




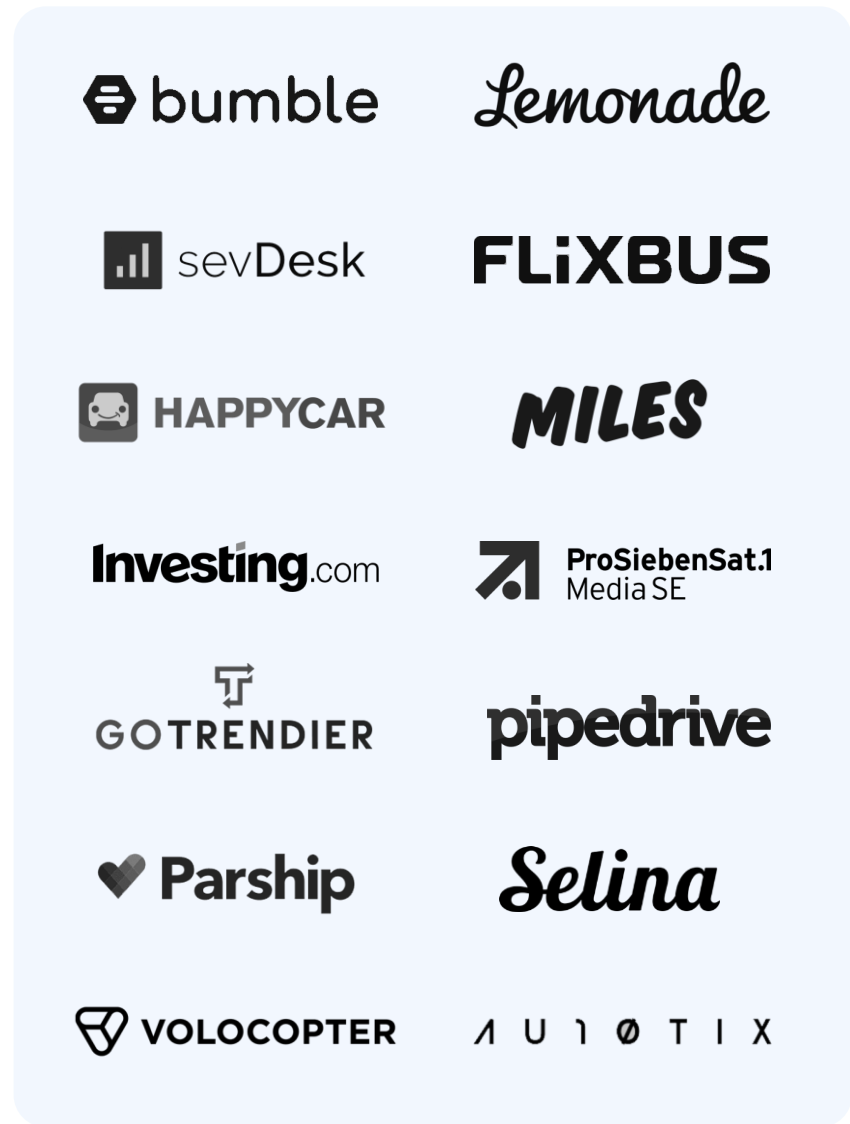
Flow Partners

Q4 2023

 **We deliver actionable valuation reports exclusively for tech companies and investors.**

We deliver in-depth, yet easy to digest valuation reports considered bankable by both primary and secondary stakeholders.

Unique combination of deep technology expertise and modern approach to corporate finance enable us to deliver actionable “non-BS” valuation insights, which cover all relevant techniques to assess high-growth digital businesses.



Example use cases – why your tech business might need a valuation?



M&A

Expected valuation range in a majority or minority sale process



Capital Raising

Feasibility on achieving fundraising target and/or expected dilution



Employee Incentivization

External opinion prior to the awarding of stock-based compensation



Fund / Portfolio Valuation

PE or VC specific valuation for specific portfolio companies or whole fund




“Bankable” Expert Opinion

Trusted and impartial opinion, bankable among stakeholders (lenders, IC etc.)

