

## FINANCIAL VALUATION

The objective of this project is to provide an opinion regarding the financial value of a company. To determine valuation we undertake the following course of action.

- We review the client company in exhaustive detail including: management interviews, annual and monthly financial statements, and corporate marketing materials.
- After review, we prepare a summary SWOT (Strengths, Weaknesses, Opportunities and Threats) Analysis to better assess the intangible value of the client company.
- We then identify and thoroughly analyze comparable public companies and comparable industry acquisitions to determine relevant market multiples.
- Market multiples may include: Sales, EBITDA, EBIT, Pretax Income, Historical and Projected Earnings, Book Value, Tangible Book Value, etc.
- Those multiples are then applied to the client company's financial metrics to assist in determining value.
- We also review comparable company statistics including: Sales, Gross Margins, Operating Margins, Profitability and Growth in order to assess the relevance of market multiples as applied to the client company.
- An assessment is then made regarding valuing a minority versus a control position in the client company.
- Finally, the specific characteristics of the financial security: Common Stock, Preferred Stock, etc. are reviewed to determine or allocate value.
- The Financial Valuation is then presented in a letter form and discussed at length in a slide presentation with the Board of Directors, and/or Senior Management.
- Supporting financial analysis is also provided, upon request.

### Cost of Financial Valuation

\$20,000 for Opinion of Value with letter summary, presentation and supporting analysis

\* Traveling or other necessary direct expenses will be reimbursed.

### Payment

25% at commissioning

75% upon completion