

ThruThink Deal ScoreSM

B

Deal Name: Case Study 4

Effective Date: April 17, 2017

Time Horizon of Deal: 10 Years

Project Calculation #: ddf943c1-OK

The ThruThink EvaluationSM and ThruThink Deal ScoreSM are expressed as opinion only and do not provide any representation, warranties or guarantees about the outcome of the Users business.

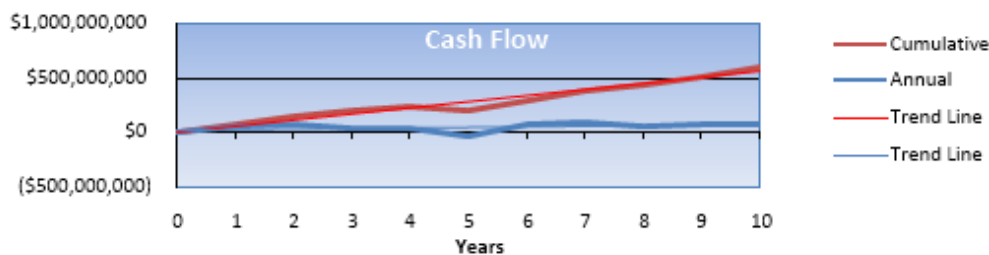
ThruThink EvaluationSM Comments:

Additional Cash is required to complete initial Transaction \$ 2,080,760
This will be an additional equity contribution in initial Balance Sheet

Cash Flow

Component Score
A

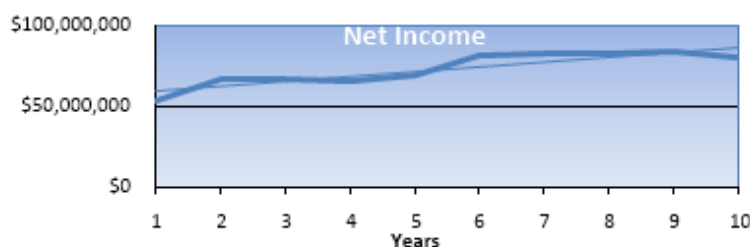
Annual Cash Flow is not a detracting factor
Cumulative Cash Flow is not a detracting factor
Annual Cash Flow trend does not relate well on a year to year comparison
Annual Cash Flow goes negative



Net Income

Component Score
A

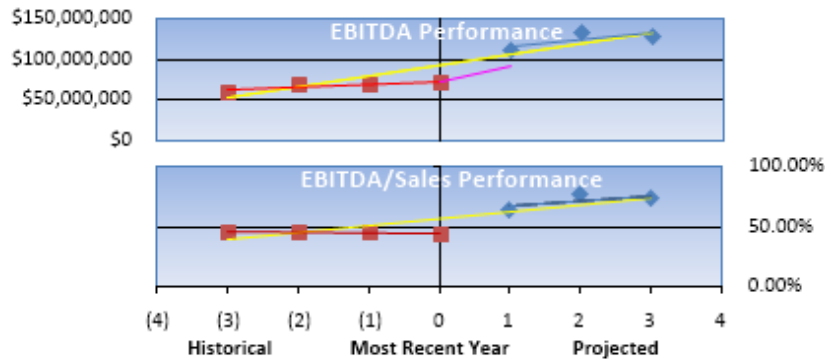
Net Income growth projection is Slow
Net Income percent of EBITDA is OK
Net Income percent of Total Assets is excellent
Net Income trends well from one year to another
Projection trend is positive



Adjusted EBITDA*

EBITDA Historical Growth Trend is not a detracting factor
 Future EBITDA growth Trend is positive but on the slow side
 Historical & Future EBITDA Performance is well correlated as a whole
 Future EBITDA growth does not represent Historical EBITDA growth well
 EBITDA to Sales projections are aggressive when compared to historical performance

*Adjusted EBITDA includes User Inputs for uncompensated Owner expense (See Summary of Salient Results)



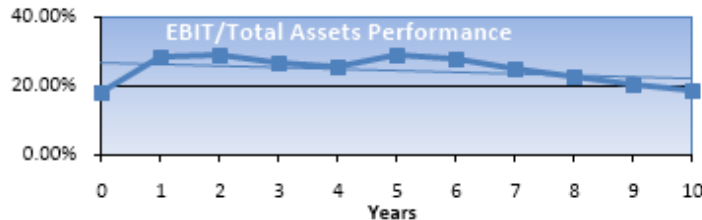
Component Score
C

Component Score
C

Adjusted EBIT* to Total Assets

Overall Average EBIT/Total Assets over Horizon Period is Excellent
 1st year growth projection from Current is Aggressive
 Overall average growth projection is Very Conservative
 EBIT/Total Asset Projections are not correlated with each other

