APPRAISAL REPORT

iSRV Zrt.

June 8, 2020
Contract number: 5452/2020

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EXECUTIVE SUMMARY

In accordance with your request, we have completed the appraisal of **100% equity interest** in **iSRV Zrt.** (hereinafter: "Company") as of **March 31, 2020**, and we submit our findings in this report.

We have made the investigation to express our opinion on **the fair market value** of the 100% ownership stake in the Company as of March 31, 2020 on **the premise of continued use**. As of our understanding, our opinion of value may provide support for accounting purposes (contribution-in-kind).

Fair market value is defined as the estimated amount at which the property might be expected to exchange between a willing buyer and a willing seller, neither being under compulsion to buy or sell, each having reasonable knowledge of relevant facts.

When fair market value of a property is established under the **premise of continued use**, it is assumed that the buyer and the seller would be contemplating retention of the property at its present location as part of current operations.

An estimate of fair market value arrived at on the premise of continued use does not represent the amount that might be realized from piecemeal disposition of the property in the open market or from an alternate use of the property.

Business enterprise is defined as the combination of all tangible assets (property, plant, equipment and net working capital) and intangible assets of an operating business.

Alternately, the business enterprise value is equivalent to the invested capital value of the business, that is the sum of the stockholders' equity, and the long-, and short-term debt net of financial assets.

When valuing a company based on its investment value, we consider its most recent operating results, major economic trends and the business plans. The value expressed this way reflects the company's current earning capacity, assuming an appropriate return for a potential investor.

Our report comprises:

This executive summary, setting forth the purpose and scope of the appraisal, a presentation of the valuation techniques employed, and the conclusions of value;

Assumptions and Limiting Conditions;

The valuation report, outlining the purpose of the appraisal, its subject, the valuation techniques applied, and our conclusions of value;

The exhibits - Background information to the valuation:

- „A": Historical audited financial statements of iSRV Zrt. from the period of 2015-2019 and interim financials as of March 31, 2020;
- „B": Discount rate development;
- „C": Background calculation to the valuation with income approach.

ISRV Zrt. was created in October 2014 by transformation from iSRV Kft., which was established on 16 May 2012. As the Company's main activity, it specializes in the provision of high value-added IT services. As part of this, it undertakes the development and implementation of complex IT projects both in Hungary and abroad. The Company's employees gained decades of experience in the development of IT projects, which enabled the Company to build significant capabilities in inter alia, biometric identification, artificial intelligence, cloud solutions, streaming technologies, DRM solutions, analytical and statistical applications or in the development, installation, operation, and maintenance of recommendation engines. In December 2018, the Company was certified by the Hungarian Ministry of Defense as capable for supplying NATO, which is an important milestone in achieving the Company's strategic goals. The Company is 100% owned by Industrial Artificial Intelligence Kft. at the valuation date. iSRV Zrt's net revenue in 2019 was HUF 2.05 billion, its balance sheet total amounted to HUF 1.73 billion and its equity was HUF 603 million.

Before arriving at our opinions of value, we reviewed the business activity of the Company, studied its history and operations; and the underlying market conditions. Furthermore, we have analysed its financial position, the structure of its assets, composition of its liabilities; and primarily the Company's business strategy, and its underlying business plan valid as of the valuation date with particular attention to its forecasted earnings and cash flows.

In the course of our valuation engagement, we have held discussions with iSRV Zrt's management in respect to its economic and financial position and actual business plan. We have been provided with projected financial information - covering the expected revenues, expenses incurred and projected earnings – for all current innovative products/services of the Company (either already developed or being currently in an advanced phase of development), that were prepared by the management and approved by the Company's shareholders. The prospective financial information pertaining to the future exploitation of the Company's assets have been examined by us and used on an 'as is' basis without any substantial changes. We have assumed that the business plan provided represents properly the Company's expected operations and financial position as of the valuation date.

As part of our analyses, we have relied upon audited historical financials of the Company from the period of 2015 to 2019, its interim non-audited financials of 1-3M 2020 and its business plan covering the period of April 2020 to 2025. For this period, the management has prepared a detailed business plan for each type of product/service, in terms of their expected revenues and direct costs incurred, and provided important input information about the likelihood of market success of each product/service, which was also considered on an individual basis. The business plan also included an estimate of the expected development and investment needs (CAPEX) and depreciation allowances for each product/service, as well as a quantified forecast of general and administrative expenses of the business operations. In addition, for products and services whose expected useful lives exceed the original projection period up to 2025, management provided additional input for the expected revenues and expenses in the post-2025 period (in 2026-2030 and then in the terminal period).

