

MEMORANDUM

From: Jack Horner VP Product Development

To: ExCom Legacy

Subject: Buying in technology

Two opportunities have arisen to buy in technology that will materially advance our D-AR offerings.

- Techno Ltd
- Research Co.

Given the emerging intensity of competition in the D-AVR market, I would recommend any purchase that materially accelerates growth.

Attached is a summary of the assessment by Acquisitions Consultants Partners

Jack

Attachment

ACQUISITIONS CONSULTANTS INC

Dear Jack;

Please find below your requested summary of the two potential acquisitions

Techno Ltd

Techno Ltd was founded in 2010 by Samuel Hinks and Frank Martin. They remain the core players and the source of technical innovation; by buying Techno Ltd you are making a 'micro-purchase' to get access to the founders' technical skills. Both men are willing to sign a 5 year development contract. Their reason for selling is to get access to a larger budget and market to drive the development of the technology.

- The minimum price they will accept is \$8,000,000
- You estimated that the cost of integrating their technology will be \$1,500,000
- You estimated a 'high' impact on the competence levels of your laboratory
- We estimate a 4 out of 5 impact on your perceived market legitimacy

Research Co.

Research Co has designed a widget aimed at materially improving integration methods for large client installations. Research Co has partnered with XYZ for a number of years adding functionality to our offerings. In this case, the owners desire to sell out and retire. The widget would be of value to your competitors and this is a one-off chance to buy it in.

- The minimum price they will accept is \$12,000,000
- You estimated that the cost of integrating their technology will be \$2,500,000
- We estimate a 5 out of 5 impact on your perceived market legitimacy through a more effective whole offering.

Let us know if you need further help bringing this project to bed,

Yours Sincerely

Hugh