
| Moving iMage Technologies, Inc.    | Jun-30-2021                | \$7.2     | \$7.2     | \$0.0          | \$0.0          | (\$1.3)   | (\$1.3)   | \$0.0          | \$0.0          | (\$1.5)   | (\$1.5)   |
| AstroNova, Inc.                    | Jan-31-2021                | \$116.4   | \$116.0   | \$121.3        | \$129.8        | \$10.6    | \$8.4     | \$16.3         | \$12.6         | \$5.5     | \$2.4     |
| Thryv Holdings, Inc.               | Dec-31-2020                | \$1,058.9 | \$1,109.4 | \$1,061.0      | \$909.8        | \$258.7   | \$289.0   | \$329.9        | \$264.1        | \$158.7   | \$163.1   |
| Ennis, Inc.                        | Feb-28-2021                | \$379.7   | \$358.0   | \$400.5        | \$410.5        | \$59.9    | \$52.5    | \$64.1         | \$70.0         | \$41.4    | \$34.5    |
| Boston Omaha Corporation           | Dec-31-2020                | \$50.2    | \$45.7    | \$57.1         | \$61.9         | \$4.2     | \$3.7     | \$6.1          | \$8.9          | (\$4.7)   | (\$4.2)   |
| Park-Ohio Holdings Corp.           | Dec-31-2020                | \$1,410.2 | \$1,295.2 | \$1,414.6      | \$1,501.5      | \$83.3    | \$64.1    | \$90.1         | \$120.3        | \$46.0    | \$28.3    |
| Gannett Co., Inc.                  | Dec-31-2020                | \$3,271.3 | \$3,405.7 | \$3,269.2      | \$3,112.8      | \$501.0   | \$443.8   | \$472.8        | \$464.9        | \$299.3   | \$229.5   |
| Brady Corporation                  | Jul-31-2021                | \$1,144.7 | \$1,144.7 | \$1,287.9      | \$1,337.0      | \$192.6   | \$192.6   | \$231.6        | \$250.1        | \$167.1   | \$167.1   |
| Sonoco Products Company            | Dec-31-2020                | \$5,527.6 | \$5,237.4 | \$5,569.9      | \$5,845.8      | \$196.2   | \$748.1   | \$763.7        | \$811.0        | (\$53.9)  | \$492.8   |
| Clear Channel Outdoor Holdings, II | Dec-31-2020                | \$1,890.9 | \$1,854.6 | \$2,166.3      | \$2,464.8      | \$160.1   | \$70.8    | \$334.4        | \$524.7        | (\$91.8)  | (\$198.6) |
| Avery Dennison Corporation         | Jan-2-2021                 | \$8,216.0 | \$6,971.5 | \$8,343.4      | \$8,847.4      | \$1,289.6 | \$1,049.9 | \$1,323.9      | \$1,410.1      | \$1,091.6 | \$873.6   |

|                                |           |           |           |           |           |           |           |           |           |           |
|--------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Minimum:</b>                | \$7.2     | \$7.2     | \$57.1    | \$61.9    | (\$1.3)   | (\$1.3)   | \$6.1     | \$8.9     | (\$91.8)  | (\$198.6) |
| <b>Lower (First) Quartile:</b> | \$248.1   | \$237.0   | \$260.9   | \$270.2   | \$35.2    | \$30.5    | \$40.2    | \$41.3    | (\$3.1)   | \$0.5     |
| <b>Median:</b>                 | \$1,144.7 | \$1,144.7 | \$1,351.2 | \$1,419.2 | \$160.1   | \$70.8    | \$280.7   | \$257.1   | \$41.4    | \$34.5    |
| <b>Upper (Third) Quartile:</b> | \$2,581.1 | \$2,630.1 | \$2,717.8 | \$2,788.8 | \$227.4   | \$366.4   | \$403.6   | \$494.8   | \$162.9   | \$198.3   |
| <b>Maximum:</b>                | \$8,216.0 | \$6,971.5 | \$8,343.4 | \$8,847.4 | \$1,289.6 | \$1,049.9 | \$1,323.9 | \$1,410.1 | \$1,091.6 | \$873.6   |

Our detailed exhibits commonly present benchmarking of financial metrics for larger public companies in order to understand reasonable levels of sales, revenue growth, compensation, spend, investment, and profitability.

**Footnotes:**

Source: S&amp;P Capital IQ.

| Guideline Company                    | EBITDA  |         |                |                | EBIT    |         |
|--------------------------------------|---------|---------|----------------|----------------|---------|---------|
|                                      | LTM     | LFY     | 1-Year Forward | 2-Year Forward | LTM     | LFY     |
| Moving iMage Technologies, Inc.      | (17.6%) | (17.6%) | N/A            | N/A            | (20.7%) | (20.7%) |
| AstroNova, Inc.                      | 9.1%    | 7.3%    | 13.5%          | 9.7%           | 4.7%    | 2.1%    |
| Thryv Holdings, Inc.                 | 24.4%   | 26.0%   | 31.1%          | 29.0%          | 15.0%   | 14.7%   |
| Ennis, Inc.                          | 15.8%   | 14.7%   | 16.0%          | 17.1%          | 10.9%   | 9.6%    |
| Boston Omaha Corporation             | 8.3%    | 8.0%    | 10.7%          | 14.4%          | (9.4%)  | (9.1%)  |
| Park-Ohio Holdings Corp.             | 5.9%    | 4.9%    | 6.4%           | 8.0%           | 3.3%    | 2.2%    |
| Gannett Co., Inc.                    | 15.3%   | 13.0%   | 14.5%          | 14.9%          | 9.1%    | 6.7%    |
| Brady Corporation                    | 16.8%   | 16.8%   | 18.0%          | 18.7%          | 14.6%   | 14.6%   |
| Sonoco Products Company              | 3.5%    | 14.3%   | 13.7%          | 13.9%          | (1.0%)  | 9.4%    |
| Clear Channel Outdoor Holdings, Inc. | 8.5%    | 3.8%    | 15.4%          | 21.3%          | (4.9%)  | (10.7%) |
| Avery Dennison Corporation           | 15.7%   | 15.1%   | 15.9%          | 15.9%          | 13.3%   | 12.5%   |
| <b>Minimum:</b>                      | (17.6%) | (17.6%) | 6.4%           | 8.0%           | (20.7%) | (20.7%) |
| <b>Lower (First) Quartile:</b>       | 7.1%    | 6.1%    | 13.5%          | 14.0%          | (2.9%)  | (3.5%)  |
| <b>Median:</b>                       | 9.1%    | 13.0%   | 15.0%          | 15.4%          | 4.7%    | 6.7%    |
| <b>Upper (Third) Quartile:</b>       | 15.7%   | 14.9%   | 16.0%          | 18.3%          | 12.1%   | 11.1%   |
| <b>Maximum:</b>                      | 24.4%   | 26.0%   | 31.1%          | 29.0%          | 15.0%   | 14.7%   |

**Footnotes:**

Source: S&amp;P Capital IQ.

\*N/A represents not available or not applicable.

| Guideline Company                    | Historical Revenue CAGR |         |         | Forecast Revenue CAGR |        |
|--------------------------------------|-------------------------|---------|---------|-----------------------|--------|
|                                      | 1 Year                  | 2 Year  | 3 Year  | 1 Year                | 2 Year |
| Moving iMage Technologies, Inc.      | (55.7%)                 | (41.0%) | (34.1%) | N/A                   | N/A    |
| AstroNova, Inc.                      | (4.9%)                  | (9.2%)  | (2.8%)  | 4.2%                  | 5.6%   |
| Thryv Holdings, Inc.                 | (17.7%)                 | (19.2%) | (16.8%) | 0.2%                  | (7.3%) |
| Ennis, Inc.                          | (4.4%)                  | (5.5%)  | 0.6%    | 5.5%                  | 4.0%   |
| Boston Omaha Corporation             | 11.5%                   | 22.5%   | 66.1%   | 13.7%                 | 11.0%  |
| Park-Ohio Holdings Corp.             | 2.4%                    | (7.7%)  | (3.2%)  | 0.3%                  | 3.2%   |
| Gannett Co., Inc.                    | 17.2%                   | 43.5%   | 31.4%   | (0.1%)                | (2.5%) |
| Brady Corporation                    | 5.9%                    | (0.7%)  | (0.8%)  | 12.5%                 | 8.1%   |
| Sonoco Products Company              | 6.9%                    | 1.0%    | 1.2%    | 0.8%                  | 2.8%   |
| Clear Channel Outdoor Holdings, Inc. | (16.5%)                 | (16.3%) | (11.0%) | 14.6%                 | 14.2%  |
| Avery Dennison Corporation           | 21.7%                   | 7.8%    | 4.9%    | 1.6%                  | 3.8%   |

|                                |         |         |         |        |        |
|--------------------------------|---------|---------|---------|--------|--------|
| <b>Minimum:</b>                | (55.7%) | (41.0%) | (34.1%) | (0.1%) | (7.3%) |
| <b>Lower (First) Quartile:</b> | (10.7%) | (12.7%) | (7.1%)  | 0.4%   | 2.9%   |
| <b>Median:</b>                 | 2.4%    | (5.5%)  | (0.8%)  | 2.9%   | 3.9%   |
| <b>Upper (Third) Quartile:</b> | 9.2%    | 4.4%    | 3.0%    | 10.7%  | 7.5%   |
| <b>Maximum:</b>                | 21.7%   | 43.5%   | 66.1%   | 14.6%  | 14.2%  |

**Footnotes:**

Source: S&amp;P Capital IQ.

\*N/A represents not available or not applicable.

| Guideline Company                    | Historical EBITDA CAGR |         |         | Forecast EBITDA CAGR |        |
|--------------------------------------|------------------------|---------|---------|----------------------|--------|
|                                      | 1 Year                 | 2 Year  | 3 Year  | 1 Year               | 2 Year |
| Moving iMage Technologies, Inc.      | N/A                    | N/A     | N/A     | N/A                  | N/A    |
| AstroNova, Inc.                      | 77.9%                  | (16.4%) | (3.5%)  | 54.3%                | 9.0%   |
| Thryv Holdings, Inc.                 | (26.2%)                | (25.5%) | (11.8%) | 27.5%                | 1.0%   |
| Ennis, Inc.                          | 5.2%                   | (6.2%)  | (0.3%)  | 7.1%                 | 8.1%   |
| Boston Omaha Corporation             | 7.8%                   | N/A     | N/A     | 47.2%                | 46.5%  |
| Park-Ohio Holdings Corp.             | 6.4%                   | (22.9%) | (13.7%) | 8.2%                 | 20.2%  |
| Gannett Co., Inc.                    | 64.6%                  | 75.3%   | 47.0%   | (5.6%)               | (3.7%) |
| Brady Corporation                    | 9.9%                   | 1.7%    | 2.6%    | 20.2%                | 14.0%  |
| Sonoco Products Company              | (73.5%)                | (48.9%) | (35.4%) | 289.2%               | 103.3% |
| Clear Channel Outdoor Holdings, Inc. | (48.4%)                | (47.9%) | (33.7%) | 108.9%               | 81.0%  |
| Avery Dennison Corporation           | 32.5%                  | 15.0%   | 11.6%   | 2.7%                 | 4.6%   |

|                                |         |         |         |        |        |
|--------------------------------|---------|---------|---------|--------|--------|
| <b>Minimum:</b>                | (73.5%) | (48.9%) | (35.4%) | (5.6%) | (3.7%) |
| <b>Lower (First) Quartile:</b> | (18.3%) | (25.5%) | (13.7%) | 7.3%   | 5.5%   |
| <b>Median:</b>                 | 7.1%    | (16.4%) | (3.5%)  | 23.9%  | 11.5%  |
| <b>Upper (Third) Quartile:</b> | 26.9%   | 1.7%    | 2.6%    | 52.5%  | 39.9%  |
| <b>Maximum:</b>                | 77.9%   | 75.3%   | 47.0%   | 289.2% | 103.3% |

**Footnotes:**

Source: S&amp;P Capital IQ.

\*N/A represents not available or not applicable.

| Guideline Company                    | Working Capital / Revenue |        |         |            |         | Debt-Free Net Working Capital / Revenue |         |         |            |         |
|--------------------------------------|---------------------------|--------|---------|------------|---------|---|---------|---------|------------|---------|
|                                      | 2018                      | 2019   | 2020    | 3-Yr. Avg. | LTM     | 2018                                    | 2019    | 2020    | 3-Yr. Avg. | LTM     |
| Moving iMage Technologies, Inc.      | 0.3%                      | (3.2%) | (18.8%) | (7.3%)     | (36.7%) | (2.1%)                                  | (2.5%)  | (10.0%) | (4.9%)     | (25.3%) |
| AstroNova, Inc.                      | 28.7%                     | 26.7%  | 34.5%   | 30.0%      | 38.2%   | 27.8%                                   | 32.1%   | 30.9%   | 30.3%      | 29.5%   |
| Thryv Holdings, Inc.                 | 18.0%                     | 15.6%  | 14.6%   | 16.1%      | 5.3%    | 16.2%                                   | 16.1%   | 14.5%   | 15.6%      | 10.4%   |
| Ennis, Inc.                          | 34.2%                     | 24.6%  | 34.0%   | 30.9%      | 32.0%   | 13.3%                                   | 11.7%   | 11.5%   | 12.2%      | 11.8%   |
| Boston Omaha Corporation             | 534.5%                    | 343.1% | 651.4%  | 509.7%     | 941.7%  | (20.5%)                                 | (22.2%) | 325.0%  | 94.1%      | 253.5%  |
| Park-Ohio Holdings Corp.             | 25.4%                     | 26.0%  | 30.8%   | 27.4%      | 31.0%   | 23.2%                                   | 24.3%   | 28.5%   | 25.3%      | 28.6%   |
| Gannett Co., Inc.                    | 3.7%                      | 3.7%   | (3.4%)  | 1.3%       | (3.2%)  | 1.0%                                    | (5.6%)  | (4.7%)  | (3.1%)     | (3.5%)  |
| Brady Corporation                    | 26.5%                     | 29.3%  | 31.7%   | 29.2%      | 18.1%   | 10.2%                                   | 9.3%    | 9.3%    | 9.6%       | 6.8%    |
| Sonoco Products Company              | 8.1%                      | 2.2%   | 6.1%    | 5.5%       | 4.5%    | 9.5%                                    | 9.6%    | 5.0%    | 8.0%       | 6.6%    |
| Clear Channel Outdoor Holdings, Inc. | 10.5%                     | 0.8%   | 13.2%   | 8.2%       | 5.3%    | 3.8%                                    | 1.1%    | (9.5%)  | (1.5%)     | (5.3%)  |
| Avery Dennison Corporation           | 4.2%                      | 1.2%   | 8.3%    | 4.6%       | 2.1%    | 3.4%                                    | 4.0%    | 5.4%    | 4.3%       | 4.4%    |
| <b>Minimum:</b>                      | 0.3%                      | (3.2%) | (18.8%) | (7.3%)     | (36.7%) | (20.5%)                                 | (22.2%) | (10.0%) | (4.9%)     | (25.3%) |
| <b>Lower (First) Quartile:</b>       | 6.2%                      | 1.7%   | 7.2%    | 5.0%       | 3.3%    | 2.2%                                    | (0.7%)  | 0.1%    | 1.4%       | 0.5%    |
| <b>Median:</b>                       | 18.0%                     | 15.6%  | 14.6%   | 16.1%      | 5.3%    | 9.5%                                    | 9.3%    | 9.3%    | 9.6%       | 6.8%    |
| <b>Upper (Third) Quartile:</b>       | 27.6%                     | 26.3%  | 32.9%   | 29.6%      | 31.5%   | 14.7%                                   | 13.9%   | 21.5%   | 20.5%      | 20.2%   |
| <b>Maximum:</b>                      | 534.5%                    | 343.1% | 651.4%  | 509.7%     | 941.7%  | 27.8%                                   | 32.1%   | 325.0%  | 94.1%      | 253.5%  |

**Footnotes:**

Source: S&amp;P Capital IQ.

| Guideline Company                    | Depreciation & Amortization / Revenue |       |       |            |       | Capital Expenditures / Revenue |      |       |            |       |
|--------------------------------------|---------------------------------------|-------|-------|------------|-------|--------------------------------|------|-------|------------|-------|
|                                      | 2018                                  | 2019  | 2020  | 3-Yr. Avg. | LTM   | 2018                           | 2019 | 2020  | 3-Yr. Avg. | LTM   |
| Moving iMage Technologies, Inc.      | 0.1%                                  | 1.3%  | 3.1%  | 1.5%       | 2.3%  | 0.0%                           | 0.0% | 0.0%  | 0.0%       | 0.0%  |
| AstroNova, Inc.                      | 4.5%                                  | 4.7%  | 5.2%  | 4.8%       | 4.4%  | 2.2%                           | 2.2% | 2.2%  | 2.2%       | 2.2%  |
| Thryv Holdings, Inc.                 | 13.3%                                 | 12.7% | 11.3% | 12.4%      | 8.6%  | 1.5%                           | 1.8% | 2.5%  | 2.0%       | 2.8%  |
| Ennis, Inc.                          | 4.0%                                  | 4.1%  | 5.0%  | 4.4%       | 4.9%  | 1.2%                           | 0.8% | 1.0%  | 1.0%       | 1.2%  |
| Boston Omaha Corporation             | 40.9%                                 | 42.3% | 26.1% | 36.4%      | 26.4% | 15.6%                          | 6.8% | 18.7% | 13.7%      | 25.9% |
| Park-Ohio Holdings Corp.             | 2.2%                                  | 2.1%  | 2.8%  | 2.4%       | 2.6%  | 2.7%                           | 2.5% | 2.0%  | 2.4%       | 2.5%  |
| Gannett Co., Inc.                    | 6.0%                                  | 6.3%  | 6.9%  | 6.4%       | 6.6%  | 0.8%                           | 0.7% | 1.1%  | 0.9%       | 1.1%  |
| Brady Corporation                    | 2.1%                                  | 2.2%  | 2.2%  | 2.1%       | 2.2%  | 2.8%                           | 2.5% | 2.4%  | 2.6%       | 2.4%  |
| Sonoco Products Company              | 4.4%                                  | 4.4%  | 4.9%  | 4.6%       | 4.5%  | 3.6%                           | 3.6% | 3.7%  | 3.6%       | 4.2%  |
| Clear Channel Outdoor Holdings, Inc. | 11.7%                                 | 11.5% | 14.5% | 12.6%      | 12.5% | 7.8%                           | 8.7% | 6.8%  | 7.7%       | 5.7%  |
| Avery Dennison Corporation           | 2.2%                                  | 2.2%  | 2.5%  | 2.3%       | 2.4%  | 3.2%                           | 3.1% | 2.9%  | 3.1%       | 2.9%  |
| <b>Minimum:</b>                      | 0.1%                                  | 1.3%  | 2.2%  | 1.5%       | 2.2%  | 0.0%                           | 0.0% | 0.0%  | 0.0%       | 0.0%  |
| <b>Lower (First) Quartile:</b>       | 2.2%                                  | 2.2%  | 2.9%  | 2.3%       | 2.5%  | 1.4%                           | 1.3% | 1.6%  | 1.5%       | 1.7%  |
| <b>Median:</b>                       | 4.4%                                  | 4.4%  | 5.0%  | 4.6%       | 4.5%  | 2.7%                           | 2.5% | 2.4%  | 2.4%       | 2.5%  |
| <b>Upper (Third) Quartile:</b>       | 8.8%                                  | 8.9%  | 9.1%  | 9.4%       | 7.6%  | 3.4%                           | 3.4% | 3.3%  | 3.3%       | 3.6%  |
| <b>Maximum:</b>                      | 40.9%                                 | 42.3% | 26.1% | 36.4%      | 26.4% | 15.6%                          | 8.7% | 18.7% | 13.7%      | 25.9% |

**Footnotes:**

Source: S&amp;P Capital IQ.