There are three generally accepted approaches that need to be considered for the purposes of business enterprise valuation, namely the cost, market and income approaches:

The **income approach**, that is estimation of the present value of net income derived in the future from the business operation, which – based on the time value of money concept – can be estimated by the application of a yield factor characteristic to the business risk of the Company. The reliability of business value calculated with the income approach depends implicitly on the projections taken into consideration and the expected rate of return. There are several methods of the income approach available. Selection of the most suitable method depends mainly on the reliability of available operating data and the specific characteristics of the operating environment.

The **cost approach** puts focus on the estimation of the cost of replacement new of the business enterprise, based on the premise that a potential investor will not pay more for a business enterprise than the amount for which it would be able to establish it under similar operating conditions. The disadvantage of this approach is that it should theoretically involve the application of index numbers in the calculation of cost of reproduction new of some items that are difficult, or even impossible, to measure (i.e. market reputation in case of the customer base), and/or in other cases the estimation of the cost of reproduction new relies largely on uncertain assumptions (e.g. in case of skilled workforce). Therefore, the cost approach may be limited in its ability to draw a reliable final conclu-

sion on business value, however, it can provide a sound basis in other instances where the other approaches to value rely on uncertain, risky or unrealistic assumptions. The method of cost approach comprises the re-valuation of company's assets and liabilities to their fair market value, and by taking the difference between the restated assets' and liabilities' values, that is the net asset value, it approximates the company's equity value.

In application of the **market approach**, we analyse recent market transactions involving the sale and purchase of ownership stakes in similar companies. During this, we may analyse transactions taken place both on the public markets and in private, and we derive multiples from the valuation and relevant financial metrics of similar target companies. Under both methods, comparable financial multiples are projected then to the financial metric of the subject company to be valued, and conclusions are drawn regarding the fair market value of the company. The concluded value may need to be adjusted depending on the ownership rights stated in the articles of association.

Each of the above approaches may be used to develop an indication of fair market value, however the appropriateness of these approaches varies with the type of business interest being valued.

In accordance with our engagement and in line with the current operations of iSRV Zrt. (as of the valuation date, it is engaged in revenue-generating activities and has a medium-term detailed business plan), we have applied the income approach's discounted cash flow (DCF) method for the Company's business valuation.

For the application of discounted cash flow method of the income approach, we make the following comments:

The **DCF method** derives the value by discounting the company's future net economic benefits to their present value. The detailed business plan (April 2020 - 2025) compiled by the Company's management has been supplemented by 5 more years (2026-2030) in order to properly model without distortion the end of products' cash flows with finite useful life; and that we consider only the normalised financial impact of expectedly longer-term (sustainable) activities in the terminal period's cash flow. In the terminal period, we have assumed a long-term sustainable (average) growth rate of the cash flows (1.5% p.a.). The present value of interim cash flows, that is the total of cash flows generated in the projection period (from April 2020 to 2030) and the present value of terminal period sum up in the invested capital value of the operating business, or alternately, the business enterprise value (BEV). By increasing the BEV with the fair market value of non-operating assets (if any), ownership stakes in other companies (if any), excess net working capital (or decreasing it in case of a deficit), financial investments and surplus cash, and by reducing it with the value of interest-bearing and other financial liabilities, we derived the fair market value of the company's equity (100%). The discount rate used for discounting cash flows (the weighted average cost of capital) was 10.7%, which was determined as the weighted average cost of capital of the various industries concerned.

