

Investment Banking

*Valuation, Leveraged Buyouts,
and Mergers & Acquisitions*

Comparable Companies Analysis - Template

JOSHUA ROSENBAUM
JOSHUA PEARL

(\$ in millions)

List of Comparable Companies

| Company | Ticker | Business Description | Equity Value | Enterprise Value | LTM Sales |
|-----------------------------|--------|--|--------------|------------------|-----------|
| Twilio | TWLO | Twilio develops and publishes Internet infrastructure solutions. They offer cloud computing platforms where web developers can call, use voice communication, and text messages into | \$9,605 | \$9,605 | \$3,826 |
| RingCentral Inc. | RNG | RingCentral Inc is a cprovider of enterprise cloud communications building software that allows voice and video meetings. | 2,438 | 2,438 | 1,988 |
| 8X8 Inc. | EGHT | The company provides unified communications and collaboration services. They build software for business phones, team chat, contact center, video meeting, abd communication APIS. | 268 | 671 | 471 |
| Bandwidth Inc. | BAND | Aprovider of cloud-based communications CPaaS services. They emcompass a broad range of software APIs for voice, text message, and emergency services communications. | 240 | 240 | 573 |
| DocuSign | DOCU | A provider of technology services. It offers cloud-based digital transaction and e-signature solutions. They allow access to electronic signatures, payments and integrations. | 8,052 | 8,052 | 2,654 |
| CISCO | CSCO | They engage in the design and sale of Internet Protocol-based networking products and services related to the communications and information technology industry. | 6,053 | 4,681 | 44,970 |
| Digital Ocean Holdings Inc. | DOCN | A cloud computing vendor that offers an infrastrucuter as a service platform for software developers. | 2,241 | 2,241 | 576 |
| Company G | GGG | [to come] | - | - | - |
| Company H | HHH | [to come] | - | - | - |
| Company I | III | [to come] | - | - | - |
| Company J | JJJ | [to come] | - | - | - |
| Company K | K- | [to come] | - | - | - |
| Company L | LLL | [to come] | - | - | - |
| Company M | MMM | [to come] | - | - | - |
| Company N | NNN | [to come] | - | - | - |
| Company O | OOO | [to come] | - | - | - |

ValueCo Corporation

Benchmarking Analysis – Financial Statistics and Ratios, Page 1

(\$ in millions, except per share data)

| | | Market Valuation | | LTM Financial Statistics | | | | | LTM Profitability Margins | | | | Growth Rates | | | | | | |
|-----------------------------|--------|------------------|------------------|--------------------------|--------------|---------|---------|------------|---------------------------|------------|----------|------------|--------------|-------------|--------------|-------------|--------------|-------------|---------|
| Company | Ticker | Equity Value | Enterprise Value | Sales | Gross Profit | EBITDA | EBIT | Net Income | Gross | | Net | | Sales | | EBITDA | | EPS | | |
| | | | | | | | | | Profit (%) | EBITDA (%) | EBIT (%) | Income (%) | Hist. 1-year | Est. 1-year | Hist. 1-year | Est. 1-year | Hist. 1-year | Est. 1-year | Est. LT |
| Twilio | TWLO | \$9,605 | \$9,605 | \$3,826 | \$1,814 | (\$705) | (\$984) | (\$997) | 47% | -18% | -26% | -26% | 35% | -100% | 3% | -100% | 1% | -100% | 103% |
| Tier I: Large-Cap | | | | | | | | | | | | | | | | | | | |
| RingCentral Inc. | RNG | \$2,438 | \$2,438 | \$1,988 | \$1,347 | \$267 | (\$144) | (\$154) | 68% | 6% | -7% | -8% | 25% | -100% | -180% | -100% | -59% | -100% | -32% |
| 8X8 Inc. | EGHT | 268 | 671 | 471 | 351 | (2) | 32 | 9 | 75% | 6% | 7% | 2% | 16% | -100% | -89% | -100% | -52% | -100% | 150% |
| Bandwidth Inc. | BAND | 240 | 240 | 573 | 238 | 36 | (66) | (61) | 42% | -5% | -12% | -11% | 17% | -100% | -147% | -100% | -182% | -100% | 0% |
| DocuSign | DOCU | 8,052 | 8,052 | 2,654 | 2,210 | 86 | 190 | (3,491) | 83% | 10% | 7% | -132% | 19% | -100% | 10% | -100% | 118% | -100% | 20% |
| CISCO | CSCO | 6,053 | 4,681 | 44,970 | 28,078 | 1,726 | 11,398 | 8,861 | 62% | 29% | 25% | 20% | 11% | -100% | 5% | -100% | 0% | 0% | 6% |
| Mean | | | | | | | | | 66% | 9% | 4% | -26% | 18% | -100% | -80% | -100% | -35% | -80% | 29% |
| Median | | | | | | | | | 68% | 6% | 7% | -8% | 17% | -100% | -89% | -100% | -52% | -100% | 6% |
| Tier II: Mid-Cap | | | | | | | | | | | | | | | | | | | |
| Digital Ocean Holdings Inc. | DOCN | \$2,241 | \$2,241 | \$576 | \$364 | \$102 | (\$26) | (\$34) | 63% | 13% | -5% | -6% | 34% | -100% | -2% | -100% | 97% | -100% | 37% |
| Company G | GGG | - | - | - | - | - | - | - | NA | NA | NA | NA | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| Company H | HHH | - | - | - | - | - | - | - | NA | NA | NA | NA | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| Company I | III | - | - | - | - | - | - | - | NA | NA | NA | NA | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| Company J | JJJ | - | - | - | - | - | - | - | NA | NA | NA | NA | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| Mean | | | | | | | | | 63% | 13% | -5% | -6% | 7% | -20% | 0% | -20% | 19% | -20% | 7% |
| Median | | | | | | | | | 63% | 13% | -5% | -6% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| Tier III: Small-Cap | | | | | | | | | | | | | | | | | | | |
| Company K | K-- | - | - | - | - | - | - | - | NA | NA | NA | NA | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| Company L | LLL | - | - | - | - | - | - | - | NA | NA | NA | NA | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| Company M | MMM | - | - | - | - | - | - | - | NA | NA | NA | NA | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| Company N | NNN | - | - | - | - | - | - | - | NA | NA | NA | NA | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| Company O | OOO | - | - | - | - | - | - | - | NA | NA | NA | NA | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| Mean | | | | | | | | | NA | NA | NA | NA | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| Median | | | | | | | | | NA | NA | NA | NA | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| Overall | | | | | | | | | | | | | | | | | | | |
| Mean | | | | | | | | | 65% | 10% | 3% | -22% | 8% | -40% | -27% | -40% | -5% | -33% | 12% |
| Median | | | | | | | | | 65% | 8% | 1% | -7% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| High | | | | | | | | | 83% | 29% | 25% | 20% | 34% | 0% | 10% | 0% | 118% | 0% | 150% |
| Low | | | | | | | | | 42% | -5% | -12% | -132% | 0% | -100% | -180% | -100% | -182% | -100% | -32% |

Source: Company filings, Bloomberg, Consensus Estimates

Note: Last twelve months data based on September 30, 2008. Estimated annual financial data based on a calendar year.

ValueCo Corporation

Benchmarking Analysis – Financial Statistics and Ratios, Page 2

(\$ in millions, except per share data)

| | | General | | Return on Investment | | | | LTM Leverage Ratios | | | LTM Coverage Ratios | | | Credit Ratings | |
|-----------------------------|--------|---------|----------------|----------------------|---------|---------|------------------------|----------------------|-------------------|-----------------------|------------------------|------------------------|----------------------|----------------|-----|
| Company | Ticker | FYE | Predicted Beta | ROIC (%) | ROE (%) | ROA (%) | Implied Div. Yield (%) | Debt / Tot. Cap. (%) | Debt / EBITDA (x) | Net Debt / EBITDA (x) | EBITDA / Int. Exp. (x) | EBITDA - Cpx/ Int. (x) | EBIT / Int. Exp. (x) | Moody's | S&P |
| Twilio | TWLO | Dec-31 | 1.32 | 65% | 59% | -16% | 0% | 0% | 0.0x | 0.0x | 0.0x | 0.0x | 0.0x | NA | BB |
| Tier I: Large-Cap | | | | | | | | | | | | | | | |
| RingCentral Inc. | RNG | Dec-31 | 0.87 | -32% | 64% | -15% | 0% | 0% | 0.0x | 0.0x | 25.6x | 32.4x | -30.0x | NA | NA |
| 8X8 Inc. | EGHT | Mar-31 | 1.32 | 7% | 9% | 1% | 0% | 85% | 16.3x | 13.3x | 1.4x | 1.6x | 1.5x | NA | NA |
| Bandwidth Inc. | BAND | Dec-31 | 1.39 | -21% | -45% | -13% | 0% | 0% | 0.0x | 0.0x | 10.0x | -3.7x | 21.6x | NA | NA |
| DocuSign | DOCU | Jan-31 | 0.87 | 590% | -1131% | -232% | 0% | 0% | 0.0x | 0.0x | 0.1x | 0.1x | 0.1x | NA | NA |
| CISCO | CSCO | Jul-31 | 0.96 | 28% | 21% | 9% | 12% | 16% | 0.6x | -0.1x | 26.4x | 28.1x | 22.9x | NA | AA |
| Mean | | | 1.08 | 114% | -216% | -50% | 2% | 20% | 3.4x | 2.6x | 12.7x | 11.7x | 3.2x | | |
| Median | | | 0.96 | 7% | 9% | -13% | 0% | 0% | 0.0x | 0.0x | 10.0x | 1.6x | 1.5x | | |
| Tier II: Mid-Cap | | | | | | | | | | | | | | | |
| Digital Ocean Holdings Inc. | DOCN | Dec-31 | 1.38 | -4% | -135% | -4% | 0% | 0% | 0.0x | 0.0x | 9.1x | 22.2x | -3.1x | NA | NA |
| Company G | GGG | Dec-31 | 1.00 | 0% | 0% | 0% | NA | 0% | 0.0x | 0.0x | 0.0x | 0.0x | 0.0x | NA | NA |
| Company H | HHH | Dec-31 | 1.00 | 0% | 0% | 0% | NA | 0% | 0.0x | 0.0x | 0.0x | 0.0x | 0.0x | NA | NA |
| Company I | III | Dec-31 | 1.00 | 0% | 0% | 0% | NA | 0% | 0.0x | 0.0x | 0.0x | 0.0x | 0.0x | NA | NA |
| Company J | JJJ | Dec-31 | 1.00 | 0% | 0% | 0% | NA | 0% | 0.0x | 0.0x | 0.0x | 0.0x | 0.0x | NA | NA |
| Mean | | | 1.08 | -1% | -27% | -1% | 0% | 0% | 0.0x | 0.0x | 1.8x | 4.4x | -0.6x | | |
| Median | | | 1.00 | 0% | 0% | 0% | 0% | 0% | 0.0x | 0.0x | 0.0x | 0.0x | 0.0x | | |
| Tier III: Small-Cap | | | | | | | | | | | | | | | |
| Company K | K- | Dec-31 | 1.00 | 0% | 0% | 0% | NA | 0% | 0.0x | 0.0x | 0.0x | 0.0x | 0.0x | NA | NA |
| Company L | LLL | Dec-31 | 1.00 | 0% | 0% | 0% | NA | 0% | 0.0x | 0.0x | 0.0x | 0.0x | 0.0x | NA | NA |
| Company M | MMM | Dec-31 | 1.00 | 0% | 0% | 0% | NA | 0% | 0.0x | 0.0x | 0.0x | 0.0x | 0.0x | NA | NA |
| Company N | NNN | Dec-31 | 1.00 | 0% | 0% | 0% | NA | 0% | 0.0x | 0.0x | 0.0x | 0.0x | 0.0x | NA | NA |
| Company O | OOO | Dec-31 | 1.00 | 0% | 0% | 0% | NA | 0% | 0.0x | 0.0x | 0.0x | 0.0x | 0.0x | NA | NA |
| Mean | | | 1.00 | 0% | 0% | 0% | NA | 0% | 0.0x | 0.0x | 0.0x | 0.0x | 0.0x | | |
| Median | | | 1.00 | 0% | 0% | 0% | NA | 0% | 0.0x | 0.0x | 0.0x | 0.0x | 0.0x | | |
| Overall | | | | | | | | | | | | | | | |
| Mean | | | 1.05 | 38% | -81% | -17% | 2% | 7% | 1.1x | 0.9x | 4.8x | 5.4x | 0.9x | | |
| Median | | | 1.00 | 0% | 0% | 0% | 0% | 0% | 0.0x | 0.0x | 0.0x | 0.0x | 0.0x | | |
| High | | | 1.39 | 590% | 64% | 9% | 12% | 85% | 16.3x | 13.3x | 26.4x | 32.4x | 22.9x | | |
| Low | | | 0.87 | -32% | -1131% | -232% | 0% | 0% | 0.0x | -0.1x | 0.0x | -3.7x | -30.0x | | |

