

TMC2 Group - Component Companies as at June 2022

Portfolio Company	Sector	Core Activity	Pre-Money Valuation 000's	TMC2 Ownership	TMC2 Valuation at May 1, 2022	% of total	Support Attached	Valuation Approach and Explanation
FansChat International	Entertainment	Fan engagement and music	£7,000	25%	£1,750	4.1%	4.1%	Valuation based on NPV of estimated cash flows is \$20 million, this has been major music group for Sub Saharan Africa imminent
SHWDWN	Entertainment	Artist discovery	£30,000	40%	£5,533	12.9%		Value is based on current capital raise in Canada at US\$20 million valuation. Series A at \$100 million pre money planned for later in 2022
Tintra PLC	Fintech & Svcs	EM Banking	£1,284	5%	£1,284	3.0%	3.0%	
								Stake based on current Tintra PLC Market capitalisation
Tintra 3.0	Fintech	Fintech AML/KYC	£5,000	50%	£2,500	5.8%	5.8%	JV has buyout level of \$25 million, 90% discount applied as project at early stage
Sigma Financial Trading	Fintech	Trading Tools	£3,000	25%	£750	1.8%		Estimated NPV £90 million based on projections, estimated value of our stake has been reduced by 85% to reflect we are at POC stage. Initial revenues likely late 2022
Nutr AI	Food	Food AI tech	£750	95%	£713	1.7%		Very early stage project, with CEO in place. Value based on current POC and market sizing
Loyal AI	Media	Personalised data gathering and retrieval	£3,000	25%	£624	1.5%		Valuation agreed with JV partners. Loyal is doing a current raise at \$10 million plus with investors and that value supported by cash flows
AMI/Media AI	Media	Digital asset curation	£2,000	50%	£1,000	2.3%		Initial target client identified and POC running. Estimated valuation is \$20 million, but haircut to reflect early stage
DAACI	Music	AI generated music and tools	£16,000	71%	£11,360	26.5%	26.5%	Based on cash flow projections showing an NPV valuation of \$327 million and after applying a 90% reduction to reflect new tech
Mashttraxx	Music	AI Transformative music editing	£12,000	40%	£4,800	11.2%	11.2%	Based on value of Triller option of \$15 million. Actual going concern value considerably higher
WISL	Music	Music marketplace for businesses	£10,000	80%	£8,000	18.7%	18.7%	Based on cash flow projections showing an NPV valuation of \$90 million and after applying a 75% reduction
EP AI	Research	AI search tools	£4,500	70%	£3,150	7.4%	7.4%	Business has awarded patents and 3 live licencing deals. Value is based on cash flow from licences. A current indepent valuations is being done with a likely value of \$50 million plus
Pyrros AI Research	Research	AI research and consulting	£1,350	100%	£1,350	3.2%		Two initial consulting projects starting in high value businesses with potential stakes for Pyrros if succesful. Value is a placeholder but upside very substantial in terms of new partnerships/IP
Total			£82,716		£42,813	100.0%		81.1%

76.7%

Planned Raise £10,000 18.9% **Post Money £52,813 100.0%**

TMC2 Group - Component Companies as at June 2022

Discount rate	20%
NPV	\$ 327.00

Multiple based on 2023 pre tax	15	\$ 453.1
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FX Rate	1.25
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DAACI Limited								US\$ Millions
P&L Projections through 2028								
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>

Revenues	\$ -	\$ 2.0	\$ 38.0	\$ 108.0	\$ 143.9	\$ 206.4	\$ 281.0	\$ 376.1
People - Fixed	\$ 0.2	\$ 1.7	\$ 3.6	\$ 4.1	\$ 4.5	\$ 5.0	\$ 5.5	\$ 6.1
People - Scale up		\$ -	\$ 1.0	\$ 1.5	\$ 3.0	\$ 4.0	\$ 4.5	\$ 5.0
People - Variable		\$ -	\$ 0.5	\$ 0.6	\$ 0.7	\$ 0.8	\$ 0.8	\$ 0.9
People	\$ 0.2	\$ 1.7	\$ 5.2	\$ 6.3	\$ 8.2	\$ 9.8	\$ 10.8	\$ 12.0
Marketing	\$ 0.3	\$ 0.1	\$ 1.9	\$ 5.4	\$ 7.2	\$ 10.3	\$ 14.0	\$ 18.8
Operating costs	\$ 0.2	\$ 0.4	\$ 0.5	\$ 0.6	\$ 0.7	\$ 0.8	\$ 1.0	\$ 1.2
Allocations	\$ 0.1	\$ 0.2	\$ 0.2	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.4	\$ 0.4
Other operating costs	\$ 0.2	\$ 0.6	\$ 0.7	\$ 0.8	\$ 1.0	\$ 1.2	\$ 1.4	\$ 1.6
Cost Base	\$ 0.7	\$ 2.4	\$ 7.8	\$ 12.5	\$ 16.4	\$ 21.2	\$ 26.2	\$ 32.4
P&L	\$ (0.7)	\$ (0.4)	\$ 30.2	\$ 95.5	\$ 127.5	\$ 185.2	\$ 254.7	\$ 343.7
Cumulative	\$ (0.7)	\$ (1.0)	\$ 29.2	\$ 124.7	\$ 252.2	\$ 437.3	\$ 692.1	\$ 1,035.8