Based on the analyses and method outlined above, it is our opinion that, with the application of income approach (**discounted cash flow method**), the fair market value of the **100% equity interest**

in the Company as a going concern, as of **March 31, 2020** can be estimated according to the following table:

iSRV Zrt. – Business value with income approach – data in ths EUR –	**Estimated value**
Present value of interim cash flows (April 2020 - 2030)	12,478
Discounted terminal value	1,832
Business Enterprise Value	**14,310**
Plus/minus: Excess (deficient) net working capital	-7,362
Plus: Cash	5,244
Plus: Other financial investments	982
Plus: Non-Operating Assets	0
Less: Interest-bearing and non-interest bearing debts	73
Less: Deferred Tax Liabilities	33
Estimated equity value (100%)	**13,067**

It is our opinion that the **fair market value of 100% equity stake** in **iSRV Zrt.**, with the application of DCF method, as of **March 31, 2020** can be estimated to **EUR 13,067,000** or **THIRTEEN MILLION SIXTY-SEVEN THOUSAND Euro.**

The value determined by discounted cash flow analysis does not necessarily represent the value, a "real option" value, that arises from decision-making opportunities available to the owners at a given future date during the operations of the company. The value of such decision-making opportunities, as with financial options, is stemming from the fact that, based on an information base evolved over time, potential owners are free to decide whether to continue the business, expand it, possibly upgrade their investment programs, or close the whole project at all.

In the course of our analysis as independent appraisers, we tried to consider all relevant information available to us during the valuation procedure, and conclude our value estimations accordingly. We have not investigated the title to or any liabilities against the properties appraised, and no responsibility is assumed for these matters.

We note that there might be differences between the projected and actual financial figures in the future, and that difference might have an impact on valuation. **Given the lack of historical exploitation and financial data of some of the innovative products that comprise a significant part of the Company's valuation, their yet unproven competitiveness and the start-up nature of some business lines concerned, the above statement is particularly valid for this valuation.**

The Company's management, upon our request, has confirmed to us that the business forecasts provided to us incorporate the expected impacts and risks arising from the ongoing COVID-19 pandemic upon the operations, both in positive and negative sense, and therefore, on the basis of business forecasts accordingly compiled, our valuation conclusion also represents these impacts.

This valuation conclusion represents a reasonable estimate of the fair value as of the valuation date, based on the basis of information made available to us. This value at any other point in time in the future may be higher or lower as the company's environment and business conditions might change. Our analysis has been conducted in accordance with generally accepted valuation standards, as promulgated by international appraiser societies. Accordingly, our appraisal included such procedures that we considered necessary under the circumstances.

We are independent from the company to be valued, as well as from its owners. Our fee for this engagement is not based upon the results of our valuation analysis. We have relied upon data compiled and provided by the management, including prospective operating information, historical audited and non-audited financial information and business plan figures, such as revenue and earnings forecasts and estimated probability of success rates, without independent verification or confirmation. As part of our consultancy, we have not audited, reviewed or compiled these data.

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The fair value presented in this report is based upon the premises outlined and purposes stated herein. The enclosed assumptions and limiting conditions represent an inalienable part of our report.

Respectfully submitted,

Grant Thornton Valuation Ltd.

Ágoston Jakab

Managing Partner

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ASSUMPTIONS AND LIMITING CONDITIONS

This service was performed with the following general assumptions and limiting conditions:

1. We are not permitted to give investment advice, and the contents of our report, including our opinions of value, should not be construed as such.

2. This document has been prepared solely for the Company for the purposes stated herein and should not be relied upon for any other purpose. Unless required by law it shall not be provided to any third party, nor copied in whole or in part, without our prior written consent, which may be conditional but will not be unreasonably withheld. In no event, regardless of whether consent has been provided, shall we assume any responsibility to any third party to whom this report is disclosed or otherwise made available.

3. While our work has involved an analysis of financial information and accounting records, our engagement does not include any work in the nature of an audit, or a detailed financial review, of the Company. Accordingly, we assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by or on behalf of the Company.

4. Specifically, our engagement does not include any work in the nature of an audit of transfer prices. We issue no opinion on the fairness and arm's length nature of intragroup prices. Accordingly, we assume no responsibility for the relevancy and fairness of intercompany transactions.

5. Budgets, projections and forecasts relate to future events and are based on assumptions which may not remain valid for the whole of the relevant period. Consequently, this information is inherently uncertain, unlike information derived from audited accounts for completed accounting periods. We express no opinion as to how closely the actual results of the Company will correspond to those projected or forecast by the Company.

6. The valuation opinion set forth in this report is based on management information available up to and including May 20, 2020. The date of publication of some of the macroeconomic or market studies and statistics used in this valuation report may have fallen after this date.