Source: Company filings, Bloomberg, Consensus Estimates

ValueCo Corporation

Comparable Companies Analysis

(\$ in millions, except per share data)

| Company | Ticker | Current Share Price | % of 52-wk. High | Equity Value | Enterprise Value | Enterprise Value / | | | | | | | | | LTM EBITDA Margin | Total Debt / EBITDA | Price / | | | LT EPS Growth |
|-----------------------------|--------|---------------------|------------------|--------------|------------------|--------------------|-------------|-------------|------------|--------------|--------------|----------|------------|------------|-------------------|---------------------|----------|-----------|-----------|---------------|
| | | | | | | LTM Sales | 2008E Sales | 2009E Sales | LTM EBITDA | 2008E EBITDA | 2009E EBITDA | LTM EBIT | 2008E EBIT | 2009E EBIT | | | LTM EPS | 2008E EPS | 2009E EPS | |
| Twilio | TWLO | \$52.49 | 66% | \$9,605 | \$9,605 | 2.5x | NA | NA | -13.6x | NA | NA | -9.8x | NA | NA | -18% | 0.0.x | -9.6x | NA | NA | 103% |
| Tier I: Large-Cap | | | | | | | | | | | | | | | | | | | | |
| RingCentral Inc. | RNG | \$25.60 | 52% | \$2,438 | \$2,438 | 1.2x | NA | NA | 19.9x | NA | NA | -17.0x | NA | NA | 6% | 0.0.x | -15.9x | NA | NA | -32% |
| 8X8 Inc. | EGHT | 2.31 | 36% | 268 | 671 | 1.4x | NA | NA | 22.1x | NA | NA | 21.0x | NA | NA | 6% | 16.3.x | 36.3x | NA | NA | 150% |
| Bandwidth Inc. | BAND | 9.49 | 33% | 240 | 240 | 0.4x | NA | NA | -7.9x | NA | NA | -3.6x | NA | NA | -5% | 0.0.x | -4836.5x | NA | NA | 0% |
| DocuSign | DOCU | 40.08 | 58% | 8,052 | 8,052 | 3.0x | NA | NA | 29.1x | NA | NA | 42.4x | NA | NA | 10% | 0.0.x | -2.4x | NA | NA | 20% |
| CISCO | CSCO | 52.20 | 90% | 6,053 | 4,681 | 0.1x | NA | NA | 0.4x | NA | NA | 0.4x | NA | NA | 29% | 0.6.x | -0.6x | NA | NA | 6% |
| Mean | | | | | | 1.2x | NA | NA | 12.7x | NA | NA | 8.6x | NA | NA | 9% | 3.4x | -963.8x | NA | NA | 29% |
| Median | | | | | | 1.2x | NA | NA | 19.9x | NA | NA | 0.4x | NA | NA | 6% | 0.0x | -2.4x | NA | NA | 6% |
| Tier II: Mid-Cap | | | | | | | | | | | | | | | | | | | | |
| Digital Ocean Holdings Inc. | DOCN | \$22.23 | 43% | \$2,241 | \$2,241 | 3.9x | NA | NA | 29.5x | NA | NA | -85.5x | NA | NA | 13% | 0.0.x | -65.0x | NA | NA | 37% |
| Company G | GGG | - | NA | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | 0.0.x | NA | NA | NA | 0% |
| Company H | HHH | - | NA | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | 0.0.x | NA | NA | NA | 0% |
| Company I | III | - | NA | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | 0.0.x | NA | NA | NA | 0% |
| Company J | JJJ | - | NA | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | 0.0.x | NA | NA | NA | 0% |
| Mean | | | | | | 3.9x | NA | NA | 29.5x | NA | NA | -85.5x | NA | NA | 13% | 0.0x | -65.0x | NA | NA | 7% |
| Median | | | | | | 3.9x | NA | NA | 29.5x | NA | NA | -85.5x | NA | NA | 13% | 0.0x | -65.0x | NA | NA | 0% |
| Tier III: Small-Cap | | | | | | | | | | | | | | | | | | | | |
| Company K | K-- | - | NA | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | 0.0.x | NA | NA | NA | 0% |
| Company L | LLL | - | NA | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | 0.0.x | NA | NA | NA | 0% |
| Company M | MMM | - | NA | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | 0.0.x | NA | NA | NA | 0% |
| Company N | NNN | - | NA | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | 0.0.x | NA | NA | NA | 0% |
| Company O | OOO | - | NA | - | - | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | 0.0.x | NA | NA | NA | 0% |
| Mean | | | | | | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | 0.0x | NA | NA | NA | 0% |
| Median | | | | | | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | 0.0x | NA | NA | NA | 0% |
| Overall | | | | | | | | | | | | | | | | | | | | |
| Mean | | | | | | 1.7x | NA | NA | 15.5x | NA | NA | -7.0x | NA | NA | 10% | 1.1x | -814.0x | NA | NA | 12% |
| Median | | | | | | 1.3x | NA | NA | 21.0x | NA | NA | -1.6x | NA | NA | 8% | 0.0x | -9.1x | NA | NA | 0% |
| High | | | | | | 3.9x | 0.0x | 0.0x | 29.5x | 0.0x | 0.0x | 42.4x | 0.0x | 0.0x | 29% | 16.3x | 36.3x | 0.0x | 0.0x | 150% |
| Low | | | | | | 0.1x | 0.0x | 0.0x | -7.9x | 0.0x | 0.0x | -85.5x | 0.0x | 0.0x | -5% | 0.0x | ##### | 0.0x | 0.0x | -32% |

Source: Company filings, Bloomberg, Consensus Estimates

Note: Last twelve months data based on September 30, 2008. Estimated annual financial data based on a calendar year.

Twilio (NYSE:TWLO)

Input Page

(\$ in millions, except per share data)

| General Information | | |
|--------------------------|--|--------|
| Company Name | | Twilio |
| Ticker | | TWLO |
| Stock Exchange | | NYSE |
| Fiscal Year Ending | | Dec-31 |
| Moody's Corporate Rating | | NA |
| S&P Corporate Rating | | BB |
| Predicted Beta | | 1.32 |
| Marginal Tax Rate | | 22.0% |

| Selected Market Data | | |
|----------------------------------|----------|-----------|
| Current Price | 10/23/23 | \$52.49 |
| % of 52-week High | | 65.9% |
| 52-week High Price | 1/0/1900 | 79.70 |
| 52-week Low Price | 1/0/1900 | 41.00 |
| Dividend Per Share (MRQ) | | |
| Fully Diluted Shares Outstanding | | 182,994 |
| Equity Value | | \$9,605.4 |
| Plus: Total Debt | | - |
| Plus: Preferred Stock | | - |
| Plus: Noncontrolling Interest | | - |
| Less: Cash and Cash Equivalents | | - |
| Enterprise Value | | \$9,605.4 |

| Trading Multiples | | | |
|-------------------|----------------|--------------|----------------|
| | LTM 9/30/08 | NFY 2023E | NFY+1 2024E |
| EV/Sales | 2.5x | NA | NA |
| Metric | \$3,826.3 | - | - |
| EV/EBITDA | (13.6x) | NA | NA |
| Metric | (\$704.9) | - | - |
| EV/EBIT | (9.8x) | NA | NA |
| Metric | (\$984.0) | - | - |
| P/E | (9.6x) | NA | NA |
| Metric | (\$5.45) | - | - |

| LTM Return on Investment Ratios | |
|-----------------------------------|---------|
| Return on Invested Capital | 64.7% |
| Return on Equity | 59.0% |
| Return on Assets | (15.9%) |
| Implied Annual Dividend Per Share | - |

| LTM Credit Statistics | |
|---------------------------------|---|
| Debt/Total Capitalization | - |
| Total Debt/EBITDA | - |
| Net Debt/EBITDA | - |
| EBITDA/Interest Expense | - |
| (EBITDA-capex)/Interest Expense | - |
| EBIT/Interest Expense | - |

| Growth Rates | | | |
|--------------|----------|----------|----------|
| | Sales | EBITDA | EPS |
| Historical | | | |
| 1-year | 34.7% | 2.6% | 1.4% |
| 2-year CAGR | 47.4% | 44.6% | 23.3% |
| Estimated | | | |
| 1-year | (100.0%) | (100.0%) | (100.0%) |
| 2-year CAGR | (100.0%) | (100.0%) | (100.0%) |
| Long-term | | | 102.6% |

| Reported Income Statement | | | | | | |
|------------------------------|---------------------------------|-----------|-----------|---------------|-----------------|-----------|
| | Fiscal Year Ending December 31, | | | Prior Stub | Current Stub | LTM |
| | 2020A | 2021A | 2022A | 9/30/2007 | 9/30/08 | 9/30/08 |
| Sales | \$1,760.0 | \$2,840.0 | \$3,826.3 | - | - | \$3,826.3 |
| COGS | 885.1 | 1,530.0 | 2,012.0 | - | - | 2,012.0 |
| Gross Profit | \$874.9 | \$1,310.0 | \$1,814.3 | - | - | \$1,814.3 |
| SG&A | 1,350.0 | 2,210.0 | 2,760.0 | - | - | 2,760.0 |
| Other Expense / (Income) | 11.5 | 45.3 | 38.3 | - | - | 38.3 |
| EBIT | (\$486.6) | (\$945.3) | (\$984.0) | - | - | (\$984.0) |
| Interest Expense | 25.0 | - | - | - | - | - |
| Pre-tax Income | (\$511.6) | (\$945.3) | (\$984.0) | - | - | (\$984.0) |
| Income Taxes | 13.5 | (11.0) | 12.5 | - | - | 12.5 |
| Noncontrolling Interest | - | - | - | - | - | - |
| Preferred Dividends | - | - | - | - | - | - |
| Net Income | (\$525.0) | (\$934.3) | (\$996.5) | - | - | (\$996.5) |
| Effective Tax Rate | (2.6%) | 1.2% | (1.3%) | NA | NA | (1.3%) |
| Weighted Avg. Diluted Shares | 146.7 | 174.0 | 183.0 | - | - | 183.0 |
| Diluted EPS | (\$3.58) | (\$5.37) | (\$5.45) | NA | NA | NA |

| Adjusted Income Statement | | | | | | |
|------------------------------|-----------|-----------|-----------|----|----|-----------|
| Reported Gross Profit | \$874.9 | \$1,310.0 | \$1,814.3 | - | - | \$1,814.3 |
| Non-recurring Items in COGS | - | - | - | - | - | - |
| Adj. Gross Profit | \$874.9 | \$1,310.0 | \$1,814.3 | - | - | \$1,814.3 |
| % margin | 49.7% | 46.1% | 47.4% | NA | NA | 47.4% |
| Reported EBIT | (\$486.6) | (\$945.3) | (\$984.0) | - | - | (\$984.0) |
| Non-recurring Items in COGS | - | - | - | - | - | - |
| Other Non-recurring Items | - | - | - | - | - | - |
| Adjusted EBIT | (\$486.6) | (\$945.3) | (\$984.0) | - | - | (\$984.0) |
| % margin | (27.6%) | (33.3%) | (25.7%) | NA | NA | (25.7%) |
| Depreciation & Amortization | 149.7 | 258.4 | 279.1 | - | - | 279.1 |
| Adjusted EBITDA | (\$337.0) | (\$687.0) | (\$704.9) | - | - | (\$704.9) |
| % margin | (19.1%) | (24.2%) | (18.4%) | NA | NA | (18.4%) |
| Reported Net Income | (\$525.0) | (\$934.3) | (\$996.5) | - | - | (\$996.5) |
| Non-recurring Items in COGS | - | - | - | - | - | - |
| Other Non-recurring Items | - | - | - | - | - | - |
| Non-operating Non-rec. Items | - | - | - | - | - | - |
| Tax Adjustment | - | - | - | - | - | - |
| Adjusted Net Income | (\$525.0) | (\$934.3) | (\$996.5) | - | - | (\$996.5) |
| % margin | (29.8%) | (32.9%) | (26.0%) | NA | NA | (26.0%) |
| Adjusted Diluted EPS | (\$3.58) | (\$5.37) | (\$5.45) | - | - | (\$5.45) |

| Cash Flow Statement Data | | | | | | |
|-----------------------------|---------|---------|--------|----|----|--------|
| Depreciation & Amortization | 149.7 | 258.4 | 279.1 | - | - | 279.1 |
| % sales | 8.5% | 9.1% | 7.3% | NA | NA | 7.3% |
| Capital Expenditures | (333.6) | (491.5) | (37.4) | - | - | (37.4) |
| % sales | (19.0%) | (17.3%) | (1.0%) | NA | NA | (1.0%) |