## Income Statement

|   | Fiscal year ending |                  |                    |                    |                    |                    |
|---|--------------------|------------------|--------------------|--------------------|--------------------|--------------------|
|   | Dec-31-2017        | Dec-31-2018      | Dec-31-2019        | Dec-31-2020        | Dec-31-2021        | Dec-31-2022 (1)    |
| Net sales   | \$3,489,873        | \$3,489,748      | \$3,181,239        | \$2,512,476        | \$3,130,283        | \$3,333,001        |
| Cost of sales   | \$2,064,271        | \$1,869,800      | \$1,935,701        | \$1,460,035        | \$1,739,117        | \$1,791,290        |
| Gross profit  | \$1,425,602        | \$1,619,947      | \$1,245,537        | \$1,052,441        | \$1,391,166        | \$1,541,711        |
| Operating expenses  |                    |                  |                    |                    |                    |                    |
| Sales and marketing   | \$73,391           | \$49,786         | \$55,543           | \$62,884           | \$72,506           | \$74,681           |
| General and administrative                                  | \$1,301,906        | \$1,437,813      | \$1,239,155        | \$1,222,245        | \$1,176,342        | \$1,219,824        |
| Depreciation and amortization                               | \$11,427           | \$3,845          | \$3,213            | \$4,693            | \$5,844            | \$6,019            |
| Total operating expense                                     | \$1,386,723        | \$1,491,443      | \$1,297,911        | \$1,289,823        | \$1,254,692        | \$1,300,525        |
| Operating income  | \$38,878           | \$128,504        | (\$52,373)         | (\$237,382)        | \$136,474          | \$241,186          |
| Other income/expense  |                    |                  |                    |                    |                    |                    |
| PPP loan forgiveness  | \$0                | \$0              | \$0                | \$330,000          | \$346,839          | \$0                |
| Gain(loss) on sale of assets                                | \$0                | \$0              | (\$598)            | \$0                | (\$2,588)          | \$0                |
| Interest expense  | (\$2,499)          | (\$3,150)        | (\$2,856)          | (\$931)            | \$0                | \$0                |
| Other expense   | \$0                | \$0              | (\$352)            | (\$24,102)         | (\$24,878)         | \$0                |
| Other income  | \$0                | \$0              | \$5,322            | \$0                | \$0                | \$0                |
| Net other income / (expense)                                | (\$2,499)          | (\$3,150)        | \$1,516            | \$304,967          | \$319,373          | \$0                |
| Pretax income   | \$36,380           | \$125,353        | (\$50,858)         | \$67,585           | \$455,847          | \$241,186          |
| Income tax expense / (benefit)                              | \$0                | \$0              | \$0                | \$0                | \$0                | \$0                |
| <b>Net income</b>   | <b>\$36,380</b>    | <b>\$125,353</b> | <b>(\$50,858)</b>  | <b>\$67,585</b>    | <b>\$455,847</b>   | <b>\$241,186</b>   |
| <b>Adjustments (2)</b>                                      |                    |                  |                    |                    |                    |                    |
| <b>EBIT</b>   | <b>\$38,878</b>    | <b>\$128,504</b> | <b>(\$52,373)</b>  | <b>(\$237,382)</b> | <b>\$136,474</b>   | <b>\$241,186</b>   |
| Officer's salary  |                    |                  | \$333,798          | \$315,068          | \$339,869          | \$350,065          |
| Comparable companies officer's salary as a % of Revenue     |                    |                  | 1.6%               | 1.6%               | 1.6%               | 1.6%               |
| Officer's salary based on comparable companies % of Revenue |                    |                  | \$198,084          | \$156,443          | \$170,548          | \$155,651          |
| <b>Officer's salary normalization adjustment</b>            |                    |                  | <b>\$135,714</b>   | <b>\$158,625</b>   | <b>\$169,321</b>   | <b>\$194,414</b>   |
| <b>Rent adjustment</b>                                      |                    |                  | <b>(\$103,318)</b> | <b>(\$200,000)</b> | <b>(\$129,030)</b> | <b>(\$126,901)</b> |
| <b>Total Adjusted EBIT</b>                                  |                    |                  | <b>(\$19,977)</b>  | <b>(\$278,757)</b> | <b>\$176,765</b>   | <b>\$308,700</b>   |
| <b>Total Adjusted EBITDA</b>                                |                    |                  | <b>(\$16,765)</b>  | <b>(\$274,063)</b> | <b>\$182,609</b>   | <b>\$314,719</b>   |

## Footnotes:

Source: Management-provided income statements for the fiscal year ending December 31, 2017 through December 31, 2021.

- (1) Income statement as of December 31, 2021 is considered as placeholder for the trailing twelve months through the Valuation Date based on discussion with Management. Additionally, we have prepared the income statement for the fiscal year
- (2) Normalization adjustments have been done to calculate the adjusted EBIT based on the comparable company's normalized values and discussion with Management.

Our detailed exhibits will usually include historical financials to help the user understand the financial position of the subject company. Income Statements and Balance Sheets are key to every valuation.



## Common Size Income Statements

|  | Fiscal year ending |             |               |                |              |                 |
|--|--------------------|-------------|---------------|----------------|--------------|-----------------|
|  | Dec-31-2017        | Dec-31-2018 | Dec-31-2019   | Dec-31-2020    | Dec-31-2021  | Dec-31-2022 (1) |
| Net sales  | 100.0%             | 100.0%      | 100.0%        | 100.0%         | 100.0%       | 100.0%          |
| Cost of sales  | 59.2%              | 53.6%       | 60.8%         | 58.1%          | 55.6%        | 53.7%           |
| Gross profit   | 40.8%              | 46.4%       | 39.2%         | 41.9%          | 44.4%        | 46.3%           |
| Operating expenses   |                    |             |               |                |              |                 |
| Sales and marketing  | 2.1%               | 1.4%        | 1.7%          | 2.5%           | 2.3%         | 2.2%            |
| General and administrative   | 37.3%              | 41.2%       | 39.0%         | 48.6%          | 37.6%        | 36.6%           |
| Depreciation and amortization                                      | 0.3%               | 0.1%        | 0.1%          | 0.2%           | 0.2%         | 0.2%            |
| Total operating expense  | 39.7%              | 42.7%       | 40.8%         | 51.3%          | 40.1%        | 39.0%           |
| Operating income   | 1.1%               | 3.7%        | (1.6%)        | (9.4%)         | 4.4%         | 7.2%            |
| Other income/expense   |                    |             |               |                |              |                 |
| PPP loan forgiveness   | 0.0%               | 0.0%        | 0.0%          | 13.1%          | 11.1%        | 0.0%            |
| Gain(loss) on sale of assets                                       | 0.0%               | 0.0%        | (0.0%)        | 0.0%           | (0.1%)       | 0.0%            |
| Interest expense   | (0.1%)             | (0.1%)      | (0.1%)        | (0.0%)         | 0.0%         | 0.0%            |
| Other expense  | 0.0%               | 0.0%        | (0.0%)        | (1.0%)         | (0.8%)       | 0.0%            |
| Other income   | 0.0%               | 0.0%        | 0.2%          | 0.0%           | 0.0%         | 0.0%            |
| Net other income / (expense)                                       | (0.1%)             | (0.1%)      | 0.0%          | 12.1%          | 10.2%        | 0.0%            |
| Pretax income  | 1.0%               | 3.6%        | (1.6%)        | 2.7%           | 14.6%        | 7.2%            |
| Income tax expense / (benefit)                                     | 0.0%               | 0.0%        | 0.0%          | 0.0%           | 0.0%         | 0.0%            |
| <b>Net income</b>  | <b>1.0%</b>        | <b>3.6%</b> | <b>(1.6%)</b> | <b>2.7%</b>    | <b>14.6%</b> | <b>7.2%</b>     |
| <b>Adjustments (2)</b>   |                    |             |               |                |              |                 |
| <b>EBIT</b>  | 1.1%               | 3.7%        | (1.6%)        | (9.4%)         | 4.4%         | 7.2%            |
| Officer's salary   |                    |             | 10.5%         | 12.5%          | 10.9%        | 10.5%           |
| Comparable companies officer's salary as a % of Revenue            |                    |             |               |                |              |                 |
| <b>Officer's salary based on comparable companies % of Revenue</b> |                    |             | <b>6.2%</b>   | <b>6.2%</b>    | <b>5.4%</b>  | <b>4.7%</b>     |
| Officer's salary normalization adjustment                          |                    |             | 4.3%          | 6.3%           | 5.4%         | 5.8%            |
| <b>Rent adjustment</b>   |                    |             |               |                |              |                 |
| <b>Total Adjusted EBIT</b>   |                    |             | <b>(0.6%)</b> | <b>(11.1%)</b> | <b>5.6%</b>  | <b>9.3%</b>     |
| <b>Total Adjusted EBITDA</b>                                       |                    |             | <b>(0.5%)</b> | <b>(10.9%)</b> | <b>5.8%</b>  | <b>9.4%</b>     |

**Footnotes:**

Source: Management-provided income statements for the fiscal year ending December 31, 2017 through December 31, 2021.

(1) Income statement as of December 31, 2021 is considered as placeholder for the trailing twelve months through the Valuation Date based on discussion with Management. Additionally, we have prepared the income statement for the fiscal year

(2) Normalization adjustments have been done to calculate the adjusted EBIT based on the comparable company's normalized values and discussion with Management.

## Year on Year Growth Income Statements

|                                | Fiscal year ending |                 |                 |               |                 |
|--------------------------------|--------------------|-----------------|-----------------|---------------|-----------------|
|                                | Dec-31-2018        | Dec-31-2019     | Dec-31-2020     | Dec-31-2021   | Dec-31-2022 (1) |
| Net sales                      | (0.0%)             | (8.8%)          | (21.0%)         | 24.6%         | 6.5%            |
| Cost of sales                  | (9.4%)             | 3.5%            | (24.6%)         | 19.1%         | 3.0%            |
| Gross profit                   | 13.6%              | (23.1%)         | (15.5%)         | 32.2%         | 10.8%           |
| Operating expenses             |                    |                 |                 |               |                 |
| Sales and marketing            | (32.2%)            | 11.6%           | 13.2%           | 15.3%         | 3.0%            |
| General and administrative     | 10.4%              | (13.8%)         | (1.4%)          | (3.8%)        | 3.7%            |
| Depreciation and amortization  | (66.4%)            | (16.4%)         | 46.1%           | 24.5%         | 3.0%            |
| Total operating expense        | 7.6%               | (13.0%)         | (0.6%)          | (2.7%)        | 3.7%            |
| Operating income               | 230.5%             | (140.8%)        | 353.2%          | (157.5%)      | 76.7%           |
| Other income/expense           |                    |                 |                 |               |                 |
| PPP loan forgiveness           | N/A                | N/A             | N/A             | 5.1%          | (100.0%)        |
| Gain(loss) on sale of assets   | N/A                | N/A             | (100.0%)        | N/A           | (100.0%)        |
| Interest expense               | 26.1%              | (9.3%)          | (67.4%)         | (100.0%)      | N/A             |
| Other expense                  | N/A                | N/A             | 6744.4%         | 3.2%          | (100.0%)        |
| Other income                   | N/A                | N/A             | (100.0%)        | N/A           | N/A             |
| Net other income / (expense)   | 26.1%              | (148.1%)        | 20019.2%        | 4.7%          | (100.0%)        |
| Pretax income                  | 244.6%             | (140.6%)        | (232.9%)        | 574.5%        | (47.1%)         |
| Income tax expense / (benefit) | N/A                | N/A             | N/A             | N/A           | N/A             |
| <b>Net income</b>              | <b>244.6%</b>      | <b>(140.6%)</b> | <b>(232.9%)</b> | <b>574.5%</b> | <b>(47.1%)</b>  |

## Adjustments (2)

## EBIT

Officer's salary

Comparable companies officer's salary as a % of Revenue

Officer's salary based on comparable companies % of Revenue

Officer's salary normalization adjustment

Total Adjusted EBIT

## Footnotes:

Source: Management-provided income statements for the fiscal year ending December 31, 2017 through December 31, 2021.

(1) Income statement as of December 31, 2021 is considered as placeholder for the trailing twelve months through the Valuation Date based on discussion with Management. Additionally, we have prepared the income statement for the fiscal

## Balance Sheets

|   | Fiscal year ended |                  |                  |                  |                  |                  | (1) |
|---|-------------------|------------------|------------------|------------------|------------------|------------------|-----|
|   | Dec-31-2017       | Dec-31-2018      | Dec-31-2019      | Dec-31-2020      | Dec-31-2021      | Dec-31-2022      |     |
| Assets                                    |                   |                  |                  |                  |                  |                  |     |
| Current assets                            |                   |                  |                  |                  |                  |                  |     |
| Cash and cash equivalents                 | \$30,038          | \$48,596         | \$40,658         | \$83,825         | \$455,456        | \$455,456        |     |
| Accounts receivable, net                  | \$284,028         | \$298,770        | \$310,902        | \$212,956        | \$270,329        | \$270,329        |     |
| Inventory                                 | \$71,808          | \$71,808         | \$71,808         | \$71,808         | \$71,808         | \$71,808         |     |
| Prepaid expenses and other current assets | \$28,506          | \$30,899         | \$15,952         | \$38,303         | \$0              | \$0              |     |
| Total current assets                      | \$414,380         | \$450,072        | \$439,320        | \$406,891        | \$797,593        | \$797,593        |     |
| Fixed assets                              |                   |                  |                  |                  |                  |                  |     |
| Vehicles                                  | \$37,905          | \$37,905         | \$37,905         | \$37,905         | \$37,905         | \$37,905         |     |
| Leasehold improvements                    | \$226,917         | \$226,917        | \$226,917        | \$329,725        | \$329,725        | \$329,725        |     |
| Office equipment                          | \$66,924          | \$66,924         | \$43,421         | \$43,721         | \$18,242         | \$18,242         |     |
| Shop equipment                            | \$709,542         | \$709,542        | \$709,701        | \$722,462        | \$542,369        | \$542,369        |     |
| Less: Accumulated depreciation            | (\$991,784)       | (\$1,000,614)    | (\$981,933)      | (\$992,648)      | (\$801,495)      | (\$801,495)      |     |
| Total fixed assets                        | \$49,503          | \$40,673         | \$36,011         | \$141,165        | \$126,745        | \$126,745        |     |
| Other assets                              | \$2,557           | \$68,429         | \$68,429         | \$68,136         | \$65,090         | \$65,090         |     |
| Total long-term assets                    | \$52,060          | \$109,102        | \$104,440        | \$209,301        | \$191,835        | \$191,835        |     |
| <b>Total assets</b>                       | <b>\$466,440</b>  | <b>\$559,175</b> | <b>\$543,760</b> | <b>\$616,192</b> | <b>\$989,429</b> | <b>\$989,429</b> |     |

**Balance Sheets**

|   | Fiscal year ended |                  |                  |                  |                  |                  |
|---|-------------------|------------------|------------------|------------------|------------------|------------------|
|   | Dec-31-2017       | Dec-31-2018      | Dec-31-2019      | Dec-31-2020      | Dec-31-2021      | Dec-31-2022      |
| Liabilities and stockholders' equity              |                   |                  |                  |                  |                  |                  |
| Liabilities                                       |                   |                  |                  |                  |                  |                  |
| Current liabilities                               |                   |                  |                  |                  |                  |                  |
| Accounts payable and accrued liabilities          | \$82,003          | \$116,137        | \$132,243        | \$97,054         | \$51,305         | \$51,305         |
| Note payable - Ford truck                         | \$570             | \$0              | \$0              | \$0              | \$0              | \$0              |
| Due to/from profit sharing plan                   | \$113,098         | \$128,098        | \$89,754         | \$0              | \$0              | \$0              |
| N/P [REDACTED]                                    | \$104,056         | \$61,587         | \$19,070         | \$0              | \$0              | \$0              |
| Other current liabilities                         | \$739             | \$240            | \$1,575          | \$389            | \$356            | \$356            |
| Total current liabilities                         | \$300,464         | \$306,062        | \$242,641        | \$97,443         | \$51,661         | \$51,661         |
| Long-term liabilities                             |                   |                  |                  |                  |                  |                  |
| [REDACTED] family trust                           | \$0               | \$0              | \$143,864        | \$293,909        | \$254,004        | \$254,004        |
| Settlement [REDACTED]                             | \$48,875          | \$48,875         | \$48,875         | \$48,875         | \$48,875         | \$48,875         |
| Note payable                                      | \$0               | \$45,000         | \$0              | \$0              | \$0              | \$0              |
| Total long-term liabilities                       | \$48,875          | \$93,875         | \$192,739        | \$342,784        | \$302,879        | \$302,879        |
| <b>Total liabilities</b>                          | <b>\$349,339</b>  | <b>\$399,937</b> | <b>\$435,380</b> | <b>\$440,228</b> | <b>\$354,540</b> | <b>\$354,540</b> |
| Stockholders' equity                              |                   |                  |                  |                  |                  |                  |
| Capital stock                                     | \$540             | \$540            | \$540            | \$540            | \$540            | \$540            |
| Retained earnings / (deficit)                     | \$116,560         | \$158,697        | \$107,840        | \$175,425        | \$634,349        | \$634,349        |
| <b>Stockholders' equity (deficit)</b>             | <b>\$117,100</b>  | <b>\$159,237</b> | <b>\$108,380</b> | <b>\$175,965</b> | <b>\$634,889</b> | <b>\$634,889</b> |
| <b>Total liabilities and stockholders' equity</b> | <b>\$466,440</b>  | <b>\$559,175</b> | <b>\$543,760</b> | <b>\$616,192</b> | <b>\$989,429</b> | <b>\$989,429</b> |

**Footnotes:**

Source: Management-provided balance sheets as of December 31, 2017 through December 31, 2022.