TMC2 Group - Component Companies as at June 2022

WISL Limited - Proforma Income Statement
2021 to 2026 US\$ 000's

Estimated NPV

Discount Rate	15%
NPV through 2026	£ 20,430.3
NPV of future flows	£ 68,586.7
Estimated NPV	\$ 89,017.0

Perpetuity £

REVENUES

	137,952.4
NPV of	£
	68,586.7

	2021	2022	2023	2024	2025	2026	ITD
	Year	Year	Year	Year	Year	Year	
Total Subscription Revenues	\$ -	\$ -	\$ 1,240.5	\$ 4,065.0	\$ 6,337.5	\$ 9,986.3	\$ 21,629.3
Total Transactional Revenues	\$ -	\$ -	\$ 2,846.0	\$ 7,750.0	\$ 16,770.0	\$ 25,256.0	\$ 52,622.0
TOTAL REVENUES	\$ -	\$ -	\$ 4,086.5	\$ 11,815.0	\$ 23,107.5	\$ 35,242.3	\$ 74,251.3
TOTAL FIXED AND OVERHEAD	\$ 114.0	\$ 1,207.5	\$ 3,555.0	\$ 4,968.8	\$ 7,140.9	\$ 9,376.2	\$ 26,362.4
PRE TAX PROFIT	\$ (114.0)	\$ (1,207.5)	\$ 531.5	\$ 6,846.3	\$ 15,966.6	\$ 25,866.1	\$ 47,888.9
TAXATION	\$ -	\$ -		\$ 1,369.3	\$ 3,193.3	\$ 5,173.2	\$ 9,735.8
PROFIT AFTER TAX	\$ (114.0)	\$ (1,207.5)	\$ 531.5	\$ 5,477.0	\$ 12,773.3	\$ 20,692.9	\$ 38,153.1

COSTS

TMC2 Group - Component Companies as at June 2022

Fanschat Africa - Nigerian Base case

Scale of Opportunity - Subscription only at present US\$

YOY Growth	25%
FX rate	1.36

Discount rate		15%		\$ 000's
	FY 2022	FY 2023	FY 2024	FY 2025
<u>Nigeria Mid Case</u>				
MTN:	\$	1,332	\$	1,665 \$ 2,081
UMG:	\$	666	\$	832 \$ 1,041
FC:	\$	666	\$	832 \$ 1,041
Total:	\$	2,664	\$	3,329 \$ 4,163

Scale of Opportunity - Hardware Partnerships US\$

Tecno:	\$	540	\$	675 \$ 844
UMG:	\$	630	\$	788 \$ 984
FC:	\$	630	\$	788 \$ 984
Total	\$	1,800	\$	2,251 \$ 2,812

Total	\$	4,464.0	\$	5,580.0	\$ 6,975.0
Net Profit Margin		40%		40%	40%
Pre Tax	\$	(1,000.0)	\$	1,785.6	\$ 2,232.0 \$ 2,790.0

NPV	\$		
	3,543.4		\$ 18,600.0
Perpetuity	\$		
	10,634.6		
Total NPV	\$	14,177.98	