Notes

- (1) [to come]
(2) [to come]
(3) [to come]
(4) [to come]

Business Description

Twilio develops and publishes Internet infrastructure solutions. They offer cloud computing platforms where web developers can call, use voice communication, and text messages into web, mobile and other applications.

| Balance Sheet Data | | |
|------------------------------------|------------|---------|
| | 2022A | 9/30/08 |
| Cash and Cash Equivalents | \$651.8 | - |
| Accounts Receivable | 547.5 | - |
| Inventories | 3,503.3 | - |
| Prepays and Other Current Assets | 281.5 | - |
| Total Current Assets | \$4,984.1 | - |
| Property, Plant and Equipment, net | 264.0 | - |
| Goodwill and Intangible Assets | 6,134.1 | - |
| Other Assets | 1,182.2 | - |
| Total Assets | \$12,564.3 | - |
| Accounts Payable | 124.6 | - |
| Accrued Liabilities | 490.2 | - |
| Other Current Liabilities | 193.3 | - |
| Total Current Liabilities | \$808.2 | - |
| Total Debt | 987.4 | - |
| Other Long-Term Liabilities | 209.7 | - |
| Total Liabilities | \$2,005.3 | - |
| Noncontrolling Interest | 14,055.9 | - |
| Preferred Stock | (121.2) | - |
| Shareholders' Equity | (3,375.8) | - |
| Total Liabilities and Equity | \$12,564.1 | - |
| Balance Check | 0.186 | 0.000 |

| Calculation of Fully Diluted Shares Outstanding | |
|---|---------|
| Basic Shares Outstanding | 182,994 |
| Plus: Shares from In-the-Money Options | - |
| Less: Shares Repurchased | - |
| Net New Shares from Options | - |
| Plus: Shares from Convertible Securities | - |
| Fully Diluted Shares Outstanding | 182,994 |

| Options/Warrants | | | | |
|------------------|---------------------|-------------------|------------------------|----------|
| Tranche | Number of Shares | Exercise Price | In-the-Money Shares | Proceeds |
| Tranche 1 | - | - | - | - |
| Tranche 2 | - | - | - | - |
| Tranche 3 | - | - | - | - |
| Tranche 4 | - | - | - | - |
| Tranche 5 | - | - | - | - |
| Total | - | - | - | - |

| Convertible Securities | | | | |
|------------------------|--------|------------------|------------------|------------|
| | Amount | Conversion Price | Conversion Ratio | New Shares |
| Issue 1 | - | - | - | - |
| Issue 2 | - | - | - | - |
| Issue 3 | - | - | - | - |
| Issue 4 | - | - | - | - |
| Issue 5 | - | - | - | - |
| Total | - | - | - | - |

RingCentral Inc. (NYSE:RNG)

Input Page

(\$ in millions, except per share data)

Business Description

RingCentral Inc is a provider of enterprise cloud communications building software that allows voice and video meetings.

| General Information | | |
|--------------------------|------------------|--|
| Company Name | RingCentral Inc. | |
| Ticker | RNG | |
| Stock Exchange | NYSE | |
| Fiscal Year Ending | Dec-31 | |
| Moody's Corporate Rating | NA | |
| S&P Corporate Rating | NA | |
| Predicted Beta | 0.87 | |
| Marginal Tax Rate | 18.0% | |

| Selected Market Data | | |
|----------------------------------|----------|-----------|
| Current Price | 10/23/23 | \$25.60 |
| % of 52-week High | | 51.9% |
| 52-week High Price | 1/0/1900 | 49.32 |
| 52-week Low Price | 1/0/1900 | 25.32 |
| Dividend Per Share (MRQ) | | - |
| Fully Diluted Shares Outstanding | | 95,240 |
| Equity Value | | \$2,438.1 |
| Plus: Total Debt | | - |
| Plus: Preferred Stock | | - |
| Plus: Noncontrolling Interest | | - |
| Less: Cash and Cash Equivalents | | - |
| Enterprise Value | | \$2,438.1 |

| Trading Multiples | | | |
|-------------------|----------------|----------------|------------------|
| | LTM 9/30/08 | NFY #VALUE! | NFY+1 #VALUE! |
| EV/Sales | 1.2x | NA | NA |
| Metric | \$1,988.3 | - | - |
| EV/EBITDA | 19.9x | NA | NA |
| Metric | \$122.7 | - | - |
| EV/EBIT | (17.0x) | NA | NA |
| Metric | (\$143.8) | - | - |
| P/E | (15.9x) | NA | NA |
| Metric | (\$1.61) | - | - |

| LTM Return on Investment Ratios | | |
|-----------------------------------|--|---------|
| Return on Invested Capital | | (32.5%) |
| Return on Equity | | 63.7% |
| Return on Assets | | (14.8%) |
| Implied Annual Dividend Per Share | | - |

| LTM Credit Statistics | | |
|---------------------------------|--|---------|
| Debt/Total Capitalization | | - |
| Total Debt/EBITDA | | - |
| Net Debt/EBITDA | | - |
| EBITDA/Interest Expense | | 25.6x |
| (EBITDA-capex)/Interest Expense | | 32.4x |
| EBIT/Interest Expense | | (30.0x) |

| Growth Rates | | | |
|-------------------|----------|----------|----------|
| | Sales | EBITDA | EPS |
| Historical | | | |
| 1-year | 24.7% | (180.4%) | (59.2%) |
| 2-year CAGR | 35.3% | - | (35.0%) |
| Estimated | | | |
| 1-year | (100.0%) | (100.0%) | (100.0%) |
| 2-year CAGR | (100.0%) | (100.0%) | (100.0%) |
| Long-term | | | (32.1%) |

| Reported Income Statement | | | | | | |
|------------------------------|---------------------------------|-----------|-----------|---------------|-----------------|-----------|
| | Fiscal Year Ending December 31, | | | Prior Stub | Current Stub | LTM |
| | 2020A | 2021A | 2022A | 9/30/2007 | 9/30/08 | 9/30/08 |
| Sales | \$1,086.3 | \$1,594.8 | \$1,988.3 | - | - | \$1,988.3 |
| COGS | 323.6 | 448.4 | 641.7 | - | - | 641.7 |
| Gross Profit | \$762.7 | \$1,146.4 | \$1,346.6 | - | - | \$1,346.6 |
| SG&A | 970.5 | 1,450.0 | 1,710.0 | - | - | 1,710.0 |
| Other Expense / (Income) | 80.5 | (7.6) | (219.6) | - | - | (219.6) |
| EBIT | (\$288.3) | (\$296.0) | (\$143.8) | - | - | (\$143.8) |
| Interest Expense | 49.3 | 64.4 | 4.8 | - | - | 4.8 |
| Pre-tax Income | (\$337.5) | (\$360.4) | (\$148.6) | - | - | (\$148.6) |
| Income Taxes | 0.9 | 2.5 | 5.1 | - | - | 5.1 |
| Noncontrolling Interest | - | - | - | - | - | - |
| Preferred Dividends | - | - | - | - | - | - |
| Net Income | (\$338.5) | (\$362.9) | (\$153.7) | - | - | (\$153.7) |
| Effective Tax Rate | (0.3%) | (0.7%) | (3.4%) | NA | NA | (3.4%) |
| Weighted Avg. Diluted Shares | 88.7 | 91.7 | 95.2 | - | - | 95.2 |
| Diluted EPS | (\$3.82) | (\$3.96) | (\$1.61) | - | - | NA |

| Adjusted Income Statement | | | | | | |
|------------------------------|-----------|-----------|-----------|----|----|-----------|
| Reported Gross Profit | \$762.7 | \$1,146.4 | \$1,346.6 | - | - | \$1,346.6 |
| Non-recurring Items in COGS | - | - | - | - | - | - |
| Adj. Gross Profit | \$762.7 | \$1,146.4 | \$1,346.6 | - | - | \$1,346.6 |
| % margin | 70.2% | 71.9% | 67.7% | NA | NA | 67.7% |
| Reported EBIT | (\$288.3) | (\$296.0) | (\$143.8) | - | - | (\$143.8) |
| Non-recurring Items in COGS | - | - | - | - | - | - |
| Other Non-recurring Items | - | - | - | - | - | - |
| Adjusted EBIT | (\$288.3) | (\$296.0) | (\$143.8) | - | - | (\$143.8) |
| % margin | (26.5%) | (18.6%) | (7.2%) | NA | NA | (7.2%) |
| Depreciation & Amortization | 91.3 | 143.3 | 266.5 | - | - | 266.5 |
| Adjusted EBITDA | (\$196.9) | (\$152.7) | \$122.7 | - | - | \$122.7 |
| % margin | (18.1%) | (9.6%) | 6.2% | NA | NA | 6.2% |
| Reported Net Income | (\$338.5) | (\$362.9) | (\$153.7) | - | - | (\$153.7) |
| Non-recurring Items in COGS | - | - | - | - | - | - |
| Other Non-recurring Items | - | - | - | - | - | - |
| Non-operating Non-rec. Items | - | - | - | - | - | - |
| Tax Adjustment | - | - | - | - | - | - |
| Adjusted Net Income | (\$338.5) | (\$362.9) | (\$153.7) | - | - | (\$153.7) |
| % margin | (31.2%) | (22.8%) | (7.7%) | NA | NA | (7.7%) |
| Adjusted Diluted EPS | (\$3.82) | (\$3.96) | (\$1.61) | - | - | (\$1.61) |

| Cash Flow Statement Data | | | | | | |
|-----------------------------|--------|--------|--------|----|----|--------|
| Depreciation & Amortization | 91.3 | 143.3 | 266.5 | - | - | 266.5 |
| % sales | 8.4% | 9.0% | 13.4% | NA | NA | 13.4% |
| Capital Expenditures | (43.6) | (29.0) | (32.7) | - | - | (32.7) |
| % sales | (4.0%) | (1.8%) | (1.6%) | NA | NA | (1.6%) |

Notes

- (1) [to come]
(2) [to come]
(3) [to come]
(4) [to come]

| Balance Sheet Data | | |
|------------------------------------|-----------|---------|
| | 2022A | 9/30/08 |
| Cash and Cash Equivalents | \$270.0 | - |
| Accounts Receivable | 311.3 | - |
| Inventories | 158.9 | - |
| Prepays and Other Current Assets | 55.8 | - |
| Total Current Assets | \$796.0 | - |
| Property, Plant and Equipment, net | 185.4 | - |
| Goodwill and Intangible Assets | 582.4 | - |
| Other Assets | 509.9 | - |
| Total Assets | \$2,073.7 | - |
| Accounts Payable | 62.7 | - |
| Accrued Liabilities | 380.1 | - |
| Other Current Liabilities | 209.7 | - |
| Total Current Liabilities | \$652.6 | - |
| Total Debt | 1,638.4 | - |
| Other Long-Term Liabilities | 66.0 | - |
| Total Liabilities | \$2,357.0 | - |
| Noncontrolling Interest | - | - |
| Preferred Stock | 199.4 | - |
| Shareholders' Equity | (482.8) | - |
| Total Liabilities and Equity | \$2,073.7 | - |
| Balance Check | 0.000 | 0.000 |

| Calculation of Fully Diluted Shares Outstanding | |
|---|--------|
| Basic Shares Outstanding | 95,240 |
| Plus: Shares from In-the-Money Options | - |
| Less: Shares Repurchased | - |
| Net New Shares from Options | - |
| Plus: Shares from Convertible Securities | - |
| Fully Diluted Shares Outstanding | 95,240 |

| Options/Warrants | | | | |
|------------------|---------------------|-------------------|------------------------|----------|
| Tranche | Number of Shares | Exercise Price | In-the-Money Shares | Proceeds |
| Tranche 1 | - | - | - | - |
| Tranche 2 | - | - | - | - |
| Tranche 3 | - | - | - | - |
| Tranche 4 | - | - | - | - |
| Tranche 5 | - | - | - | - |
| Total | - | - | - | - |

| Convertible Securities | | | |
|------------------------|--------|---------------------|---------------------|
| | Amount | Conversion Price | Conversion Ratio |
| Issue 1 | - | - | - |
| Issue 2 | - | - | - |
| Issue 3 | - | - | - |
| Issue 4 | - | - | - |
| Issue 5 | - | - | - |
| Total | - | - | - |