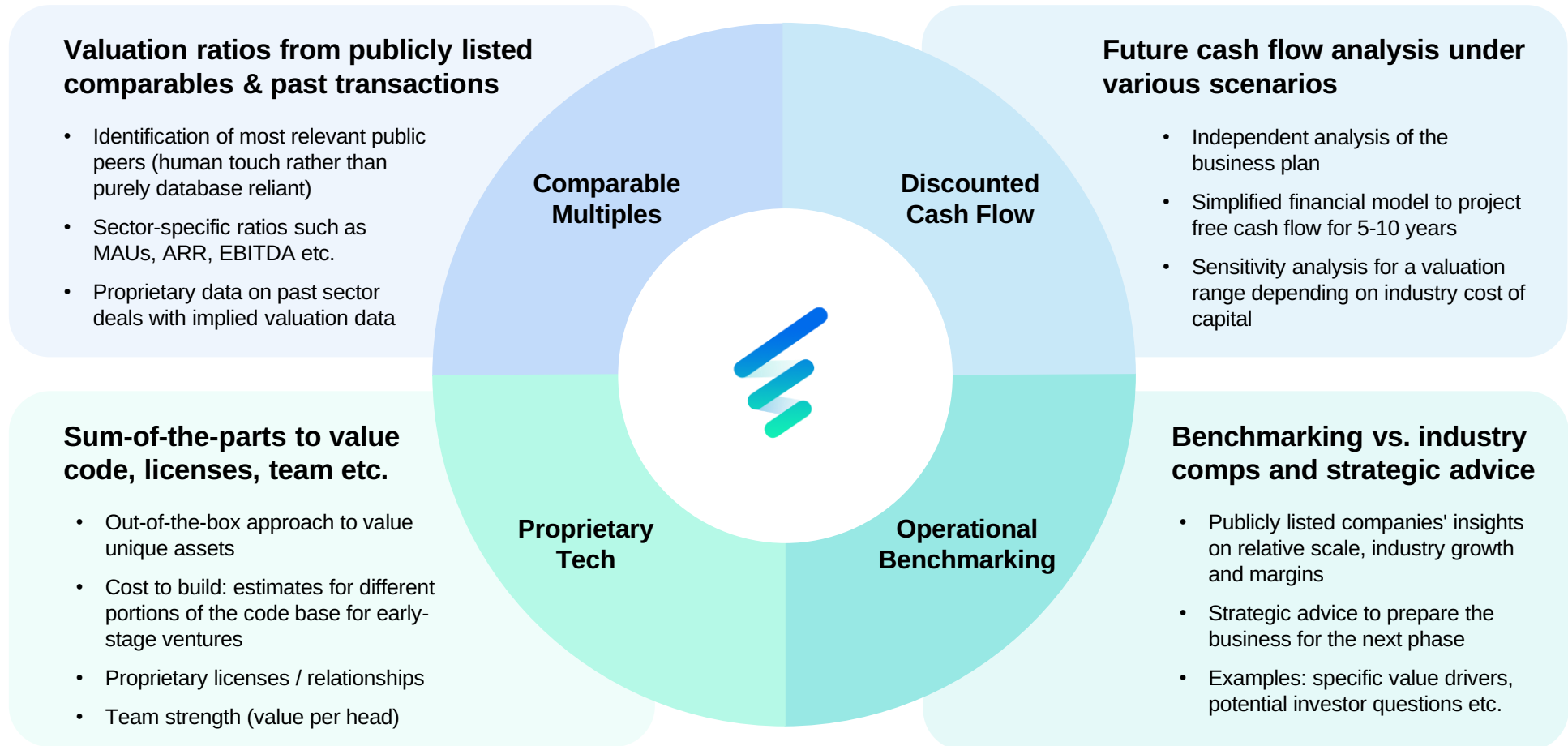


Financial Health Assessment

Expert advice on current tech-market conditions and strategic guidance



We go above and beyond old-school valuation techniques to make sure you get real value-add.



Designed for executives: deep analysis packaged into a highly visual presentation.

Company Overview

Europe's leading SaaS service for writing descriptions such as lorem ipsum dolor sit amet

Introduction

- TargetX provides a smart solution for companies that need regular vehicle turnover from A to B as a disruptive online marketplace that facilitates the fit between end customers and qualified drivers
- The end-to-end solution can be used directly in a driver's ERP systems or accessed via a browser with real-time vehicle tracking, digital logs, a tailored insurance system and fleet billing for accounting-friendly invoicing
- Apps for drivers are available for both Apple Appstore and Google Play
- Currently focused on the DACH market with X Customers (many household names of car sharing, rental, and 200,000 drivers)
- For the full year of 2022, the company reached a GMV of X€m (2x YoY)
 - Total managed sales of 200,000
 - Gross Profit of X€m (c. X% take rate) and an EBITDA of X€m
- TargetX was founded in London in 2019 and now has a team of X FTEs
- Growth plan to scale its marketing and geographic expansion to Spain, France, Italy, Netherlands and the UK

Business Model: Lorem ipsum dolor sit amet

Customers: Cars which need to be transferred from A to B. Car availability platform, real-time location, matching engine. Conversion: easy to manage vehicle fleet.

