



Valuation Report of

My Base Network

Report generated on : Jun 28, 2024

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Valuation Report of **My Base Network**

Location : No 37A, Jalan 8/1, 43650 Bandar Baru Bangi, Selangor, Malaysia
Currency : Malaysia Ringgit (RM)

Industry : **Financial & Event Management**
Business Activity : Business networking event, e commerce

Base Network organized dynamic networking events and operates a thriving e-commerce platform, connecting professionals and business.



Founders : **2**

Employees : **3**

Started in : **2023**

Incorporated : **Yes**

Founders' committed capital :
RM 50 000

Opportunity

Business Model : **Business-to-Business (B2B)**

Scalable Product : **Yes**

Exit Strategy : **Multiple exit opportunities**

Current Operations

Stage of development : **Development stage**

Employees (excluding founders, interns and freelancers) : **12**

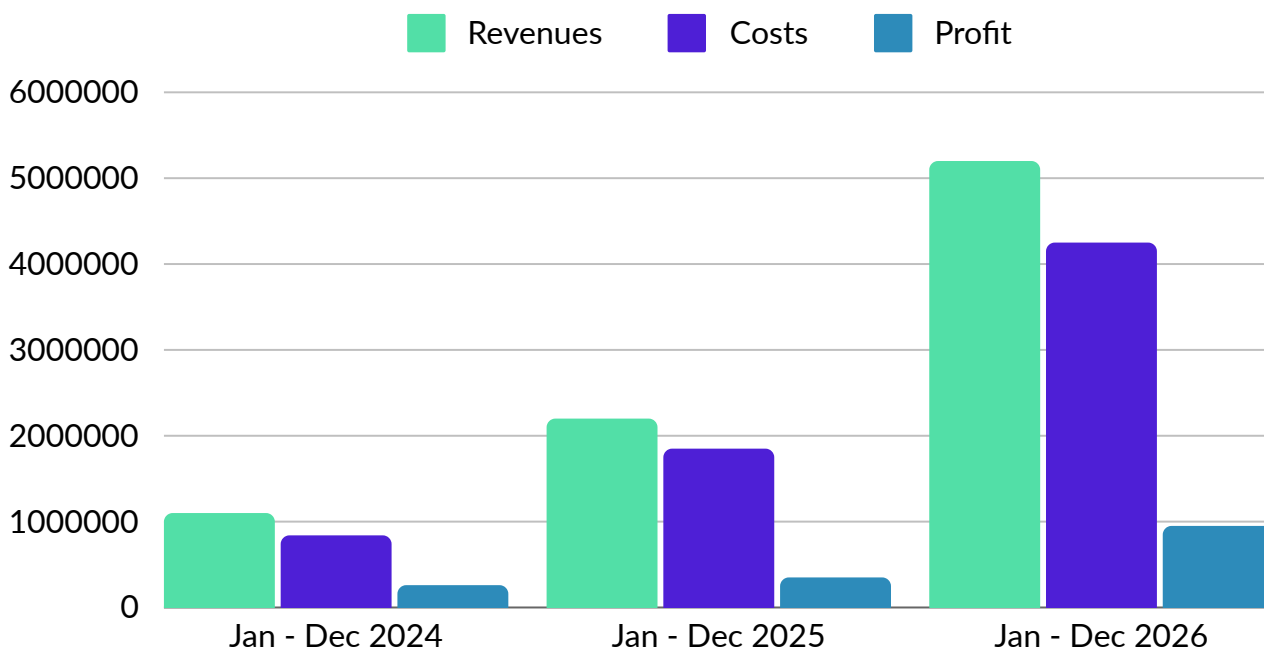
Competitors

Beamstart : <https://beamstart.com>

BNI : <https://www.bni.com/>

Forecasts Summary

Future Profitability



Overview

This section provides a forecast of our company's profitability over the next three years, based on current growth trajectories and market conditions. The projections are grounded in our historical financial performance and strategic initiatives aimed at expanding our e-commerce platform and optimizing operational efficiencies.

Year 1 Forecast

For the first year, we anticipate a profit of \$260,000. This forecast is based on a projected 10% increase in revenue, bringing the total to \$1,100,000. Concurrently, we expect expenses to grow by 5%, resulting in total expenses of \$840,000.