8X8 Inc. (NASDAQ:EGHT)

Input Page

(\$ in millions, except per share data)

| General Information | | |
|--------------------------|--|----------|
| Company Name | | 8X8 Inc. |
| Ticker | | EGHT |
| Stock Exchange | | NASDAQ |
| Fiscal Year Ending | | Mar-31 |
| Moody's Corporate Rating | | NA |
| S&P Corporate Rating | | NA |
| Predicted Beta | | 1.32 |
| Marginal Tax Rate | | 21.0% |

| Selected Market Data | | |
|----------------------------------|----------|---------|
| Current Price | 10/23/23 | \$2.31 |
| % of 52-week High | | 35.6% |
| 52-week High Price | 1/0/1900 | 6.49 |
| 52-week Low Price | 1/0/1900 | 2.15 |
| Dividend Per Share (MRQ) | | - |
| Fully Diluted Shares Outstanding | | 115,959 |
| Equity Value | | \$267.9 |
| Plus: Total Debt | | 495.6 |
| Plus: Preferred Stock | | - |
| Plus: Noncontrolling Interest | | - |
| Less: Cash and Cash Equivalents | | (93.0) |
| Enterprise Value | | \$670.6 |

| Trading Multiples | | | |
|-------------------|-----------------|--------------|----------------|
| | LTM 12/31/22 | NFY 2024E | NFY+1 2025E |
| EV/Sales | 1.4x | NA | NA |
| Metric | \$470.6 | - | - |
| EV/EBITDA | 22.1x | NA | NA |
| Metric | \$30.3 | - | - |
| EV/EBIT | 21.0x | NA | NA |
| Metric | \$32.0 | - | - |
| P/E | 36.3x | NA | NA |
| Metric | \$0.06 | - | - |

| LTM Return on Investment Ratios | |
|-----------------------------------|------|
| Return on Invested Capital | 7.0% |
| Return on Equity | 9.1% |
| Return on Assets | 1.0% |
| Implied Annual Dividend Per Share | - |

| LTM Credit Statistics | |
|---------------------------------|-------|
| Debt/Total Capitalization | 84.6% |
| Total Debt/EBITDA | 16.3x |
| Net Debt/EBITDA | 13.3x |
| EBITDA/Interest Expense | 1.4x |
| (EBITDA-capex)/Interest Expense | 1.6x |
| EBIT/Interest Expense | 1.5x |

| Growth Rates | | | |
|--------------|----------|----------|----------|
| | Sales | EBITDA | EPS |
| Historical | | | |
| 1-year | 16.4% | (89.3%) | (52.4%) |
| 2-year CAGR | 18.1% | (66.6%) | (26.7%) |
| Estimated | | | |
| 1-year | (100.0%) | (100.0%) | (100.0%) |
| 2-year CAGR | (100.0%) | (100.0%) | (100.0%) |
| Long-term | | | 149.7% |

| Reported Income Statement | | | | | | |
|------------------------------|------------------------------|-----------|-----------|---------------|-----------------|----------|
| | Fiscal Year Ending March 31, | | | Prior Stub | Current Stub | LTM |
| | 2021A | 2022A | 2023A | 12/31/21 | 12/31/22 | 12/31/22 |
| | | | | | | |
| Sales | \$532.3 | \$638.1 | \$743.0 | \$456.8 | \$184.4 | \$470.6 |
| COGS | 230.2 | 247.6 | 241.5 | 179.1 | 57.4 | 119.9 |
| Gross Profit | \$302.2 | \$390.6 | \$501.6 | \$277.7 | \$126.9 | \$350.8 |
| SG&A | 356.3 | 432.3 | 422.5 | 309.5 | 106.2 | 219.2 |
| Other Expense / (Income) | 110.6 | 134.0 | 150.3 | 97.4 | 46.2 | 99.6 |
| EBIT | (\$164.7) | (\$175.8) | (\$71.2) | (\$129.2) | (\$26.0) | \$32.0 |
| Interest Expense | - | 22.7 | 27.3 | (1.4) | (7.6) | 21.1 |
| Pre-tax Income | (\$164.7) | (\$198.5) | (\$98.5) | (\$127.8) | (\$18.4) | \$10.9 |
| Income Taxes | 0.8 | (0.4) | 2.8 | 0.6 | 0.0 | 2.2 |
| Noncontrolling Interest | - | - | - | - | - | - |
| Preferred Dividends | - | - | - | - | - | - |
| Net Income | (\$165.6) | (\$198.1) | (\$101.3) | (\$128.4) | (\$18.4) | \$8.7 |
| Effective Tax Rate | (0.5%) | 0.2% | (2.9%) | (0.5%) | (0.2%) | 20.6% |
| Weighted Avg. Diluted Shares | 118.3 | 125.4 | 134.6 | 112.0 | 113.6 | 136.1 |
| Diluted EPS | (\$1.40) | (\$1.58) | (\$0.75) | (\$1.15) | (\$0.16) | \$0.23 |

| Adjusted Income Statement | | | | | | |
|------------------------------|-----------|-----------|-----------|-----------|----------|---------|
| Reported Gross Profit | \$302.2 | \$390.6 | \$501.6 | \$277.7 | \$126.9 | \$350.8 |
| Non-recurring Items in COGS | - | - | - | - | - | - |
| Adj. Gross Profit | \$302.2 | \$390.6 | \$501.6 | \$277.7 | \$126.9 | \$350.8 |
| % margin | 56.8% | 61.2% | 67.5% | 60.8% | 68.8% | 74.5% |
| Reported EBIT | (\$164.7) | (\$175.8) | (\$71.2) | (\$129.2) | (\$26.0) | \$32.0 |
| Non-recurring Items in COGS | - | - | - | - | - | - |
| Other Non-recurring Items | - | - | - | - | - | - |
| Adjusted EBIT | (\$164.7) | (\$175.8) | (\$71.2) | (\$129.2) | (\$26.0) | \$32.0 |
| % margin | (30.9%) | (27.5%) | (9.6%) | (28.3%) | (14.1%) | 6.8% |
| Depreciation & Amortization | 45.1 | 50.4 | 57.9 | 72.1 | 12.6 | (1.6) |
| Adjusted EBITDA | (\$119.6) | (\$125.4) | (\$13.4) | (\$57.1) | (\$13.4) | \$30.3 |
| % margin | (22.5%) | (19.6%) | (1.8%) | (12.5%) | (7.3%) | 6.4% |
| Reported Net Income | (\$165.6) | (\$198.1) | (\$101.3) | (\$128.4) | (\$18.4) | \$8.7 |
| Non-recurring Items in COGS | - | - | - | - | - | - |
| Other Non-recurring Items | - | - | - | - | - | - |
| Non-operating Non-rec. Items | - | - | - | - | - | - |
| Tax Adjustment | - | - | - | - | - | - |
| Adjusted Net Income | (\$165.6) | (\$198.1) | (\$101.3) | (\$128.4) | (\$18.4) | \$8.7 |
| % margin | (31.1%) | (31.0%) | (13.6%) | (28.1%) | (10.0%) | 1.8% |
| Adjusted Diluted EPS | (\$1.40) | (\$1.58) | (\$0.75) | (\$1.15) | (\$0.16) | \$0.06 |

| Cash Flow Statement Data | | | | | | |
|-----------------------------|--------|--------|--------|--------|--------|--------|
| Depreciation & Amortization | 45.1 | 50.4 | 57.9 | 72.1 | 12.6 | (1.6) |
| % sales | 8.5% | 7.9% | 7.8% | 15.8% | 6.8% | (0.3%) |
| Capital Expenditures | (6.4) | (4.1) | (3.0) | (2.7) | (2.9) | (3.2) |
| % sales | (1.2%) | (0.6%) | (0.4%) | (0.6%) | (1.6%) | (0.7%) |

Notes

- (1) [to come]
(2) [to come]
(3) [to come]
(4) [to come]

Business Description

The company provides unified communications and collaboration services. They build software for business phones, team chat, contact center, video meeting, and more.

| Balance Sheet Data | | |
|------------------------------------|---------|----------|
| | 2023A | 12/31/22 |
| Cash and Cash Equivalents | \$111.4 | \$93.0 |
| Accounts Receivable | 62.3 | 53.8 |
| Inventories | 64.8 | 75.4 |
| Prepays and Other Current Assets | 34.6 | 32.4 |
| Total Current Assets | \$273.1 | \$254.6 |
| Property, Plant and Equipment, net | 57.9 | 60.9 |
| Goodwill and Intangible Assets | 374.0 | 377.8 |
| Other Assets | 136.8 | 142.8 |
| Total Assets | \$841.8 | \$836.1 |
| Accounts Payable | 46.8 | 40.6 |
| Accrued Liabilities | 59.2 | 77.4 |
| Other Current Liabilities | 123.9 | 46.7 |
| Total Current Liabilities | \$229.9 | \$164.8 |
| Total Debt | 428.8 | 495.6 |
| Other Long-Term Liabilities | 83.2 | 85.7 |
| Total Liabilities | \$741.9 | \$746.1 |
| Noncontrolling Interest | - | - |
| Preferred Stock | - | - |
| Shareholders' Equity | 99.9 | 90.0 |
| Total Liabilities and Equity | \$841.8 | \$836.1 |
| Balance Check | 0.000 | 0.000 |

| Calculation of Fully Diluted Shares Outstanding | |
|---|---------|
| Basic Shares Outstanding | 115,959 |
| Plus: Shares from In-the-Money Options | - |
| Less: Shares Repurchased | - |
| Net New Shares from Options | - |
| Plus: Shares from Convertible Securities | - |
| Fully Diluted Shares Outstanding | 115,959 |

| Options/Warrants | | | | |
|------------------|---------------------|-------------------|------------------------|----------|
| Tranche | Number of Shares | Exercise Price | In-the-Money Shares | Proceeds |
| Tranche 1 | - | - | - | - |
| Tranche 2 | - | - | - | - |
| Tranche 3 | - | - | - | - |
| Tranche 4 | - | - | - | - |
| Tranche 5 | - | - | - | - |
| Total | - | - | - | - |

| Convertible Securities | | | | |
|------------------------|--------|------------------|------------------|------------|
| | Amount | Conversion Price | Conversion Ratio | New Shares |
| Issue 1 | - | - | - | - |
| Issue 2 | - | - | - | - |
| Issue 3 | - | - | - | - |
| Issue 4 | - | - | - | - |
| Issue 5 | - | - | - | - |
| Total | - | - | - | - |

Bandwidth Inc. (NASDAQ:BAND)

Input Page

(\$ in millions, except per share data)