Drivers: Seeking attractive jobs along specific routes. Professional drivers, part-time workers (e.g. students), working online. Easy to use platform to manage vehicles and see available jobs.

Management Team

- Jim (Co-Founder, CEO) Responsible for product and business development
- Bob (Co-Founder, CFO) Responsible for finance and controlling
- David (CTO) Lead developer with 10+ years of experience in software development

Selected Clients

- Panorays, Lemonade, PICUS, Arcura, TURKVEN, MILES, HAPPYCAR, RUSSMEDIA, evoDesk

Source: Company internal, press releases. 7

Intro to company under evaluation for all stakeholders

Business Plan Review

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Revenue/EBITDA Development (€m)

Unadjusted Financial Forecast from Target's Management Team

Year	Revenue	EBITDA	EBITDA Margin (%)
2021	2.8	0.8	28%
2022	4.8	1.7	35%
2023	7.8	3.1	39%
2024	11.4	5.7	50%
2025	16.0	8.9	56%
2026	20.7	12.2	59%
2027	25.8	15.6	60%

Comments

- Management's expectation is to reach gross profit of X€m in 2027E with a CASR of 3% between 23-27E
- The company has a track-record of rapid growth with revenue almost tripling YoY over last X years
- Gross profit acceleration driven by significant ramp-up in R&D of almost 10x since 2022
- Agencing management team which is already on the right path to 16,000 members
- X% EBITDA margin for 2023-24E from long-term investments before recovery to around 80%
- Simple assumptions applied for capex, depreciation and working capital for a preliminary valuation

Source: Company internal, press releases. 1

Critical analysis of the business plan for credibility

Preliminary Valuation

Initial valuation of €10-15 million for TargetX based on the projections provided by management

Indicative Valuation Overview

€ million	2021	2022	2023	2024	2025	2026	2027
Public Companies	10.0	12.0	14.0	20.0	25.0	30.0	35.0
Private Companies	8.0	10.0	12.0	18.0	22.0	28.0	32.0

Comments

- Real Estate marketplaces form close peer group
- Listed peers are showing strong growth with 100 focus on profitability (most have a negative EBITDA margin)
- Discount applied vs. public peers due to small cap nature, geographic concentration, limited track record
- Selected EV / Gross Profit 2023A range: 2.0x - 3.0x
- Selected EV / Gross Profit 2023E range: 3.0x - 4.0x
- Plenty of M&A activity among similar marketplaces in recent years but few with disclosed transaction details
- Observed range between 12-15x revenue with significant differences in business model
- Selected EV / Revenue LTM range: 4.0-6.0x
- Sensitive to the assumed illustrative financial profile
- Entirely based on projections from management
- Terminal growth rate: 2.5%
- Discount rate: 10-12%

Source: Company internal, press releases. 2

"Football field" of various valuation methodologies

Gross-Margin Adjusted Multiples

Wide range of multiples especially since some are operating with unsustainable unit economics

Company	Revenue CAGR (22-24E)	Gross Margin (LTM)	EV / Gross Profit (2023E)
Grobo	38%	5%	62.3x
goco	49%	17%	30.5x
giga	26%	24%	9.7x
zomato	35%	48%	8.3x
Uber	17%	35%	6.2x
DOORDASH	23%	47%	5.1x
instacart	22%	22%	4.9x
JUST Eat Takeaway.com	7%	20%	3.8x
lily	11%	30%	1.9x
lily	10%	27%	1.0x
lily	(2%)	44%	0.9x
Median *	17%	30%	4.9x

Median EV / Gross Profit Multiple: 4.9x (2023E) *

Source: Company internal, press releases. 3

Specific adjustments depending on segment maturity

The Proven Valuation Driver is Revenue Growth!

Exceptionally strong correlation between revenue growth and valuation multiples among listed peers

EV / Revenue 23E

2022-24E Revenue CAGR

R² = 0.88

Source: S&P Global Market Intelligence, deal information company website. 4

Regression analysis to determine industry drivers

Discounted Cash Flow

A 5-year DCF model implies a valuation of around €50m assuming a 2% perpetual growth rate

Illustrative 5-Year Free Cash Flow Calculation (€ millions)

	Unit	2021A	2022A	2023E	2024E	2025E	2026E	2027E
EBITDA	€m	0.8	1.2	3.5	5.7	8.9	12.2	15.6
Depreciation	€m	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Net Interest Income	€m	-	-	-	-	-	-	-
Change in Working Capital	€m	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
FCF	€m	0.6	1.0	3.2	5.4	8.6	11.9	15.3
FCF Growth	%	44%	67%	62%	64%	64%	64%	64%
Total FCF	€m	0.6	1.0	3.2	5.4	8.6	11.9	15.3

