



TML Venture Valuation Solution

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__The problem

The challenge for many Investors is correctly valuating the Early Stage Business they are intending to invest into.

This is no small challenge as with all Early Stage Business there is limited or no historical financial data that can be analysed.

As a result Investing VCs have to accept a very high level of risk and base their decision making on their experience of the market, previous investments in similar ventures and to a large extent their intuition and rapport with the Founders of the business.

The solution

The Missing Link offering addresses and helps in minimising this risk by benchmarking against successful organisations that have undertaken a similar inception and growth path.

Leveraging an experienced Team of Financial Professionals who have dedicated their career to advising start-ups and SMEs on how to grow successfully and rapidly scale their business.

This coupled with a substantial and growing database of new ventures allows The Missing Link to deliver more accurate and focused valuations.

Armed with this new Ventures can confidently engage potential Investors during the due diligence process and provide greater confidence and peace of mind in the robustness of their financial standing.

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Appendix 1: Public Companies Reference

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The Exec Report

Valuation

Company Y **pre-money equity** value is likely to be around £15.5M according to similar transactions, as outlined below in chart 1. We assumed COMPANY Y **post-money equity** value to be around £18.5M with a series A funding of £3M.

1-Company Y Pre-Post Sales

PostMoney = PreMoney + Investment		PostMoney	PreMoney
PostMoney =	18,500,000.00	# Stock = 2.39	2.00
PreMoney =	15,500,000.00	Stock Value = 7,750,000.00	7,750,000.00
Investment =	3,000,000.00		
%Invest./PostMoney =	16.22%		
%Invest./PreMoney =	19.35%		

Recommendations

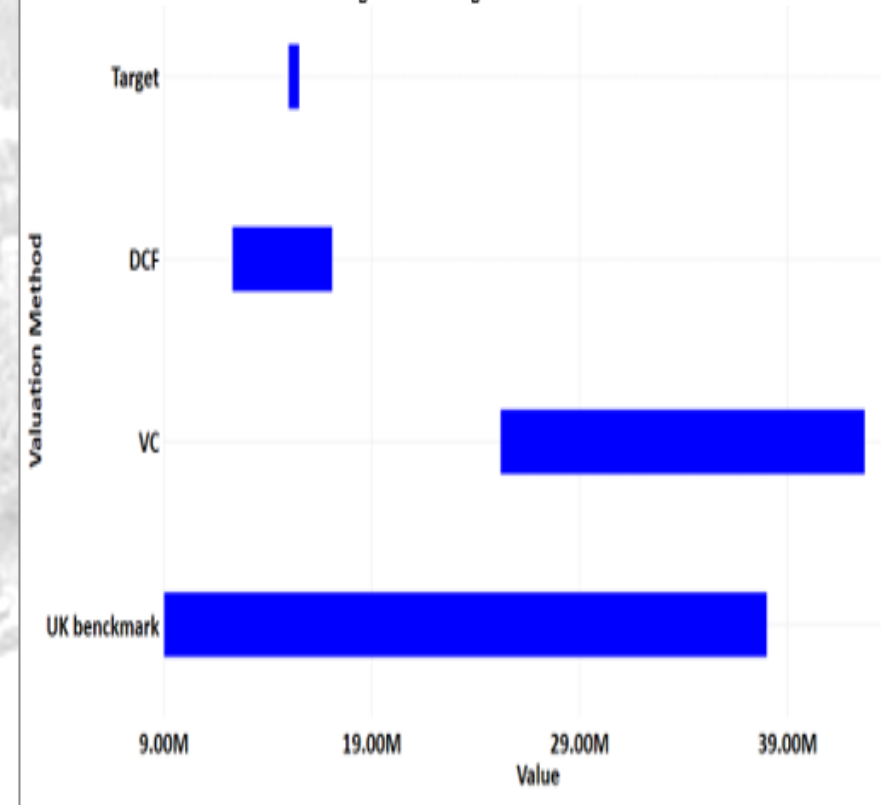
This analysis is useful not only to determine a closer valuation range, but also to calibrate COMPANY Y future value. The strategic attributes, as per the swot analysis in chart5, will be used like milestones to follow up COMPANY Y in the next stages of its evolution.