Business Description

Provider of cloud-based communications CPaaS services. They encompass a broad range of software APIs for voice, text message, and emergency services

| General Information | | |
|--------------------------|--|----------------|
| Company Name | | Bandwidth Inc. |
| Ticker | | BAND |
| Stock Exchange | | NASDAQ |
| Fiscal Year Ending | | Dec-31 |
| Moody's Corporate Rating | | NA |
| S&P Corporate Rating | | NA |
| Predicted Beta | | 1.39 |
| Marginal Tax Rate | | 21.0% |

| Selected Market Data | | |
|----------------------------------|----------|----------------|
| Current Price | 1/0/00 | \$9.49 |
| % of 52-week High | | 32.6% |
| 52-week High Price | 1/0/1900 | 29.07 |
| 52-week Low Price | 1/0/1900 | 9.46 |
| Dividend Per Share (MRQ) | | - |
| Fully Diluted Shares Outstanding | | 25,283 |
| Equity Value | | \$239.9 |
| Plus: Total Debt | | - |
| Plus: Preferred Stock | | - |
| Plus: Noncontrolling Interest | | - |
| Less: Cash and Cash Equivalents | | - |
| Enterprise Value | | \$239.9 |

| Trading Multiples | | | |
|-------------------|----------------|----------------|------------------|
| | LTM 9/30/08 | NFY #VALUE! | NFY+1 #VALUE! |
| EV/Sales | 0.4x | NA | NA |
| Metric | \$573.2 | - | - |
| EV/EBITDA | (7.9x) | NA | NA |
| Metric | (\$30.4) | - | - |
| EV/EBIT | (3.6x) | NA | NA |
| Metric | (\$66.0) | - | - |
| P/E | (4836.5x) | NA | NA |
| Metric | (\$0.00) | - | - |

| LTM Return on Investment Ratios | | |
|-----------------------------------|--|---------|
| Return on Invested Capital | | (20.6%) |
| Return on Equity | | (44.6%) |
| Return on Assets | | (13.1%) |
| Implied Annual Dividend Per Share | | - |

| LTM Credit Statistics | | |
|---------------------------------|--|--------|
| Debt/Total Capitalization | | - |
| Total Debt/EBITDA | | - |
| Net Debt/EBITDA | | - |
| EBITDA/Interest Expense | | 10.0x |
| (EBITDA-capex)/Interest Expense | | (3.7x) |
| EBIT/Interest Expense | | 21.6x |

| Growth Rates | | | |
|-------------------|----------|----------|----------|
| | Sales | EBITDA | EPS |
| Historical | | | |
| 1-year | 16.8% | (147.2%) | (181.6%) |
| 2-year CAGR | 29.2% | - | - |
| Estimated | | | |
| 1-year | (100.0%) | (100.0%) | (100.0%) |
| 2-year CAGR | (100.0%) | (100.0%) | (100.0%) |
| Long-term | | | - |

| Reported Income Statement | | | | | | |
|------------------------------|---------------------------------|----------------|-----------------|---------------|-----------------|-----------------|
| | Fiscal Year Ending December 31, | | | Prior Stub | Current Stub | LTM |
| | 2020A | 2021A | 2022A | 9/30/2007 | 9/30/08 | 9/30/08 |
| Sales | \$343.1 | \$490.9 | \$573.2 | - | - | \$573.2 |
| COGS | 189.2 | 277.1 | 334.8 | - | - | 334.8 |
| Gross Profit | \$153.9 | \$213.8 | \$238.4 | - | - | \$238.4 |
| SG&A | 155.1 | 215.1 | 262.7 | - | - | 262.7 |
| Other Expense / (Income) | (15.5) | (29.0) | 41.6 | - | - | 41.6 |
| EBIT | \$14.3 | \$27.7 | (\$66.0) | - | - | (\$66.0) |
| Interest Expense | (13.7) | (28.8) | (3.0) | - | - | (3.0) |
| Pre-tax Income | \$28.0 | \$56.5 | (\$62.9) | - | - | (\$62.9) |
| Income Taxes | 15.0 | (3.8) | (2.3) | - | - | (2.3) |
| Noncontrolling Interest | - | - | - | - | - | - |
| Preferred Dividends | - | - | - | - | - | - |
| Net Income | \$12.9 | \$60.3 | (\$60.6) | - | - | (\$60.6) |
| Effective Tax Rate | 53.7% | (6.8%) | 3.6% | NA | NA | 3.6% |
| Weighted Avg. Diluted Shares | 24,092.6 | 25,090.9 | 30,907.9 | - | - | 30,907.9 |
| Diluted EPS | \$0.00 | \$0.00 | (\$0.00) | - | - | NA |

| Adjusted Income Statement | | | | | | |
|------------------------------|----------------|----------------|-----------------|----|----|-----------------|
| Reported Gross Profit | \$153.9 | \$213.8 | \$238.4 | - | - | \$238.4 |
| Non-recurring Items in COGS | - | - | - | - | - | - |
| Adj. Gross Profit | \$153.9 | \$213.8 | \$238.4 | - | - | \$238.4 |
| % margin | 44.9% | 43.6% | 41.6% | NA | NA | 41.6% |
| Reported EBIT | \$14.3 | \$27.7 | (\$66.0) | - | - | (\$66.0) |
| Non-recurring Items in COGS | - | - | - | - | - | - |
| Other Non-recurring Items | - | - | - | - | - | - |
| Adjusted EBIT | \$14.3 | \$27.7 | (\$66.0) | - | - | (\$66.0) |
| % margin | 4.2% | 5.6% | (11.5%) | NA | NA | (11.5%) |
| Depreciation & Amortization | 16.8 | 36.6 | 35.6 | - | - | 35.6 |
| Adjusted EBITDA | \$31.1 | \$64.4 | (\$30.4) | - | - | (\$30.4) |
| % margin | 9.1% | 13.1% | (5.3%) | NA | NA | (5.3%) |
| Reported Net Income | \$12.9 | \$60.3 | (\$60.6) | - | - | (\$60.6) |
| Non-recurring Items in COGS | - | - | - | - | - | - |
| Other Non-recurring Items | - | - | - | - | - | - |
| Non-operating Non-rec. Items | - | - | - | - | - | - |
| Tax Adjustment | - | - | - | - | - | - |
| Adjusted Net Income | \$12.9 | \$60.3 | (\$60.6) | - | - | (\$60.6) |
| % margin | 3.8% | 12.3% | (10.6%) | NA | NA | (10.6%) |
| Adjusted Diluted EPS | \$0.00 | \$0.00 | (\$0.00) | - | - | (\$0.00) |

| Cash Flow Statement Data | | | | | | |
|-----------------------------|--------|--------|--------|----|----|--------|
| Depreciation & Amortization | 16.8 | 36.6 | 35.6 | - | - | 35.6 |
| % sales | 4.9% | 7.5% | 6.2% | NA | NA | 6.2% |
| Capital Expenditures | (12.3) | (17.7) | (41.7) | - | - | (41.7) |
| % sales | (3.6%) | (3.6%) | (7.3%) | NA | NA | (7.3%) |

Notes

- (1) [to come]
(2) [to come]
(3) [to come]
(4) [to come]

| Balance Sheet Data | | |
|-------------------------------------|----------------|----------|
| | 2022A | 9/30/08 |
| Cash and Cash Equivalents | \$113.6 | - |
| Accounts Receivable | 74.5 | - |
| Inventories | 75.8 | - |
| Prepays and Other Current Assets | 15.7 | - |
| Total Current Assets | \$279.6 | - |
| Property, Plant and Equipment, net | 99.8 | - |
| Goodwill and Intangible Assets | 503.8 | - |
| Other Assets | 46.2 | - |
| Total Assets | \$929.3 | - |
| Accounts Payable | 26.8 | - |
| Accrued Liabilities | 62.6 | - |
| Other Current Liabilities | 24.7 | - |
| Total Current Liabilities | \$114.0 | - |
| Total Debt | 480.5 | - |
| Other Long-Term Liabilities | 62.6 | - |
| Total Liabilities | \$657.1 | - |
| Noncontrolling Interest | - | - |
| Preferred Stock | - | - |
| Shareholders' Equity | 272.1 | - |
| Total Liabilities and Equity | \$929.3 | - |
| Balance Check | 0.060 | 0.000 |

| Calculation of Fully Diluted Shares Outstanding | |
|---|---------------|
| Basic Shares Outstanding | 25,283 |
| Plus: Shares from In-the-Money Options | - |
| Less: Shares Repurchased | - |
| Net New Shares from Options | - |
| Plus: Shares from Convertible Securities | - |
| Fully Diluted Shares Outstanding | 25,283 |

| Options/Warrants | | | | |
|------------------|---------------------|-------------------|------------------------|----------|
| Tranche | Number of Shares | Exercise Price | In-the-Money Shares | Proceeds |
| Tranche 1 | - | - | - | - |
| Tranche 2 | - | - | - | - |
| Tranche 3 | - | - | - | - |
| Tranche 4 | - | - | - | - |
| Tranche 5 | - | - | - | - |
| Total | - | - | - | - |

| Convertible Securities | | | | |
|------------------------|--------|------------------|------------------|------------|
| | Amount | Conversion Price | Conversion Ratio | New Shares |
| Issue 1 | - | - | - | - |
| Issue 2 | - | - | - | - |
| Issue 3 | - | - | - | - |
| Issue 4 | - | - | - | - |
| Issue 5 | - | - | - | - |
| Total | - | - | - | - |

DocuSign (NASDAQ:DOCU)

Input Page

(\$ in millions, except per share data)

| General Information | | |
|--------------------------|--|----------|
| Company Name | | DocuSign |
| Ticker | | DOCU |
| Stock Exchange | | NASDAQ |
| Fiscal Year Ending | | Jan-31 |
| Moody's Corporate Rating | | NA |
| S&P Corporate Rating | | NA |
| Predicted Beta | | 0.87 |
| Marginal Tax Rate | | 20.0% |

| Selected Market Data | | |
|----------------------------------|----------|-----------|
| Current Price | 1/0/00 | \$40.08 |
| % of 52-week High | | 57.7% |
| 52-week High Price | 1/0/1900 | 69.45 |
| 52-week Low Price | 1/0/1900 | 39.36 |
| Dividend Per Share (MRQ) | | - |
| Fully Diluted Shares Outstanding | | 200,900 |
| Equity Value | | \$8,052.1 |
| Plus: Total Debt | | - |
| Plus: Preferred Stock | | - |
| Plus: Noncontrolling Interest | | - |
| Less: Cash and Cash Equivalents | | - |
| Enterprise Value | | \$8,052.1 |

| Trading Multiples | | | |
|-------------------|----------------|----------------|------------------|
| | LTM 9/30/08 | NFY #VALUE! | NFY+1 #VALUE! |
| EV/Sales | 3.0x | NA | NA |
| Metric | \$2,654.3 | - | - |
| EV/EBITDA | 29.1x | NA | NA |
| Metric | \$276.3 | - | - |
| EV/EBIT | 42.4x | NA | NA |
| Metric | \$190.0 | - | - |
| P/E | (2.4x) | NA | NA |
| Metric | (\$16.75) | - | - |

| LTM Return on Investment Ratios | | |
|-----------------------------------|--|------------|
| Return on Invested Capital | | 590.1% |
| Return on Equity | | (1,131.0%) |
| Return on Assets | | (231.7%) |
| Implied Annual Dividend Per Share | | - |

| LTM Credit Statistics | | |
|---------------------------------|--|------|
| Debt/Total Capitalization | | - |
| Total Debt/EBITDA | | - |
| Net Debt/EBITDA | | - |
| EBITDA/Interest Expense | | 0.1x |
| (EBITDA-capex)/Interest Expense | | 0.1x |
| EBIT/Interest Expense | | 0.1x |

| Growth Rates | | | |
|--------------|----------|----------|----------|
| | Sales | EBITDA | EPS |
| Historical | | | |
| 1-year | 19.4% | 9.8% | 118.2% |
| 2-year CAGR | 31.8% | - | - |
| Estimated | | | |
| 1-year | (100.0%) | (100.0%) | (100.0%) |
| 2-year CAGR | (100.0%) | (100.0%) | (100.0%) |
| Long-term | | | 20.0% |

| Reported Income Statement | | | | | | |
|------------------------------|--------------------------------|-----------|-----------|----------------------------|----------------------------|----------------|
| | Fiscal Year Ending January 31, | | | Prior Stub 9/30/2007 | Current Stub 9/30/08 | LTM 9/30/08 |
| | 2021A | 2022A | 2023A | | | |
| Sales | \$1,450.0 | \$2,110.0 | \$2,520.0 | \$1,174.4 | \$1,308.7 | \$2,654.3 |
| COGS | 378.6 | 479.6 | 547.2 | 269.1 | 282.7 | 560.2 |
| Gross Profit | \$1,071.4 | \$1,630.4 | \$1,972.8 | \$905.3 | \$1,026.6 | \$2,094.1 |
| SG&A | 1,240.0 | 1,680.0 | 2,020.0 | - | - | 2,020.0 |
| Other Expense / (Income) | | | | - | - | - |
| EBIT | (\$168.6) | (\$49.6) | (\$47.2) | \$905.3 | \$1,026.6 | \$74.1 |
| Interest Expense | 30.8 | 6.4 | | 3.3 | 3,558.0 | 3,554.7 |
| Pre-tax Income | (\$199.4) | (\$56.0) | (\$47.2) | \$902.0 | (\$2,531.4) | (\$3,480.6) |
| Income Taxes | 13.8 | 3.1 | 7.6 | (67.2) | 28.1 | 102.9 |
| Noncontrolling Interest | - | - | - | - | - | - |
| Preferred Dividends | - | - | - | - | - | - |
| Net Income | (\$213.2) | (\$59.1) | (\$54.8) | \$969.2 | (\$2,559.9) | (\$3,583.5) |
| Effective Tax Rate | (6.9%) | (5.5%) | (16.1%) | (7.5%) | (1.1%) | (3.0%) |
| Weighted Avg. Diluted Shares | 185.8 | 197.0 | 200.3 | 200.2 | 208.3 | 208.4 |
| Diluted EPS | (\$1.15) | (\$0.30) | (\$0.27) | \$4.84 | (\$12.29) | (\$17.40) |