(1) Balance sheet as of December 31, 2021 is considered as a placeholder for the Valuation Date based on discussion with Management. Additionally, we have prepared the balance sheet for the fiscal year ending December 31, 2022 similar to FY 2021 in accordance with Management discussions.



## Common Size Balance Sheets

|   | Fiscal year ended |               |               |               |               |                 |
|---|-------------------|---------------|---------------|---------------|---------------|-----------------|
|   | Dec-31-2017       | Dec-31-2018   | Dec-31-2019   | Dec-31-2020   | Dec-31-2021   | Dec-31-2022 (1) |
| Liabilities and stockholders' equity              |                   |               |               |               |               |                 |
| Liabilities                                       |                   |               |               |               |               |                 |
| Current liabilities                               |                   |               |               |               |               |                 |
| Accounts payable and accrued liabilities          | 17.6%             | 20.8%         | 24.3%         | 15.8%         | 5.2%          | 5.2%            |
| Note payable - Ford truck                         | 0.1%              | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%            |
| Due to/from profit sharing plan                   | 24.2%             | 22.9%         | 16.5%         | 0.0%          | 0.0%          | 0.0%            |
| N/P [REDACTED]                                    | 22.3%             | 11.0%         | 3.5%          | 0.0%          | 0.0%          | 0.0%            |
| Other current liabilities                         | 0.2%              | 0.0%          | 0.3%          | 0.1%          | 0.0%          | 0.0%            |
| Total current liabilities                         | 64.4%             | 54.7%         | 44.6%         | 15.8%         | 5.2%          | 5.2%            |
| Long-term liabilities                             |                   |               |               |               |               |                 |
| [REDACTED] family trust                           | 0.0%              | 0.0%          | 26.5%         | 47.7%         | 25.7%         | 25.7%           |
| Settlement [REDACTED]                             | 10.5%             | 8.7%          | 9.0%          | 7.9%          | 4.9%          | 4.9%            |
| Note payable                                      | 0.0%              | 8.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%            |
| Total long-term liabilities                       | 10.5%             | 16.8%         | 35.4%         | 55.6%         | 30.6%         | 30.6%           |
| <b>Total liabilities</b>                          | <b>74.9%</b>      | <b>71.5%</b>  | <b>80.1%</b>  | <b>71.4%</b>  | <b>35.8%</b>  | <b>35.8%</b>    |
| Stockholders' equity                              |                   |               |               |               |               |                 |
| Capital stock                                     | 0.1%              | 0.1%          | 0.1%          | 0.1%          | 0.1%          | 0.1%            |
| Retained earnings / (deficit)                     | 25.0%             | 28.4%         | 19.8%         | 28.5%         | 64.1%         | 64.1%           |
| <b>Stockholders' equity (deficit)</b>             | <b>25.1%</b>      | <b>28.5%</b>  | <b>19.9%</b>  | <b>28.6%</b>  | <b>64.2%</b>  | <b>64.2%</b>    |
| <b>Total liabilities and stockholders' equity</b> | <b>100.0%</b>     | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b>   |

## Footnotes:

Source: Management-provided balance sheets as of December 31, 2017 through December 31, 2022.

(1) Balance sheet as of December 31, 2021 is considered as a placeholder for the Valuation Date based on discussion with Management. Additionally, we have prepared the balance sheet for the fiscal year ending December 31, 2022 similar to FY 2021 in accordance with Management discussions.

## Income Statement

|                                    | Fiscal year ending |             |             |             |             |                 |
|------------------------------------|--------------------|-------------|-------------|-------------|-------------|-----------------|
|                                    | Dec-31-2017        | Dec-31-2018 | Dec-31-2019 | Dec-31-2020 | Dec-31-2021 | Dec-31-2022 (1) |
| Revenue                            |                    |             |             |             |             |                 |
| Product sales                      | \$3,508,396        | \$3,509,342 | \$3,221,888 | \$2,543,870 | \$3,170,799 | \$3,376,901     |
| Merchant card service fees         | (\$18,523)         | (\$18,645)  | (\$31,244)  | (\$31,831)  | (\$40,584)  | (\$43,900)      |
| Sales - taxable                    | \$0                | (\$950)     | (\$950)     | \$0         | \$0         | \$0             |
| Sales discounts                    | \$0                | \$0         | \$10        | \$0         | \$0         | \$0             |
| Sales refunds                      | \$0                | \$0         | (\$8,467)   | \$437       | \$68        | \$0             |
| Total revenue                      | \$3,489,873        | \$3,489,748 | \$3,181,239 | \$2,512,476 | \$3,130,283 | \$3,333,001     |
| Cost of goods sold                 |                    |             |             |             |             |                 |
| Material                           |                    |             |             |             |             |                 |
| Plastics                           | \$35,961           | \$35,636    | \$29,783    | \$24,421    | \$21,845    | \$22,500        |
| Metals                             | \$111,688          | \$164,308   | \$187,680   | \$152,750   | \$214,356   | \$220,786       |
| Purchases subject to use tax       | \$2,430            | \$8,751     | \$5,701     | \$2,866     | \$2,901     | \$2,988         |
| Art supplies                       | \$6,402            | \$5,768     | \$5,531     | \$10,066    | \$4,320     | \$4,449         |
| Adhesive                           | \$75,467           | \$70,680    | \$75,090    | \$57,474    | \$78,895    | \$81,262        |
| Chemicals                          | \$36,862           | \$26,716    | \$31,282    | \$20,599    | \$27,639    | \$28,468        |
| Materials - other                  | \$25,000           | \$7,401     | \$0         | \$0         | \$2,361     | \$2,432         |
| Material                           | \$293,810          | \$319,259   | \$335,067   | \$268,176   | \$352,316   | \$362,886       |
| Payroll and related expenses       |                    |             |             |             |             |                 |
| Payroll - factory and direct       | \$942,278          | \$958,995   | \$984,893   | \$726,068   | \$823,583   | \$848,290       |
| Payroll - art department           | \$290,634          | \$247,118   | \$177,908   | \$160,013   | \$201,917   | \$207,974       |
| Payroll taxes                      | \$102,169          | \$105,880   | \$139,444   | \$117,929   | \$122,941   | \$126,629       |
| Workers' compensation insurance    | \$144,705          | \$0         | \$38,127    | \$0         | \$0         | \$0             |
| Uniforms and laundry               | \$14,663           | \$15,581    | \$20,788    | \$16,609    | \$11,758    | \$12,110        |
| Total payroll and related expenses | \$1,494,449        | \$1,327,574 | \$1,361,160 | \$1,020,620 | \$1,160,198 | \$1,195,004     |
| Contracted for resale              | \$104,629          | \$98,358    | \$100,545   | \$62,185    | \$97,208    | \$100,124       |
| Small tool expense                 | \$29,064           | \$12,560    | \$17,552    | \$10,054    | \$12,023    | \$12,384        |
| Freight                            | \$24,048           | \$17,161    | \$17,496    | \$12,600    | \$14,919    | \$15,367        |
| Equipment rental                   | \$21,712           | \$24,813    | \$25,954    | \$24,782    | \$14,835    | \$15,280        |
| Shop supplies                      | \$65,479           | \$57,658    | \$69,752    | \$52,760    | \$75,951    | \$78,229        |
| Equipment maintenance              | \$26,096           | \$7,433     | \$3,103     | \$3,137     | \$5,678     | \$5,849         |
| Den - shop equipment               | \$4,985            | \$4,985     | \$5,071     | \$5,722     | \$5,988     | \$6,168         |
| Cost of goods sold                 | \$276,013          | \$222,967   | \$239,474   | \$171,239   | \$226,602   | \$233,401       |
| Cost of goods sold                 | \$2,064,271        | \$1,869,800 | \$1,935,701 | \$1,460,035 | \$1,739,117 | \$1,791,290     |
| Gross profit                       | \$1,425,602        | \$1,619,947 | \$1,245,537 | \$1,052,441 | \$1,391,166 | \$1,541,711     |

## Income Statement

|                                     | Fiscal year ending |             |             |             |             |                 |
|-------------------------------------|--------------------|-------------|-------------|-------------|-------------|-----------------|
|                                     | Dec-31-2017        | Dec-31-2018 | Dec-31-2019 | Dec-31-2020 | Dec-31-2021 | Dec-31-2022 (1) |
| Selling and marketing               |                    |             |             |             |             |                 |
| Officer's life insurance            | \$21,463           | \$17,579    | \$0         | \$0         | \$0         | \$0             |
| Finance charge                      | \$0                | \$0         | \$3,148     | \$2,211     | \$1,760     | \$1,813         |
| Bank fees                           | \$2,693            | \$3,794     | \$5,894     | \$8,631     | \$4,884     | \$5,030         |
| Sales salaries                      | \$45,707           | \$43,769    | \$41,160    | \$45,018    | \$47,124    | \$48,538        |
| Payroll taxes                       | \$4,514            | \$5,207     | \$0         | \$0         | \$0         | \$0             |
| Sales promotion                     | \$11,863           | \$810       | \$0         | \$0         | \$0         | \$0             |
| Travel and lodging                  | \$0                | \$0         | \$0         | \$0         | \$2,809     | \$2,893         |
| Business meals                      | \$0                | \$0         | \$2,871     | \$0         | \$1,488     | \$1,533         |
| Product investigation               | \$11,308           | \$0         | \$11,512    | \$17,867    | \$21,085    | \$21,718        |
| Selling and marketing               | \$73,391           | \$49,786    | \$55,543    | \$62,884    | \$72,506    | \$74,681        |
| General and administrative          |                    |             |             |             |             |                 |
| Shop driver                         | \$0                | \$0         | \$0         | \$245       | \$0         | \$0             |
| Advertising                         | \$0                | \$0         | \$222       | \$0         | \$203       | \$209           |
| Consulting                          | \$2,200            | \$1,436     | \$220       | \$3,154     | \$0         | \$10,000        |
| Officers' salaries                  | \$310,015          | \$357,284   | \$333,798   | \$315,068   | \$339,869   | \$350,065       |
| Office salaries                     | \$256,911          | \$292,119   | \$107,475   | \$115,011   | \$107,933   | \$111,170       |
| Payroll taxes                       | \$60,807           | \$62,447    | \$0         | \$130,125   | \$0         | \$0             |
| Rent                                | \$199,671          | \$198,784   | \$96,682    | \$0         | \$70,970    | \$73,099        |
| Payroll processing fee              | \$17,758           | \$18,868    | \$18,527    | \$7,075     | \$0         | \$0             |
| Employee benefits                   | \$0                | \$10,235    | \$17,917    | \$13,746    | \$20,000    | \$20,600        |
| Insurance - general liability, auto | \$0                | \$18,159    | \$29,989    | \$80,318    | \$89,377    | \$92,059        |
| Utilities                           | \$56,012           | \$59,838    | \$60,229    | \$55,896    | \$64,987    | \$66,936        |
| Telephone                           | \$17,817           | \$22,885    | \$21,621    | \$22,333    | \$28,479    | \$29,333        |
| Insurance - group                   | \$175,153          | \$205,622   | \$182,711   | \$204,939   | \$202,037   | \$208,098       |
| Worker's comp ins                   | \$0                | \$66,754    | \$0         | \$0         | \$0         | \$0             |
| Legal and accounting                | \$11,068           | \$17,785    | \$109,999   | \$71,348    | \$36,451    | \$37,544        |
| Postage                             | \$786              | 2,957.84    | \$785       | \$726       | \$988       | \$1,018         |
| Office expense                      | \$63,724           | 8,168.87    | \$22,437    | \$34,900    | \$47,045    | \$48,457        |
| Dues and subscriptions              | \$3,245            | 1,035.00    | \$985       | \$1,100     | \$0         | \$0             |
| Bldg. maintenance and repair        | \$6,253            | 23,331.50   | \$102,660   | \$59,474    | \$44,605    | \$45,943        |
| Security                            | \$0                | \$0         | \$3,033     | \$3,215     | \$4,468     | \$4,602         |
| Taxes and licenses                  | \$70,168           | 1,893.53    | \$31,631    | \$43,387    | \$43,495    | \$44,800        |
| Federal taxes                       | (\$51,900)         | 20,737.03   | (\$2,806)   | \$2,500     | \$0         | \$0             |
| State tax payments                  | \$786              | 7,133.00    | \$1,266     | \$800       | \$800       | \$824           |
| Computer services                   | \$250              | 17,959.56   | \$14,821    | \$6,496     | \$0         | \$0             |



## Income Statement

|                                      | Fiscal year ending |                    |                    |                    |                    |                    |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                                      | Dec-31-2017        | Dec-31-2018        | Dec-31-2019        | Dec-31-2020        | Dec-31-2021        | Dec-31-2022 (1)    |
| Outside service providers            | (\$604)            | (\$711)            | \$5,264            | \$52               | \$558              | \$575              |
| Pension plan expense                 | \$0                | \$0                | \$0                | \$0                | \$5,411            | \$5,574            |
| Depreciation - office equipment      | \$2,283            | \$1,650            | \$1,650            | \$1,650            | \$1,650            | \$1,699            |
| Depreciation - leasehold improvement | \$1,563            | \$1,563            | \$1,563            | \$3,044            | \$4,194            | \$4,320            |
| Depreciation - vehicles              | \$7,581            | \$632              | \$0                | \$0                | \$0                | \$0                |
| Employee medical expense             | \$0                | \$0                | \$0                | \$565              | \$0                | \$0                |
| Bad debts                            | \$0                | \$0                | \$6,433            | \$0                | \$0                | \$0                |
| Retirement plan contributions        | \$10,000           | \$19,000           | \$21,000           | \$0                | \$0                | \$0                |
| General and administrative           | \$1,245,702        | \$1,375,722        | \$1,199,154        | \$1,188,006        | \$1,120,162        | \$1,163,767        |
| <b>Vehicle expenses</b>              |                    |                    |                    |                    |                    |                    |
| Vehicle leasing                      | \$32,007           | \$38,554           | \$27,057           | \$21,405           | \$31,909           | \$31,909           |
| Vehicle operations                   | \$32,851           | \$26,776           | \$13,470           | \$17,589           | \$25,997           | \$26,776           |
| Vehicle registration                 | \$0                | \$440              | \$1,453            | \$0                | \$826              | \$0                |
| Vehicle maintenance                  | \$2,772            | \$165              | \$1,234            | (\$62)             | \$3,292            | \$3,391            |
| Vehicle expenses                     | \$67,631           | \$65,935           | \$43,214           | \$38,932           | \$62,024           | \$62,076           |
| <b>Total operating expense</b>       | <b>\$1,386,723</b> | <b>\$1,491,443</b> | <b>\$1,297,911</b> | <b>\$1,289,823</b> | <b>\$1,254,692</b> | <b>\$1,300,525</b> |
| <b>Operating income</b>              | <b>\$38,878</b>    | <b>\$128,504</b>   | <b>(\$52,373)</b>  | <b>(\$237,382)</b> | <b>\$136,474</b>   | <b>\$241,186</b>   |
| <b>Other income/expense</b>          |                    |                    |                    |                    |                    |                    |
| Other income                         |                    |                    |                    |                    |                    |                    |
| PPP loan forgiveness                 | \$0                | \$0                | \$0                | \$330,000          | \$346,839          | \$0                |
| Gain (loss) on sale of asset         | \$0                | \$0                | (\$598)            | \$0                | (\$2,588)          | \$0                |
| Total other income                   | \$0                | \$0                | \$4,724            | \$330,000          | \$344,251          | \$0                |
| Other expense                        |                    |                    |                    |                    |                    |                    |
| Other expenses                       |                    |                    |                    |                    |                    |                    |
| Interest expenses                    | \$0                | \$1,453            | \$2,040            | \$1                | \$0                | \$0                |
| Interest expense - Donna R.          | \$2,499            | \$1,698            | \$816              | \$930              | \$0                | \$0                |
| Penalties                            | \$0                | \$0                | \$352              | \$24,102           | \$24,878           | \$0                |
| Total other expense                  | \$2,499            | \$3,150            | \$3,208            | \$25,033           | \$24,878           | \$0                |
| <b>Net other income</b>              | <b>(\$2,499)</b>   | <b>(\$3,150)</b>   | <b>\$1,516</b>     | <b>\$304,967</b>   | <b>\$319,373</b>   | <b>\$0</b>         |
| <b>Net income</b>                    | <b>\$36,380</b>    | <b>\$125,353</b>   | <b>(\$50,858)</b>  | <b>\$67,585</b>    | <b>\$455,847</b>   | <b>\$241,186</b>   |

## Footnotes:

Source: Management-provided income statements for the fiscal year ending December 31, 2017 through December 31, 2021.