Base Case Valuation

Terminal Growth Rate: 2.0%

Discount Rate: 12%

5-Year FCF (€m): 5.0

Terminal Value (€m): 45.0

Enterprise Value (€m): 45.0

EV / Gross Profit 23E: 10.0x

EV Sensitivities (€m)

WACC	1.0%	1.5%	2.0%	2.5%	3.0%
11%	61.5	64.1	67.0	70.2	73.8
12%	53.9	55.9	58.1	60.5	63.2
13%	47.7	49.3	51.0	52.9	54.9
14%	42.5	43.8	45.2	46.6	48.2
15%	38.2	39.2	40.3	41.5	42.8

Source: Company internal, press releases. 5

Detailed DCF valuation with sensitivity analyses

Unparalleled depth: sector coverage with ability to value proprietary IP and provide strategic advice.

Key Trading Comparables

Similar marketplaces are focused on growth with a CAGR of ~20% and (mostly) negative EBITDA

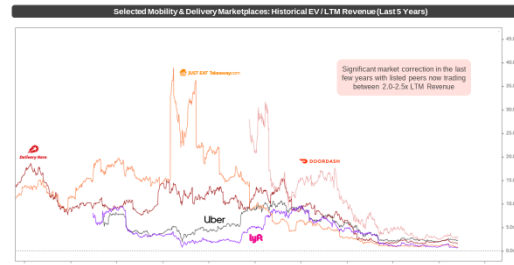
Company	Share Price (% Yearly Chg)	Enterprise Value (\$m)	EV / Revenue			CAGR 22-24E	Gross Margin	EV / EBITDA			Margin 22E	CAGR 22-24E
			2022A	2023E	2024E			2022A	2023E	2024E		
Mobimart	59%	52,545	2.9x	3.3x	1.8x	26%	24%	71.0x	28.6x	16.1x	4%	22%
Uber	84%	66,943	2.2x	1.9x	1.6x	17%	21%	(79.0x)	11.9x	13.6x	(7%)	n/a
DoorDash	44%	30,061	2.9x	2.4x	2.0x	16%	47%	(25.4x)	28.1x	17.0x	(12%)	n/a
Deliver Hero	59%	12,249	1.3x	1.1x	0.9x	21%	21%	(15.3x)	35.4x	15.8x	(7%)	n/a
Grab	69%	7,320	5.1x	3.3x	2.7x	38%	5%	(8.0x)	(16.9x)	(164.0x)	(85%)	(82%)
GoTo Group	27%	6,052	8.3x	5.1x	3.7x	49%	17%	(4.0x)	(5.3x)	(9.6x)	(23%)	(12%)
Just Eat Takeaway	54%	4,854	0.8x	0.8x	0.7x	7%	20%	(12.3x)	21.7x	11.5x	(8%)	n/a
Zomato	57%	4,302	5.6x	4.0x	3.1x	35%	48%	(33.2x)	(30.3x)	(89.2x)	(24%)	(42%)
Lyft	21%	2,532	0.6x	0.6x	0.5x	11%	30%	(2.1x)	10.2x	5.8x	(30%)	n/a
Deliveroo	72%	745	0.3x	0.3x	0.3x	10%	27%	(8.8x)	(382.3x)	6.7x	(4%)	n/a
Bird	26%	300	0.3x	0.4x	0.4x	(2%)	44%	(1.2x)	(1.3x)	(2.2x)	(27%)	(28%)
Median	37%	6,062	2.2x	1.9x	1.6x	18%	27%	(6.8x)	10.2x	6.7x	(12%)	(35%)

Source: S&P Global Market Intelligence (Q4 March 2022), last information company website. Note: All company financials calculated for year end. Flow Partners

Extensive coverage of all major listed tech companies

Historic EV / Revenue Multiples

Valuations have come down significantly with the overall correction in tech-driven stocks



Source: S&P Global Market Intelligence, last information company website. Note: All company financials calculated for year end. Flow Partners