| Adjusted Income Statement | | | | | | |
|------------------------------|-----------|-----------|-----------|---------|-------------|-------------|
| Reported Gross Profit | \$1,071.4 | \$1,630.4 | \$1,972.8 | \$905.3 | \$1,026.6 | \$2,094.1 |
| Non-recurring Items in COGS | 71.1 | 81.9 | 86.3 | - | 29.6 | 115.9 |
| Adj. Gross Profit | \$1,142.5 | \$1,712.3 | \$2,059.1 | \$905.3 | \$1,056.2 | \$2,210.0 |
| % margin | 78.8% | 81.2% | 81.7% | 77.1% | 80.7% | 83.3% |
| Reported EBIT | (\$168.6) | (\$49.6) | (\$47.2) | \$905.3 | \$1,026.6 | \$74.1 |
| Non-recurring Items in COGS | 71.1 | 81.9 | 86.3 | - | 29.6 | 115.9 |
| Other Non-recurring Items | - | - | - | - | - | - |
| Adjusted EBIT | (\$97.5) | \$32.3 | \$39.1 | \$905.3 | \$1,056.2 | \$190.0 |
| % margin | (6.7%) | 1.5% | 1.6% | 77.1% | 80.7% | 7.2% |
| Depreciation & Amortization | 71.1 | 81.9 | 86.3 | - | - | 86.3 |
| Adjusted EBITDA | (\$26.4) | \$114.2 | \$125.4 | \$905.3 | \$1,056.2 | \$276.3 |
| % margin | (1.8%) | 5.4% | 5.0% | 77.1% | 80.7% | 10.4% |
| Reported Net Income | (\$213.2) | (\$59.1) | (\$54.8) | \$969.2 | (\$2,559.9) | (\$3,583.5) |
| Non-recurring Items in COGS | 71.1 | 81.9 | 86.3 | - | 29.6 | 115.9 |
| Other Non-recurring Items | - | - | - | - | - | - |
| Non-operating Non-rec. Items | - | - | - | - | - | - |
| Tax Adjustment | (14.2) | (16.4) | (17.3) | - | (6.9) | (23.2) |
| Adjusted Net Income | (\$156.3) | \$6.4 | \$14.2 | \$969.2 | (\$2,535.8) | (\$3,490.8) |
| % margin | (10.8%) | 0.3% | 0.6% | 82.5% | (193.8%) | (131.5%) |
| Adjusted Diluted EPS | (\$0.84) | \$0.03 | \$0.07 | \$4.84 | (\$12.17) | (\$16.75) |

| Cash Flow Statement Data | | | | | | |
|-----------------------------|--------|--------|--------|---|---|--------|
| Depreciation & Amortization | 71.1 | 81.9 | 86.3 | - | - | 86.3 |
| % sales | 4.9% | 3.9% | 3.4% | - | - | 3.3% |
| Capital Expenditures | (82.3) | (61.4) | (77.7) | - | - | (77.7) |
| % sales | (5.7%) | (2.9%) | (3.1%) | - | - | (2.9%) |

Notes

- (1) [to come]
(2) [to come]
(3) [to come]
(4) [to come]

Business Description

A provider of technology services. It offers cloud-based digital transaction and e-signature solutions. They allow access to electronic signatures, payments and

| Balance Sheet Data | | |
|------------------------------------|-----------|---------|
| | 2023A | 9/30/08 |
| Cash and Cash Equivalents | \$721.9 | - |
| Accounts Receivable | 516.9 | - |
| Inventories | 322.2 | - |
| Prepays and Other Current Assets | 70.0 | - |
| Total Current Assets | \$1,631.0 | - |
| Property, Plant and Equipment, net | 199.9 | - |
| Goodwill and Intangible Assets | 423.9 | - |
| Other Assets | 757.9 | - |
| Total Assets | \$3,012.7 | - |
| Accounts Payable | 24.4 | - |
| Accrued Liabilities | 264.1 | - |
| Other Current Liabilities | 1,919.8 | - |
| Total Current Liabilities | \$2,208.3 | - |
| Total Debt | 169.0 | - |
| Other Long-Term Liabilities | 18.1 | - |
| Total Liabilities | \$2,395.4 | - |
| Noncontrolling Interest | - | - |
| Preferred Stock | - | - |
| Shareholders' Equity | 617.3 | - |
| Total Liabilities and Equity | \$3,012.7 | - |
| Balance Check | 0.000 | 0.000 |

| Calculation of Fully Diluted Shares Outstanding | |
|---|---------|
| Basic Shares Outstanding | 200,900 |
| Plus: Shares from In-the-Money Options | - |
| Less: Shares Repurchased | - |
| Net New Shares from Options | - |
| Plus: Shares from Convertible Securities | - |
| Fully Diluted Shares Outstanding | 200,900 |

| Options/Warrants | | | | |
|------------------|---------------------|-------------------|------------------------|----------|
| Tranche | Number of Shares | Exercise Price | In-the-Money Shares | Proceeds |
| Tranche 1 | - | - | - | - |
| Tranche 2 | - | - | - | - |
| Tranche 3 | - | - | - | - |
| Tranche 4 | - | - | - | - |
| Tranche 5 | - | - | - | - |
| Total | - | - | - | - |

| Convertible Securities | | | | |
|------------------------|--------|------------------|------------------|------------|
| | Amount | Conversion Price | Conversion Ratio | New Shares |
| Issue 1 | - | - | - | - |
| Issue 2 | - | - | - | - |
| Issue 3 | - | - | - | - |
| Issue 4 | - | - | - | - |
| Issue 5 | - | - | - | - |
| Total | - | - | - | - |

CISCO (NASDAQ:CSCO)

Input Page

(\$ in millions, except per share data)

| General Information | | |
|--------------------------|--|--------|
| Company Name | | CISCO |
| Ticker | | CSCO |
| Stock Exchange | | NASDAQ |
| Fiscal Year Ending | | Jul-31 |
| Moody's Corporate Rating | | NA |
| S&P Corporate Rating | | AA |
| Predicted Beta | | 0.96 |
| Marginal Tax Rate | | 11.5% |

| Selected Market Data | | |
|----------------------------------|----------|-----------|
| Current Price | 1/0/00 | \$52.20 |
| % of 52-week High | | 89.7% |
| 52-week High Price | 1/0/1900 | 58.19 |
| 52-week Low Price | 1/0/1900 | 43.20 |
| Dividend Per Share (MRQ) | | 1.56 |
| Fully Diluted Shares Outstanding | | 115,959 |
| Equity Value | | \$6,053.1 |
| Plus: Total Debt | | 7,637.0 |
| Plus: Preferred Stock | | - |
| Plus: Noncontrolling Interest | | - |
| Less: Cash and Cash Equivalents | | (9,009.0) |
| Enterprise Value | | \$4,681.1 |

| Trading Multiples | | | |
|-------------------|----------------|--------------|----------------|
| | LTM 1/28/23 | NFY 2024E | NFY+1 2025E |
| EV/Sales | 0.1x | NA | NA |
| Metric | \$44,970.0 | - | - |
| EV/EBITDA | 0.4x | NA | NA |
| Metric | \$13,124.0 | - | - |
| EV/EBIT | 0.4x | NA | NA |
| Metric | \$11,398.0 | - | - |
| P/E | (0.6x) | NA | NA |
| Metric | (\$83.59) | - | - |

| LTM Return on Investment Ratios | |
|-----------------------------------|-------|
| Return on Invested Capital | 28.1% |
| Return on Equity | 20.6% |
| Return on Assets | 9.0% |
| Implied Annual Dividend Per Share | 12.0% |

| LTM Credit Statistics | |
|---------------------------------|--------|
| Debt/Total Capitalization | 15.6% |
| Total Debt/EBITDA | 0.6x |
| Net Debt/EBITDA | (0.1x) |
| EBITDA/Interest Expense | 26.4x |
| (EBITDA-capex)/Interest Expense | 28.1x |
| EBIT/Interest Expense | 22.9x |

| Growth Rates | | | |
|--------------|----------|----------|------|
| | Sales | EBITDA | EPS |
| Historical | | | |
| 1-year | 10.6% | 5.2% | - |
| 2-year CAGR | 7.0% | 6.8% | - |
| Estimated | | | |
| 1-year | (100.0%) | (100.0%) | - |
| 2-year CAGR | (100.0%) | (100.0%) | - |
| Long-term | | | 6.1% |

| Reported Income Statement | | | | | | |
|------------------------------|-----------------------------|------------|------------|---------------|-----------------|------------|
| | Fiscal Year Ending July 31, | | | Prior Stub | Current Stub | LTM |
| | 2021A | 2022A | 2023A | Jan 29, 2022 | 1/28/23 | 1/28/23 |
| Sales | \$49,818.0 | \$51,557.0 | \$56,998.0 | \$25,620.0 | \$13,592.0 | \$44,970.0 |
| COGS | 17,924.0 | 19,309.0 | 21,245.0 | 9,518.0 | 5,165.0 | 16,892.0 |
| Gross Profit | \$31,894.0 | \$32,248.0 | \$35,753.0 | \$16,102.0 | \$8,427.0 | \$28,078.0 |
| SG&A | 18,070.0 | 17,820.0 | 19,940.0 | 5,622.0 | 2,966.0 | 17,284.0 |
| Other Expense / (Income) | 991.0 | 459.0 | 782.0 | 3,555.0 | 2,169.0 | (604.0) |
| EBIT | \$12,833.0 | \$13,969.0 | \$15,031.0 | \$6,925.0 | \$3,292.0 | \$11,398.0 |
| Interest Expense | 434.0 | 360.0 | 427.0 | (177.0) | (107.0) | 497.0 |
| Pre-tax Income | \$12,399.0 | \$13,609.0 | \$14,604.0 | \$7,102.0 | \$3,399.0 | \$10,901.0 |
| Income Taxes | 2,671.0 | 2,665.0 | 2,705.0 | 1,307.0 | 642.0 | 2,040.0 |
| Noncontrolling Interest | - | - | - | - | - | - |
| Preferred Dividends | - | - | - | - | - | - |
| Net Income | \$9,728.0 | \$10,944.0 | \$11,899.0 | \$5,795.0 | \$2,757.0 | \$8,861.0 |
| Effective Tax Rate | 21.5% | 19.6% | 18.5% | 18.4% | 18.9% | 18.7% |
| Weighted Avg. Diluted Shares | - | - | - | 4,222.0 | 4,116.0 | (106.0) |
| Diluted EPS | NA | NA | NA | \$1.37 | \$0.67 | NA |