(1) We have prepared the income statement for the fiscal year ending December 31, 2022 considering nominal growth rate in accordance with Management discussions.

## Common Size Income Statements

|                                    | Fiscal year ending |             |             |             |             |                 |
|------------------------------------|--------------------|-------------|-------------|-------------|-------------|-----------------|
|                                    | Dec-31-2017        | Dec-31-2018 | Dec-31-2019 | Dec-31-2020 | Dec-31-2021 | Dec-31-2022 (1) |
| Revenue                            |                    |             |             |             |             |                 |
| Product sales                      | 100.5%             | 100.6%      | 101.3%      | 101.2%      | 101.3%      | 101.3%          |
| Merchant card service fees         | (0.5%)             | (0.5%)      | (1.0%)      | (1.3%)      | (1.3%)      | (1.3%)          |
| Sales - taxable                    | 0.0%               | (0.0%)      | (0.0%)      | 0.0%        | 0.0%        | 0.0%            |
| Sales discounts                    | 0.0%               | 0.0%        | 0.0%        | 0.0%        | 0.0%        | 0.0%            |
| Sales refunds                      | 0.0%               | 0.0%        | (0.3%)      | 0.0%        | 0.0%        | 0.0%            |
| Total revenue                      | 100.0%             | 100.0%      | 100.0%      | 100.0%      | 100.0%      | 100.0%          |
| Cost of goods sold                 |                    |             |             |             |             |                 |
| Material                           | 0.0%               | 0.0%        | 0.0%        | 0.0%        | 0.0%        | 0.0%            |
| Plastics                           | 1.0%               | 1.0%        | 0.9%        | 1.0%        | 0.7%        | 0.7%            |
| Metals                             | 3.2%               | 4.7%        | 5.9%        | 6.1%        | 6.8%        | 6.6%            |
| Purchases subject to use tax       | 0.1%               | 0.3%        | 0.2%        | 0.1%        | 0.1%        | 0.1%            |
| Art supplies                       | 0.2%               | 0.2%        | 0.2%        | 0.4%        | 0.1%        | 0.1%            |
| Adhesive                           | 2.2%               | 2.0%        | 2.4%        | 2.3%        | 2.5%        | 2.4%            |
| Chemicals                          | 1.1%               | 0.8%        | 1.0%        | 0.8%        | 0.9%        | 0.9%            |
| Materials - other                  | 0.7%               | 0.2%        | 0.0%        | 0.0%        | 0.1%        | 0.1%            |
| Material                           | 8.4%               | 9.1%        | 10.5%       | 10.7%       | 11.3%       | 10.9%           |
| Payroll and related expenses       |                    |             |             |             |             |                 |
| Payroll - factory and direct       | 27.0%              | 27.5%       | 31.0%       | 28.9%       | 26.3%       | 25.5%           |
| Payroll - art department           | 8.3%               | 7.1%        | 5.6%        | 6.4%        | 6.5%        | 6.2%            |
| Payroll taxes                      | 2.9%               | 3.0%        | 4.4%        | 4.7%        | 3.9%        | 3.8%            |
| Workers' compensation insurance    | 4.1%               | 0.0%        | 1.2%        | 0.0%        | 0.0%        | 0.0%            |
| Uniforms and laundry               | 0.4%               | 0.4%        | 0.7%        | 0.7%        | 0.4%        | 0.4%            |
| Total payroll and related expenses | 42.8%              | 38.0%       | 42.8%       | 40.6%       | 37.1%       | 35.9%           |
| Contracted for resale              | 3.0%               | 2.8%        | 3.2%        | 2.5%        | 3.1%        | 3.0%            |
| Small tool expense                 | 0.8%               | 0.4%        | 0.6%        | 0.4%        | 0.4%        | 0.4%            |
| Freight                            | 0.7%               | 0.5%        | 0.5%        | 0.5%        | 0.5%        | 0.5%            |
| Equipment rental                   | 0.6%               | 0.7%        | 0.8%        | 1.0%        | 0.5%        | 0.5%            |
| Shop supplies                      | 1.9%               | 1.7%        | 2.2%        | 2.1%        | 2.4%        | 2.3%            |
| Equipment maintenance              | 0.7%               | 0.2%        | 0.1%        | 0.1%        | 0.2%        | 0.2%            |
| Den - shop equipment               | 0.1%               | 0.1%        | 0.2%        | 0.2%        | 0.2%        | 0.2%            |
| Cost of goods sold                 | 7.9%               | 6.4%        | 7.5%        | 6.8%        | 7.2%        | 7.0%            |
| Cost of goods sold                 | 59.2%              | 53.6%       | 60.8%       | 58.1%       | 55.6%       | 53.7%           |
| Gross profit                       | 40.8%              | 46.4%       | 39.2%       | 41.9%       | 44.4%       | 46.3%           |

## Common Size Income Statements

|                                     | Fiscal year ending |             |             |             |             |                 |
|-------------------------------------|--------------------|-------------|-------------|-------------|-------------|-----------------|
|                                     | Dec-31-2017        | Dec-31-2018 | Dec-31-2019 | Dec-31-2020 | Dec-31-2021 | Dec-31-2022 (1) |
| Selling and marketing               |                    |             |             |             |             |                 |
| Officer's life insurance            | 0.6%               | 0.5%        | 0.0%        | 0.0%        | 0.0%        | 0.0%            |
| Finance charge                      | 0.0%               | 0.0%        | 0.1%        | 0.1%        | 0.1%        | 0.1%            |
| Bank fees                           | 0.1%               | 0.1%        | 0.2%        | 0.3%        | 0.2%        | 0.2%            |
| Sales salaries                      | 1.3%               | 1.3%        | 1.3%        | 1.8%        | 1.5%        | 1.5%            |
| Payroll taxes                       | 0.1%               | 0.1%        | 0.0%        | 0.0%        | 0.0%        | 0.0%            |
| Sales promotion                     | 0.3%               | 0.0%        | 0.0%        | 0.0%        | 0.0%        | 0.0%            |
| Travel and lodging                  | 0.0%               | 0.0%        | 0.0%        | 0.0%        | 0.1%        | 0.1%            |
| Business meals                      | 0.0%               | 0.0%        | 0.1%        | 0.0%        | 0.0%        | 0.0%            |
| Product investigation               | 0.3%               | 0.0%        | 0.4%        | 0.7%        | 0.7%        | 0.7%            |
| Selling and marketing               | 2.1%               | 1.4%        | 1.7%        | 2.5%        | 2.3%        | 2.2%            |
| General and administrative          |                    |             |             |             |             |                 |
| Shop driver                         | 0.0%               | 0.0%        | 0.0%        | 0.0%        | 0.0%        | 0.0%            |
| Advertising                         | 0.0%               | 0.0%        | 0.0%        | 0.0%        | 0.0%        | 0.0%            |
| Consulting                          | 0.1%               | 0.0%        | 0.0%        | 0.1%        | 0.0%        | 0.3%            |
| Officers' salaries                  | 8.9%               | 10.2%       | 10.5%       | 12.5%       | 10.9%       | 10.5%           |
| Office salaries                     | 7.4%               | 8.4%        | 3.4%        | 4.6%        | 3.4%        | 3.3%            |
| Payroll taxes                       | 1.7%               | 1.8%        | 0.0%        | 5.2%        | 0.0%        | 0.0%            |
| Rent                                | 5.7%               | 5.7%        | 3.0%        | 0.0%        | 2.3%        | 2.2%            |
| Payroll processing fee              | 0.5%               | 0.5%        | 0.6%        | 0.3%        | 0.0%        | 0.0%            |
| Employee benefits                   | 0.0%               | 0.3%        | 0.6%        | 0.5%        | 0.6%        | 0.6%            |
| Insurance - general liability, auto | 0.0%               | 0.5%        | 0.9%        | 3.2%        | 2.9%        | 2.8%            |
| Utilities                           | 1.6%               | 1.7%        | 1.9%        | 2.2%        | 2.1%        | 2.0%            |
| Telephone                           | 0.5%               | 0.7%        | 0.7%        | 0.9%        | 0.9%        | 0.9%            |
| Insurance - group                   | 5.0%               | 5.9%        | 5.7%        | 8.2%        | 6.5%        | 6.2%            |
| Worker's comp ins                   | 0.0%               | 1.9%        | 0.0%        | 0.0%        | 0.0%        | 0.0%            |
| Legal and accounting                | 0.3%               | 0.5%        | 3.5%        | 2.8%        | 1.2%        | 1.1%            |
| Postage                             | 0.0%               | 0.1%        | 0.0%        | 0.0%        | 0.0%        | 0.0%            |
| Office expense                      | 1.8%               | 0.2%        | 0.7%        | 1.4%        | 1.5%        | 1.5%            |
| Dues and subscriptions              | 0.1%               | 0.0%        | 0.0%        | 0.0%        | 0.0%        | 0.0%            |
| Bldg. maintenance and repair        | 0.2%               | 0.7%        | 3.2%        | 2.4%        | 1.4%        | 1.4%            |
| Security                            | 0.0%               | 0.0%        | 0.1%        | 0.1%        | 0.1%        | 0.1%            |
| Taxes and licenses                  | 2.0%               | 0.1%        | 1.0%        | 1.7%        | 1.4%        | 1.3%            |
| Federal taxes                       | (1.5%)             | 0.6%        | (0.1%)      | 0.1%        | 0.0%        | 0.0%            |
| State tax payments                  | 0.0%               | 0.2%        | 0.0%        | 0.0%        | 0.0%        | 0.0%            |
| Computer services                   | 0.0%               | 0.5%        | 0.5%        | 0.3%        | 0.0%        | 0.0%            |

## Common Size Income Statements

|                                      | Fiscal year ending |             |               |             |              |                 |
|--------------------------------------|--------------------|-------------|---------------|-------------|--------------|-----------------|
|                                      | Dec-31-2017        | Dec-31-2018 | Dec-31-2019   | Dec-31-2020 | Dec-31-2021  | Dec-31-2022 (1) |
| Outside service providers            | (0.0%)             | (0.0%)      | 0.2%          | 0.0%        | 0.0%         | 0.0%            |
| Pension plan expense                 | 0.0%               | 0.0%        | 0.0%          | 0.0%        | 0.2%         | 0.2%            |
| Depreciation - office equipment      | 0.1%               | 0.0%        | 0.1%          | 0.1%        | 0.1%         | 0.1%            |
| Depreciation - leasehold improvement | 0.0%               | 0.0%        | 0.0%          | 0.1%        | 0.1%         | 0.1%            |
| Depreciation - vehicles              | 0.2%               | 0.0%        | 0.0%          | 0.0%        | 0.0%         | 0.0%            |
| Employee medical expense             | 0.0%               | 0.0%        | 0.0%          | 0.0%        | 0.0%         | 0.0%            |
| Bad debts                            | 0.0%               | 0.0%        | 0.2%          | 0.0%        | 0.0%         | 0.0%            |
| Retirement plan contributions        | 0.3%               | 0.5%        | 0.7%          | 0.0%        | 0.0%         | 0.0%            |
| General and administrative           | 35.7%              | 39.4%       | 37.7%         | 47.3%       | 35.8%        | 34.9%           |
| Vehicle expenses                     |                    |             |               |             |              |                 |
| Vehicle leasing                      | 0.9%               | 1.1%        | 0.9%          | 0.9%        | 1.0%         | 1.0%            |
| Vehicle operations                   | 0.9%               | 0.8%        | 0.4%          | 0.7%        | 0.8%         | 0.8%            |
| Vehicle registration                 | 0.0%               | 0.0%        | 0.0%          | 0.0%        | 0.0%         | 0.0%            |
| Vehicle maintenance                  | 0.1%               | 0.0%        | 0.0%          | (0.0%)      | 0.1%         | 0.1%            |
| Vehicle expenses                     | 1.9%               | 1.9%        | 1.4%          | 1.5%        | 2.0%         | 1.9%            |
| Total operating expense              | 39.7%              | 42.7%       | 40.8%         | 51.3%       | 40.1%        | 39.0%           |
| Operating income                     | 1.1%               | 3.7%        | (1.6%)        | (9.4%)      | 4.4%         | 7.2%            |
| Other income/expense                 |                    |             |               |             |              |                 |
| Other income                         |                    |             |               |             |              |                 |
| PPP loan forgiveness                 | 0.0%               | 0.0%        | 0.0%          | 13.1%       | 11.1%        | 0.0%            |
| Gain (loss) on sale of asset         | 0.0%               | 0.0%        | (0.0%)        | 0.0%        | (0.1%)       | 0.0%            |
| Total other income                   | 0.0%               | 0.0%        | 0.1%          | 13.1%       | 11.0%        | 0.0%            |
| Other expense                        |                    |             |               |             |              |                 |
| Other expenses                       |                    |             |               |             |              |                 |
| Interest expenses                    | 0.0%               | 0.0%        | 0.1%          | 0.0%        | 0.0%         | 0.0%            |
| Interest expense - Donna R.          | 0.1%               | 0.0%        | 0.0%          | 0.0%        | 0.0%         | 0.0%            |
| Penalties                            | 0.0%               | 0.0%        | 0.0%          | 1.0%        | 0.8%         | 0.0%            |
| Total other expense                  | 0.1%               | 0.1%        | 0.1%          | 1.0%        | 0.8%         | 0.0%            |
| Net other income                     | (0.1%)             | (0.1%)      | 0.0%          | 12.1%       | 10.2%        | 0.0%            |
| <b>Net income</b>                    | <b>1.0%</b>        | <b>3.6%</b> | <b>(1.6%)</b> | <b>2.7%</b> | <b>14.6%</b> | <b>7.2%</b>     |

## Footnotes:

Source: Management-provided income statements for the fiscal year ending December 31, 2017 through December 31, 2021.

(1) We have prepared the income statement for the fiscal year ending December 31, 2022 considering nominal growth rate in accordance with Management discussions.

## Year on Year Growth Income Statements

|                                    | Fiscal year ending |             |             |             |                 |
|------------------------------------|--------------------|-------------|-------------|-------------|-----------------|
|                                    | Dec-31-2018        | Dec-31-2019 | Dec-31-2020 | Dec-31-2021 | Dec-31-2022 (1) |
| Revenue                            |                    |             |             |             |                 |
| Product sales                      | 0.0%               | (8.2%)      | (21.0%)     | 24.6%       | 24.6%           |
| Merchant card service fees         | 0.7%               | 67.6%       | 1.9%        | 27.5%       | 27.5%           |
| Sales - taxable                    | N/A                | 0.0%        | (100.0%)    | N/A         | N/A             |
| Sales discounts                    | N/A                | N/A         | (100.0%)    | N/A         | (84.5%)         |
| Sales refunds                      | N/A                | N/A         | (105.2%)    | (84.5%)     | (84.5%)         |
| Total revenue                      | (0.0%)             | (8.8%)      | (21.0%)     | 24.6%       | 6.5%            |
| Cost of goods sold                 |                    |             |             |             |                 |
| Material                           | N/A                | N/A         | N/A         | N/A         | N/A             |
| Plastics                           | (0.9%)             | (16.4%)     | (18.0%)     | (10.5%)     | (10.5%)         |
| Metals                             | 47.1%              | 14.2%       | (18.6%)     | 40.3%       | 40.3%           |
| Purchases subject to use tax       | 260.1%             | (34.9%)     | (49.7%)     | 1.2%        | 1.2%            |
| Art supplies                       | (9.9%)             | (4.1%)      | 82.0%       | (57.1%)     | (57.1%)         |
| Adhesive                           | (6.3%)             | 6.2%        | (23.5%)     | 37.3%       | 37.3%           |
| Chemicals                          | (27.5%)            | 17.1%       | (34.2%)     | 34.2%       | 34.2%           |
| Materials - other                  | (70.4%)            | (100.0%)    | N/A         | N/A         | N/A             |
| Material                           | 8.7%               | 5.0%        | (20.0%)     | 31.4%       | 3.0%            |
| Payroll and related expenses       |                    |             |             |             |                 |
| Payroll - factory and direct       | 1.8%               | 2.7%        | (26.3%)     | 13.4%       | 13.4%           |
| Payroll - art department           | (15.0%)            | (28.0%)     | (10.1%)     | 26.2%       | 26.2%           |
| Payroll taxes                      | 3.6%               | 31.7%       | (15.4%)     | 4.2%        | 4.2%            |
| Workers' compensation insurance    | (100.0%)           | N/A         | (100.0%)    | N/A         | N/A             |
| Uniforms and laundry               | 6.3%               | 33.4%       | (20.1%)     | (29.2%)     | (29.2%)         |
| Total payroll and related expenses | (11.2%)            | 2.5%        | (25.0%)     | 13.7%       | 3.0%            |
| Contracted for resale              | (6.0%)             | 2.2%        | (38.2%)     | 56.3%       | 56.3%           |
| Small tool expense                 | (56.8%)            | 39.8%       | (42.7%)     | 19.6%       | 19.6%           |
| Freight                            | (28.6%)            | 2.0%        | (28.0%)     | 18.4%       | 18.4%           |
| Equipment rental                   | 14.3%              | 4.6%        | (4.5%)      | (40.1%)     | (40.1%)         |
| Shop supplies                      | (11.9%)            | 21.0%       | (24.4%)     | 44.0%       | 44.0%           |
| Equipment maintenance              | (71.5%)            | (58.2%)     | 1.1%        | 81.0%       | 81.0%           |
| Den - shop equipment               | (0.0%)             | 1.7%        | 12.8%       | 4.6%        | 4.6%            |
| Cost of goods sold                 | (19.2%)            | 7.4%        | (28.5%)     | 32.3%       | 3.0%            |
| Cost of goods sold                 | (9.4%)             | 3.5%        | (24.6%)     | 19.1%       | 3.0%            |
| Gross profit                       | 13.6%              | (23.1%)     | (15.5%)     | 32.2%       | 10.8%           |