Pulse on the sector for insights on valuation trends

Key Comparable Transactions

Date	Acquirer	Target	Transaction Overview		Valuation Metrics	
			Target Details	EV (\$m)	EV / Revenue	
Marketplaces: Delivery, Logistics & Mobility						
Jul-22	FlixBus	YouParking/Space	Online marketplace for landowners to rent out parking spaces across the UK	145	n/a	
May-22	InterPhase II (SPAC)	Getaround	Peer-to-peer car sharing with global operations empowered by connected devices	1,200	-14.3x	
Apr-22	CE: \$120m Series E	Coney	Digital freight network in the US that facilitates connections between shippers and truckers	2,800	-18.5x	
Feb-22	Delivery Hero	Olvo	Business-to-business provider of drop-commerce delivery founded in 2015	2,800	4.4x	
Jan-22	Crosslink Capital	MELES	The largest independent e-commerce provider in Germany, charge based on volume	Undisclosed	Undisclosed	
Sep-21	E Squared (SPAC)	Cancelled	Digital freight broker which terminated plan to go public due to market conditions in Oct-22	1,100	3.7x	
Sep-21	UPS	Roadeo	Cloud-enabled delivery platform for business and personal same-day logistics	n/a	n/a	
Jul-21	Uber	Transplace	Global-based provider of advanced logistics technology and managed transportation	2,250	1.1x	
Jun-21	EQT	Parade5x	UK-based provider of parcel-focused delivery marketplaces	n/a	n/a	
May-21	Maas Global	Wovvo	Spanish urban transport marketplace with multiple modes of transport	n/a	n/a	
Feb-21	Cazoo	Cloro	Germany's leading car subscription platform for consumers	73	4.5x	
Aug-20	Uber	Autocab	Operates on 'Go' cab marketplace for private hire and taxi operators	n/a	n/a	
Apr-20	Amazon	Delovoo (18%)	Food delivery start-up with operations across 12 countries globally	3,500	3.7x	
Average					3.7x*	

Source: Crosslink announcements. Note: *Global average EV/Revenue for comparable transactions. Flow Partners

Proprietary knowledge of precedent transactions

Operational Benchmarking

Small-scale mobility & delivery driven marketplaces are undergoing rapid growth at c. 40% YoY

Company	Revenue 2022A (\$m)	Revenue CAGR (22-24E)	EBITDA CAGR (22-24E)	EBITDA Margin (22A)	EV / Revenue (22A)
美团	37,867	20%	220%	4%	2.1x
Uber	34,849	11%	n/a	(7%)	2.2x
DoorDash	10,329	21%	n/a	(7%)	1.1x
DoorDash	7,488	19%	n/a	(21%)	2.5x
Just Eat Takeaway	5,952	7%	n/a	(8%)	0.8x
Lyft	4,219	11%	n/a	(30%)	0.6x
GoTo	2,474	10%	n/a	(4%)	0.3x
Grab	2,066	38%	(81%)	(85%)	5.1x
GoTo	1,119	4%	(29%)	(20%)	8.3x
Zomato	1,013	30%	(42%)	(24%)	5.6x
Lyft	240	(7%)	(20%)	(27%)	0.3x

Source: Company information, press releases. Flow Partners

Benchmark vs. peers covering size, growth, profitability

Standalone Valuation of TargetX's Product IP

Preliminary analysis of the components built to date suggest a valuation of the R&D of c. \$15m

Product	Comments	Cost per "Line of Code" Analysis by Component (\$ millions)				% of Total
		Lines of Code (k)	Min	Max	Avg. Value per Line (\$)	
Boomer Core SaaS, App, Desktop	• Web builder with app for Android & iOS • Unique legal from UK, focus and mobile / enterprise offering	555	7.50	10.00	4.9	32%
Boomer Website Themes & Live Chat	• Code volume is concentrated on themes where there is likely to be reusable code	234	5.00	7.50	1.5	10%
Boomer Dashboards, Portals, Reports	• Various portals for admin, merchants, resellers and partners	422	7.50	10.00	3.7	25%
Boomer Shop/OS	• Code mostly concentrated on various payment integrations to legal with	214	10.00	12.50	2.4	16%
AS/Science Code, APIs etc.	• Covers full cycle from ad creation, playlist scheduling to display syncing • Now based on web-based technologies	72	12.50	15.00	1.0	7%
Aurami IoT AppStore	• Traffic counter and security analysis with smart recognition	114	12.50	15.00	1.6	10%
Total		1,611			16.0	