A closer look at COMPANY Y Gaps suggests the key values' drivers being:

- Company traction and sales/pipeline generation
- The management organisational chart Completion
- IP process Completion.
- Operational Proof of Concept.

A possible path would be targeting a valuation of around £43-64m at the series B stage as per The Meatless Farm and an IPO at \$1.5bn as per Beyond Food experiences.

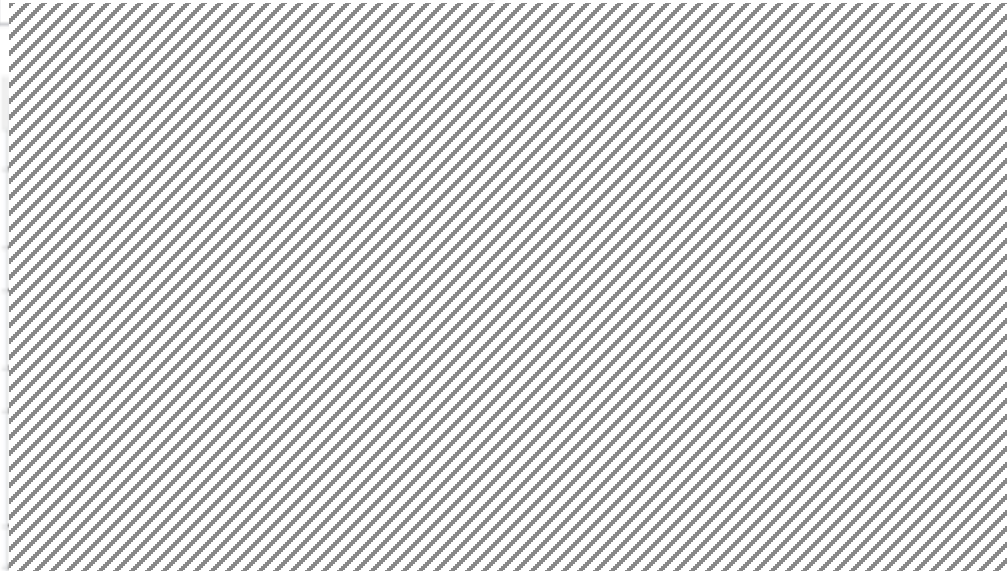
2-Valuation ranges according to different methods-



The Bench Mark Early Stage

3-The Seed Method Bench Mark- Food and Drink Vegan liquidity events at Venture Stage

SA=Series A
PBM= Plant Based Meat
(1) £94.1m funded in the latest 24 months out of 17.1% controll on average



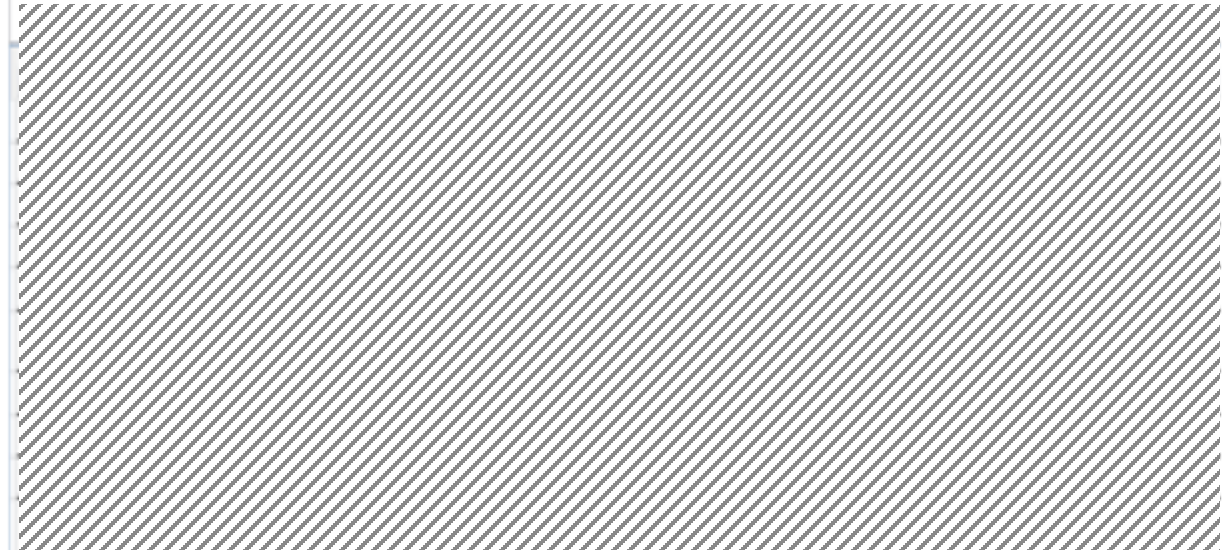
8	Stage_Development	Early	Mid-3yrs	Registered 5/2016	Venture
9	Funding in m	£0.2preSeed, £1Seed	£4.3 2/19, 0.7 12/19	£7.5 9/2018	£94.1m 17.1%(1)
10	Team	4	36	40	
11	Valuation pre-money		£38.5m 2/19-64.2m 12/19	£21.5m 9/18, 27.5m 10/19	£9m