## Year on Year Growth Income Statements

|                                     | Fiscal year ending |             |             |             |                 |
|-------------------------------------|--------------------|-------------|-------------|-------------|-----------------|
|                                     | Dec-31-2018        | Dec-31-2019 | Dec-31-2020 | Dec-31-2021 | Dec-31-2022 (1) |
| Selling and marketing               |                    |             |             |             |                 |
| Officer's life insurance            | (18.1%)            | (100.0%)    | N/A         | N/A         | N/A             |
| Finance charge                      | N/A                | N/A         | (29.8%)     | (20.4%)     | (20.4%)         |
| Bank fees                           | 40.9%              | 55.3%       | 46.4%       | (43.4%)     | (43.4%)         |
| Sales salaries                      | (4.2%)             | (6.0%)      | 9.4%        | 4.7%        | 4.7%            |
| Payroll taxes                       | 15.4%              | (100.0%)    | N/A         | N/A         | N/A             |
| Sales promotion                     | (93.2%)            | (100.0%)    | N/A         | N/A         | N/A             |
| Travel and lodging                  | N/A                | N/A         | N/A         | N/A         | N/A             |
| Business meals                      | N/A                | N/A         | (100.0%)    | N/A         | N/A             |
| Product investigation               | (100.0%)           | N/A         | 55.2%       | 18.0%       | 18.0%           |
| Selling and marketing               | (32.2%)            | 11.6%       | 13.2%       | 15.3%       | 3.0%            |
| General and administrative          |                    |             |             |             |                 |
| Shop driver                         | N/A                | N/A         | N/A         | (100.0%)    | (100.0%)        |
| Advertising                         | N/A                | N/A         | (100.0%)    | N/A         | N/A             |
| Consulting                          | (34.7%)            | (84.7%)     | 1333.5%     | (100.0%)    | (100.0%)        |
| Officers' salaries                  | 15.2%              | (6.6%)      | (5.6%)      | 7.9%        | 7.9%            |
| Office salaries                     | 13.7%              | (63.2%)     | 7.0%        | (6.2%)      | (6.2%)          |
| Payroll taxes                       | 2.7%               | (100.0%)    | N/A         | (100.0%)    | (100.0%)        |
| Rent                                | (0.4%)             | (51.4%)     | (100.0%)    | N/A         | N/A             |
| Payroll processing fee              | 6.3%               | (1.8%)      | (61.8%)     | (100.0%)    | (100.0%)        |
| Employee benefits                   | N/A                | 75.1%       | (23.3%)     | 45.5%       | 45.5%           |
| Insurance - general liability, auto | N/A                | 65.1%       | 167.8%      | 11.3%       | 11.3%           |
| Utilities                           | 6.8%               | 0.7%        | (7.2%)      | 16.3%       | 16.3%           |
| Telephone                           | 28.4%              | (5.5%)      | 3.3%        | 27.5%       | 27.5%           |
| Insurance - group                   | 17.4%              | (11.1%)     | 12.2%       | (1.4%)      | (1.4%)          |
| Worker's comp ins                   | N/A                | (100.0%)    | N/A         | N/A         | N/A             |
| Legal and accounting                | 60.7%              | 518.5%      | (35.1%)     | (48.9%)     | (48.9%)         |
| Postage                             | 276.5%             | (73.5%)     | (7.5%)      | 36.1%       | 36.1%           |
| Office expense                      | (87.2%)            | 174.7%      | 55.5%       | 34.8%       | 34.8%           |
| Dues and subscriptions              | (68.1%)            | (4.8%)      | 11.7%       | (100.0%)    | (100.0%)        |
| Bldg. maintenance and repair        | 273.1%             | 340.0%      | (42.1%)     | (25.0%)     | (25.0%)         |
| Security                            | N/A                | N/A         | 6.0%        | 39.0%       | 39.0%           |
| Taxes and licenses                  | (97.3%)            | 1570.5%     | 37.2%       | 0.2%        | 0.2%            |
| Federal taxes                       | (140.0%)           | (113.5%)    | (189.1%)    | (100.0%)    | (100.0%)        |
| State tax payments                  | 807.5%             | (82.3%)     | (36.8%)     | 0.0%        | 0.0%            |
| Computer services                   | 7083.8%            | (17.5%)     | (56.2%)     | (100.0%)    | (100.0%)        |

## Year on Year Growth Income Statements

|                                      | Fiscal year ending |                 |                 |               |                 |
|--------------------------------------|--------------------|-----------------|-----------------|---------------|-----------------|
|                                      | Dec-31-2018        | Dec-31-2019     | Dec-31-2020     | Dec-31-2021   | Dec-31-2022 (1) |
| Outside service providers            | 17.8%              | (840.2%)        | (99.0%)         | 973.1%        | 973.1%          |
| Pension plan expense                 | N/A                | N/A             | N/A             | N/A           | N/A             |
| Depreciation - office equipment      | (27.7%)            | 0.0%            | 0.0%            | 0.0%          | 0.0%            |
| Depreciation - leasehold improvement | 0.0%               | 0.0%            | 94.7%           | 37.8%         | 37.8%           |
| Depreciation - vehicles              | (91.7%)            | (100.0%)        | N/A             | N/A           | N/A             |
| Employee medical expense             | N/A                | N/A             | N/A             | (100.0%)      | (100.0%)        |
| Bad debts                            | N/A                | N/A             | (100.0%)        | N/A           | N/A             |
| Retirement plan contributions        | 90.0%              | 10.5%           | (100.0%)        | N/A           | N/A             |
| General and administrative           | 10.4%              | (12.8%)         | (0.9%)          | (5.7%)        | (5.7%)          |
| Vehicle expenses                     |                    |                 |                 |               |                 |
| Vehicle leasing                      | 20.5%              | (29.8%)         | (20.9%)         | 49.1%         | 49.1%           |
| Vehicle operations                   | (18.5%)            | (49.7%)         | 30.6%           | 47.8%         | 47.8%           |
| Vehicle registration                 | N/A                | 230.2%          | (100.0%)        | N/A           | N/A             |
| Vehicle maintenance                  | (94.1%)            | 647.9%          | (105.0%)        | (5400.1%)     | (5400.1%)       |
| Vehicle expenses                     | (2.5%)             | (34.5%)         | (9.9%)          | 59.3%         | 0.1%            |
| Total operating expense              | 7.6%               | (13.0%)         | (0.6%)          | (2.7%)        | 3.7%            |
| Operating income                     | 230.5%             | (140.8%)        | 353.2%          | (157.5%)      | 76.7%           |
| Other income/expense                 |                    |                 |                 |               |                 |
| Other income                         |                    |                 |                 |               |                 |
| PPP loan forgiveness                 | N/A                | N/A             | N/A             | 5.1%          | 5.1%            |
| Gain (loss) on sale of asset         | N/A                | N/A             | (100.0%)        | N/A           | N/A             |
| Total other income                   | N/A                | N/A             | 6885.3%         | 4.3%          | (100.0%)        |
| Other expense                        |                    |                 |                 |               |                 |
| Other expenses                       |                    |                 |                 |               |                 |
| Interest expenses                    | N/A                | 40.4%           | (99.9%)         | (100.0%)      | (100.0%)        |
| Interest expense - Donna R.          | (32.0%)            | (51.9%)         | 14.0%           | (100.0%)      | (100.0%)        |
| Penalties                            | N/A                | N/A             | 6744.4%         | 3.2%          | 3.2%            |
| Total other expense                  | 26.1%              | 1.8%            | 680.2%          | (0.6%)        | (100.0%)        |
| Net other income                     | 26.1%              | (148.1%)        | 20019.2%        | 4.7%          | (100.0%)        |
| <b>Net income</b>                    | <b>244.6%</b>      | <b>(140.6%)</b> | <b>(232.9%)</b> | <b>574.5%</b> | <b>(47.1%)</b>  |

## Footnotes:

Source: Management-provided income statements for the fiscal year ending December 31, 2017 through December 31, 2021.

(1) We have prepared the income statement for the fiscal year ending December 31, 2022 considering nominal growth rate in accordance with Management discussions.

## Balance Sheets

|                                | Fiscal year ended |             |             |             |             |                 |
|--------------------------------|-------------------|-------------|-------------|-------------|-------------|-----------------|
|                                | Dec-31-2017       | Dec-31-2018 | Dec-31-2019 | Dec-31-2020 | Dec-31-2021 | Dec-31-2022 (1) |
| Assets                         |                   |             |             |             |             |                 |
| Current assets                 |                   |             |             |             |             |                 |
| Checking/savings               |                   |             |             |             |             |                 |
| WF bank-GenCkg#5791(was#3154)  | \$33,767          | \$36,449    | \$42,176    | \$58,783    | \$415,441   | \$415,441       |
| WF - bank-payroll#8429         | (\$4,305)         | \$12,438    | (\$12)      | \$24,472    | \$721       | \$721           |
| WF-HY savings OCN-PSP#4549     | \$0               | \$0         | \$0         | \$0         | \$500       | \$500           |
| WF-HY Svgs OCN-DB Pension#9787 | \$0               | \$0         | \$0         | \$0         | \$40,000    | \$40,000        |
| Citi - reserve accounts        | \$0               | \$0         | \$0         | \$1,500     | \$1,500     | \$1,500         |
| WF bank-payables               | \$575             | (\$291)     | (\$1,505)   | (\$931)     | (\$2,706)   | (\$2,706)       |
| Total checking/savings         | \$30,038          | \$48,596    | \$40,658    | \$83,825    | \$455,456   | \$455,456       |
| Account receivable             |                   |             |             |             |             |                 |
| Account receivable             | \$284,028         | \$298,770   | \$310,902   | \$212,956   | \$270,329   | \$270,329       |
| Total account receivable       | \$284,028         | \$298,770   | \$310,902   | \$212,956   | \$270,329   | \$270,329       |
| Other current assets           |                   |             |             |             |             |                 |
| First choice bank deposit      | \$0               | \$0         | \$0         | \$7,500     | \$0         | \$0             |
| AR offset                      | \$0               | \$0         | (\$24,262)  | \$0         | \$0         | \$0             |
| Prepaid state taxes            | \$6,883           | \$0         | \$6,539     | \$0         | \$0         | \$0             |
| L/R- [REDACTED]                | \$0               | \$30,803    | \$30,803    | \$30,803    | \$0         | \$0             |
| Advances                       | \$886             | \$96        | \$66        | \$0         | \$0         | \$0             |
| Prepaid federal taxes          | \$20,737          | \$0         | \$2,806     | \$0         | \$0         | \$0             |
| Supplies inventory             | \$71,808          | \$71,808    | \$71,808    | \$71,808    | \$71,808    | \$71,808        |
| Total other current assets     | \$414,380         | \$450,072   | \$439,320   | \$406,891   | \$797,593   | \$797,593       |



# Objective Valuation, LLC

Valuation as of October 29, 2021

Inherited Business Stake, Inc.

Final

Historical Balance Sheets - Financials Statements

(Values as presented)

Appendix C.9

## Balance Sheets

|  | Fiscal year ended |                  |                  |                  |                  |                  |
|--|-------------------|------------------|------------------|------------------|------------------|------------------|
|  | Dec-31-2017       | Dec-31-2018      | Dec-31-2019      | Dec-31-2020      | Dec-31-2021      | Dec-31-2022      |
| <b>Fixed assets</b>                              |                   |                  |                  |                  |                  |                  |
| Vehicles   | \$37,905          | \$37,905         | \$37,905         | \$37,905         | \$37,905         | \$37,905         |
| Leasehold improvements                           | \$226,917         | \$226,917        | \$226,917        | \$329,725        | \$329,725        | \$329,725        |
| Office equipment                                 | \$66,924          | \$66,924         | \$43,421         | \$43,721         | \$18,242         | \$18,242         |
| Shop equipment                                   | \$709,542         | \$709,542        | \$709,701        | \$722,462        | \$542,369        | \$542,369        |
| Accum depreciation - vehicles                    | (\$37,273)        | (\$37,905)       | (\$37,905)       | (\$37,905)       | (\$37,905)       | (\$37,905)       |
| Accumulated depreciation - leasehold improvement | (\$214,318)       | (\$215,881)      | (\$217,444)      | (\$220,487)      | (\$224,682)      | (\$224,682)      |
| Accum depreciation - office equipment            | (\$58,967)        | (\$60,616)       | (\$38,764)       | (\$40,714)       | (\$18,242)       | (\$18,242)       |
| Accumulated depreciation- shop equipment         | (\$681,226)       | (\$686,212)      | (\$687,820)      | (\$693,542)      | (\$520,667)      | (\$520,667)      |
| <b>Total fixed assets</b>                        | <b>\$49,503</b>   | <b>\$40,673</b>  | <b>\$36,011</b>  | <b>\$141,165</b> | <b>\$126,745</b> | <b>\$126,745</b> |
| <b>Other assets</b>                              |                   |                  |                  |                  |                  |                  |
| Deposits   | \$2,557           | \$68,429         | \$68,429         | \$68,136         | \$65,090         | \$65,090         |
| <b>Total other assets</b>                        | <b>\$2,557</b>    | <b>\$68,429</b>  | <b>\$68,429</b>  | <b>\$68,136</b>  | <b>\$65,090</b>  | <b>\$65,090</b>  |
| <b>Total assets</b>                              | <b>\$466,440</b>  | <b>\$559,175</b> | <b>\$543,760</b> | <b>\$616,192</b> | <b>\$989,429</b> | <b>\$989,429</b> |
| <b>Liabilities And equity</b>                    |                   |                  |                  |                  |                  |                  |
| <b>Liabilities</b>                               |                   |                  |                  |                  |                  |                  |
| <b>Current liabilities</b>                       |                   |                  |                  |                  |                  |                  |
| <b>Accounts payable</b>                          |                   |                  |                  |                  |                  |                  |
| Accounts payable                                 | \$82,003          | \$116,137        | \$117,279        | \$94,822         | \$34,669         | \$34,669         |
| <b>Total accounts payable</b>                    | <b>\$82,003</b>   | <b>\$116,137</b> | <b>\$117,279</b> | <b>\$94,822</b>  | <b>\$34,669</b>  | <b>\$34,669</b>  |
| <b>Credit cards</b>                              |                   |                  |                  |                  |                  |                  |
| Home depot credit card                           | \$0               | \$0              | \$978            | \$1,827          | \$12,065         | \$12,065         |
| AP offset  | \$0               | \$0              | (\$3,924)        | \$0              | \$0              | \$0              |
| American express                                 | \$0               | \$0              | \$0              | (\$22,535)       | \$0              | \$0              |
| WF business card                                 | \$0               | \$0              | \$17,910         | \$22,940         | \$4,571          | \$4,571          |
| <b>Total credit cards</b>                        | <b>\$0</b>        | <b>\$0</b>       | <b>\$14,964</b>  | <b>\$2,232</b>   | <b>\$16,635</b>  | <b>\$16,635</b>  |
| <b>Other current liabilities</b>                 |                   |                  |                  |                  |                  |                  |
| Employee garnishments                            | (\$157)           | (\$82)           | \$0              | \$0              | (\$33)           | (\$33)           |
| Note payable-ford truck                          | \$570             | \$0              | \$0              | \$0              | \$0              | \$0              |
| Prepaid sales                                    | \$0               | \$0              | \$840            | \$0              | \$0              | \$0              |
| Due to/from profit sharing plan                  | \$113,098         | \$128,098        | \$89,754         | \$0              | \$0              | \$0              |

(1)

## Balance Sheets

|                                 | Fiscal year ended |             |             |             |             |             | (1) |
|---------------------------------|-------------------|-------------|-------------|-------------|-------------|-------------|-----|
|                                 | Dec-31-2017       | Dec-31-2018 | Dec-31-2019 | Dec-31-2020 | Dec-31-2021 | Dec-31-2022 |     |
| N/P [REDACTED]                  | \$104,056         | \$61,587    | \$19,070    | \$0         | \$0         | \$0         |     |
| Payroll taxes payable           | \$39              | \$0         | \$0         | \$0         | \$0         | \$0         |     |
| Sales tax payable               | \$856             | \$322       | \$735       | \$389       | \$389       | \$389       |     |
| Total other current liabilities | \$218,462         | \$189,925   | \$110,399   | \$389       | \$356       | \$356       |     |
| Total current liabilities       | \$300,464         | \$306,062   | \$242,641   | \$97,443    | \$51,661    | \$51,661    |     |
| Long term liabilities           |                   |             |             |             |             |             |     |
| [REDACTED] Family Trust         | \$0               | \$0         | \$143,864   | \$293,909   | \$254,004   | \$254,004   |     |
| Settlement- [REDACTED]          | \$48,875          | \$48,875    | \$48,875    | \$48,875    | \$48,875    | \$48,875    |     |
| N/P City Nil Comm               | \$0               | \$45,000    | \$0         | \$0         | \$0         | \$0         |     |
| Total long term liabilities     | \$48,875          | \$93,875    | \$192,739   | \$342,784   | \$302,879   | \$302,879   |     |
| Total liabilities               | \$349,339         | \$399,937   | \$435,380   | \$440,228   | \$354,540   | \$354,540   |     |
| Equity                          |                   |             |             |             |             |             |     |
| Capital stock                   |                   |             |             |             |             |             |     |
| Class A stock - voting          | \$405             | \$405       | \$405       | \$405       | \$405       | \$405       |     |
| Class B stock - non voting      | \$135             | \$135       | \$135       | \$135       | \$135       | \$135       |     |
| Total - capital stock           | \$540             | \$540       | \$540       | \$540       | \$540       | \$540       |     |
| Retained earnings               | \$80,181          | \$116,560   | \$158,697   | \$107,840   | \$178,502   | \$178,502   |     |
| Net income                      | \$36,380          | \$42,137    | (\$50,858)  | \$67,585    | \$455,847   | \$455,847   |     |
| Total equity                    | \$117,100         | \$159,237   | \$108,380   | \$175,965   | \$634,889   | \$634,889   |     |
| Total liabilities and equity    | \$466,440         | \$559,175   | \$543,760   | \$616,192   | \$989,429   | \$989,429   |     |

## Footnotes:

Source: Management-provided balance sheets for the fiscal year ending December 31, 2017 through December 31, 2021.