Source: Company information, press releases. Flow Partners

Expertise to assess code, licenses, contracts, personnel

Potential Investor Questions and How to Address Them

Business Model	<ul style="list-style-type: none"> Marketplace model vs. fully employed model – upside or downside? What are the legal risks? How do you grow on each side of the marketplace? Is it just through big increase in marketing? Is this for drivers, customers, or both? More data needed on build up of drivers, customers, shift management etc. How is churn among customers / drivers? Is there a risk that big customers just go around and work with top drivers directly? 	<ul style="list-style-type: none"> Build operating model driven by bottom-up build-up of customers, 2 of customers, shifts per customer's / active driver, revenues per shift Focus on content data and operating KPIs Rebuild marketing materials / presentations and reputation equity story to preemptively tackle potential investor worries
Financials	<ul style="list-style-type: none"> What causes massive cost increase in 2022? Underinvestment in the start'22 was optimised for fundraising? Why does a 10+ year old company generate only 10m in revenues? General lack of historical data and detailed financial overview 	<ul style="list-style-type: none"> Build complete financial / operating model, driven by operational data Include historical data along with explanations of company milestones, strategy shifts, etc.
Market	<ul style="list-style-type: none"> How important is a pan-European footprint for customers? Is the entire CaaS market addressable? Does it include short-distance (i.e. in-city)? What is the implied market share of the addressable market? What was the impact of COVID on the sector? Does the poor performance of some big market participants (Cazoo, Auto, etc.) pose a risk? Are there legal differences in new countries? Who are the competitors in each market? 	<ul style="list-style-type: none"> Tackle market questions with a document outlining market opportunity Calculate accurate top-down TAM More quantitative data on the sector using recent market studies Perform geo-based competitive analysis

Flow Partners

Exit opportunities, due diligence red flags, key topics etc.

Rigorous and comprehensive process to uncover real value drivers and ensure an actionable result.

1 Discovery

We analyze the company and an underlying sector to identify key value drivers, growth levers, risks and challenges that will impact valuation

- › Company highlights
- › Business model review
- › Current market overview
- › Sector trends and dynamics
- › Operational benchmarking

2 Valuation

We model out financial & analyze public comparables, precedent transactions, proprietary IP and operational strengths to deliver an accurate valuation range

- › **Financial:** Discounted cash flow valuation with sensitivity analysis
- › **Market:** Sector-specific public and transaction comps
- › **Tech:** Cost to build (estimates for different portions of the code base)
- › **Commercial:** Proprietary licenses / relationships
- › **People:** Team strength (value per head)