| Adjusted Income Statement | | | | | | |
|------------------------------|------------|------------|------------|------------|-----------|------------|
| Reported Gross Profit | \$31,894.0 | \$32,248.0 | \$35,753.0 | \$16,102.0 | \$8,427.0 | \$28,078.0 |
| Non-recurring Items in COGS | - | - | - | - | - | - |
| Adj. Gross Profit | \$31,894.0 | \$32,248.0 | \$35,753.0 | \$16,102.0 | \$8,427.0 | \$28,078.0 |
| % margin | 64.0% | 62.5% | 62.7% | 62.8% | 62.0% | 62.4% |
| Reported EBIT | \$12,833.0 | \$13,969.0 | \$15,031.0 | \$6,925.0 | \$3,292.0 | \$11,398.0 |
| Non-recurring Items in COGS | - | - | - | - | - | - |
| Other Non-recurring Items | - | - | - | - | - | - |
| Adjusted EBIT | \$12,833.0 | \$13,969.0 | \$15,031.0 | \$6,925.0 | \$3,292.0 | \$11,398.0 |
| % margin | 25.8% | 27.1% | 26.4% | 27.0% | 24.2% | 25.3% |
| Depreciation & Amortization | 1,862.0 | 1,957.0 | 1,726.0 | - | - | 1,726.0 |
| Adjusted EBITDA | \$14,695.0 | \$15,926.0 | \$16,757.0 | \$6,925.0 | \$3,292.0 | \$13,124.0 |
| % margin | 29.5% | 30.9% | 29.4% | 27.0% | 24.2% | 29.2% |
| Reported Net Income | \$9,728.0 | \$10,944.0 | \$11,899.0 | \$5,795.0 | \$2,757.0 | \$8,861.0 |
| Non-recurring Items in COGS | - | - | - | - | - | - |
| Other Non-recurring Items | - | - | - | - | - | - |
| Non-operating Non-rec. Items | - | - | - | - | - | - |
| Tax Adjustment | - | - | - | - | - | - |
| Adjusted Net Income | \$9,728.0 | \$10,944.0 | \$11,899.0 | \$5,795.0 | \$2,757.0 | \$8,861.0 |
| % margin | 19.5% | 21.2% | 20.9% | 22.6% | 20.3% | 19.7% |
| Adjusted Diluted EPS | - | - | - | \$1.37 | \$0.67 | (\$83.59) |

| Cash Flow Statement Data | | | | | | |
|-----------------------------|---------|---------|---------|---|---|---------|
| Depreciation & Amortization | 1,862.0 | 1,957.0 | 1,726.0 | - | - | 1,726.0 |
| % sales | 3.7% | 3.8% | 3.0% | - | - | 3.8% |
| Capital Expenditures | (692.0) | (477.0) | (849.0) | - | - | (849.0) |
| % sales | (1.4%) | (0.9%) | (1.5%) | - | - | (1.9%) |

Notes

- (1) [to come]
(2) [to come]
(3) [to come]
(4) [to come]

Business Description

They engage in the design and sale of Internet Protocol-based networking products and services related to the communications and information technology

| Balance Sheet Data | | |
|------------------------------------|-------------|------------|
| | 2023A | 1/28/23 |
| Cash and Cash Equivalents | \$10,123.0 | \$9,009.0 |
| Accounts Receivable | 5,854.0 | 5,237.0 |
| Inventories | 23,019.0 | 3,140.0 |
| Prepays and Other Current Assets | 4,352.0 | 21,129.0 |
| Total Current Assets | \$43,348.0 | \$38,515.0 |
| Property, Plant and Equipment, net | 2,085.0 | 1,964.0 |
| Goodwill and Intangible Assets | 40,353.0 | 40,522.0 |
| Other Assets | 16,066.0 | 14,839.0 |
| Total Assets | \$101,852.0 | \$95,840.0 |
| Accounts Payable | 2,313.0 | 2,329.0 |
| Accrued Liabilities | 3,984.0 | 3,187.0 |
| Other Current Liabilities | 25,012.0 | 21,736.0 |
| Total Current Liabilities | \$31,309.0 | \$27,252.0 |
| Total Debt | 6,658.0 | 7,637.0 |
| Other Long-Term Liabilities | 19,532.0 | 19,477.0 |
| Total Liabilities | \$57,499.0 | \$54,366.0 |
| Noncontrolling Interest | - | - |
| Preferred Stock | - | - |
| Shareholders' Equity | 44,353.0 | 41,474.0 |
| Total Liabilities and Equity | \$101,852.0 | \$95,840.0 |
| Balance Check | 0.000 | 0.000 |

| Calculation of Fully Diluted Shares Outstanding | |
|---|---------|
| Basic Shares Outstanding | 115,959 |
| Plus: Shares from In-the-Money Options | - |
| Less: Shares Repurchased | - |
| Net New Shares from Options | - |
| Plus: Shares from Convertible Securities | - |
| Fully Diluted Shares Outstanding | 115,959 |

| Options/Warrants | | | | |
|------------------|---------------------|-------------------|------------------------|----------|
| Tranche | Number of Shares | Exercise Price | In-the-Money Shares | Proceeds |
| Tranche 1 | - | - | - | - |
| Tranche 2 | - | - | - | - |
| Tranche 3 | - | - | - | - |
| Tranche 4 | - | - | - | - |
| Tranche 5 | - | - | - | - |
| Total | - | - | - | - |

| Convertible Securities | | | | |
|------------------------|--------|------------------|------------------|------------|
| | Amount | Conversion Price | Conversion Ratio | New Shares |
| Issue 1 | - | - | - | - |
| Issue 2 | - | - | - | - |
| Issue 3 | - | - | - | - |
| Issue 4 | - | - | - | - |
| Issue 5 | - | - | - | - |
| Total | - | - | - | - |

Digital Ocean Holdings Inc. (NYSE:DOCN)

Input Page

(\$ in millions, except per share data)

Business Description

A cloud computing vendor that offers an infrastrucrer as a service platform for software developers.

| General Information | | |
|--------------------------|-----------------------------|--------|
| Company Name | Digital Ocean Holdings Inc. | |
| Ticker | | DOCN |
| Stock Exchange | | NYSE |
| Fiscal Year Ending | | Dec-31 |
| Moody's Corporate Rating | | NA |
| S&P Corporate Rating | | NA |
| Predicted Beta | | 1.38 |
| Marginal Tax Rate | | 21.0% |

| Selected Market Data | | |
|----------------------------------|----------|------------------|
| Current Price | 10/24/23 | \$22.23 |
| % of 52-week High | | 43.0% |
| 52-week High Price | 1/0/1900 | 51.69 |
| 52-week Low Price | 1/0/1900 | 21.42 |
| Dividend Per Share (MRQ) | | - |
| Fully Diluted Shares Outstanding | | 100.806 |
| Equity Value | | \$2,240.9 |
| Plus: Total Debt | | - |
| Plus: Preferred Stock | | - |
| Plus: Noncontrolling Interest | | - |
| Less: Cash and Cash Equivalents | | - |
| Enterprise Value | | \$2,240.9 |

| Trading Multiples | | | |
|-------------------|----------------|----------------|------------------|
| | LTM 9/30/08 | NFY #VALUE! | NFY+1 #VALUE! |
| EV/Sales | 3.9x | NA | NA |
| Metric | \$576.3 | - | - |
| EV/EBITDA | 29.5x | NA | NA |
| Metric | \$76.0 | - | - |
| EV/EBIT | (85.5x) | NA | NA |
| Metric | (\$26.2) | - | - |
| P/E | (65.0x) | NA | NA |
| Metric | (\$0.34) | - | - |

| LTM Return on Investment Ratios | | |
|-----------------------------------|--|----------|
| Return on Invested Capital | | (3.8%) |
| Return on Equity | | (135.0%) |
| Return on Assets | | (3.8%) |
| Implied Annual Dividend Per Share | | - |

| LTM Credit Statistics | | |
|---------------------------------|--|--------|
| Debt/Total Capitalization | | - |
| Total Debt/EBITDA | | - |
| Net Debt/EBITDA | | - |
| EBITDA/Interest Expense | | 9.1x |
| (EBITDA-capex)/Interest Expense | | 22.2x |
| EBIT/Interest Expense | | (3.1x) |

| Growth Rates | | | |
|-------------------|----------|----------|----------|
| | Sales | EBITDA | EPS |
| Historical | | | |
| 1-year | 34.5% | (1.5%) | 96.5% |
| 2-year CAGR | 34.5% | 12.8% | (31.4%) |
| Estimated | | | |
| 1-year | (100.0%) | (100.0%) | (100.0%) |
| 2-year CAGR | (100.0%) | (100.0%) | (100.0%) |
| Long-term | | | 36.8% |

| Reported Income Statement | | | | | | |
|------------------------------|---------------------------------|-----------------|-----------------|---------------|-----------------|-----------------|
| | Fiscal Year Ending December 31, | | | Prior Stub | Current Stub | LTM |
| | 2020A | 2021A | 2022A | 9/30/2007 | 9/30/08 | 9/30/08 |
| Sales | \$318.4 | \$428.6 | \$576.3 | - | - | \$576.3 |
| COGS | 145.5 | 170.6 | 211.9 | - | - | 211.9 |
| Gross Profit | \$172.8 | \$258.0 | \$364.4 | - | - | \$364.4 |
| SG&A | 113.7 | 153.5 | 246.7 | - | - | 246.7 |
| Other Expense / (Income) | 75.0 | 115.7 | 143.9 | - | - | 143.9 |
| EBIT | (\$15.8) | (\$11.2) | (\$26.2) | - | - | (\$26.2) |
| Interest Expense | 13.6 | 3.7 | 8.4 | - | - | 8.4 |
| Pre-tax Income | (\$29.4) | (\$14.9) | (\$34.6) | - | - | (\$34.6) |
| Income Taxes | 0.9 | 1.3 | (0.1) | - | - | (0.1) |
| Noncontrolling Interest | - | - | - | - | - | - |
| Preferred Dividends | - | - | - | - | - | - |
| Net Income | (\$30.3) | (\$16.2) | (\$34.5) | - | - | (\$34.5) |
| Effective Tax Rate | (3.1%) | (8.7%) | 0.4% | NA | NA | 0.4% |
| Weighted Avg. Diluted Shares | 41.7 | 93.2 | 100.8 | - | - | 100.8 |
| Diluted EPS | (\$0.73) | (\$0.17) | (\$0.34) | - | - | NA |

| Adjusted Income Statement | | | | | | |
|------------------------------|-----------------|-----------------|-----------------|----|----|-----------------|
| Reported Gross Profit | \$172.8 | \$258.0 | \$364.4 | - | - | \$364.4 |
| Non-recurring Items in COGS | - | - | - | - | - | - |
| Adj. Gross Profit | \$172.8 | \$258.0 | \$364.4 | - | - | \$364.4 |
| % margin | 54.3% | 60.2% | 63.2% | NA | NA | 63.2% |
| Reported EBIT | (\$15.8) | (\$11.2) | (\$26.2) | - | - | (\$26.2) |
| Non-recurring Items in COGS | - | - | - | - | - | - |
| Other Non-recurring Items | - | - | - | - | - | - |
| Adjusted EBIT | (\$15.8) | (\$11.2) | (\$26.2) | - | - | (\$26.2) |
| % margin | (5.0%) | (2.6%) | (4.5%) | NA | NA | (4.5%) |
| Depreciation & Amortization | 75.6 | 88.4 | 102.2 | - | - | 102.2 |
| Adjusted EBITDA | \$59.8 | \$77.2 | \$76.0 | - | - | \$76.0 |
| % margin | 18.8% | 18.0% | 13.2% | NA | NA | 13.2% |
| Reported Net Income | (\$30.3) | (\$16.2) | (\$34.5) | - | - | (\$34.5) |
| Non-recurring Items in COGS | - | - | - | - | - | - |
| Other Non-recurring Items | - | - | - | - | - | - |
| Non-operating Non-rec. Items | - | - | - | - | - | - |
| Tax Adjustment | - | - | - | - | - | - |
| Adjusted Net Income | (\$30.3) | (\$16.2) | (\$34.5) | - | - | (\$34.5) |
| % margin | (9.5%) | (3.8%) | (6.0%) | NA | NA | (6.0%) |
| Adjusted Diluted EPS | (\$0.73) | (\$0.17) | (\$0.34) | - | - | (\$0.34) |

| Cash Flow Statement Data | | | | | | |
|-----------------------------|---------|---------|---------|----|----|---------|
| Depreciation & Amortization | 75.6 | 88.4 | 102.2 | - | - | 102.2 |
| % sales | 23.7% | 20.6% | 17.7% | NA | NA | 17.7% |
| Capital Expenditures | (115.3) | (103.5) | (110.7) | - | - | (110.7) |
| % sales | (36.2%) | (24.1%) | (19.2%) | NA | NA | (19.2%) |