Year 2 Forecast

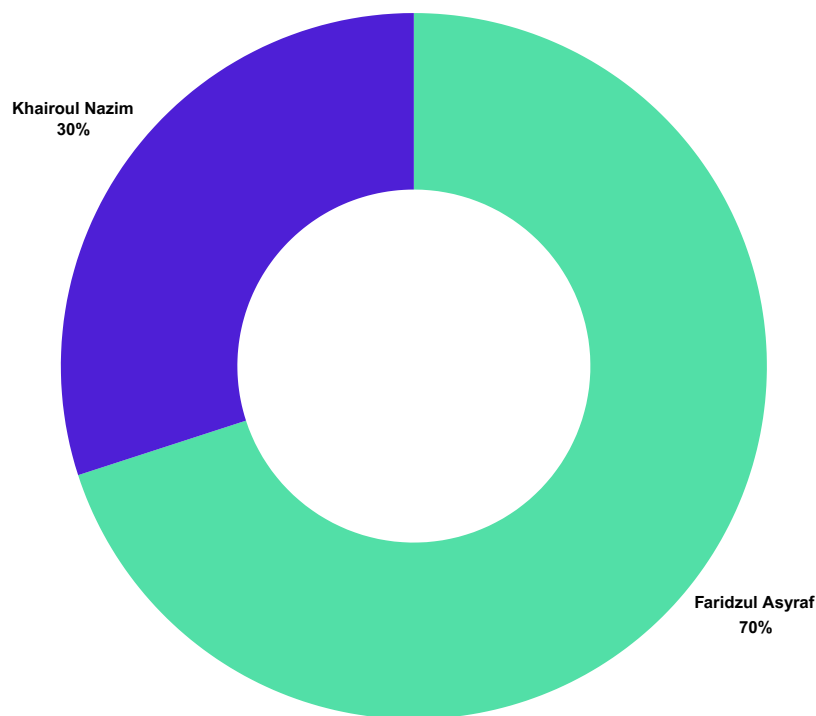
In the second year, we expect our profit to rise to \$350,000. Revenue is forecasted to increase to \$2,200,000, reflecting continued growth and expansion. Expenses are projected to grow at a moderate rate, reaching \$1,850,000.

Year 3 Forecast

By the third year, we project our profitability to further increase to \$950,000. Revenue is expected to reach \$5,200,000, driven by ongoing strategic initiatives and market expansion. Expenses are projected to grow to \$4,250,000.

Current Ownership

Here is an overview of the current shareholders in the company. More information on type of shares, unassigned shares, and in general a detailed cap table can be requested to the company in question.



Faridzul Asyraf is a dynamic entrepreneur and technopreneur known for his innovative approach in the fundraising ecosystem. As an investor, he is passionate about fostering growth in start-ups and enjoys networking to explore new business opportunities. Faridzul plays a pivotal role in his My Base Network company, organizing networking events and driving strategic initiatives. His leadership and strategic vision are crucial in expanding the company's reach and impact, making significant contributions to its success and the broader business community.

Khairoul Nazim is an influential figure in the business community, recognized for his strategic acumen and leadership skills. His expertise spans various industries, making him a valuable asset in My Base Network driving growth and innovation.

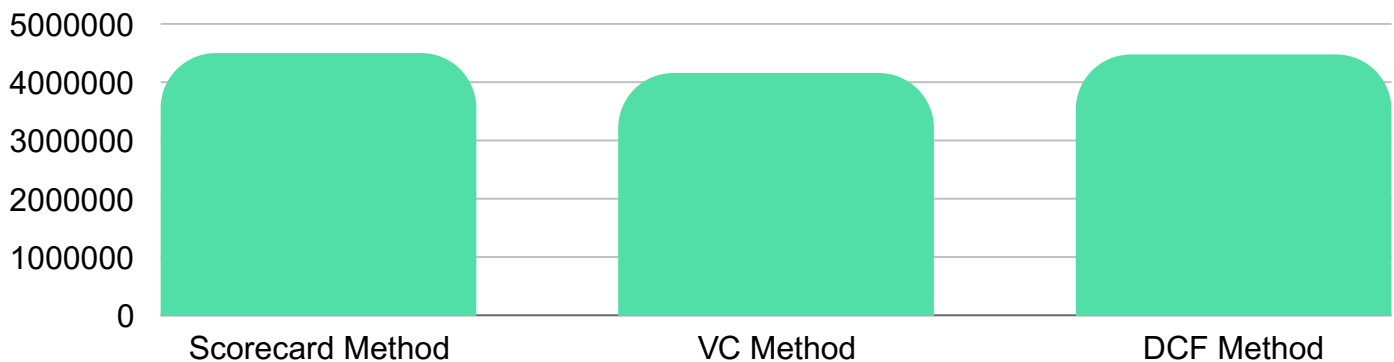
Valuation

The valuation displayed below is the result of the weighted average of different methods. The use of several methods is a best practice in company valuation, as looking at the business from different perspectives results in a more comprehensive and reliable view.

