

PROPOSED VALUATION

\$65M WITH ROOM TO GO UP TO \$80M: HIGH FOR THE LIFE STAGE OF [TARGET], BUT REFLECTS IT'S ECONOMICS AND TRACTION

Previous round

Series A1	USD
Pre-money	32.990
Cash	7.732
Post-money	40.722

Comparative Valuation	USD	Multiple
LTM revenue	2.301	14,3x
ARR@round	3.193	10,3x
Revenue 2016 (forecast)	4.454	7,4x

Current round

Series B	USD
Pre-money	65.000
Cash	25.000
Post-money	90.000

Comparative Valuation	USD	Multiple
LTM revenue	6.664	9,8x
ARR@round Mnmt guidance	9.300	7,0x
ARR@round Business plan	8.244	7,9x
Revenue 2018 (forecast)	9.155	7,1x

Returns and sensitivities

Return Sensitivities: @ a conservative 6x EV / Revenue exit multiple

EV	\$(m)	25	75	125	150	300	350	400	450	500	700
LTM Revs	\$(m)	4	13	21	25	50	58	67	75	83	117
Proceeds	\$(m)	10,3	14,6	14,6	16,6	33,3	38,8	44,4	49,9	55,5	77,6
MMx		1,0x	1,4x	1,4x	1,6x	3,2x	3,8x	4,3x	4,9x	5,4x	7,5x
IRR		0%	10%	10%	14%	39%	45%	50%	55%	60%	76%

Return Sensitivities: @ a conservative 6x EV / Revenue exit multiple

EV	\$(m)		50	100	125	250	300	350	400	450	650	850
Implied LTM Revs	\$(m)		8	17	21	42	50	58	67	75	108	142
MMx		50	1,4x	1,4x	1,6x	3,2x	3,9x	4,5x	5,1x	5,8x	8,4x	10,9x
		55	1,4x	1,4x	1,5x	3,0x	3,6x	4,2x	4,8x	5,4x	7,9x	10,3x
		60	1,4x	1,4x	1,4x	2,8x	3,4x	4,0x	4,6x	5,1x	7,4x	9,7x
		65	1,4x	1,4x	1,4x	2,7x	3,2x	3,8x	4,3x	4,9x	7,0x	9,2x
		70	1,4x	1,4x	1,4x	2,6x	3,1x	3,6x	4,1x	4,6x	6,7x	8,7x
		75	1,4x	1,4x	1,4x	2,4x	2,9x	3,4x	3,9x	4,4x	6,3x	8,3x
		80	1,4x	1,4x	1,4x	2,3x	2,8x	3,2x	3,7x	4,2x	6,0x	7,9x

RECOMMENDATION:

Company management has not given any guidance as to valuation of the current round, but indicated it should be in line with the last round's valuation.

\$65mn is deal team's proposal – with room to go up to \$80m.

In a conservative case of \$50m revenues and an exit multiple of 6.0x*, the deal would yield 3.2x MoM.

(The Company projects \$80m revenues in 2022 -> 5.0x MoM @ a conservative exit multiple)