*Adjusted EBIT includes User Inputs for uncompensated Owner expense (See Summary of Salient Results)

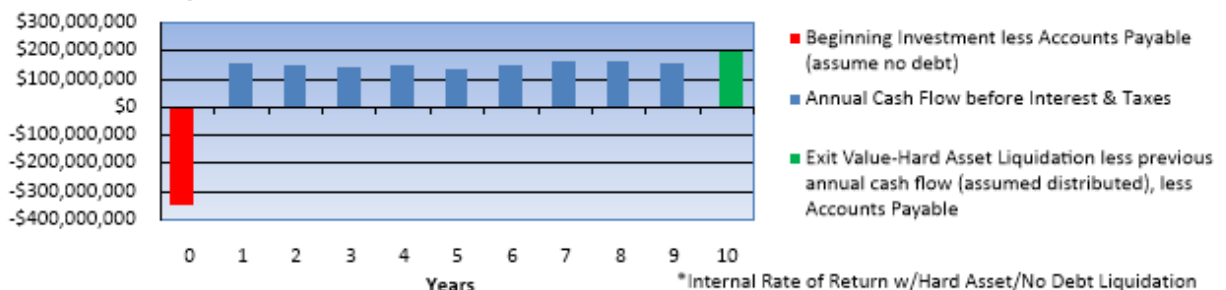


Component Score
A

Rate of Return compared to a Safe Investment

40% Internal Rate of Return for business operations using annual Cash Flow before interest and taxes with Hard Asset Liquidation (book value w/o Amortized Assets) at Horizon Year exit. There is a Fair Confidence Level for Historic Performance vs Projected Performance and results in a Very Good Risk Return

IRR* of Investment w/o Debt Leverage using Hard Asset Liquidation Exit
 10 Year HA/ND Internal Rate of Return of 40.26% with a Fair Confidence Level

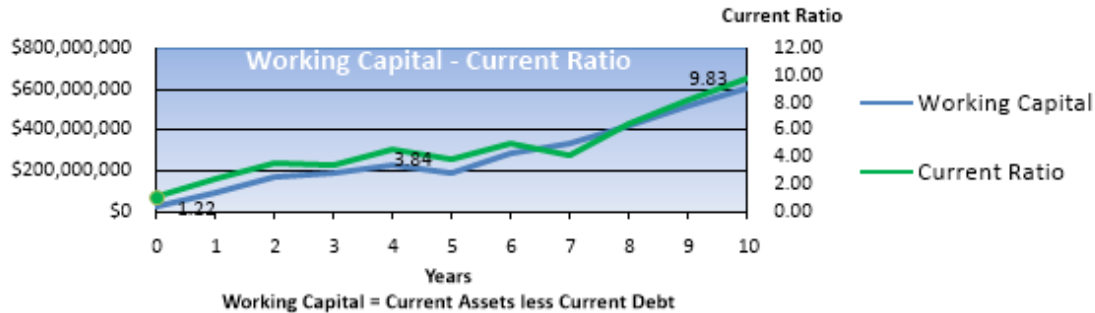


Working Capital

Beginning short term debt level is high, total debt related to EBITDA is high
 Beginning Current Assets to Current Liabilities is marginal
 Average Ratio of Current Assets to Current Liabilities over the Horizon Years is excellent
 The Trend for Working Capital over the Horizon Years is excellent

Component Score

C

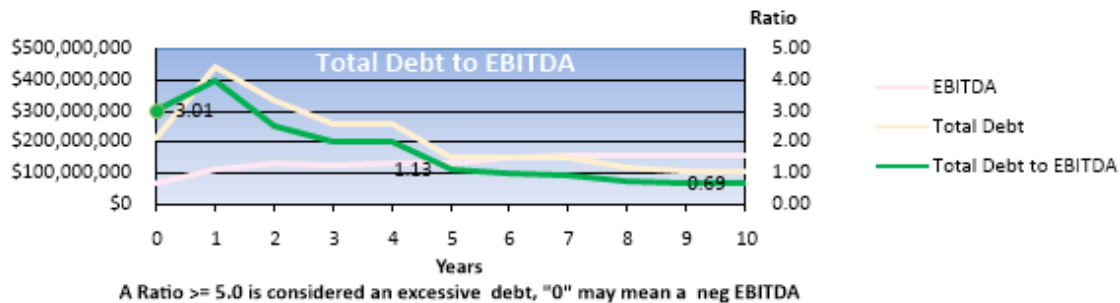


Total Debt

Beginning Total Debt to EBITDA is good
 Projected Average Total Debt to EBITDA through year 10 is excellent

Component Score

B



Other Factors - See Step 7:

Management Quality/Independence from Owner
 Amount of UnCompensated Owner Contribution
 Time to Liquidate Company

Component Score

A

A

B