These methods are compliant with IPEV (International Private Equity Valuation) Guidelines and each of them will be explained in more detail in the following pages of the report.

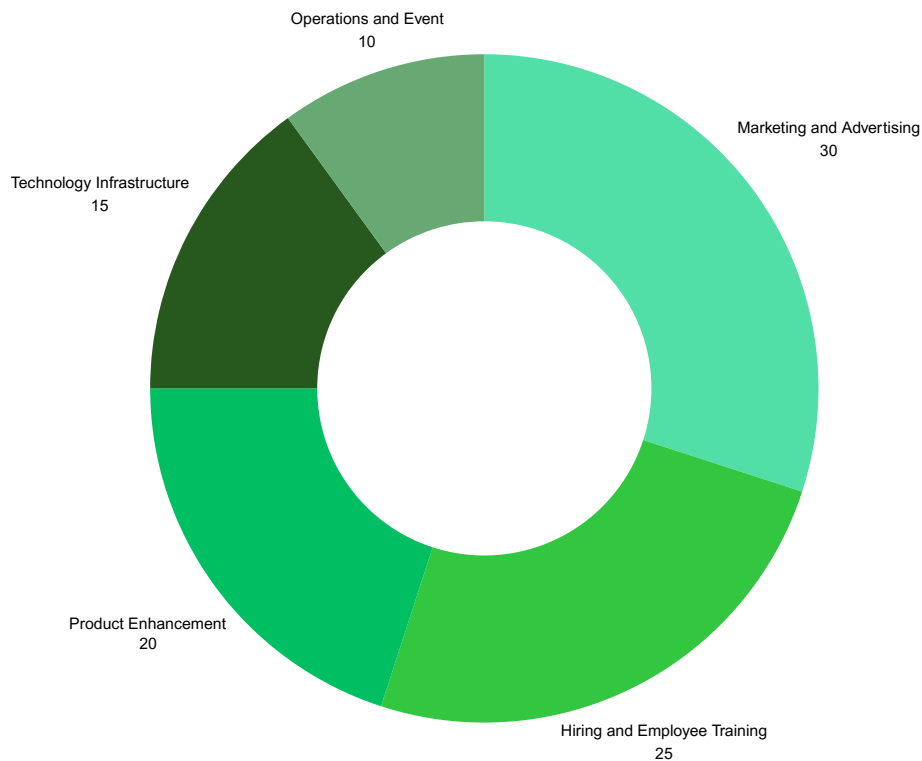
Low Bound RM 3,300,000	Pre-Money Valuation RM 4,378,00	High Bound RM 5,200,000
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3 Valuation Methods



Use of Funds

Here is a breakdown on how the company will use the capital raised.



Operation and Event (10%) - RM 100,000:

- This fund will cover the costs of organizing and executing events, including venue rentals, logistics, event planning, and related operational expenses to ensure smooth execution and impactful engagements.

Marketing and Advertising (30%) - RM 300,000:

- Allocated to create and implement marketing campaigns, both online and offline, to increase brand awareness, attract new customers, and retain existing ones. This includes social media advertising, content creation, SEO, and public relations efforts.

Hiring and Employee Training (25%) - RM 250,000:

- Used for recruiting talented professionals and providing comprehensive training programs to enhance their skills and productivity. This includes costs for job postings, recruitment agencies, onboarding processes, and continuous professional development.

Technology Infrastructure (15%) - RM 150,000:

- Invested in acquiring and upgrading technology tools and systems essential for business operations. This includes software licenses, hardware purchases, cybersecurity measures, and IT support services to ensure efficient and secure operations.

Product Enhancement (20%) - RM 200,000:

- Dedicated to supporting day-to-day operations and production processes. This includes costs for raw materials, manufacturing, equipment maintenance, and logistics to ensure the timely and quality production of goods and services.