(1) We have prepared the balance sheet for the fiscal year ending December 31, 2022 which is replicated from FY 2021 in accordance with Management discussions.

## Common Size Balance Sheets

|                                | Fiscal year ended |             |             |             |             |             |
|--------------------------------|-------------------|-------------|-------------|-------------|-------------|-------------|
|                                | Dec-31-2017       | Dec-31-2018 | Dec-31-2019 | Dec-31-2020 | Dec-31-2021 | Dec-31-2022 |
| Assets                         |                   |             |             |             |             |             |
| Current assets                 |                   |             |             |             |             |             |
| Checking/savings               |                   |             |             |             |             |             |
| WF bank-GenCkg#5791(was#3154)  | 7.2%              | 6.5%        | 7.8%        | 9.5%        | 42.0%       | 42.0%       |
| WF - bank-payroll#8429         | (0.9%)            | 2.2%        | (0.0%)      | 4.0%        | 0.1%        | 0.1%        |
| WF-HY savings OCN-PSP#4549     | 0.0%              | 0.0%        | 0.0%        | 0.0%        | 0.1%        | 0.1%        |
| WF-HY Svgs OCN-DB Pension#9787 | 0.0%              | 0.0%        | 0.0%        | 0.0%        | 4.0%        | 4.0%        |
| Citi - reserve accounts        | 0.0%              | 0.0%        | 0.0%        | 0.2%        | 0.2%        | 0.2%        |
| WF bank-payables               | 0.1%              | (0.1%)      | (0.3%)      | (0.2%)      | (0.3%)      | (0.3%)      |
| Total checking/savings         | 6.4%              | 8.7%        | 7.5%        | 13.6%       | 46.0%       | 46.0%       |
| Account receivable             |                   |             |             |             |             |             |
| Account receivable             | 60.9%             | 53.4%       | 57.2%       | 34.6%       | 27.3%       | 27.3%       |
| Total account receivable       | 60.9%             | 53.4%       | 57.2%       | 34.6%       | 27.3%       | 27.3%       |
| Other current assets           |                   |             |             |             |             |             |
| First choice bank deposit      | 0.0%              | 0.0%        | 0.0%        | 1.2%        | 0.0%        | 0.0%        |
| AR offset                      | 0.0%              | 0.0%        | (4.5%)      | 0.0%        | 0.0%        | 0.0%        |
| Prepaid state taxes            | 1.5%              | 0.0%        | 1.2%        | 0.0%        | 0.0%        | 0.0%        |
| L/R- [REDACTED]                | 0.0%              | 5.5%        | 5.7%        | 5.0%        | 0.0%        | 0.0%        |
| Advances                       | 0.2%              | 0.0%        | 0.0%        | 0.0%        | 0.0%        | 0.0%        |
| Prepaid federal taxes          | 4.4%              | 0.0%        | 0.5%        | 0.0%        | 0.0%        | 0.0%        |
| Supplies inventory             | 15.4%             | 12.8%       | 13.2%       | 11.7%       | 7.3%        | 7.3%        |
| Total other current assets     | 88.8%             | 80.5%       | 80.8%       | 66.0%       | 80.6%       | 80.6%       |

(1)

## Common Size Balance Sheets

|  | Fiscal year ended |               |               |               |               |               |
|--|-------------------|---------------|---------------|---------------|---------------|---------------|
|  | Dec-31-2017       | Dec-31-2018   | Dec-31-2019   | Dec-31-2020   | Dec-31-2021   | Dec-31-2022   |
| Fixed assets                                     |                   |               |               |               |               |               |
| Vehicles   | 8.1%              | 6.8%          | 7.0%          | 6.2%          | 3.8%          | 3.8%          |
| Leasehold improvements                           | 48.6%             | 40.6%         | 41.7%         | 53.5%         | 33.3%         | 33.3%         |
| Office equipment                                 | 14.3%             | 12.0%         | 8.0%          | 7.1%          | 1.8%          | 1.8%          |
| Shop equipment                                   | 152.1%            | 126.9%        | 130.5%        | 117.2%        | 54.8%         | 54.8%         |
| Accum depreciation - vehicles                    | (8.0%)            | (6.8%)        | (7.0%)        | (6.2%)        | (3.8%)        | (3.8%)        |
| Accumulated depreciation - leasehold improvement | (45.9%)           | (38.6%)       | (40.0%)       | (35.8%)       | (22.7%)       | (22.7%)       |
| Accum depreciation - office equipment            | (12.6%)           | (10.8%)       | (7.1%)        | (6.6%)        | (1.8%)        | (1.8%)        |
| Accumulated depreciation- shop equipment         | (146.0%)          | (122.7%)      | (126.5%)      | (112.6%)      | (52.6%)       | (52.6%)       |
| Total fixed assets                               | 10.6%             | 7.3%          | 6.6%          | 22.9%         | 12.8%         | 12.8%         |
| Other assets                                     |                   |               |               |               |               |               |
| Deposits   | 0.5%              | 12.2%         | 12.6%         | 11.1%         | 6.6%          | 6.6%          |
| Total other assets                               | 0.5%              | 12.2%         | 12.6%         | 11.1%         | 6.6%          | 6.6%          |
| <b>Total assets</b>                              | <b>100.0%</b>     | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> |
| Liabilities And equity                           |                   |               |               |               |               |               |
| Liabilities                                      |                   |               |               |               |               |               |
| Current liabilities                              |                   |               |               |               |               |               |
| Accounts payable                                 |                   |               |               |               |               |               |
| Accounts payable                                 | 17.6%             | 20.8%         | 21.6%         | 15.4%         | 3.5%          | 3.5%          |
| Total accounts payable                           | 17.6%             | 20.8%         | 21.6%         | 15.4%         | 3.5%          | 3.5%          |
| Credit cards                                     |                   |               |               |               |               |               |
| Home depot credit card                           | 0.0%              | 0.0%          | 0.2%          | 0.3%          | 1.2%          | 1.2%          |
| AP offset  | 0.0%              | 0.0%          | (0.7%)        | 0.0%          | 0.0%          | 0.0%          |
| American express                                 | 0.0%              | 0.0%          | 0.0%          | (3.7%)        | 0.0%          | 0.0%          |
| WF business card                                 | 0.0%              | 0.0%          | 3.3%          | 3.7%          | 0.5%          | 0.5%          |
| Total credit cards                               | 0.0%              | 0.0%          | 2.8%          | 0.4%          | 1.7%          | 1.7%          |
| Other current liabilities                        |                   |               |               |               |               |               |
| Employee garnishments                            | (0.0%)            | (0.0%)        | 0.0%          | 0.0%          | (0.0%)        | (0.0%)        |
| Note payable-ford truck                          | 0.1%              | 0.0%          | 0.0%          | 0.0%          | 0.0%          | 0.0%          |
| Prepaid sales                                    | 0.0%              | 0.0%          | 0.2%          | 0.0%          | 0.0%          | 0.0%          |
| Due to/from profit sharing plan                  | 24.2%             | 22.9%         | 16.5%         | 0.0%          | 0.0%          | 0.0%          |

## Common Size Balance Sheets

|                                 | Fiscal year ended |             |             |             |             |             | (1) |
|---------------------------------|-------------------|-------------|-------------|-------------|-------------|-------------|-----|
|                                 | Dec-31-2017       | Dec-31-2018 | Dec-31-2019 | Dec-31-2020 | Dec-31-2021 | Dec-31-2022 |     |
| N/P [REDACTED]                  | 22.3%             | 11.0%       | 3.5%        | 0.0%        | 0.0%        | 0.0%        |     |
| Payroll taxes payable           | 0.0%              | 0.0%        | 0.0%        | 0.0%        | 0.0%        | 0.0%        |     |
| Sales tax payable               | 0.2%              | 0.1%        | 0.1%        | 0.1%        | 0.0%        | 0.0%        |     |
| Total other current liabilities | 46.8%             | 34.0%       | 20.3%       | 0.1%        | 0.0%        | 0.0%        |     |
| Total current liabilities       | 64.4%             | 54.7%       | 44.6%       | 15.8%       | 5.2%        | 5.2%        |     |
| Long term liabilities           |                   |             |             |             |             |             |     |
| [REDACTED] Family Trust         | 0.0%              | 0.0%        | 26.5%       | 47.7%       | 25.7%       | 25.7%       |     |
| Settlement-[REDACTED]           | 10.5%             | 8.7%        | 9.0%        | 7.9%        | 4.9%        | 4.9%        |     |
| N/P City Nil Comm               | 0.0%              | 8.0%        | 0.0%        | 0.0%        | 0.0%        | 0.0%        |     |
| Total long term liabilities     | 10.5%             | 16.8%       | 35.4%       | 55.6%       | 30.6%       | 30.6%       |     |
| Total liabilities               | 74.9%             | 71.5%       | 80.1%       | 71.4%       | 35.8%       | 35.8%       |     |
| Equity                          |                   |             |             |             |             |             |     |
| Capital stock                   |                   |             |             |             |             |             |     |
| Class A stock - voting          | 0.1%              | 0.1%        | 0.1%        | 0.1%        | 0.0%        | 0.0%        |     |
| Class B stock - non voting      | 0.0%              | 0.0%        | 0.0%        | 0.0%        | 0.0%        | 0.0%        |     |
| Total - capital stock           | 0.1%              | 0.1%        | 0.1%        | 0.1%        | 0.1%        | 0.1%        |     |
| Retained earnings               | 17.2%             | 20.8%       | 29.2%       | 17.5%       | 18.0%       | 18.0%       |     |
| Net income                      | 7.8%              | 7.5%        | (9.4%)      | 11.0%       | 46.1%       | 46.1%       |     |
| Total equity                    | 25.1%             | 28.5%       | 19.9%       | 28.6%       | 64.2%       | 64.2%       |     |
| Total liabilities and equity    | 100.0%            | 100.0%      | 100.0%      | 100.0%      | 100.0%      | 100.0%      |     |

## Footnotes:

Source: Management-provided balance sheets for the fiscal year ending December 31, 2017 through December 31, 2021.

(1) We have prepared the balance sheet for the fiscal year ending December 31, 2022 which is replicated from FY 2021 in accordance with Management discussions.

# Objective Valuation, LLC

Valuation as of October 29, 2021

## Inherited Business Stake, Inc.

Final

Historical Income Statement - Tax Returns

(Values as presented)

Appendix C.11

### Income Statement

|   | Fiscal year ending |                    |                    |                    |                    |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
|   | Dec-31-2017        | Dec-31-2018        | Dec-31-2019        | Dec-31-2020        | Dec-31-2021 (1)    |
| <b>Balance</b>                                      |                    |                    |                    |                    |                    |
| Gross receipts or sales                             | \$3,489,873        | \$3,489,748        | \$3,181,239        | \$2,512,476        | \$3,130,283        |
| Returns and allowances                              | \$0                | \$0                | \$0                | \$0                | \$0                |
| <b>Balance. Subtract line 1b from line 1a</b>       | <b>\$3,489,873</b> | <b>\$3,489,748</b> | <b>\$3,181,239</b> | <b>\$2,512,476</b> | <b>\$3,130,283</b> |
| <b>Cost of goods sold</b>                           |                    |                    |                    |                    |                    |
| Inventory at the beginning of the year              | \$96,808           | \$71,808           | \$71,808           | \$71,808           | \$71,808           |
| Purchases   | \$268,810          | \$319,259          | \$335,067          | \$268,176          | \$352,316          |
| Cost of labour                                      | \$1,335,081        | \$1,311,994        | \$1,340,372        | \$886,081          | \$1,025,499        |
| Additional section 263A costs                       |                    |                    |                    |                    |                    |
| <b>Other cost</b>                                   |                    |                    |                    |                    |                    |
| Contracted for resale                               | \$0                | \$98,358           | \$100,545          | \$62,185           | \$97,208           |
| Equipment maintenance                               | \$26,096           | \$7,433            | \$3,103            | \$3,137            | \$5,678            |
| Equipment rental                                    | \$21,712           | \$24,813           | \$25,954           | \$24,782           | \$14,835           |
| Freight   | \$24,048           | \$17,161           | \$17,496           | \$12,600           | \$14,919           |
| Shop supplies                                       | \$65,479           | \$57,658           | \$69,849           | \$52,760           | \$75,951           |
| Outside service                                     | \$104,629          | \$0                | \$0                | \$0                | \$0                |
| Payroll taxes                                       | \$0                | \$0                | \$0                | \$117,929          | \$122,941          |
| Small tools and equipment                           | \$29,064           | \$12,560           | \$17,552           | \$10,054           | \$12,023           |
| Uniform and laundry service                         | \$14,663           | \$15,581           | \$20,788           | \$16,609           | \$11,758           |
| <b>Other costs</b>                                  | <b>\$285,691</b>   | <b>\$233,564</b>   | <b>\$255,287</b>   | <b>\$300,056</b>   | <b>\$355,313</b>   |
| <b>Total</b>  | <b>\$1,986,390</b> | <b>\$1,936,625</b> | <b>\$2,002,534</b> | <b>\$1,526,121</b> | <b>\$1,804,936</b> |
| Inventory at the end of the year                    | \$71,808           | \$71,808           | \$71,808           | \$71,808           | \$71,808           |
| <b>Cost of goods sold</b>                           | <b>\$1,914,582</b> | <b>\$1,864,817</b> | <b>\$1,930,726</b> | <b>\$1,454,313</b> | <b>\$1,733,128</b> |
| <b>Gross profit. subtract line 2 from line 1c</b>   | <b>\$1,575,291</b> | <b>\$1,624,931</b> | <b>\$1,250,513</b> | <b>\$1,058,163</b> | <b>\$1,397,155</b> |
| Net gain or (loss) from Form 4797, Part II, line 17 | \$0                | \$0                | (\$70)             | \$0                | \$0                |
| Other income  | \$3,761            | \$0                | \$5,322            | \$0                | \$0                |
| <b>Total income</b>                                 | <b>\$1,579,052</b> | <b>\$1,624,931</b> | <b>\$1,255,765</b> | <b>\$1,058,163</b> | <b>\$1,397,155</b> |
| <b>Deductions</b>                                   |                    |                    |                    |                    |                    |
| <b>Compensation of officers</b>                     |                    |                    |                    |                    |                    |
|   | \$0                | \$0                | \$4,400            | \$0                | \$0                |
|   | \$310,015          | \$357,284          | \$0                | \$115,024          | \$0                |
|   | \$0                | \$0                | \$119,448          | \$0                | \$145,609          |
|   | \$0                | \$0                | \$88,290           | \$85,020           | \$94,720           |
|   | \$0                | \$0                | \$121,660          | \$115,024          | \$99,540           |
| <b>Compensation of officers</b>                     | <b>\$310,015</b>   | <b>\$357,284</b>   | <b>\$333,798</b>   | <b>\$315,068</b>   | <b>\$339,869</b>   |
| Salaries and wages (less employment credits)        | \$302,618          | \$335,888          | \$148,635          | \$160,029          | \$155,057          |
| Repairs and maintenance                             | \$0                | \$0                | \$102,660          | \$59,474           | \$44,605           |