Notes

- (1) [to come]
- (2) [to come]
- (3) [to come]
- (4) [to come]

| Balance Sheet Data | | | |
|-------------------------------------|------------------|---------|--|
| | 2022A | 9/30/08 | |
| Cash and Cash Equivalents | \$140.8 | - | |
| Accounts Receivable | 53.8 | - | |
| Inventories | 723.5 | - | |
| Prepays and Other Current Assets | 28.5 | - | |
| Total Current Assets | \$946.6 | - | |
| Property, Plant and Equipment, net | 273.2 | - | |
| Goodwill and Intangible Assets | 432.6 | - | |
| Other Assets | 163.5 | - | |
| Total Assets | \$1,815.9 | - | |
| Accounts Payable | 21.1 | - | |
| Accrued Liabilities | 34.0 | - | |
| Other Current Liabilities | 109.1 | - | |
| Total Current Liabilities | \$164.3 | - | |
| Total Debt | 1,470.3 | - | |
| Other Long-Term Liabilities | 130.4 | - | |
| Total Liabilities | \$1,764.9 | - | |
| Noncontrolling Interest | - | - | |
| Preferred Stock | - | - | |
| Shareholders' Equity | 51.1 | - | |
| Total Liabilities and Equity | \$1,816.0 | - | |
| Balance Check | (0.100) | 0.000 | |

| Calculation of Fully Diluted Shares Outstanding | |
|---|----------------|
| Basic Shares Outstanding | 100.806 |
| Plus: Shares from In-the-Money Options | - |
| Less: Shares Repurchased | - |
| Net New Shares from Options | - |
| Plus: Shares from Convertible Securities | - |
| Fully Diluted Shares Outstanding | 100.806 |

| Options/Warrants | | | | |
|------------------|---------------------|-------------------|------------------------|----------|
| Tranche | Number of Shares | Exercise Price | In-the-Money Shares | Proceeds |
| Tranche 1 | - | - | - | - |
| Tranche 2 | - | - | - | - |
| Tranche 3 | - | - | - | - |
| Tranche 4 | - | - | - | - |
| Tranche 5 | - | - | - | - |
| Total | - | - | - | - |

| Convertible Securities | | | | |
|------------------------|--------|---------------------|---------------------|---------------|
| | Amount | Conversion Price | Conversion Ratio | New Shares |
| Issue 1 | - | - | - | - |
| Issue 2 | - | - | - | - |
| Issue 3 | - | - | - | - |
| Issue 4 | - | - | - | - |
| Issue 5 | - | - | - | - |
| Total | - | - | - | - |

Company G (NYSE:GGG)

Input Page

(\$ in millions, except per share data)

| General Information | | |
|--------------------------|--|-----------|
| Company Name | | Company G |
| Ticker | | GGG |
| Stock Exchange | | NYSE |
| Fiscal Year Ending | | Dec-31 |
| Moody's Corporate Rating | | NA |
| S&P Corporate Rating | | NA |
| Predicted Beta | | 1.00 |
| Marginal Tax Rate | | 38.0% |

| Selected Market Data | | |
|----------------------------------|----------|----|
| Current Price | 1/0/00 | - |
| % of 52-week High | | NA |
| 52-week High Price | 1/0/1900 | - |
| 52-week Low Price | 1/0/1900 | - |
| Dividend Per Share (MRQ) | | - |
| Fully Diluted Shares Outstanding | | - |
| Equity Value | | - |
| Plus: Total Debt | | - |
| Plus: Preferred Stock | | - |
| Plus: Noncontrolling Interest | | - |
| Less: Cash and Cash Equivalents | | - |
| Enterprise Value | | - |

| Trading Multiples | | | |
|-------------------|----------------|--------------|----------------|
| | LTM 9/30/08 | NFY 2008E | NFY+1 2009E |
| EV/Sales | NA | NA | NA |
| Metric | - | - | - |
| EV/EBITDA | NA | NA | NA |
| Metric | - | - | - |
| EV/EBIT | NA | NA | NA |
| Metric | - | - | - |
| P/E | NA | NA | NA |
| Metric | - | - | - |

| LTM Return on Investment Ratios | |
|-----------------------------------|----|
| Return on Invested Capital | - |
| Return on Equity | - |
| Return on Assets | - |
| Implied Annual Dividend Per Share | NA |

| LTM Credit Statistics | |
|---------------------------------|---|
| Debt/Total Capitalization | - |
| Total Debt/EBITDA | - |
| Net Debt/EBITDA | - |
| EBITDA/Interest Expense | - |
| (EBITDA-capex)/Interest Expense | - |
| EBIT/Interest Expense | - |

| Growth Rates | | | |
|--------------|-------|--------|-----|
| | Sales | EBITDA | EPS |
| Historical | | | |
| 1-year | - | - | - |
| 2-year CAGR | - | - | - |
| Estimated | | | |
| 1-year | - | - | - |
| 2-year CAGR | - | - | - |
| Long-term | | | - |

| Reported Income Statement | | | | | | |
|------------------------------|---------------------------------|-------|-------|---------------|-----------------|---------|
| | Fiscal Year Ending December 31, | | | Prior Stub | Current Stub | LTM |
| | 2005A | 2006A | 2007A | 9/30/2007 | 9/30/08 | 9/30/08 |
| Sales | - | - | - | - | - | - |
| COGS | - | - | - | - | - | - |
| Gross Profit | - | - | - | - | - | - |
| SG&A | - | - | - | - | - | - |
| Other Expense / (Income) | - | - | - | - | - | - |
| EBIT | - | - | - | - | - | - |
| Interest Expense | - | - | - | - | - | - |
| Pre-tax Income | - | - | - | - | - | - |
| Income Taxes | - | - | - | - | - | - |
| Noncontrolling Interest | - | - | - | - | - | - |
| Preferred Dividends | - | - | - | - | - | - |
| Net Income | - | - | - | - | - | - |
| Effective Tax Rate | NA | NA | NA | NA | NA | NA |
| Weighted Avg. Diluted Shares | - | - | - | - | - | - |
| Diluted EPS | NA | NA | NA | NA | NA | NA |

| Adjusted Income Statement | | | | | | |
|------------------------------|----|----|----|----|----|----|
| Reported Gross Profit | - | - | - | - | - | - |
| Non-recurring Items in COGS | - | - | - | - | - | - |
| Adj. Gross Profit | - | - | - | - | - | - |
| % margin | NA | NA | NA | NA | NA | NA |
| Reported EBIT | - | - | - | - | - | - |
| Non-recurring Items in COGS | - | - | - | - | - | - |
| Other Non-recurring Items | - | - | - | - | - | - |
| Adjusted EBIT | - | - | - | - | - | - |
| % margin | NA | NA | NA | NA | NA | NA |
| Depreciation & Amortization | - | - | - | - | - | - |
| Adjusted EBITDA | - | - | - | - | - | - |
| % margin | NA | NA | NA | NA | NA | NA |
| Reported Net Income | - | - | - | - | - | - |
| Non-recurring Items in COGS | - | - | - | - | - | - |
| Other Non-recurring Items | - | - | - | - | - | - |
| Non-operating Non-rec. Items | - | - | - | - | - | - |
| Tax Adjustment | - | - | - | - | - | - |
| Adjusted Net Income | - | - | - | - | - | - |
| % margin | NA | NA | NA | NA | NA | NA |
| Adjusted Diluted EPS | - | - | - | - | - | - |

| Cash Flow Statement Data | | | | | | |
|-----------------------------|----|----|----|----|----|----|
| Depreciation & Amortization | - | - | - | - | - | - |
| % sales | NA | NA | NA | NA | NA | NA |
| Capital Expenditures | - | - | - | - | - | - |
| % sales | NA | NA | NA | NA | NA | NA |

Notes

- (1) [to come]
(2) [to come]
(3) [to come]
(4) [to come]

Business Description

[to come]

| Balance Sheet Data | | |
|------------------------------------|-------|---------|
| | 2007A | 9/30/08 |
| Cash and Cash Equivalents | - | - |
| Accounts Receivable | - | - |
| Inventories | - | - |
| Prepays and Other Current Assets | - | - |
| Total Current Assets | - | - |
| Property, Plant and Equipment, net | - | - |
| Goodwill and Intangible Assets | - | - |
| Other Assets | - | - |
| Total Assets | - | - |
| Accounts Payable | - | - |
| Accrued Liabilities | - | - |
| Other Current Liabilities | - | - |
| Total Current Liabilities | - | - |
| Total Debt | - | - |
| Other Long-Term Liabilities | - | - |
| Total Liabilities | - | - |
| Noncontrolling Interest | - | - |
| Preferred Stock | - | - |
| Shareholders' Equity | - | - |
| Total Liabilities and Equity | - | - |
| Balance Check | 0.000 | 0.000 |

| Calculation of Fully Diluted Shares Outstanding | |
|---|---|
| Basic Shares Outstanding | - |
| Plus: Shares from In-the-Money Options | - |
| Less: Shares Repurchased | - |
| Net New Shares from Options | - |
| Plus: Shares from Convertible Securities | - |
| Fully Diluted Shares Outstanding | - |

| Options/Warrants | | | | |
|------------------|---------------------|-------------------|------------------------|----------|
| Tranche | Number of Shares | Exercise Price | In-the-Money Shares | Proceeds |
| Tranche 1 | - | - | - | - |
| Tranche 2 | - | - | - | - |
| Tranche 3 | - | - | - | - |
| Tranche 4 | - | - | - | - |
| Tranche 5 | - | - | - | - |
| Total | - | - | - | - |

| Convertible Securities | | | |
|------------------------|--------|---------------------|---------------|
| | Amount | Conversion Price | New Shares |
| Issue 1 | - | - | - |
| Issue 2 | - | - | - |
| Issue 3 | - | - | - |
| Issue 4 | - | - | - |
| Issue 5 | - | - | - |
| Total | - | - | - |

1. I chose these comparable companies by looking at similarities between the companies' My target company is Twilio Inc. The companies I chose: RingCentral, 8x8 Inc., Bandwidth Inc., DocuSign Inc., and Cisco Systems Inc. all are cloud based companies that offer a service. In a magnified subgroup within the cloud industry, cloud communications, Twilio is the leading company. However RingCentral, 8x8, Bandwidth all target the same customer base. They are the direct competitors trying to refine cloud communication. As for Cisco Systems, it is a much larger company in the cloud industry, possibly trying to monopolize and acquire Twilio in the future.

2. I determined the EBITDA multiple by using the formula

(EBITDA multiple = enterprise value / EBITDA)

(TWLO) EBITDA multiple= enterprise value/EBITDA

(TWLO) 9,605/-705

EBITDA Multiple= -13.62

RingCentral =2438/267 =9.13

Bandwidth =240/36 =6.66

In order to compute the EBITDA multiple, I looked at the enterprise values of the comparable companies by looking at the benchmarking 1 excel sheet. For the EBITDA Multiple, I followed the formula and for my top 2 closest related companies I performed the same task. The two companies I chose were part of the subgroup of cloud services, cloud communication. Twilio has the highest numbered EBITDA Multiple due to the fact it is a leader in its industry. The two companies listed are possible competitors to either acquire or merge with in the future as some of their services are slightly different, yet the company sizes are much smaller.

3. I arrived at the value of the company by using the formula

(value based on companies = EBITDA multiple x EBITDA for our company)

Valuation of TWLO= EBITDA multiple x EBITDA of TWLO

= -13.62 x -705 = 9,605 or 9.6B

In order to compute the value based on comparable companies, I plugged in the EBITDA multiple from the formula above by the EBITDA for our company.

For the other companies, the average EBITDA Multiple was computed and divided by the EBITDA Multiple of TWLO

AVG EBITDA Multiple= 7.895

AVG EBITDA x EBITDA of TWLO =

-7.895 (negative for number computation) x -705 = 5,565.98 or 5.56B

In finding the value for the top two closest companies in the industry based on customer base and size I found that the top two companies' valuation for TWLO was 5.56B whereas the actual valuation for TWLO is 9.6B. Upon conducting this financial analysis, I realized it is important to look at the whole industry to see who the top performers are and how your own company matches up against them. For the sake of Twilio, they are a top performer within their subgroup of cloud communications. However, when compared to the overall industry and its leaders, Twilio is another company that is recognized but not a powerhouse in the industry. Their negative EBITDA is alarming, however there is a revised and improved business model for this coming fiscal year. The company should be on the radar. As of right now, compared to the close two companies in the subgroup industry, Twilio is overvalued by roughly 4.0B. The coming fiscal year will provide more information on where Twilio will fall depending on the success of the new business model.