7. We have provided a draft copy of this report to the Company's management, who have confirmed, to the best of their knowledge and belief, that the factual information contained within this document is correct and that there are no material omissions. They have additionally confirmed to us that the figures provided to us are correct and that, in their opinion, our valuation report reasonably represents the performance and market position of the Company and contains no material omissions of relevant information. In case of any information that we were not aware of at the time of preparing this report come to light that has a material impact on the conclusions herein, we reserve the right to alter our conclusions.

8. No responsibility is assumed for matters legal in nature. No investigation has been made of the title to, or any liabilities against, the assets and liabilities of the Company. We have assumed that the owners' claim is valid, the rights are good and marketable, and there are no encumbrances that cannot be cleared through normal processes, unless otherwise stated in the report.

9. Whilst we consider our conclusions to be both reasonable and defensible on the basis of the information made available to us, the valuation of businesses is, of necessity, subjective and dependent on the exercise of individual judgement. Others may reach a different conclusion based upon the same information.

NARRATIVE REPORT

DESCRIPTIVE INFORMATION

The EU's economy [1]

In a matter of just a few weeks, the COVID-19 pandemic has profoundly affected public life around the globe. To contain the virus, EU Member States have had to take drastic measures quasi overnight; and by putting their economies into a state of hibernation, the economic activity in the EU dropped by around one third, almost immediately. In parallel, global demand, supply chains, labour supply, industrial output, commodity prices, foreign trade and capital flows have all been affected. Given the severity of this worldwide shock, economists now widely expect that the EU has entered the deepest economic recession in its history.

Real-time data suggest that economic activity in Europe has dropped at an unusually fast speed between mid-March and the beginning of May; and output is thus set to collapse in the first half of 2020 with most of the contraction taking place in the Q2. The economic output is then expected to pick up, assuming the following three conditions are fulfilled simultaneously: (i) the containment measures will be gradually lifted, (ii) after these measures are loosened the pandemic remains under control; and (iii) that the unprecedented monetary and fiscal measures implemented by Member States and the EU are effective at cushioning the immediate economic impact of the crisis, as well as at limiting its permanent damages.

Under these assumptions, the EU's GDP is forecast to contract by about 7.4% in 2020, and to rebound by only 6.1% in 2021. The pace of decline this year will be far greater than during the global financial crisis in 2009. Even with the forecasted rebound next year, the European economy is expected to be about 3% lower at the end of 2021 than the output level forecasted at the end of 2019. The deep economic contraction is likely to lead to an even deeper decline in investments (7% lower at the end of 2021 than previously forecasted) which, together with much weaker employment (about 1% below what was recorded in 2019) and the record-high uncertainty among companies and households are set to hold back demand for some time. This more likely implies an U-shaped recovery path for the bloc instead of the much hoped V-shaped path. Despite the fact that the demand and supply shock was symmetric to all Member States, the impact of the crisis and the way Member States will emerge from it will be uneven, largely depending not only on the severity of the pandemic, but also on the countries' economic exposures and initial conditions, and the discretionary policy responses that they can afford.

At global level, the combination of three shocks, namely the shut-down of large portion of economies, the collapse of oil and commodity prices and the surging USD-denominated debt burdens is expected to push the global economy into a deep recession in the first half of 2020. The massive health and macroeconomic policy efforts taken across most major economies are, however, assumed to contain the pandemic and to limit its negative impact on the global economy to a deep but

[1] Source: European Economic Forecast, Spring 2020, Publication date: May 6, 2020

essentially temporary downturn. Overall, global GDP (excluding the EU) is projected to contract by about 3% this year, and is then expected to rebound by 5% in 2021, implying that global output should recover above its 2019 level, but remain well below the level projected in the previous forecasts.

In respect of international trade, a key driver of the EU's economy, after falling into near stagnation last year amid elevated trade policy uncertainty, the world import volumes (excluding the EU) are likely to fall by more than 10% this year. As global demand recovers, trade in goods is expected to start rebounding in the second half of 2020, while trade in services, particularly tourism, will rebound more slowly. Next year, non-EU world imports can increase by about 6.8%, a pace closer to global economic activity. A stronger rebound is however unlikely, partly because the pandemic crisis is expected to cause some permanent damage to global value chains. The euro area is expected to be particularly hit due to its relatively high participation in global and intra-EU value chains. Euro area exports are thus forecast to fall by about 13% in 2020 before rebounding incompletely by close to 10% in 2021. As exports and imports are expected to move almost in parallel, the contribution of net exports to GDP growth in the euro area and the EU should be relatively small this year and next.

