

Sample Only



Premium Business Valuation Report

May 3, 2024



Introduction

This Premium business valuation report is representative of a company in the **HealthTech** industry with the financial and operational inputs offered by the user.

Exitwise creates financial models based on each company's shared data and then leverages internal artificial intelligence algorithms on industry specific public, private and proprietary transaction data to closely estimate a company's valuation range. The results can be used by business owners, investors, and stakeholders of the company as a starting point for many internal and external company financial discussions.

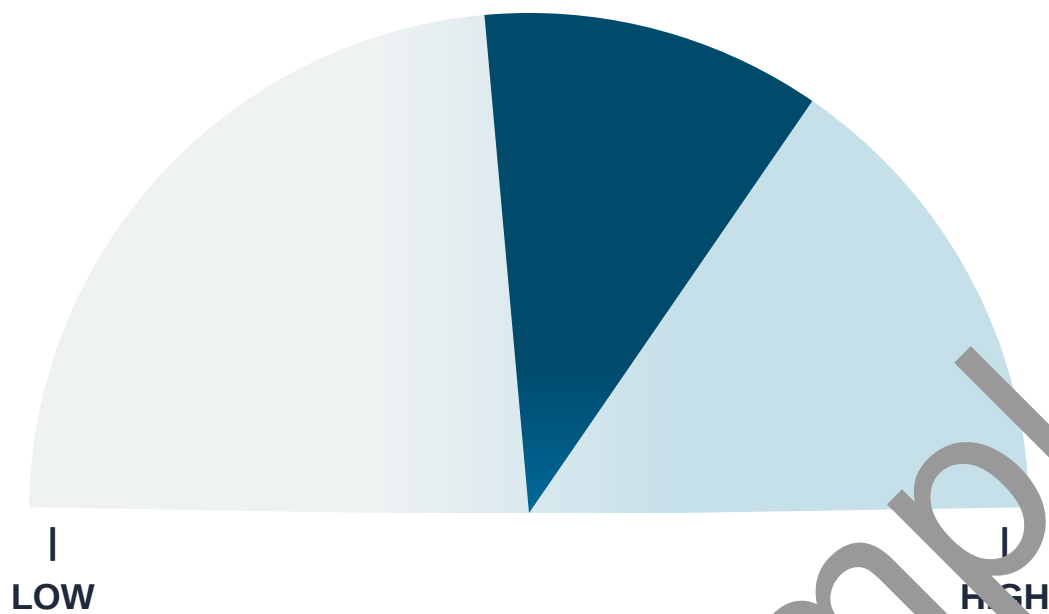
For Exitwise's most accurate M&A valuation, based on your company's specific industry niche, actual financials and personalized value drivers, please consider ordering an **Exitwise Pro Valuation Report** and speaking with one of our valuation experts directly.

If you are considering selling your business and would like to speak with an M&A expert from your industry to ask questions and learn more about the process of selling your company, please **schedule a call**.

Business Valuation

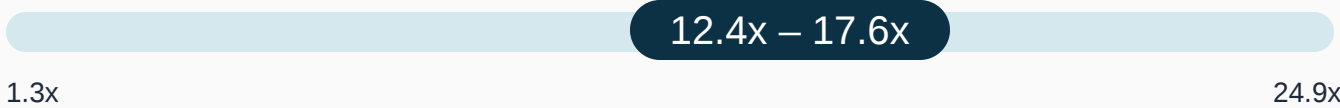
BUSINESS VALUATION RANGE

\$95.8M – \$135.9M



Valuation Multiples

EBITDA MULTIPLE RANGE



ARR MULTIPLE



SECTOR & INDUSTRY

Sector

Technology, Software & Hardware

Industry

Industry Specific Tech

Subindustry

Healthtech

FINANCIALS

Revenue Type ☐ Transaction ☐ Recurring ☒ Both

Revenue	Actuals 2021	Actuals 2022	Actuals 2023	Projected 2024
	\$10,000,000	\$12,000,000	\$14,000,000	\$18,000,000

Annual Recurring Revenue (ARR)	Actuals 2021	Actuals 2022	Actuals 2023	Projected 2024
	\$0	\$1,000,000	\$4,000,000	\$8,000,000

EBITDA	Actuals 2021	Actuals 2022	Actuals 2023	Projected 2024
	\$2,000,000	\$4,000,000	\$6,000,000	\$10,000,000

One Time Expenses (Optional)

Owner's Salary	Legal or Tax	Personal/Family	Other
			\$56,660

* This business valuation range is for information purposes only. Use of this valuation range is at the own risk of the participant. The participant takes full responsibility for the provided inputs, assumptions and calculations of the report. Exitwise Inc. assumes no responsibility nor liabilities for any consequences from the calculated results and provides no assurances of the applicability or accuracy of the valuation results for your company.