## Income Statement

|   | Fiscal year ending |                 |                 |                 |                 |
|---|--------------------|-----------------|-----------------|-----------------|-----------------|
|   | Dec-31-2017        | Dec-31-2018     | Dec-31-2019     | Dec-31-2020     | Dec-31-2021 (1) |
| Bad debts   | \$0                | \$0             | \$0             | \$0             | \$0             |
| Rents   | \$199,671          | \$198,784       | \$96,682        | \$129,450       | \$70,970        |
| <b>Taxes and licenses</b>   |                    |                 |                 |                 |                 |
| Taxes and licenses  | \$13,205           | \$2,144         | \$31,631        | \$43,387        | \$43,495        |
| Payroll taxes   | \$65,321           | \$67,655        | \$0             | \$0             | \$0             |
| 2016 CA Tax   | \$800              | \$0             | \$0             | \$0             | \$0             |
| State income tax  | \$0                | \$6,833         | \$1,266         | \$800           | \$800           |
| <b>Taxes and licenses</b>   | <b>\$79,326</b>    | <b>\$76,632</b> | <b>\$32,897</b> | <b>\$44,187</b> | <b>\$44,295</b> |
| Interest  | \$2,499            | \$3,150         | \$2,856         | \$931           | \$0             |
| Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return | \$4,673            | \$3,896         | \$7,804         | \$24,822        | \$5,166         |
| Advertising   | \$0                | \$0             | \$222           | \$0             | \$203           |
| Pension, profit-sharing, etc. plans   | \$10,000           | \$19,000        | \$21,000        | \$10,000        | \$0             |
| Employee benefit programs   | \$175,153          | \$215,858       | \$200,628       | \$219,250       | \$20,000        |
| Domestic production activities deduction                                      | \$3,338            | \$0             | \$0             | \$0             | \$0             |
| <b>Other deductions</b>   |                    |                 |                 |                 |                 |
| Auto expense  | \$67,631           | \$65,935        | \$43,214        | \$38,932        | \$62,024        |
| Bad debt  | \$0                | \$0             | \$6,433         | \$0             | \$0             |
| Bank fees   | \$2,693            | \$3,794         | \$5,894         | \$8,631         | \$4,884         |
| Computer expense  | \$250              | \$17,960        | \$14,821        | \$6,496         | \$0             |
| Consulting  | \$2,200            | \$1,436         | \$220           | \$3,154         | \$0             |
| Dues and subscriptions  | \$3,245            | \$1,035         | \$985           | \$1,100         | \$0             |
| Finance charges   | \$0                | \$0             | \$3,148         | \$2,211         | \$1,760         |
| Insurance   | \$0                | \$18,159        | \$29,989        | \$80,318        | \$291,414       |
| Legal and accounting  | \$20,956           | \$17,785        | \$109,999       | \$71,348        | \$36,451        |
| Maintenance and security  | \$6,253            | \$22,621        | \$0             | \$0             | \$0             |
| Office expense  | \$63,724           | \$8,214         | \$22,437        | \$34,901        | \$47,045        |
| Outside services  | \$0                | \$0             | \$5,264         | \$52            | \$558           |
| Pension plan expense  | \$0                | \$0             | \$0             | \$0             | \$5,411         |
| Payroll fees  | \$17,154           | \$18,868        | \$18,527        | \$7,075         | \$0             |
| Postage   | \$786              | \$2,958         | \$785           | \$726           | \$988           |
| Product investigation   | \$1,420            | \$0             | \$11,512        | \$17,867        | \$21,085        |
| Sales promotion   | \$11,863           | \$810           | \$0             | \$0             | \$0             |
| Security  | \$0                | \$0             | \$3,033         | \$3,215         | \$4,468         |

**Income Statement**

|  | Fiscal year ending |                    |                    |                    |                    |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
|  | Dec-31-2017        | Dec-31-2018        | Dec-31-2019        | Dec-31-2020        | Dec-31-2021 (1)    |
| Shop driver  | \$0                | \$0                | \$0                | \$245              | \$0                |
| Telephone  | \$17,817           | \$22,885           | \$21,621           | \$22,333           | \$28,479           |
| Travel   | \$0                | \$0                | \$0                | \$0                | \$2,809            |
| Utilities  | \$56,012           | \$59,838           | \$60,229           | \$55,896           | \$64,987           |
| Workers comp insurance   | \$144,705          | \$66,754           | \$0                | \$0                | \$0                |
| 50% of meals   | \$0                | \$0                | \$1,436            | \$0                | \$1,488            |
| <b>Other deductions</b>  | <b>\$416,709</b>   | <b>\$329,052</b>   | <b>\$359,547</b>   | <b>\$354,500</b>   | <b>\$573,851</b>   |
| <b>Total deductions</b>  | <b>\$1,504,002</b> | <b>\$1,539,544</b> | <b>\$1,306,729</b> | <b>\$1,317,711</b> | <b>\$1,254,016</b> |
| <b>Taxable income before net operating loss deduction and special deductions</b> | <b>\$75,050</b>    | <b>\$85,387</b>    | <b>(\$50,964)</b>  | <b>(\$259,548)</b> | <b>\$143,139</b>   |
| Net operating loss deduction   | \$41,299           | \$0                | \$0                | \$0                | \$114,511          |
| Add lines 29a and 29b  | \$41,299           | \$0                | \$0                | \$0                | \$114,511          |
| <b>Taxable income. Subtract line 29c from line 28.</b>                           | <b>\$33,751</b>    | <b>\$85,387</b>    | <b>(\$50,964)</b>  | <b>(\$259,548)</b> | <b>\$28,628</b>    |
| Total tax  | \$5,063            | \$17,931           | \$0                | \$0                | \$6,012            |
| Total payments and refundable credits  | \$25,800           | \$20,737           | \$2,806            | \$0                | \$6,500            |
| Estimated tax penalty  | \$0                | \$0                | \$0                | \$0                | \$124              |
| Amount owed  | \$0                | \$0                | \$0                | \$0                | \$0                |
| Overpayment  | \$20,737           | \$2,806            | \$2,806            | \$0                | \$364              |

**Footnotes:**

Source: Management-provided Tax Returns for the fiscal year ending December 31, 2017 through the December 31, 2021.

(1) Income statement as of December 31, 2021 is considered as placeholder for the trailing twelve months through the Valuation Date based on discussion with Management.



# Objective Valuation, LLC

Valuation as of October 29, 2021

Inherited Business Stake, Inc.

Final

Historical Income Statement - Tax Returns - Common Size - Tax Returns

(Values as presented)

Appendix C.12

## Common Size Income Statements

|   | Fiscal year ending |                |                |                |                 |
|---|--------------------|----------------|----------------|----------------|-----------------|
|   | Dec-31-2017        | Dec-31-2018    | Dec-31-2019    | Dec-31-2020    | Dec-31-2021 (1) |
| <b>Balance</b>                                      |                    |                |                |                |                 |
| Gross receipts or sales                             | 3604.9%            | 4859.8%        | 4430.2%        | 3498.9%        | 4359.2%         |
| Returns and allowances                              | 0.0%               | 0.0%           | 0.0%           | 0.0%           | 0.0%            |
| <b>Balance. Subtract line 1b from line 1a</b>       | <b>3604.9%</b>     | <b>4859.8%</b> | <b>4430.2%</b> | <b>3498.9%</b> | <b>4359.2%</b>  |
| <b>Cost of goods sold</b>                           |                    |                |                |                |                 |
| Inventory at the beginning of the year              | 100.0%             | 100.0%         | 100.0%         | 100.0%         | 100.0%          |
| Purchases   | 277.7%             | 444.6%         | 466.6%         | 373.5%         | 490.6%          |
| Cost of labour                                      | 1379.1%            | 1827.1%        | 1866.6%        | 1234.0%        | 1428.1%         |
| Additional section 263A costs                       |                    |                |                |                |                 |
| <b>Other cost</b>                                   |                    |                |                |                |                 |
| Contracted for resale                               | 0.0%               | 137.0%         | 140.0%         | 86.6%          | 135.4%          |
| Equipment maintenance                               | 27.0%              | 10.4%          | 4.3%           | 4.4%           | 7.9%            |
| Equipment rental                                    | 22.4%              | 34.6%          | 36.1%          | 34.5%          | 20.7%           |
| Freight   | 24.8%              | 23.9%          | 24.4%          | 17.5%          | 20.8%           |
| Shop supplies                                       | 67.6%              | 80.3%          | 97.3%          | 73.5%          | 105.8%          |
| Outside service                                     | 108.1%             | 0.0%           | 0.0%           | 0.0%           | 0.0%            |
| Payroll taxes                                       | 0.0%               | 0.0%           | 0.0%           | 164.2%         | 171.2%          |
| Small tools and equipment                           | 30.0%              | 17.5%          | 24.4%          | 14.0%          | 16.7%           |
| Uniform and laundry service                         | 15.1%              | 21.7%          | 28.9%          | 23.1%          | 16.4%           |
| <b>Other costs</b>                                  | <b>295.1%</b>      | <b>325.3%</b>  | <b>355.5%</b>  | <b>417.9%</b>  | <b>494.8%</b>   |
| <b>Total</b>  | <b>2051.9%</b>     | <b>2696.9%</b> | <b>2788.7%</b> | <b>2125.3%</b> | <b>2513.6%</b>  |
| Inventory at the end of the year                    | 74.2%              | 100.0%         | 100.0%         | 100.0%         | 100.0%          |
| <b>Cost of goods sold</b>                           | <b>1977.7%</b>     | <b>2596.9%</b> | <b>2688.7%</b> | <b>2025.3%</b> | <b>2413.6%</b>  |
| <b>Gross profit. subtract line 2 from line 1c</b>   | <b>1627.2%</b>     | <b>2262.9%</b> | <b>1741.5%</b> | <b>1473.6%</b> | <b>1945.7%</b>  |
| Net gain or (loss) from Form 4797, Part II, line 17 | 0.0%               | 0.0%           | (0.1%)         | 0.0%           | 0.0%            |
| Other income  | 3.9%               | 0.0%           | 7.4%           | 0.0%           | 0.0%            |
| <b>Total income</b>                                 | <b>1631.1%</b>     | <b>2262.9%</b> | <b>1748.8%</b> | <b>1473.6%</b> | <b>1945.7%</b>  |
| <b>Compensation of officers</b>                     |                    |                |                |                |                 |
|   | 0.0%               | 0.0%           | 6.1%           | 0.0%           | 0.0%            |
|   | 320.2%             | 497.6%         | 0.0%           | 160.2%         | 0.0%            |
|   | 0.0%               | 0.0%           | 166.3%         | 0.0%           | 202.8%          |
|   | 0.0%               | 0.0%           | 123.0%         | 118.4%         | 131.9%          |
|   | 0.0%               | 0.0%           | 169.4%         | 160.2%         | 138.6%          |
| <b>Compensation of officers</b>                     | <b>320.2%</b>      | <b>497.6%</b>  | <b>464.8%</b>  | <b>438.8%</b>  | <b>473.3%</b>   |
| Salaries and wages (less employment credits)        | 312.6%             | 467.8%         | 207.0%         | 222.9%         | 215.9%          |
| Repairs and maintenance                             | 0.0%               | 0.0%           | 143.0%         | 82.8%          | 62.1%           |

## Common Size Income Statements

|   | Fiscal year ending |               |              |              |                 |
|---|--------------------|---------------|--------------|--------------|-----------------|
|   | Dec-31-2017        | Dec-31-2018   | Dec-31-2019  | Dec-31-2020  | Dec-31-2021 (1) |
| Bad debts   | 0.0%               | 0.0%          | 0.0%         | 0.0%         | 0.0%            |
| Rents   | 206.3%             | 276.8%        | 134.6%       | 180.3%       | 98.8%           |
| <b>Taxes and licenses</b>   |                    |               |              |              |                 |
| Taxes and licenses  | 13.6%              | 3.0%          | 44.0%        | 60.4%        | 60.6%           |
| Payroll taxes   | 67.5%              | 94.2%         | 0.0%         | 0.0%         | 0.0%            |
| 2016 CA Tax   | 0.8%               | 0.0%          | 0.0%         | 0.0%         | 0.0%            |
| State income tax  | 0.0%               | 9.5%          | 1.8%         | 1.1%         | 1.1%            |
| <b>Taxes and licenses</b>   | <b>81.9%</b>       | <b>106.7%</b> | <b>45.8%</b> | <b>61.5%</b> | <b>61.7%</b>    |
| Interest  | 2.6%               | 4.4%          | 4.0%         | 1.3%         | 0.0%            |
| Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return | 4.8%               | 5.4%          | 10.9%        | 34.6%        | 7.2%            |
| Advertising   | 0.0%               | 0.0%          | 0.3%         | 0.0%         | 0.3%            |
| Pension, profit-sharing, etc. plans   | 10.3%              | 26.5%         | 29.2%        | 13.9%        | 0.0%            |
| Employee benefit programs   | 180.9%             | 300.6%        | 279.4%       | 305.3%       | 27.9%           |
| Domestic production activities deduction                                      | 3.4%               | 0.0%          | 0.0%         | 0.0%         | 0.0%            |
| <b>Other deductions</b>   |                    |               |              |              |                 |
| Auto expense  | 69.9%              | 91.8%         | 60.2%        | 54.2%        | 86.4%           |
| Bad debt  | 0.0%               | 0.0%          | 9.0%         | 0.0%         | 0.0%            |
| Bank fees   | 2.8%               | 5.3%          | 8.2%         | 12.0%        | 6.8%            |
| Computer expense  | 0.3%               | 25.0%         | 20.6%        | 9.0%         | 0.0%            |
| Consulting  | 2.3%               | 2.0%          | 0.3%         | 4.4%         | 0.0%            |
| Dues and subscriptions  | 3.4%               | 1.4%          | 1.4%         | 1.5%         | 0.0%            |
| Finance charges   | 0.0%               | 0.0%          | 4.4%         | 3.1%         | 2.5%            |
| Insurance   | 0.0%               | 25.3%         | 41.8%        | 111.9%       | 405.8%          |
| Legal and accounting  | 21.6%              | 24.8%         | 153.2%       | 99.4%        | 50.8%           |
| Maintenance and security  | 6.5%               | 31.5%         | 0.0%         | 0.0%         | 0.0%            |
| Office expense  | 65.8%              | 11.4%         | 31.2%        | 48.6%        | 65.5%           |
| Outside services  | 0.0%               | 0.0%          | 7.3%         | 0.1%         | 0.8%            |
| Pension plan expense  | 0.0%               | 0.0%          | 0.0%         | 0.0%         | 7.5%            |
| Payroll fees  | 17.7%              | 26.3%         | 25.8%        | 9.9%         | 0.0%            |
| Postage   | 0.8%               | 4.1%          | 1.1%         | 1.0%         | 1.4%            |
| Product investigation   | 1.5%               | 0.0%          | 16.0%        | 24.9%        | 29.4%           |
| Sales promotion   | 12.3%              | 1.1%          | 0.0%         | 0.0%         | 0.0%            |
| Security  | 0.0%               | 0.0%          | 4.2%         | 4.5%         | 6.2%            |

## Common Size Income Statements

|  | Fiscal year ending |                |                |                 |                 |
|--|--------------------|----------------|----------------|-----------------|-----------------|
|  | Dec-31-2017        | Dec-31-2018    | Dec-31-2019    | Dec-31-2020     | Dec-31-2021 (1) |
| Shop driver  | 0.0%               | 0.0%           | 0.0%           | 0.3%            | 0.0%            |
| Telephone  | 18.4%              | 31.9%          | 30.1%          | 31.1%           | 39.7%           |
| Travel   | 0.0%               | 0.0%           | 0.0%           | 0.0%            | 3.9%            |
| Utilities  | 57.9%              | 83.3%          | 83.9%          | 77.8%           | 90.5%           |
| Workers comp insurance   | 149.5%             | 93.0%          | 0.0%           | 0.0%            | 0.0%            |
| 50% of meals   | 0.0%               | 0.0%           | 2.0%           | 0.0%            | 2.1%            |
| <b>Other deductions</b>  | <b>430.4%</b>      | <b>458.2%</b>  | <b>500.7%</b>  | <b>493.7%</b>   | <b>799.1%</b>   |
| <b>Total deductions</b>  | <b>1553.6%</b>     | <b>2144.0%</b> | <b>1819.8%</b> | <b>1835.0%</b>  | <b>1746.3%</b>  |
| <b>Taxable income before net operating loss deduction and special deductions</b> | <b>77.5%</b>       | <b>118.9%</b>  | <b>(71.0%)</b> | <b>(361.4%)</b> | <b>199.3%</b>   |
| Net operating loss deduction   | 42.7%              | 0.0%           | 0.0%           | 0.0%            | 159.5%          |
| Add lines 29a and 29b  | 42.7%              | 0.0%           | 0.0%           | 0.0%            | 159.5%          |
| <b>Taxable income. Subtract line 29c from line 28.</b>                           | <b>34.9%</b>       | <b>118.9%</b>  | <b>(71.0%)</b> | <b>(361.4%)</b> | <b>39.9%</b>    |
| Total tax  | 5.2%               | 25.0%          | 0.0%           | 0.0%            | 8.4%            |
| Total payments and refundable credits  | 26.7%              | 28.9%          | 3.9%           | 0.0%            | 9.1%            |
| Estimated tax penalty  | 0.0%               | 0.0%           | 0.0%           | 0.0%            | 0.2%            |
| Amount owed  | 0.0%               | 0.0%           | 0.0%           | 0.0%            | 0.0%            |
| Overpayment  | 21.4%              | 3.9%           | 3.9%           | 0.0%            | 0.5%            |

**Footnotes:**

Source: Management-provided Tax Returns for the fiscal year ending December 31, 2017 through the December 31, 2021.

(1) Income statement as of December 31, 2021 is considered as placeholder for the trailing twelve months through the Valuation Date based on discussion with Management.