£ NPV	£	11,342.39
Early Stage HC		62%
Total Pre Tax	£	
	7,000.00	

Assumptions

TMC2 Group - Component

Companies as at June 2022

TMC2 Group - Sigma Valuation Basis													
		Yr1 build		Yr2		Yr3		Yr4		Yr5		Yr6	
		0		1		2		3		4		5	
Operating income													
Retail	£	£	1,227,313	£	3,545,530			£	6,682,675			£	£
	-											10,597,732	15,282,764
Boutique	£	£	180,039	£	487,590			£	787,638			£	£
	-											1,087,686	1,387,734
White Label	£	£	405,564	£	1,547,698			£	2,741,835			£	£
	-											3,735,962	4,930,099
Gross income	£	£	1,812,916	£	5,580,818			£	10,212,148			£	£
	-											15,421,380	21,600,597
Expenses													
Staff	-	£	-	£	-			£	-			-	-
Non-tech	£	£	547,298	£	547,298			£	563,717			£	£
	134,873											580,628	598,047
Tech staff	£	£	793,210	£	1,087,070			£	1,358,837			£	£
	14,711											1,698,547	2,123,183
Tech and Non tech	£	£	1,340,508	£	1,634,368			£	1,922,554			£	£
	149,584											2,279,175	2,721,230
Technology inc data	£	£	228,172	£	460,571			£	552,685			£	£
	5,343											663,222	795,866
Business Services	£	£	165,000	£	354,000			£	672,600			£	£
	39,000											1,277,940	2,428,086

Total Expenses	£	£	1,733,680	£	2,448,938	£	3,147,839	£	£
		193,927						4,220,337	5,945,183

Net income (FCF)	-£	£	79,236	£	3,131,880	£	7,064,309	£	£
		193,927						11,201,043	15,655,414
EBITDA %		0%		4%		56%		69%	73% 72%

NPV	-£	£	67,520	£	2,274,199	£	4,371,242	£	£
		193,927						5,906,163	7,034,338
Tax		£	13,504	£	454,840	£	874,248	£	£
								1,181,233	1,406,868
Post Tax	-£	£	54,016	£	1,819,359	£	3,496,994	£	£
		193,927						4,724,930	5,627,470

Valuation		
No Growth		
Total NPV to year 5	£	1
Perpetuity	£	4
Total NPV	£	6
Growth		
Total NPV to year 5	£	1
Perpetuity	£	5
Total NPV	£	7
TMC2 share		
	£	1
Early stage haircut		
Value included	£	
		750,000

Discount rate	17.4%
Tax rate	20.0%

TMC2 Group - Component Companies as at June 2022

Additional Valuation Support

Mashtraxx

Value of Triller Option	\$ 15,000.00
FX Rate	1.25
Value of Triller Option	£ 12,000.00

TMC2 Share	40%
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TMC2 Share	£	4,800
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Tintra 3.0

Buy out option price	\$ 25,000.00
FX Rate	1.25
Buy out option price	£ 20,000.00

Early stage haircut	-
	88% -
	17500
Net Value	£ 2,500

EPAI

<u>Licence Clients</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
WISL Cash Flows	\$ -	\$ 204	\$ 591	\$ 578	\$ 1,762
Loyal Cash Flows	\$ 70	\$ 300	\$ 500	\$ 750	\$ 1,125
Media AI Cash Flows		\$ 250	\$ 750	\$ 1,250	\$ 2,000
New Customers	\$ 50	\$ 250	\$ 500	\$ 750	\$ 1,000

Total Value	\$ 120	\$ 1,004	\$ 2,341	\$ 3,328	\$ 5,887
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Gross Margin	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
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Net Earnings	\$ 84	\$ 703	\$ 1,639	\$ 2,329	\$ 4,121
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NPV \$	£15,327	Perpetuity	\$ 27,473
NPV £	£12,261	NPV	\$ 11,041
Discount Rate	20%		

