

Key	Assumptions				
	Calculations				
	References				
USD					
		<u>Quantasphere</u>	<u>Benchmark</u>	<u>Notes</u>	
<u>Lite</u>	SAAS model (software)				
	LTV				
	Scenario 1			<i>Introduction to market</i>	
	Scenario 2			<i>Maturity in market</i>	
	Avg. No of Users per contract	500		<i>Contract structure, no.of users could range from 100 to 10,000</i>	
	Unit Revenue	15	10 to 20	<i>Cost per User</i>	
	COGS per unit	2		<i>Includes certifications, development cost (amortized)</i>	
	Average Customer Lifetime	3		<i>SAAS is competitive</i>	
	Sales & Marketing (% of Revenue)	10%		<i>Scenario 1 as % of revenue (will do bottom up analysis also)</i>	
	Sales & Marketing (% of Revenue)	3%		<i>Scenario 2 as % of revenue (will do bottom up analysis also)</i>	
	Total Revenue per contract)	7500			
A)	Average Revenue per Unit	15			
B)	COGS	2			
C)	Gross Profit per Unit	13			
D)	Gross Margin (%)	86.7%			
E)	Average Customer Lifetime	3			

	LTV	19,500		<i>LTV based on contract value</i>	
Lite	CAC				
F)	S&M	750		<i>Scenario 1</i>	
F)	S&M	225		<i>Scenario 2</i>	
G)	Number of New Customers	100			
CAC		75,000		<i>Scenario 1</i>	
CAC		22,500		<i>Scenario 2</i>	
	Ratio	1 is to 3			
	Ratio	3 is to 1			
Embedded	LTV				
A)	Hardware Installation	8,484,000		<i>One time installation</i>	
A)	Hard ware License	750,000		<i>Annual recurring</i>	
A)	Maintenance	100,000		<i>Annual recurring</i>	
A)	Software License	300,000		<i>Annual recurring</i>	
B)	COGS	2,545,200		<i>Includes R&D, hardware, team</i>	
C)	Gross Profit per Unit	7,088,800			
D)	Gross Margin (%)	74%			
E)	Average Customer Lifetime	10		<i>Amended with team feedback</i>	
				<i>Constructed with one time hardware installation and recurring revenues from licenses</i>	
	LTV	18,588,800			
Embedded	CAC				
F)	S&M 20%	1,696,800			
G)	Number of New Customers	1			
H)	Pilot	500,000			
CAC		2,196,800			
	Ratio	9 is to 1			

Trustless	LTV				
A)	Hardware Installation	22,000,000			
A)	Hard ware License	1,500,000			
A)	Maintenance	250,000			
A)	Software License	550,000			
B)	COGS	6,600,000			
C)	Gross Profit per Unit	15,400,000			
D)	Gross Margin (%)	63%			
E)	Average Customer Lifetime	10		<i>Amended with team feedback</i>	
	LTV	45,000,000		<i>Constructed with one time hardware installation and recurring revenues from licenses</i>	
Trustless	CAC				
F)	S&M 20%	4,400,000			
G)	Number of New Customers	1			
H)	Pilot	1,000,000			
CAC		5,400,000			
	Ratio	8 is to 1			