All components of demand will be hit hard by the pandemic, except government consumption and public investment which likely to play a stabilising role. The private consumption, the driver of economic growth in Europe for several years, is expected to contract by about 9% in both the EU and the euro area in 2020. This sharp decline is expected to be concentrated in the Q2. The recovery, expectedly starting from the Q3, is set to be incomplete however, as spending on travel and recreational services will lag behind because restrictions affecting these activities may last longer and also because a drop in household purchasing power this year cannot be fully prevented by the implemented fiscal transfers. In addition to this, uncertainty about employment and income prospects will keep precautionary savings higher than they were before the crisis well after the lockdowns have ended.

Business investment is likely to take a very severe double-digit hit this year due to a combination of multiple effects that will transform into a series of supply, demand and financial shocks. The multitude of underlying effects are: (i) very high uncertainty about future sales prospects, (ii) lack of revenues during the lockdowns which translate into scarcer internal sources available for investments, and (iii) a sharp fall in capacity utilisation, reducing the need for investment linked to capacity expansion. Later in 2021, investments can find support from a very loose monetary policy, lower uncertainty and some recovery in corporate profits that can lead to a rebound of slightly more than 10%.

The pandemic and the confinement measures completely changed the prospects of European labour markets that were, up to early 2020, the bright spot of the economy. National policy measures, such as short-time work schemes, wage subsidies for the self-employed as well as liquidity measures for firms have been taken to limit employment losses during the confinement period. All these contrib-

ute to that fall in employment this year could remain contained. Despite this, the euro area unemployment rate is expected to increase from 7.5% in 2019, its lowest level in more than a decade, to about 9.5% in 2020 and to decrease slightly next year. Unemployment rates are expected to rise very differently across the Member States.

Overall, the pandemic is likely to put downward pressure on prices. The combination of weakening economic activity, which makes the pass-through from wages to prices even more difficult for firms, and a deteriorating labour market outlook limiting future wage increases, translates into lower domestic price pressure. Combined with markedly lower oil price assumptions, the forecast for HICP inflation in the euro area has been significantly revised down to 0.2% this year. It is forecast to increase to 1.1% in 2021, largely on the back of positive base effects in energy prices.

The aggregate general government deficit is expected to surge from 0.6% of GDP in 2019 to 8.5% in both the euro area and the EU in 2020, mainly as a result of automatic stabilisers and the sizeable discretionary fiscal measures. In 2021, the headline deficit is forecast to decrease to 3.5% of GDP in both areas due to the expected rebound in economic activity and the quit of temporary measures adopted in response to the pandemic. After having been on a declining trend since its peak in 2014, the euro area's aggregate debt-to-GDP ratio is projected to reach a new peak of close to 103% in 2020 before decreasing considerably in 2021.

In respect of the prevailing fiscal and monetary stance, both are expected to remain very expansionary in 2020. The extent of fiscal expansion will vary among the Member States depending on their space available for extraordinary measures, while the European Central Bank will remain widely present with a broad range of supportive measures. As a consequence, the real short and long-term interest rates should remain clearly in the negative territory until the end of 2021.

Risks to the above forecasts are unusually large and concentrated largely on the downside (more severe and longer lasting pandemic, emergence of a second wave, highly diverging recovery path among EU countries, more severe disruption of global value chains, protectionist or punitive trade policies, lack of an EU-UK trade agreement, etc.)

Forecasted GDP growth rates of the European Union and its main trade partners

	Real GDP (%)		
	2019	**2020**	**2021**
Belgium	1.4	-7.2	6.7
Germany	0.6	-6.5	5.9
Estonia	4.3	-6.9	5.9
Ireland	5.5	-7.9	6.1
Greece	1.9	-9.7	7.9
Spain	2.0	-9.4	7.0
France	1.3	-8.2	7.4
Italy	0.3	-9.5	6.5
Cyprus	3.2	-7.4	6.1
Latvia	2.2	-7.0	6.4
Lithuania	3.9	-7.9	7.4