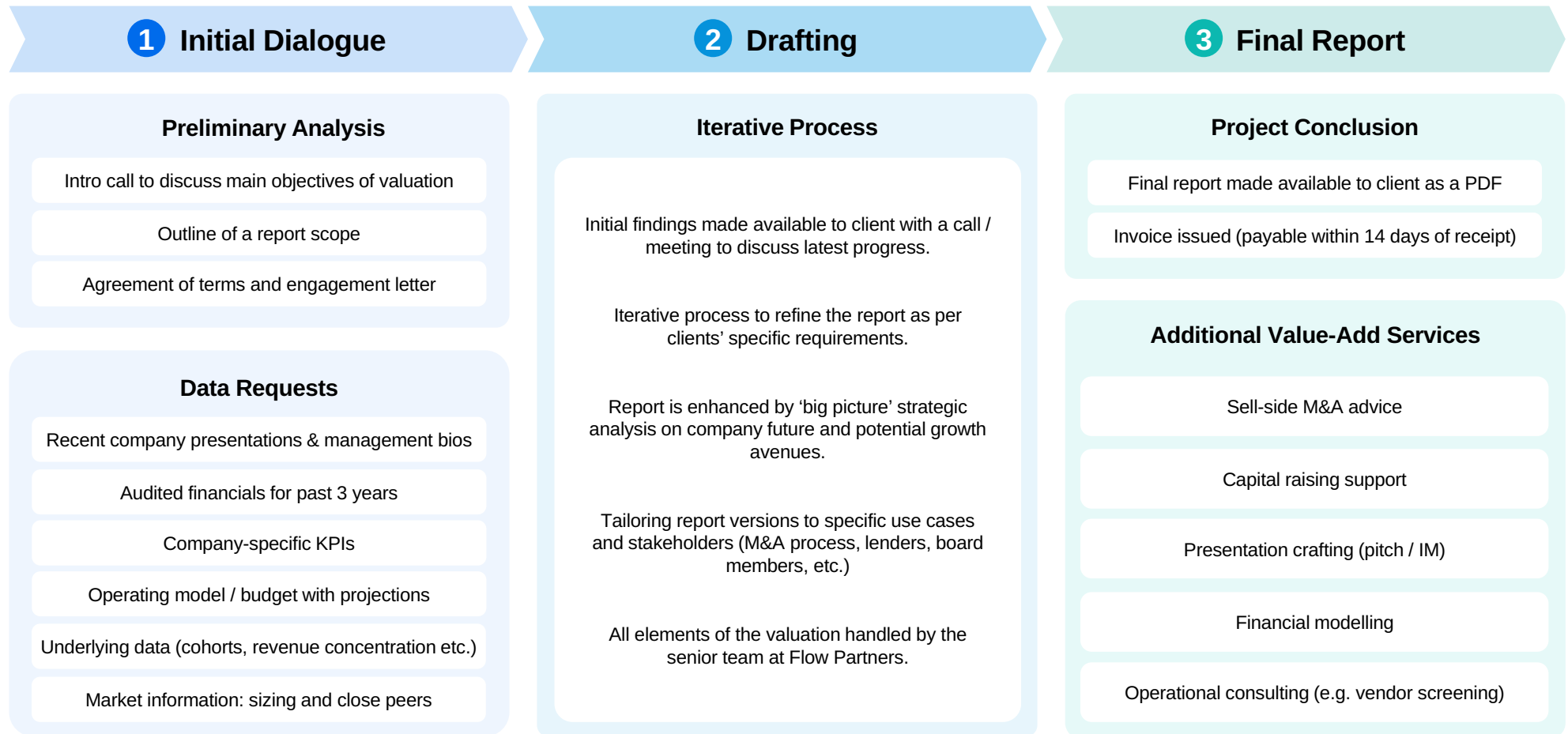
3 Strategic Insights

We understand the full picture – all our reports include strategic advice with key challenges, red / green flags and recommendations for the next growth phase


- › Potential exit options
- › Add-on acquisition opportunities
- › Potential investor questions
- › Growth path suggestions
- › Specific value drivers



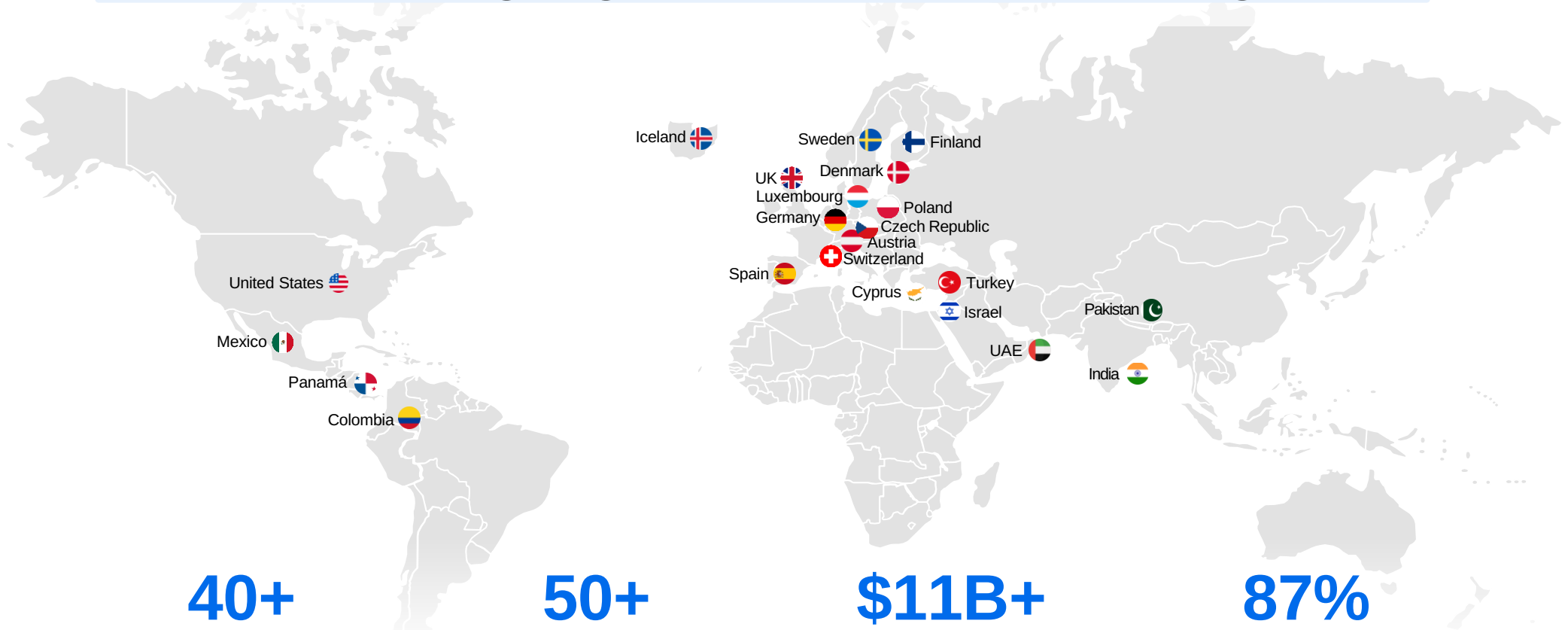
We follow a proven framework and deliver a final report within just one to two weeks.