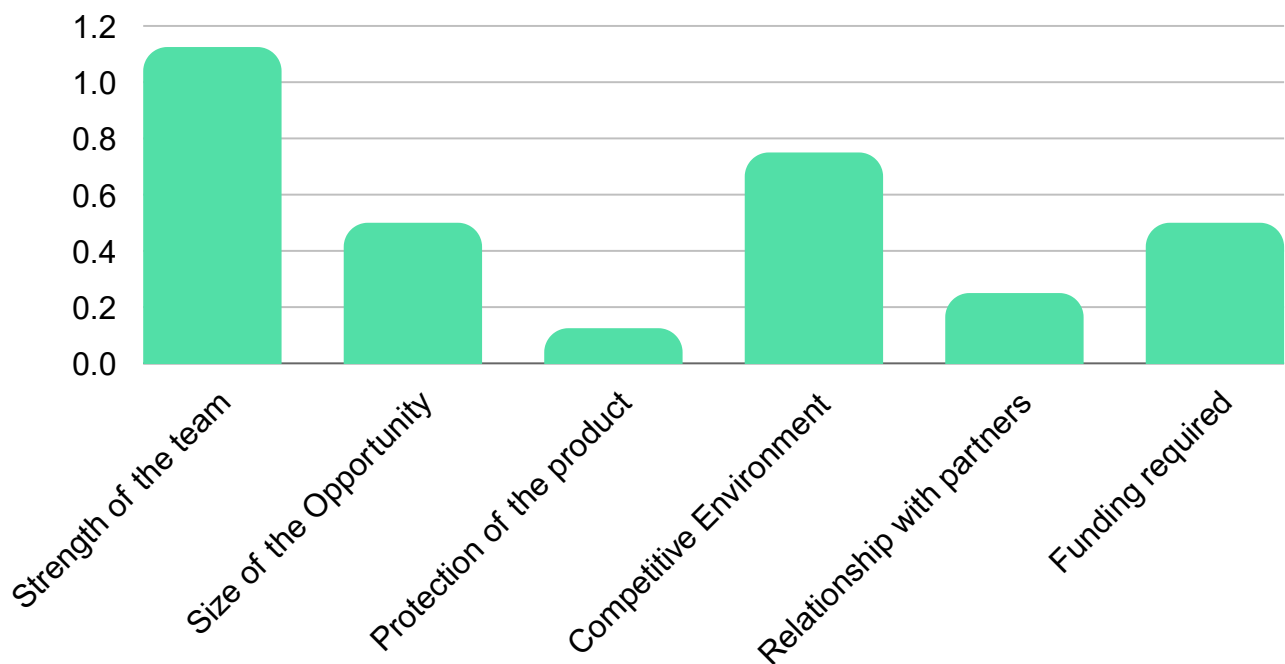
Valuation Methods

Scorecard Method : RM 4 500 000

The Scorecard Method, developed by William H. Payne, is a valuation approach primarily used to evaluate early-stage start-ups and investment opportunities. This method assesses a company by comparing it to other similar companies that have successfully raised capital. The valuation of the startup depends on how different this is from the assumed average of a set of comparable companies from the same region.

Startups' qualitative traits are divided in 6 criteria, compared with the assumed traits of the average company, and given a score according to whether it over- or under-performs the assumed average company. These scores are multiplied by weights that represent the impact of the criteria on the valuation. The sum of these weighted scores multiplied by the average valuation leads to the company's valuation.