Business Performance Indicators

Your business valuation is largely based on these calculated performance metrics, when compared with similar companies in the Healthtech industry.

REVENUE SCALE

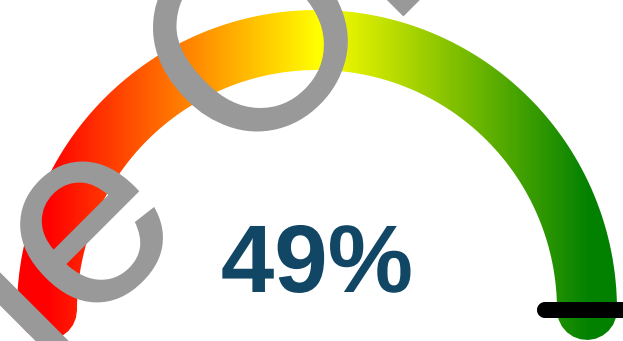


Revenue scale is important in determining a company's exit value not only because higher revenue often means lower overall risk in the business but also because more revenue often provides the acquirer with a larger customer base, greater market share and bargaining power with suppliers and customers.

This company has **18.0M** of projected revenue for 2024, which is on the **average** end for revenue scale as compared to the average size of businesses in this industry.

Exitwise recommends that this business work to increase its revenue to more than **20M**, a significant revenue milestone which would be a significant revenue milestone to substantially improve the company's potential exit value.

EBITDA MARGIN

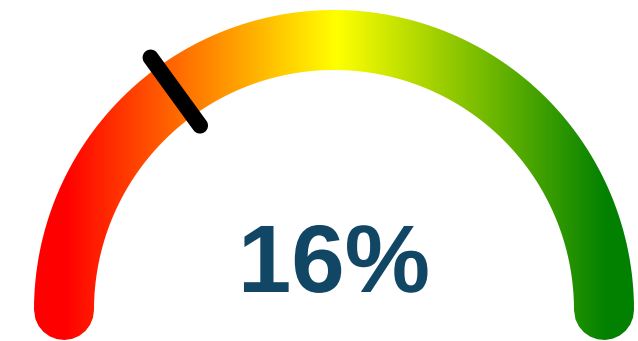


EBITDA margin is important to buyers of a business because it's a good measure of a company's operating profitability, risk profile and financial health. This cash flow can be used to reinvest in the business, pay down debt or borrow money. A company with a high EBITDA margin is more likely to be attractive to potential investors and buyers.

This company has an average **49%** EBITDA margin over the last twelve months, which is **high** for its scale and its industry.

Exitwise recommends that this business work to maintain or grow its EBITDA margins which will drive higher exit values over its peers.

GROWTH RATE



Growth rate is important to a buyer of a business because a company with a high growth rate is likely to generate more cash flows in the future than a company with a low growth rate. A company with a high growth rate is also more likely to be growing its customer base, revenue and profits, so investors will be more confident in their ability to generate returns on their investment.

Exitwise recommends that this business work to increase its growth rate to **24%**, which will be more inline with other company's in this space and substantially improve the company's potential exit value.

It is important to note, that the Exitwise Valuation Calculator only provides estimated valuation ranges. The actual value of any business can vary depending on a number of factors that can only be obtained through a deeper dive into the business with a business valuations expert. If you are interested in a more accurate, company specific M&A valuation, please consider ordering an [Exitwise Pro Valuation Report](#) and working with one of our valuation experts directly.

Primary Valuation Drivers - Internal

This business valuation considered several **internal primary drivers** of value which can help identify areas where the business is excelling as well as area in where the business can improve its valuation.

Primary Value Drivers



Insights & Recommendations

Management Team Quality

The company's exceptional management team significantly elevates the business's valuation which instills confidence in potential buyers and demonstrates a strong foundation for sustained growth and profitability.

Reliance on Business Owner

The company's minimal reliance on the business owner ensures a more robust and sustainable operational framework, consequently bolstering the business's valuation by demonstrating its ability to thrive independently of individual leadership.

Urgency for Exit

The company's lack of urgency to exit the business allows for strategic planning, fostering optimal market conditions and maximizing the business's valuation by presenting a poised, calculated opportunity for potential buyers.

Quality of Financial Records

The meticulous quality of the company's financial recording and reporting not only ensures transparency but also instills trust with potential buyers, consequently bolstering the business's valuation by providing a solid foundation for informed decision-making during the sale process.