Luxembourg	2.3	-5.4	5.7
Malta	4.4	-5.8	6.0
Netherlands	1.8	-6.8	5.0
Austria	1.6	-5.5	5.0
Portugal	2.2	-6.8	5.8
Slovenia	2.4	-7.0	6.7
Slovakia	2.3	-6.7	6.6
Finland	1.0	-6.3	3.7
Euro area	**1.2**	**-7.7**	**6.3**
Bulgaria	3.4	-7.2	6.0
Czech Republic	2.6	-6.2	5.0
Denmark	2.4	-5.9	5.1
Croatia	2.9	-9.1	7.5
Hungary	**4.9**	**-7.0**	**6.0**
Poland	4.1	-4.3	4.1
Romania	4.1	-6.0	4.2
Sweden	1.2	-6.1	4.3
EU27	**1.5**	**-7.4**	**6.1**
UK	1.4	-8.3	6.0
USA	2.3	-6.5	4.9
Japan	0.7	-5.0	2.7
China	6.1	1.0	7.8
World	**2.9**	**-3.5**	**5.2**

Source: European Economic Forecast, Spring 2020, Publication date: May 6, 2020

Macroeconomic trends in Hungary[2]

While real GDP rose by 4.9% in 2019, and the first monthly indicators in 2020 signalled a continued momentum, the pandemic crisis is expected to cause a deep recession in 2020. The economic activity is estimated to have begun contracting in March and should reach its bottom in the Q2. A gradual recovery is projected in the second half of the year as containment measures are gradually lifted. While in Hungary the number of confirmed virus cases has remained limited so far in European comparisons, some sectors, such as the tourism and transport which account for half of service exports, are already severely hit. The constraints on industrial and construction activity remain moderate, but the international recession can hit the country's manufacturing particularly strongly due to the dominant role of highly cyclical industries (e.g. automotive).

In 2020, the real GDP is projected to decrease by 7%, while it may bounce back by 6% in 2021. At the end of the forecast horizon, output could still remain below its 2019 level, due to the gradual recovery of external demand and tourism flows, and some domestic headwinds. These will include higher unemployment and limited income support to households, delaying the recovery of consumption, and the lagged impact of declining house prices on real estate projects.

The unemployment could rise sharply this year from the annual average of 3.4% in 2019 to 7%, due to the flexibility of the labour market. The liquidity support and temporary job protection measures

[2] Source: European Economic Forecast, Spring 2020, Publication date: May 6, 2020

offered to companies are expected to provide limited containment only. The unemployment rate could fall back to 6% in 2021.

Due to weakening labour market and deteriorating income prospects, household consumption is set to fall sharply (-6.0%). While inflation peaked at 4.7% yet in January 2020, it has already eased more recently thanks to falling fuel prices and favourable base effects. Overall, the decline in aggregate demand is set to reduce inflation further. This process is however slowed down by the pass-through of currency depreciation as well as the impact of supply bottlenecks on food prices. The headline inflation is forecast to decrease from 3.4% in 2019 to 3.0% in 2020, and 2.7% in 2021.

Declining demand and high uncertainty are expected to significantly weigh on private investment, where the pace of decline can approach -20% in 2020, before rebounding somewhat in 2021 (+8.9%). The trade balance could improve thanks to the shrinking demand for imported consumer durables and capital goods, and also due to falling energy import prices. Thus, the current account is projected to return to a surplus (+1.3%) after a modest deficit in 2019 (-0.9%).

Hungary's government budget deficit improved only marginally in 2019 to 2.0% of the GDP. Higher-than-budgeted revenues, thanks to high income and consumption growth, were offset by higher expenditures of budgetary institutions, growing public investment programs and the increased transfers in the prenatal funding scheme of the 'demography programme'. In 2020, the general government deficit is forecast to increase considerably to 5.2% of the GDP, partly driven by lower tax revenues as a result of economic contraction. The impact of extraordinary fiscal measures implemented to fight the negative effects of the pandemic is so far more limited on the deficit ratio (only 1% of the GDP) than in other Member States. These include some temporary tax cuts in the most affected sectors, bringing forward the planned 2 pps. cut to employers' social contributions from October to July; a job protection scheme that covers part of lost wages for three months under certain conditions; a wage subsidy scheme for R&D jobs; and a one-off bonus for health workers. In addition, medical emergency expenditures have amounted to 0.75% of GDP until the beginning of May. Overall, the measures so far adopted are financed largely from the reshuffling of existing budgetary chapters and reserves as well as from new taxes on banks and retail companies. Some additional measures to support the recovery have been announced, but they are also planned to be financed through further budgetary reallocations. In 2021, the deficit could fall back to 4% of GDP, on the back of expected improvement in macroeconomic conditions and assuming moderate expenditure growth.