Normalized scores of the company for each criteria



Scorecard Method

Default weight of the criteria and breakdown in their traits

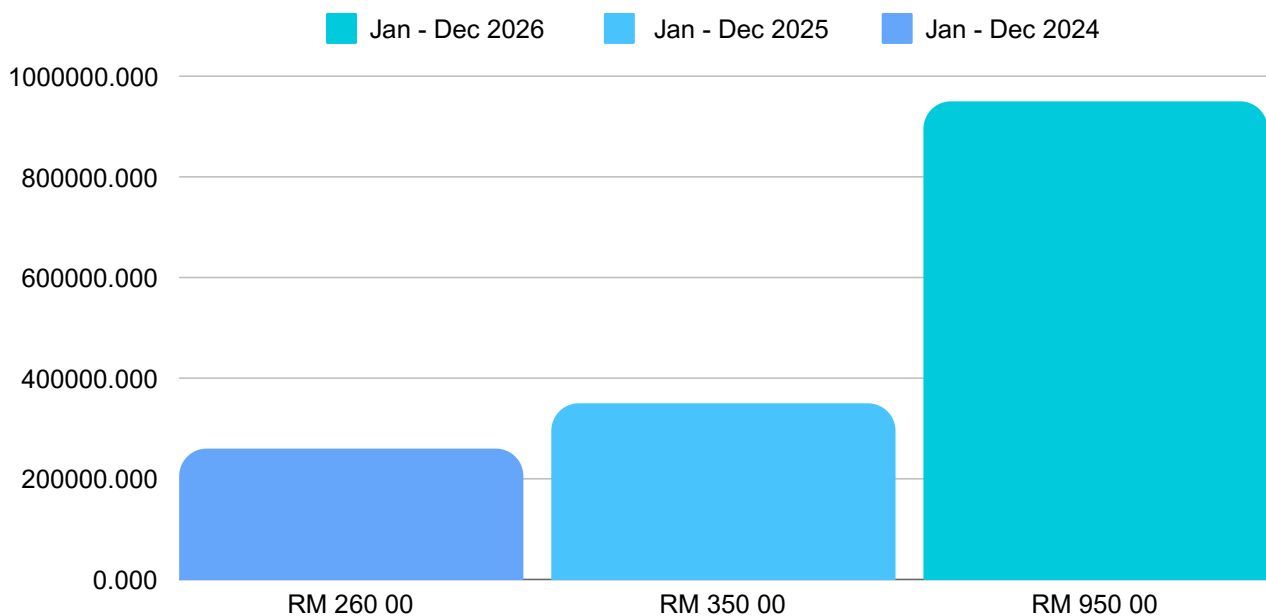
<p>Strength of the team : 30%</p> <ul style="list-style-type: none"> • Time commitment of the founders. • Number of employees. • Team spirit and comradeship. • Years of industry experience of the core team. • Business and managerial background of the core team 	<p>Size of the Opportunity : 25%</p> <ul style="list-style-type: none"> • Estimated revenue in the third year according to the stage of the development. • Estimated size of the market in three years. • Geographical scope of the business
<p>Competitive Environment : 10%</p> <ul style="list-style-type: none"> • Level of competition in the market. • Quality of competitive products/services • Competitive advantage over other products/services • Barriers to entry of the market Threat of international competition 	<p>Strength and protection of the product/ service : 15%</p> <ul style="list-style-type: none"> • Stage of the product/service roll-out • Degree of loyalty of customers • Type of IP protection applicable • IP protection in place (if any)
<p>Strategic relationships with partners : 10%</p> <ul style="list-style-type: none"> • Strength of the relationships with key strategic partners 	<p>Funding required : 10%</p> <ul style="list-style-type: none"> • Capital required according to the stage of development

Based on the weighted scores and relative comparisons, My Base Network's estimated valuation is RM 4.5 million. This valuation reflects the company's strong management, significant market opportunities, robust product offerings, and strategic positioning within the competitive e-commerce industry.

VC Methods

Pre-money Valuation: \$ 4,158,000

The VC (Venture Capital) method is one of most common approaches among financial practitioners in the private company market. The startup is given the valuation that will grant investors a predetermined return at the exit. The potential exit value of the company is computed with an industry-based EBITDA multiple. The valuation is equal to this value discounted by a required ROI (Return On Investment). This depends on the startup's stage of development, higher for early stage riskier companies, lower for more mature ones. It is the minimum rate that will allow investors to have positive returns from portfolios where most companies fail and gains come from a selected few.



\$950 00 Last Year EBITDA	20.44 EBITDA multiple	RM 19 418 000 Last Year Exit value	55% Annual Required ROI	RM 5,158,000 Post- money Valuation	RM 1,00,000 Capital needed	RM 4,158,000 Pre-money Valuation
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Parameters