Software Sophistication

The sophistication of the company's software serves as a key differentiator, elevating its valuation by showcasing technological innovation, operational efficiency, and the potential for future scalability, which will attract buyers seeking strategic investments with software at the heart of its competitive advantage in the market.

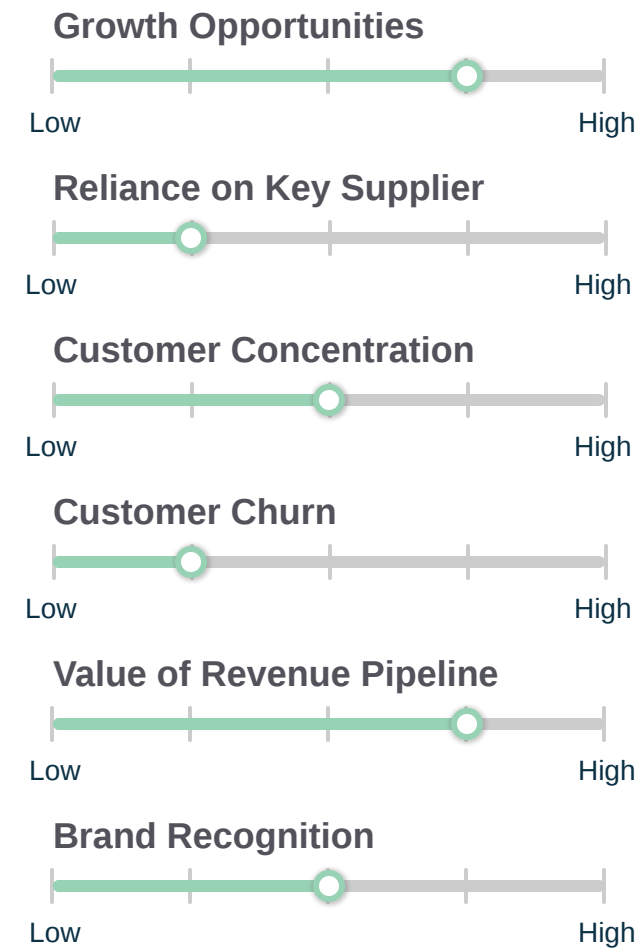
Competitive Advantage

The company's competitive advantages serve as a cornerstone for enhancing its valuation, as they position the business as a leader in its industry, fortify its market position, and foster potential for sustained growth and profitability, making it an attractive prospect for potential buyers.

Primary Valuation Drivers - External

This business valuation considered several **external primary drivers** of value which can help identify areas where the business is excelling as well as area in where the business can improve its valuation.

Primary Value Drivers



Insights & Recommendations

Growth Opportunities

The company's robust growth opportunities serve as a catalyst for enhancing its valuation, as they signify potential for increased revenue, market expansion, and long-term profitability, thereby attracting strategic buyers seeking to capitalize on future growth prospects.

Reliance on Key Supplier

The company's minimal reliance on key suppliers will significantly enhance its valuation by mitigating supply chain risks, ensuring operational continuity, and demonstrating resilience to potential buyers, thus positioning the business for increased competitiveness and stability in the marketplace.

Customer Concentration

The business's Customer Concentration appears to be on par with its peers.

Customer Churn

The company's minimal customer churn will significantly enhance its valuation by showcasing its ability to maintain a loyal customer base, ensuring consistent revenue streams, and demonstrating its long-term sustainability and profitability to potential buyers, thus positioning the business as an attractive investment opportunity in the marketplace.

Value of Revenue Pipeline

The company's robust value of revenue pipeline enhances its valuation by providing a clear roadmap of future revenue streams, demonstrating growth potential, and instilling confidence in potential buyers about the company's ability to sustain and expand its financial performance post-acquisition.

Brand Recognition

The business's Brand Recognition appears to be on par with its peers.

Secondary Valuation Drivers - Internal

This business valuation considered several **internal secondary drivers** of value which can help identify areas where the business is excelling as well as area in where the business can improve its valuation.



Insights & Recommendations

Pricing Power

Improving pricing power enhances a company's ability to dictate prices in the market, thereby boosting revenue and profitability. Consider strategies to strengthen competitive position, such as improving product differentiation, enhancing customer value propositions, and optimizing cost structures. By demonstrating robust pricing power, the company showcases its resilience against market fluctuations and its ability to generate sustainable returns, making it an attractive prospect for prospective buyers.

Expense of Physical Assets

The company's low physical asset expenses enhance its valuation by signaling efficient capital allocation, reduced operational costs, and higher profit margins, thereby increasing its attractiveness to potential buyers seeking streamlined operations and improved financial performance.

