Begin forwarded message:

From: Pendleton King <████████████>
Subject: Fwd: Latest Models
Date: February 4, 2016 at 2:11:50 AM GMT+3
To: "Lana P." <█████████████>

Pen King
Managing Partner
PKJ Ventures

Begin forwarded message:

From: Aveek Majumdar <███████████████>
Date: May 12, 2015 at 3:06:52 PM EDT
To: Anthony Brindisi <████████████>, "Chan, Tony" <████████████████>, Nurbek Turdukulov <█████████████>, "████████" <███████████>
Cc: Kunal Kain <████████████>
Subject: Latest Models

Hello everyone:

Just wanted to loop you in on the latest ImageOne models. I have two:

1) _actuals is based off of the company's internal accounting system (I think it's QuickBooks). It has missing data there for the latest year, but there is much more granular information presented about COGS. Additionally, all the company's definition of current performance is based off of their actuals.

2) _revfinancials is based off of the company's reviewed financial statements. There are materials differences from _actuals (as high as ~15% in 2011, but dropping to a few % by 2014). These numbers have been reviewed by an auditor, but are difference (per the firm) due to orders being shifted around between Q4 and Q1 of concurrent years. The reviewed financial statements suggest that 2014 revenue and EBITDA are higher than the performance that the company itself claims it has achieved, and is valuing itself off of.

3) The models already have an easy-to-use appreciation/depreciation of operating expenses (one of the assumptions in the models) that you can use to play with increases or decreases in OpEx vis-a-vis revenue (The revenue assumptions can be modified off of the first page). You can tweak them to be more/less conservative based off of your assessment of the data.

It's important to know that all the data sources have the company increases both the top line and bottom line by 30%+ annually, and all of our assumptions are looking at mild/flat revenue growth, which still has strong performance for LPs.

4) Finally, year-over-year Q1 2015 is down 10%, probably due to short-term fluctuations in the business (which is indeed very volatile on a month-to-month basis due to work based on deal signing and execution). The owner guided slight-down or flat growth in 2015, but he has brought on more staff in anticipation of strong continued growth. You can make adjustments to the model as you see fit based off of that information.

5) Please keep in mind this is very much a work in progress. The actuals certainly seem to be more in line with how the company views itself internally, but we are still waiting on Nov/Dec 2014 data for some fields. The reviewed financials are OK per auditors but are off from the company's own assessment of its performance. I will continue updating these documents as I review the data that's coming in. Please let me know if you have any feedback or updates you'd like to see.

Cheers,

- Aveek.