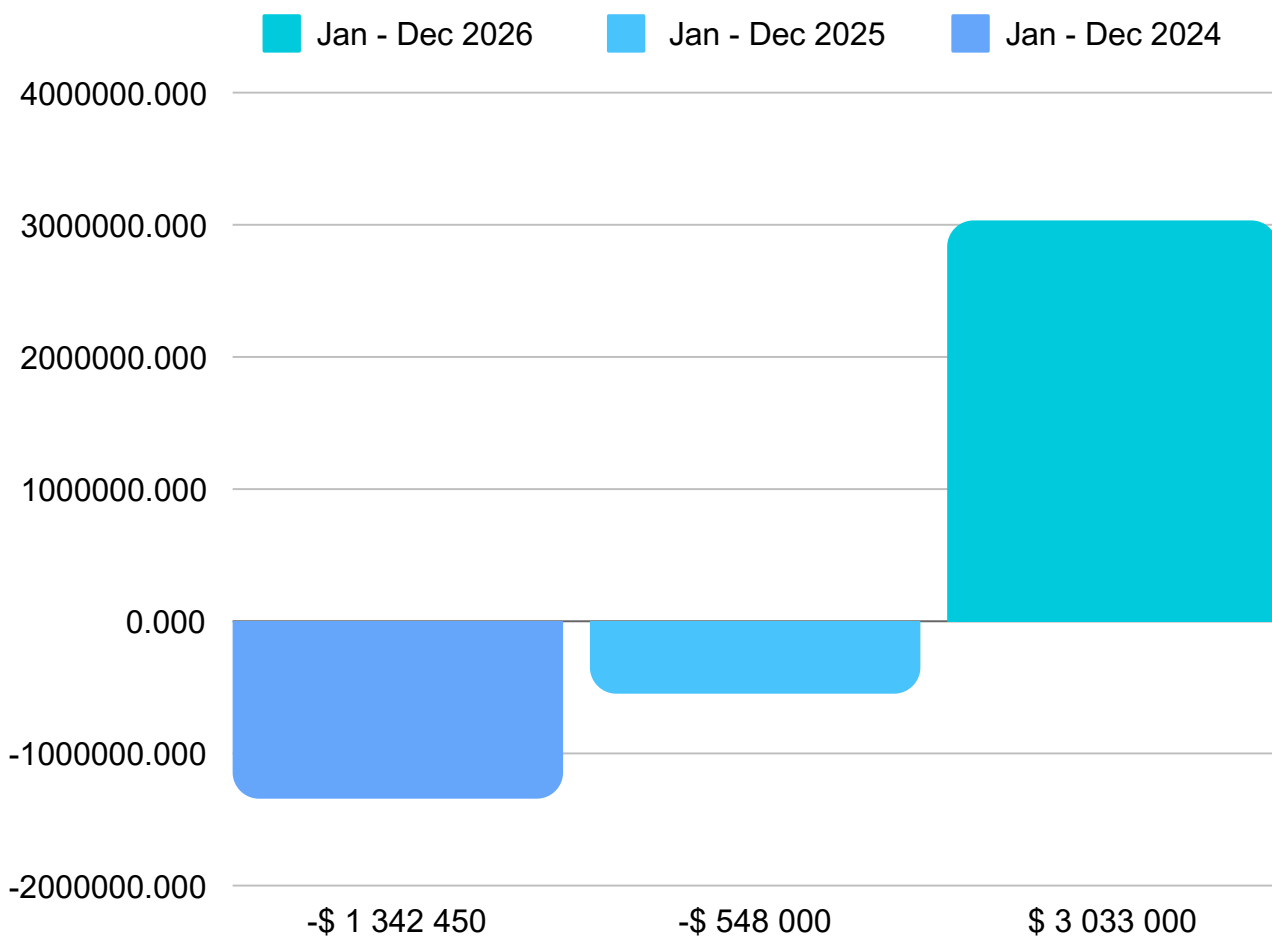
Industry Multiple: **20.44**

Annual Required ROI: **55 %**

DCF Methods

DCF with LTG : \$4,476,000

The DCF with LTG (Long Term Growth) assumes the cash flows beyond the projected ones will grow forever at a constant rate based on the industry and computes the TV accordingly.



\$2,193,639 Last Year FCF to equity	2.50% Long term growth	\$10,844,398 Terminal value	18.52% Discount rate	25.90% Illiquidity discount	\$120,880 Non Operating Cash	\$4,476,905 Pre-money Valuation
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Conclusion

BASE Valuation does not represent or endorse the accuracy or reliability of any advice, opinion, statement, or any other information displayed or distributed through this report or its website. The estimates and the data contained herein are made using the information provided by the user, publicly available information, and data for different industries.

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BASE Valuation for MY BASE NETWORK as for 28 Jun 2024 is - **RM 4 378 000**