Per Valuation sheet	£
	4,500.0
TMC2 Share	£
	3,150.0

TMC2 Group - Component Companies as at June 2022

Which LLP? Nominee													TMC2 LLP or TMC2N Ltd					
	TMC2	TMC2	TMC2 Int'l	TMC2 Int'l	TMC2 Int'l	TMC2	TMC2	TMC2 Int'l	TMC2	TMC2	TMC2	TMC2N Ltd	TMC2N Ltd	TMC2N Ltd	£ 29,730.50	69.4%		
Investible	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	No	No	£ 13,082.80	30.6%		
													£ 42,813.300			100.0%		
TMC2 LLP Value	1	2	3	4	5	6	7	8	9	10	11	12						
	EIS Businesses			Non EIS Businesses					Work in Progress					Grand Total	Not Investible	£ 2,086.50		
Pre Money	£ 11,360	£ 8,000	£ 19,360	£ 1,750	£ 5,533	£ 4,800	£ 2,500	£ 1,284	£ 15,867	£ 3,150	£ 713	£ 1,000	£ 624	£ 750	£ 1,350	£ 7,587	£ 42,813	£ 3,784.00
			45.22%						37.06%							17.72%	100.0%	£ 36,942.80
Total Business Value																		
	DAACI	WISL		FCIH	ShwDwn	Mashtraxx	TINTRA 3.0	TMC2 Ltd		EPAI	Food AI	AMI	Loyal	Sigma	Pyrsons AI			TMC2 Nominees
Current Value	\$ 20,000	£ 16,000	£ 10,000	£ 7,000	£ 16,832	£ 12,000	£ 5,000	£ 1,284	£ 42,116	£ 4,500	£ 750	£ 2,000	£ 3,000	£ 3,000	£ 1,350	£ 14,600	£ 82,716	£ 27,644.00
Raise	\$ 5,000	£ 4,000	£ 2,500	£ 5,000	£ 4,000	£ -	£ -			£ 2,500	£ 500	£ 1,000	£ 1,000	£ 1,250	£ 1,000			£ 13,082.80
Post Money	\$ 25,000	£ 20,000	£ 12,500	£ 12,000				£ 1,284		£ 7,000	£ 1,250	£ 3,000	£ 4,000	£ 4,250	£ 2,350			£ 40,726.80
TMC2 LLP own		71.0%	80.0%	25.0%	40.0%	40.0%	50.0%	100.0%		70.0%	95.0%	50.0%	20.8%	25.0%	100.0%			67.9%
Others		29.0%	20.0%	75.0%	60.0%	60.0%	50.0%	0.0%		30.0%	5.0%	50.0%	75.0%	75.0%	0.0%			32.1%
Total		100.0%	100%	100.0%	100.0%	100.0%	100.0%	100.0%		100.0%	100.0%	100.0%	95.8%	100.0%	100.0%			100.0%

Note 1

Assumptions

FX Rated US\$ 1.25

Tintra Market Cap £ 25.68 million per LSE 31/1/2022

Notes:

1. TMC2 Value is net of potential investment of \$1.5 million
2. Includes Tintra PLC stake

TMC Squared Int LLP		£000's	
	Current Pre Money Value	% of LLP	% of TMC2 Group
AMI	£ 1,000.00	7.6%	2.3%
FCIH	£ 1,750.00	13.4%	4.1%
ShwDwn	£ 5,532.80	42.3%	12.9%
Mashtraxx	£ 4,800.00	36.7%	11.2%
	£ 13,082.80	100.0%	30.6%
Total Points		1,000,000	

Value Per Point	£	13.08
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TMC Squared Int LLP			
Points Summary			
New Capital invested			
New Partnership Points	£	3,055.78	
		233,572.28	18.9%
Post Money Value	£	16,138.58	
Post Money Points		1,233,572.28	100.0%

Total Valuation pre Money	£	42,813.30	81.1%
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Total Raise	£	10,000.00	18.9%	£	10,000.00
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Post Money	£	52,813.30	100.0%	£	52,813.30
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TMC SQUARED NOMINEE LIMITED
Investment Split for full Portfolio Investment

TMC Squared LLP		£000's	
	Current Pre Money Value	% of LLP	% of TMC2 Group
DAACI	£ 11,360.00	38.2%	26.5%
EPAI	£ 3,150.00	10.6%	7.4%
WISL	£ 8,000.00	26.9%	18.7%
FOOD AI	£ 712.50	2.4%	1.7%
Tintra PLC	£ 1,284.00	4.3%	3.0%
Tintra 3.0	£ 2,500.00	8.4%	5.8%
Loyal	£ 624.00	2.1%	1.5%
Sigma	£ 750.00	2.5%	1.8%
Pysos AI	£ 1,350.00	4.5%	3.2%
	£ 29,730.50	100.0%	69.4%
Total Points	1,000,000		
Value Per Point	£ 29.73		

TMC Squared LLP		Points Summary	
New Capital invested			
New Partnership Points	£ 6,944.22		
	233,572.28	18.9%	
Post Money Value	£ 36,674.72		
Post Money Points	1,233,572.28	100.0%	