We bridge the gap between ever-evolving digital business models and the rigid world of finance.

	 Flow Partners	Accounting Firms (e.g. Big 4)	Online Valuation Services
Report Style & Approach	Company and sector-specific, uncovering hidden valuation drivers, proprietary industry insights, company deep dive, easy to digest	Firm-wide boilerplate template, little personalization, no deep dive and strategic opinion, usually too detailed and fragmented to extract actionable value	Non-bankable Word document with no company-specific adjustments, subpar quality desktop research, usually not applicable to real-life business situations
Geographical Coverage	Worldwide (team based in US, Europe, Middle East)	Worldwide (global network of member firms)	Usually local markets only
Exclusive Focus on Tech	✓	✗	✗
Covering Niche Technologies	✓	✗	✗
Access to Databases	✓	✓	✗
Allocated Team	2-3 people	2-3 people	1 person
Senior Team Coverage Only	✓	✗	✗
Speed of Report Delivery	1-2 weeks	4-8 weeks	2-3 weeks
Cost	\$\$	\$\$\$	\$

From emerging markets to established economies, we are advising digital leaders across the globe.



40+

years of combined experience

50+

projects completed by the team

\$11B+

aggregate deal value completed by the team

87%

deals 2020-22 were cross-border

We've valued tens of high-growth tech companies.

Our clients are the leading companies, investors and individuals transforming the digital ecosystem.

We understand companies quickly, identify key opportunities and challenges, and deliver impartial and actionable valuation recommendations.

We help you maximize value, minimize risk and avoid expensive mistakes.

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Selina

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METALOOP

PERCEPTO

ziik

BiomX

moburst



Our team has unparalleled domain expertise and covers all key niches of the digital economy



Software

- › Horizontal SaaS
- › Vertical SaaS
- › IT Services
- › Software Development
- › Software Testing



Consumer Technology

- › E-Commerce & Marketplaces
- › Coupons & Lead Generation
- › Social Networks
- › Online Dating
- › EduTech
- › Direct-To-Consumer Brands



Travel & Mobility

- › Food Delivery
- › Ridesharing
- › Micromobility
- › Navigation & Mapping
- › Online Travel
- › OTAs & Booking Platforms



Media & Entertainment

- › Online Advertising & Content
- › Research & Publishing
- › Streaming
- › Gaming
- › E-Sports
- › Sports Tech



Financial Technology

- › Neobanking
- › Digital Banking Infrastructure
- › Online Payments
- › BNPL & Lending Platforms
- › Online Brokerage & Trading Tech
- › InsurTech



Industrial Technology

- › Industry 4.0
- › Industrial IoT
- › PropTech
- › AgriTech
- › Supply Chain Tech
- › Climate Tech Software Solutions



Communications & Infrastructure

- › DevOps & IT Management
- › IoT
- › Cybersecurity
- › Connectivity & Networking
- › IT Infrastructure



Digital Health

- › Telehealth & Virtual Care
- › Digital Mental Health Solutions
- › Healthcare IT
- › Medical Practice Management
- › Fitness & Wellness
- › Femtech



Fully integrated end-to-end offering, to make sure our clients get the best possible outcome.

Sell-side

We bridge the mindset gap between creative entrepreneurship and investor reasoning.

We help management teams navigate the full cycle of the M&A processes, work with founders to raise capital on optimal terms, and provide impartial, high-impact advice on strategic decisions.

Mergers & Acquisitions

Capital Raising

Financial Advisory

Valuations

Buy-side

We fully understand niche sector specifics, deal sensitivity and tight timeframes.

Our unique combo of deep technology expertise and modern approach to corporate finance enable us to deliver insightful and actionable outcomes for technology investors.

Commercial Due Diligence

Deal Origination

Fairness Opinions

Valuations

Led by a team of tech experts with long-standing professional history together.



Nikhil Parmar
Managing Partner

London

Leads B2B software, cybersecurity, industry 4.0 and infrastructure practice

20+ completed engagements across Germany, Switzerland, Turkey, UAE

London School of Economics (LSE)



Jan Brandes
Managing Partner

Berlin

Heads DACH region, expert in media, ecommerce, online marketplaces

30+ transactions completed with aggregate value of €10B+

Maastricht University



Lukas Schlund
Managing Partner

Riyadh Dubai

Leads coverage in the MENA region, focused on Saudi Arabia and UAE

Previously co-founded *nuwo*, a home office-as-a-service platform

KEDGE Business School, EBS





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