## Year on Year Growth Income Statements

|   | Fiscal year ending |                |                |                 |
|---|--------------------|----------------|----------------|-----------------|
|   | Dec-31-2018        | Dec-31-2019    | Dec-31-2020    | Dec-31-2021 (1) |
| <b>Balance</b>                                      |                    |                |                |                 |
| Gross receipts or sales                             | (0.0%)             | (8.8%)         | (21.0%)        | 24.6%           |
| Returns and allowances                              | N/A                | N/A            | N/A            | N/A             |
| <b>Balance. Subtract line 1b from line 1a</b>       | <b>(0.0%)</b>      | <b>(8.8%)</b>  | <b>(21.0%)</b> | <b>24.6%</b>    |
| <b>Cost of goods sold</b>                           | N/A                | N/A            | N/A            | N/A             |
| Inventory at the beginning of the year              | (25.8%)            | 0.0%           | 0.0%           | 0.0%            |
| Purchases   | 18.8%              | 5.0%           | (20.0%)        | 31.4%           |
| Cost of labour                                      | (1.7%)             | 2.2%           | (33.9%)        | 15.7%           |
| Additional section 263A costs                       |                    |                |                |                 |
| <b>Other cost</b>                                   |                    |                |                |                 |
| Contracted for resale                               | N/A                | 2.2%           | (38.2%)        | 56.3%           |
| Equipment maintenance                               | (71.5%)            | (58.3%)        | 1.1%           | 81.0%           |
| Equipment rental                                    | 14.3%              | 4.6%           | (4.5%)         | (40.1%)         |
| Freight   | (28.6%)            | 2.0%           | (28.0%)        | 18.4%           |
| Shop supplies                                       | (11.9%)            | 21.1%          | (24.5%)        | 44.0%           |
| Outside service                                     | (100.0%)           | N/A            | N/A            | N/A             |
| Payroll taxes                                       | N/A                | N/A            | N/A            | 4.3%            |
| Small tools and equipment                           | (56.8%)            | 39.7%          | (42.7%)        | 19.6%           |
| Uniform and laundry service                         | 6.3%               | 33.4%          | (20.1%)        | (29.2%)         |
| <b>Other costs</b>                                  | <b>(18.2%)</b>     | <b>9.3%</b>    | <b>17.5%</b>   | <b>18.4%</b>    |
| <b>Total</b>  | <b>(2.5%)</b>      | <b>3.4%</b>    | <b>(23.8%)</b> | <b>18.3%</b>    |
| Inventory at the end of the year                    | 0.0%               | 0.0%           | 0.0%           | 0.0%            |
| <b>Cost of goods sold</b>                           | <b>(2.6%)</b>      | <b>3.5%</b>    | <b>(24.7%)</b> | <b>19.2%</b>    |
| <b>Gross profit. subtract line 2 from line 1c</b>   | <b>3.2%</b>        | <b>(23.0%)</b> | <b>(15.4%)</b> | <b>32.0%</b>    |
| Net gain or (loss) from Form 4797, Part II, line 17 | N/A                | N/A            | (100.0%)       | N/A             |
| Other income  | (100.0%)           | N/A            | (100.0%)       | N/A             |
| <b>Total income</b>                                 | <b>2.9%</b>        | <b>(22.7%)</b> | <b>(15.7%)</b> | <b>32.0%</b>    |
| <b>Compensation of officers</b>                     |                    |                |                |                 |
|   | N/A                | N/A            | (100.0%)       | N/A             |
|   | 15.2%              | (100.0%)       | N/A            | (100.0%)        |
|   | N/A                | N/A            | (100.0%)       | N/A             |
|   | N/A                | N/A            | (3.7%)         | 11.4%           |
|   | N/A                | N/A            | (5.5%)         | (13.5%)         |
| <b>Compensation of officers</b>                     | <b>15.2%</b>       | <b>(6.6%)</b>  | <b>(5.6%)</b>  | <b>7.9%</b>     |
| Salaries and wages (less employment credits)        | 11.0%              | (55.7%)        | 7.7%           | (3.1%)          |
| Repairs and maintenance                             | N/A                | N/A            | (42.1%)        | (25.0%)         |

## Year on Year Growth Income Statements

|   | Fiscal year ending |                |              |                 |
|---|--------------------|----------------|--------------|-----------------|
|   | Dec-31-2018        | Dec-31-2019    | Dec-31-2020  | Dec-31-2021 (1) |
| Bad debts   | N/A                | N/A            | N/A          | N/A             |
| Rents   | (0.4%)             | (51.4%)        | 33.9%        | (45.2%)         |
| <b>Taxes and licenses</b>   |                    |                |              |                 |
| Taxes and licenses  | (83.8%)            | 1375.3%        | 37.2%        | 0.2%            |
| Payroll taxes   | 3.6%               | (100.0%)       | N/A          | N/A             |
| 2016 CA Tax   | (100.0%)           | N/A            | N/A          | N/A             |
| State income tax  | N/A                | (81.5%)        | (36.8%)      | 0.0%            |
| <b>Taxes and licenses</b>   | <b>(3.4%)</b>      | <b>(57.1%)</b> | <b>34.3%</b> | <b>0.2%</b>     |
| Interest  | 26.1%              | (9.3%)         | (67.4%)      | (100.0%)        |
| Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return | (16.6%)            | 100.3%         | 218.1%       | (79.2%)         |
| Advertising   | N/A                | N/A            | (100.0%)     | N/A             |
| Pension, profit-sharing, etc. plans   | 90.0%              | 10.5%          | (52.4%)      | (100.0%)        |
| Employee benefit programs   | 23.2%              | (7.1%)         | 9.3%         | (90.9%)         |
| Domestic production activities deduction                                      | (100.0%)           | N/A            | N/A          | N/A             |
| <b>Other deductions</b>   |                    |                |              |                 |
| Auto expense  | (2.5%)             | (34.5%)        | (9.9%)       | 59.3%           |
| Bad debt  | N/A                | N/A            | (100.0%)     | N/A             |
| Bank fees   | 40.9%              | 55.4%          | 46.4%        | (43.4%)         |
| Computer expense  | 7084.0%            | (17.5%)        | (56.2%)      | (100.0%)        |
| Consulting  | (34.7%)            | (84.7%)        | 1333.6%      | (100.0%)        |
| Dues and subscriptions  | (68.1%)            | (4.8%)         | 11.7%        | (100.0%)        |
| Finance charges   | N/A                | N/A            | (29.8%)      | (20.4%)         |
| Insurance   | N/A                | 65.1%          | 167.8%       | 262.8%          |
| Legal and accounting  | (15.1%)            | 518.5%         | (35.1%)      | (48.9%)         |
| Maintenance and security  | 261.8%             | (100.0%)       | N/A          | N/A             |
| Office expense  | (87.1%)            | 173.2%         | 55.6%        | 34.8%           |
| Outside services  | N/A                | N/A            | (99.0%)      | 973.1%          |
| Pension plan expense  | N/A                | N/A            | N/A          | N/A             |
| Payroll fees  | 10.0%              | (1.8%)         | (61.8%)      | (100.0%)        |
| Postage   | 276.3%             | (73.5%)        | (7.5%)       | 36.1%           |
| Product investigation   | (100.0%)           | N/A            | 55.2%        | 18.0%           |
| Sales promotion   | (93.2%)            | (100.0%)       | N/A          | N/A             |
| Security  | N/A                | N/A            | 6.0%         | 39.0%           |

## Year on Year Growth Income Statements

|  | Fiscal year ending |                 |               |                 |
|--|--------------------|-----------------|---------------|-----------------|
|  | Dec-31-2018        | Dec-31-2019     | Dec-31-2020   | Dec-31-2021 (1) |
| Shop driver  | N/A                | N/A             | N/A           | (100.0%)        |
| Telephone  | 28.4%              | (5.5%)          | 3.3%          | 27.5%           |
| Travel   | N/A                | N/A             | N/A           | N/A             |
| Utilities  | 6.8%               | 0.7%            | (7.2%)        | 16.3%           |
| Workers comp insurance   | (53.9%)            | (100.0%)        | N/A           | N/A             |
| 50% of meals   | N/A                | N/A             | (100.0%)      | N/A             |
| <b>Other deductions</b>  | <b>(21.0%)</b>     | <b>9.3%</b>     | <b>(1.4%)</b> | <b>61.9%</b>    |
| <b>Total deductions</b>  | <b>2.4%</b>        | <b>(15.1%)</b>  | <b>0.8%</b>   | <b>(4.8%)</b>   |
| <b>Taxable income before net operating loss deduction and special deductions</b> | <b>13.8%</b>       | <b>(159.7%)</b> | <b>409.3%</b> | <b>(155.1%)</b> |
| Net operating loss deduction   | (100.0%)           | N/A             | N/A           | N/A             |
| Add lines 29a and 29b  | (100.0%)           | N/A             | N/A           | N/A             |
| <b>Taxable income. Subtract line 29c from line 28.</b>                           | <b>153.0%</b>      | <b>(159.7%)</b> | <b>409.3%</b> | <b>(111.0%)</b> |

**Footnotes:**

Source: Management-provided Tax Returns for the fiscal year ending December 31, 2017 through the December 31, 2021.

(1) Income statement as of December 31, 2021 is considered as placeholder for the trailing twelve months through the Valuation Date based on discussion with Management.

## Balance Sheets

|  | Fiscal year ended |                  |                  |                  |                  |
|--|-------------------|------------------|------------------|------------------|------------------|
|  | Dec-31-2017       | Dec-31-2018      | Dec-31-2019      | Dec-31-2020      | Dec-31-2021 (1)  |
| <b>Assets</b>                          |                   |                  |                  |                  |                  |
| Cash                                   | \$30,038          | \$48,596         | \$40,658         | \$86,329         | \$455,456        |
| Trade notes and accounts receivable    | \$284,028         | \$298,770        | \$286,640        | \$212,956        | \$270,329        |
| Inventories                            | \$71,808          | \$71,808         | \$71,808         | \$71,808         | \$71,808         |
| <b>Other current assets</b>            |                   |                  |                  |                  |                  |
| Prepaid federal income tax             | \$20,737          | \$0              | \$2,806          | \$0              | \$0              |
| Prepaid state tax                      | \$6,883           | \$0              | \$6,539          | \$0              | \$0              |
| Advance                                | \$886             | \$96             | \$66             | \$0              | \$0              |
| Employee garnishments                  | \$157             | \$82             | \$0              | \$0              | \$0              |
| First choice deposit                   | \$0               | \$0              | \$0              | \$7,500          | \$0              |
| <b>Other current assets</b>            | <b>\$28,663</b>   | <b>\$178</b>     | <b>\$9,411</b>   | <b>\$7,500</b>   | <b>\$0</b>       |
| L/R Receivable - Elias Rod             | \$0               | \$30,803         | \$30,803         | \$30,803         | \$0              |
| <b>Loans to shareholders</b>           | <b>\$0</b>        | <b>\$30,803</b>  | <b>\$30,803</b>  | <b>\$30,803</b>  | <b>\$0</b>       |
| <b>Long term assets</b>                |                   |                  |                  |                  |                  |
| Buildings and other depreciable assets | \$1,041,290       | \$1,041,290      | \$1,018,246      | \$0              | \$777,252        |
| Less accumulated depreciation          | (\$991,786)       | (\$1,000,616)    | (\$982,235)      | \$141,167        | (\$650,505)      |
| <b>Other assets</b>                    |                   |                  |                  |                  |                  |
| Deposits                               | \$2,557           | \$68,429         | \$68,429         | \$68,136         | \$65,090         |
| <b>Other assets</b>                    | <b>\$2,557</b>    | <b>\$68,429</b>  | <b>\$68,429</b>  | <b>\$68,136</b>  | <b>\$65,090</b>  |
| <b>Total assets</b>                    | <b>\$466,598</b>  | <b>\$559,258</b> | <b>\$543,760</b> | <b>\$618,699</b> | <b>\$989,430</b> |

**Balance Sheets**

|   | Fiscal year ended |                  |                  |                  |                  |
|---|-------------------|------------------|------------------|------------------|------------------|
|   | Dec-31-2017       | Dec-31-2018      | Dec-31-2019      | Dec-31-2020      | Dec-31-2021 (1)  |
| <b>Liabilities and Shareholders' Equity</b>         |                   |                  |                  |                  |                  |
| Accounts payable                                    | \$82,005          | \$116,140        | \$113,354        | \$94,155         | \$34,674         |
| Mortgages, notes, bonds payable in less than 1 year | \$48,875          | \$48,875         | \$48,875         | \$48,875         | \$48,875         |
| <b>Other current liabilities</b>                    |                   |                  |                  |                  |                  |
| Sales tax payable                                   | \$856             | \$322            | \$735            | \$389            | \$356            |
| N/P Ford truck                                      | \$570             | \$0              | \$0              | \$0              | \$0              |
| N/P [REDACTED]                                      | \$104,056         | \$61,587         | \$19,070         | \$0              | \$0              |
| Due To profit sharing plan                          | \$113,098         | \$128,098        | \$89,754         | \$0              | \$0              |
| N/P City national                                   | \$0               | \$45,000         | \$0              | \$0              | \$0              |
| Credit cards  | \$0               | \$0              | \$18,986         | \$2,330          | \$16,635         |
| Unearned revenue                                    | \$0               | \$0              | \$840            | \$0              | \$0              |
| [REDACTED] family trust                             | \$0               | \$0              | \$143,864        | \$293,909        | \$254,004        |
| Payroll liabilities                                 | \$39              | \$0              | \$0              | \$0              | \$0              |
| <b>Other current liabilities</b>                    | <b>\$218,619</b>  | <b>\$235,007</b> | <b>\$273,249</b> | <b>\$296,628</b> | <b>\$270,995</b> |
| Loans from shareholders                             |                   |                  |                  |                  |                  |
| Capital stock: Common stock                         | \$540             | \$540            | \$540            | \$540            | \$540            |
| Retained earnings—Unappropriated                    | \$116,559         | \$158,696        | \$107,742        | \$178,501        | \$634,346        |
| <b>Total liabilities and shareholders' equity</b>   | <b>\$466,598</b>  | <b>\$559,258</b> | <b>\$543,760</b> | <b>\$618,699</b> | <b>\$989,430</b> |

**Footnotes:**

Source: Management-provided balance sheets sourced from Tax Returns as of December 31, 2017 through December 31, 2021.

(1) Balance sheet as of December 31, 2021 is considered as a placeholder for the Valuation Date based on discussion with Management.



## Common Size Balance Sheets

|  | Fiscal year ended |               |               |               |                 |
|--|-------------------|---------------|---------------|---------------|-----------------|
|  | Dec-31-2017       | Dec-31-2018   | Dec-31-2019   | Dec-31-2020   | Dec-31-2021 (1) |
| <b>Assets</b>                          |                   |               |               |               |                 |
| Cash                                   | 6.4%              | 8.7%          | 7.5%          | 14.0%         | 46.0%           |
| Trade notes and accounts receivable    | 60.9%             | 53.4%         | 52.7%         | 34.4%         | 27.3%           |
| Inventories                            | 15.4%             | 12.8%         | 13.2%         | 11.6%         | 7.3%            |
| <b>Other current assets</b>            |                   |               |               |               |                 |
| Prepaid federal income tax             | 4.4%              | 0.0%          | 0.5%          | 0.0%          | 0.0%            |
| Prepaid state tax                      | 1.5%              | 0.0%          | 1.2%          | 0.0%          | 0.0%            |
| Advance                                | 0.2%              | 0.0%          | 0.0%          | 0.0%          | 0.0%            |
| Employee garnishments                  | 0.0%              | 0.0%          | 0.0%          | 0.0%          | 0.0%            |
| First choice deposit                   | 0.0%              | 0.0%          | 0.0%          | 1.2%          | 0.0%            |
| <b>Other current assets</b>            | 6.1%              | 0.0%          | 1.7%          | 1.2%          | 0.0%            |
| L/R Receivable - Elias Rod             | 0.0%              | 5.5%          | 5.7%          | 5.0%          | 0.0%            |
| <b>Loans to shareholders</b>           | <b>0.0%</b>       | <b>5.5%</b>   | <b>5.7%</b>   | <b>5.0%</b>   | <b>0.0%</b>     |
| <b>Long term assets</b>                |                   |               |               |               |                 |
| Buildings and other depreciable assets | 223.2%            | 186.2%        | 187.3%        | 0.0%          | 78.6%           |
| Less accumulated depreciation          | (212.6%)          | (178.9%)      | (180.6%)      | 22.8%         | (65.7%)         |
| <b>Other assets</b>                    |                   |               |               |               |                 |
| Deposits                               | 0.5%              | 12.2%         | 12.6%         | 11.0%         | 6.6%            |
| <b>Other assets</b>                    | <b>0.5%</b>       | <b>12.2%</b>  | <b>12.6%</b>  | <b>11.0%</b>  | <b>6.6%</b>     |
| <b>Total assets</b>                    | <b>100.0%</b>     | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b>   |

## Common Size Balance Sheets

|   | Fiscal year ended |               |               |               |                 |
|---|-------------------|---------------|---------------|---------------|-----------------|
|   | Dec-31-2017       | Dec-31-2018   | Dec-31-2019   | Dec-31-2020   | Dec-31-2021 (1) |
| <b>Liabilities and Shareholders' Equity</b>         |                   |               |               |               |                 |
| Accounts payable                                    | 17.6%             | 20.8%         | 20.8%         | 15.2%         | 3.5%            |
| Mortgages, notes, bonds payable in less than 1 year | 10.5%             | 8.7%          | 9.0%          | 7.9%          | 4.9%            |
| <b>Other current liabilities</b>                    |                   |               |               |               |                 |
| Sales tax payable                                   | 0.2%              | 0.1%          | 0.1%          | 0.1%          | 0.0%            |
| N/P Ford truck                                      | 0.1%              | 0.0%          | 0.0%          | 0.0%          | 0.0%            |
| N/P [REDACTED]                                      | 22.3%             | 11.0%         | 3.5%          | 0.0%          | 0.0%            |
| Due To profit sharing plan                          | 24.2%             | 22.9%         | 16.5%         | 0.0%          | 0.0%            |
| N/P City national                                   | 0.0%              | 8.0%          | 0.0%          | 0.0%          | 0.0%            |
| Credit cards  | 0.0%              | 0.0%          | 3.5%          | 0.4%          | 1.7%            |
| Unearned revenue                                    | 0.0%              | 0.0%          | 0.2%          | 0.0%          | 0.0%            |
| [REDACTED] family trust                             | 0.0%              | 0.0%          | 26.5%         | 47.5%         | 25.7%           |
| Payroll liabilities                                 | 0.0%              | 0.0%          | 0.0%          | 0.0%          | 0.0%            |
| <b>Other current liabilities</b>                    | <b>46.9%</b>      | <b>42.0%</b>  | <b>50.3%</b>  | <b>47.9%</b>  | <b>27.4%</b>    |
| Loans from shareholders                             |                   |               |               |               |                 |
| Capital stock: Common stock                         | 0.1%              | 0.1%          | 0.1%          | 0.1%          | 0.1%            |
| Retained earnings—Unappropriated                    | 25.0%             | 28.4%         | 19.8%         | 28.9%         | 64.1%           |
| <b>Total liabilities and shareholders' equity</b>   | <b>100.0%</b>     | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b>   |

**Footnotes:**

Source: Management-provided balance sheets sourced from Tax Returns as of December 31, 2017 through December 31, 2021.

(1) Balance sheet as of December 31, 2021 is considered as a placeholder for the Valuation Date based on discussion with Management.