Customer Acquisition Cost

Reducing customer acquisition cost is imperative for maximizing a company's valuation at the time of sale. Lower customer acquisition costs not only increase profitability but also demonstrate operational efficiency and scalability, making the company more attractive to potential buyers. Exitwise recommends optimizing marketing strategies, leveraging technology, and improving customer retention efforts so the company can showcase its ability to drive sustainable growth and generate long-term value, ultimately leading to a higher valuation when it's time to sell the business.

Product Diversification

Increasing the number of products and /or services offer by the company is essential for maximizing a company's valuation at the time of sale. A broader product portfolio not only mitigates the risk of reliance on a single product but also expands the company's market reach and revenue potential, making it more attractive to potential buyers seeking diversified investment opportunities. Exitwise recommends that the company strategically expand into complementary product lines or enter new markets, so the company can command a higher valuation when it's time to sell the business and position itself as a resilient and growth-oriented business in the eyes of potential acquirers.

Sales Team Size

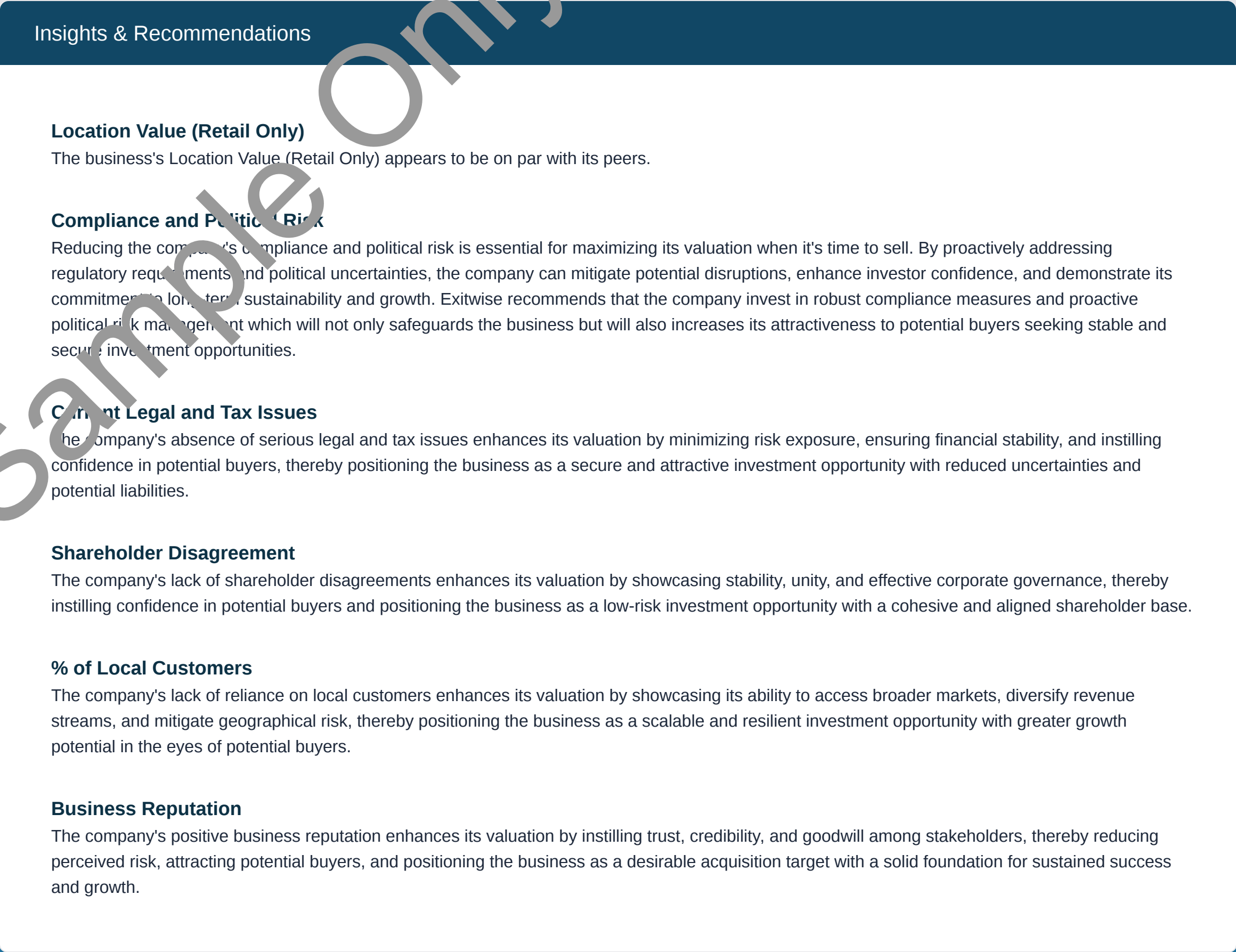
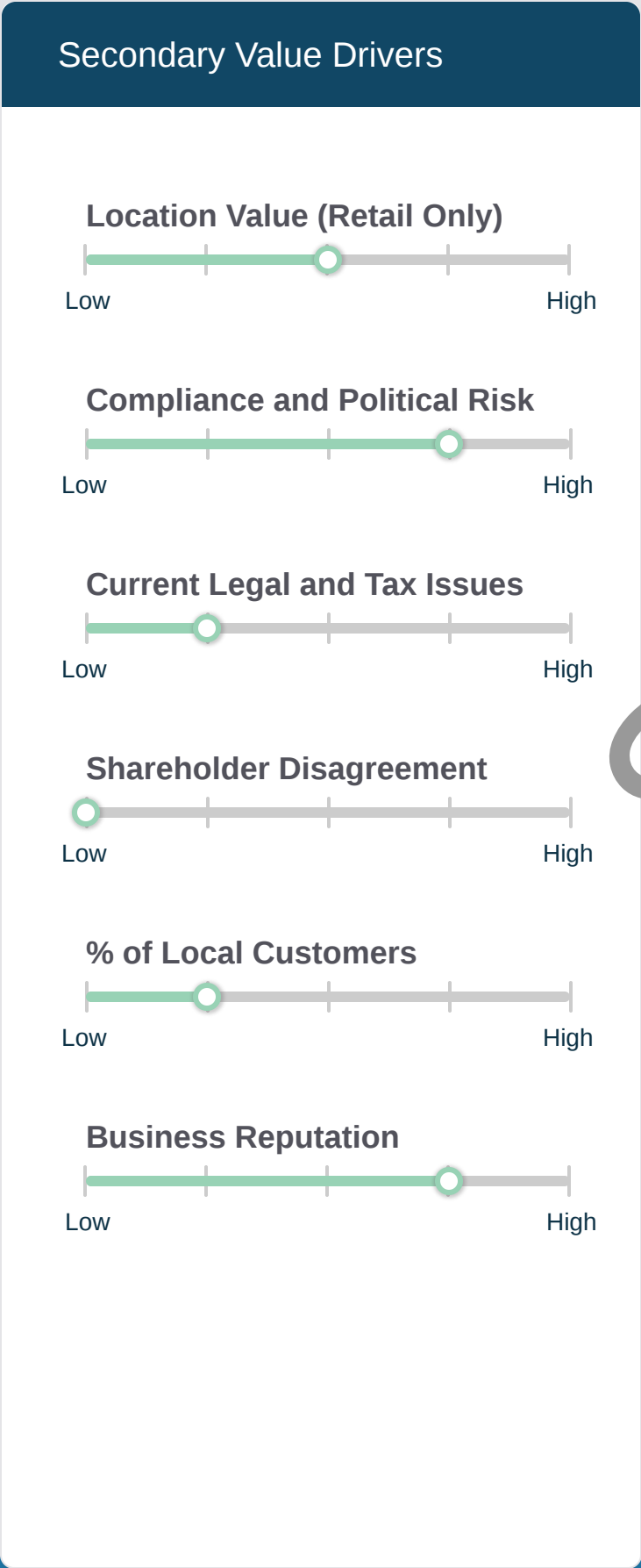
Increasing the size or outsourcing the sales team is instrumental for maximizing a company's valuation at the time of sale. A larger or more specialized sales force can drive revenue growth, expand market reach, and capitalize on new opportunities, thus enhancing the company's perceived value in the eyes of potential buyers. Exitwise recommends management invest in sales personnel or outsource sales to expert agencies so the company can demonstrate its commitment to accelerating sales performance and securing a higher valuation when it's time to sell the business.

Intellectual Property Value

The company's robust intellectual property portfolio enhances its valuation by establishing a competitive edge, fostering innovation, and providing potential buyers with valuable assets that ensure market differentiation and long-term revenue streams, positioning the business as a highly desirable investment opportunity.

Secondary Valuation Drivers - External

This business valuation considered several **external secondary drivers** of value which can help identify areas where the business is excelling as well as area in where the business can improve its valuation.





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If you are looking for a more detailed valuation report or you're considering selling your business, please [schedule a time to chat with us](#).

Also, if you have advice on ways we can improve our products, please let us know at feedback@exitwise.com.

Much appreciated,
Todd Sullivan
CEO, Exitwise



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