03/11/2020

The Bench Mark early stage score

5-Compare and Contrast COMPANY Y with All Plants

Gap Analysis



11	Investor Ready	Good BP , Existing BP, Investor Ready after Seed completion!	3	-2
12	Financial Returns	IRR > 100% 10 times in 3yrs, more profitable than the retail Benchmark	3	1
13				
14	Total		31,000	(12,000)
15	Average		2,818	
16	Value		15,500,000,000	21,500,000,000

Prepared by MDA

__The VC Method early stage

Gross Company Valuation:

$EV = \text{Terminal Value} / ROI$

EV: 0

Terminal Value (a)*(b):

(a) NI (exit n): 0

(b) P/E (price earning): 0

ROI X times (10-35): 0

WACC: 0

n (exit at n): 0

__The DCF method early stage score

Gross Company Valuation:

Perpetuity: $Pt = CF / (WACC - g) * (1 / (1 + WACC))^n$

Pt: 0

CF: 0

WACC: 0

g: 0

n: 0

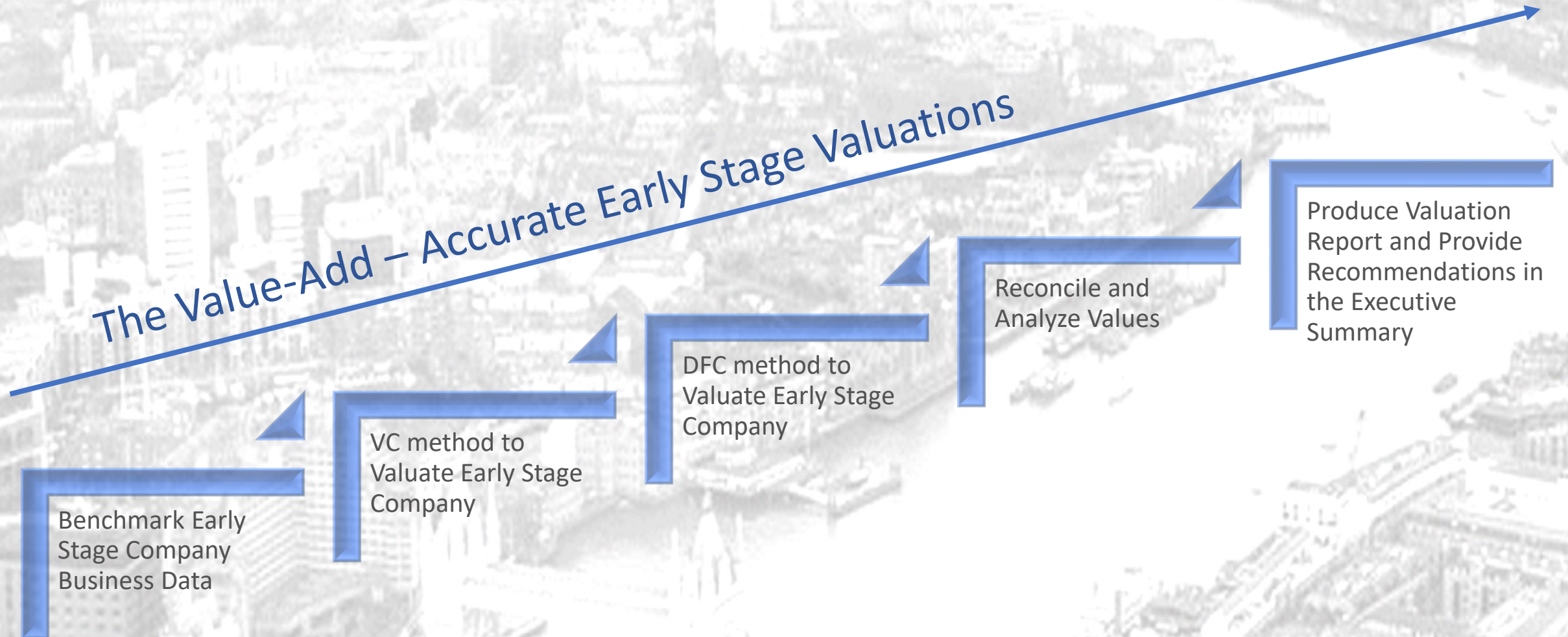
Gross Company Valuation: $GCV = NPV + PT$

GCV: 0

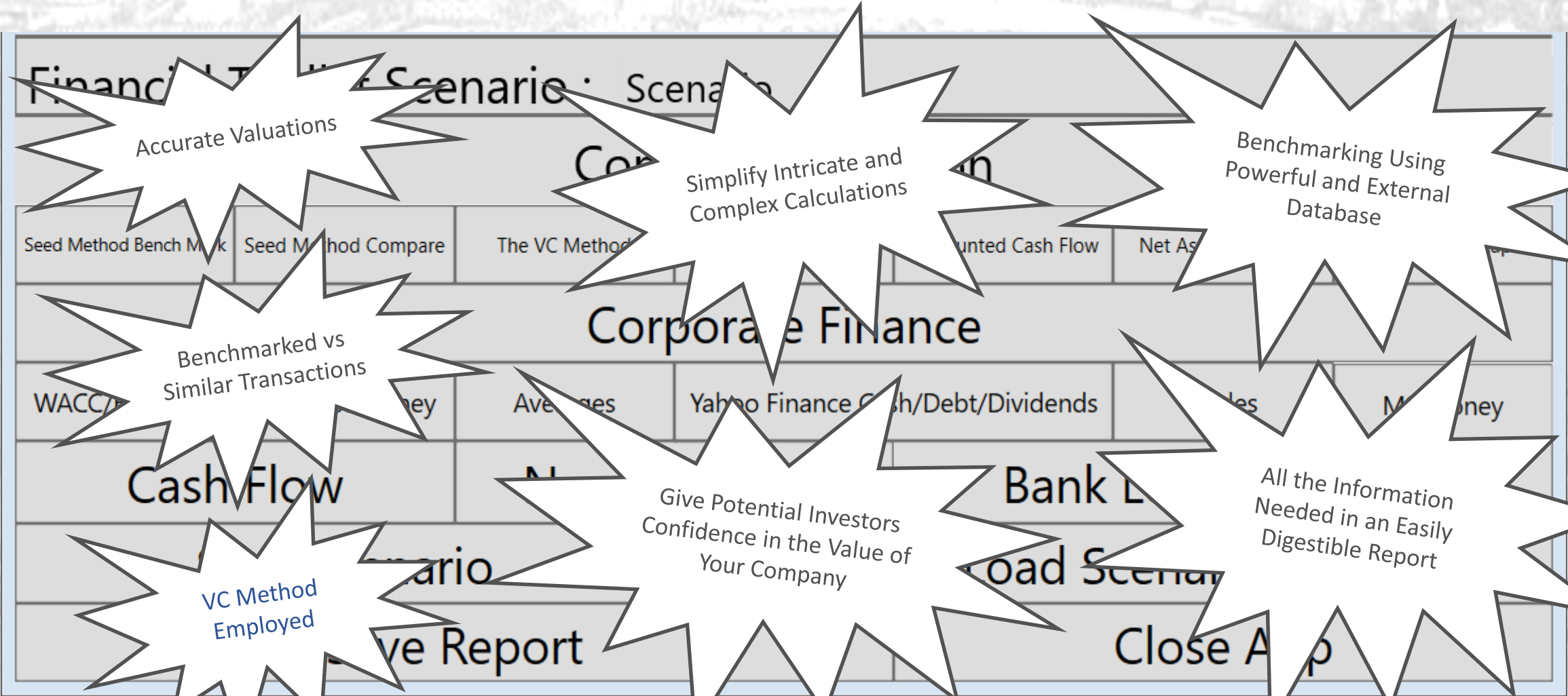
PT: 0

NPV: 0

__The methodology



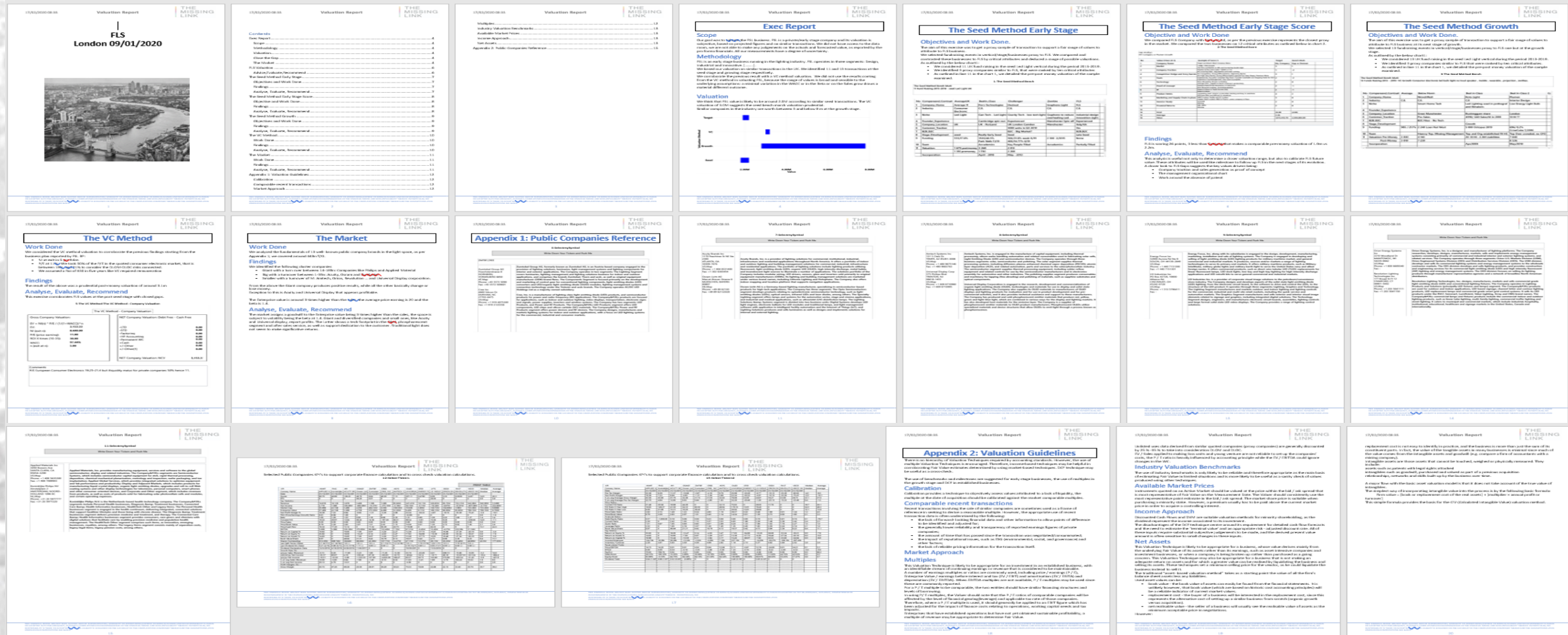
The Solution employed



TML Venture Valuation Solution

THE
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The Detailed Report



If you like to find out more please contact:
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Thank You



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