The debt-to-GDP ratio decreased significantly in 2019, to 66.3% of GDP. It is forecast to increase to 75.0% in 2020 and to decrease to 73.5% in 2021. Hungary's most important macroeconomic indicators are the following:

Hungary – The main macroeconomic indicators

	Current prices (bn. HUF)	Annual percentage change					
	2018	2016	2017	2018	2019	2020	2021
GDP	42661.8	2.2	4.3	5.1	4.9	-7.0	6.0
Private consumption	20776.4	4.9	4.7	4.8	5.1	-6.0	5.5
Public consumption	8404.5	0.7	2.4	0.9	1.7	5.0	-1.4
Gross fixed capital formation	10739.3	-10.6	18.7	17.1	15.3	-18.7	8.9
Exports (goods and services)	36236.5	3.8	6.9	4.3	6.0	-14.0	11.2
Imports (goods and services)	34370.5	3.4	8.2	6.8	6.9	-15.0	10.1
GNI	40952.1	4.3	2.8	5.1	5.1	-6.0	5.1
Contribution to GDP growth:							
Domestic demand		0.2	6.5	6.4	6.7	-7.3	4.6
Inventories		1.4	-1.8	0.4	-1.3	0.0	0.0
Net exports		0.6	-0.5	-1.7	-0.4	0.2	1.3
Employment		3.7	1.9	2.4	1.7	-3.8	1.1
Unemployment rate [a]		5.1	4.2	3.7	3.4	7.0	6.1
Real unit labour cost		3.0	0.8	-1.0	1.5	4.2	-3.4
Saving rate of households [b]		11.9	11.4	11.6	13.2	15.9	14.8
GDP deflator		1.0	3.7	4.5	4.5	4.2	3.1
Harmonised index of consumer prices		0.4	2.4	2.9	3.4	3.0	2.7
Trade balance [c]		3.4	1.5	-1.3	-1.9	0.7	0.8
Current-account balance [c]		4.7	2.3	-0.3	-0.9	1.3	1.5
General government balance [c]		-1.8	-2.5	-2.1	-2.0	-5.2	-4.0
Structural budget balance [d]		-2.0	-3.6	-3.6	-3.8	-2.6	-3.1
General government gross debt [c]		75.5	72.9	70.2	66.3	75.0	73.5

a) as % of total labour force, (b) gross saving divided by adjusted gross disposable income, (c) as a % of GDP, (d) as a % of potential GDP; Source: European Economic Forecast, Spring 2020

Presentation of the Company

The main activity of iSRV Zrt., which was established on October 15, 2014 by transformation is the development of IT-based products and the provision of services based on these. With several decades of expert knowledge combined and assistance of its partners, the Company ensures the smooth realization of complex IT-projects, the licensing of digital content and supply of streaming technologies. Its wide array of activities can be divided into three main business divisions: security systems, software development and streaming technologies, and online learning.

Streaming

The Company has been dealing with the development and operation of backend modules used as supportive solutions to streaming since 2016. The main reference in this field is the MyTV service provided by one of its partner company, to Client Company 1, whose supportive backend modules are being provided by the Company for three years.

Security systems

The activities of the security business division first comprised the sale of security software and hardware components, and later evolved into the development of own solutions: special developments for partners based on security technology, vein scanner, secure encryption and authentication solutions, blockchain-based developments, AI solutions in combination with computer vision technology. The supply and development of military equipment also forms part of the Company's security systems activities. To this end, iSRV Zrt. has been granted by the Hungarian Defense Ministry with the certification as NATO supplier, and has obtained a licence for undertaking military activities.

Online Learning Platform

The Company puts great emphasis on innovation: by cooperating with the leading colleges and universities in Hungary, they research the application possibilities of cutting-edge technologies in the fields of DRM, analysis, IoT and software-based recommendation engines.

The basis of the Company's relatively new online learning platform was supported by a GINOP tender (public tender funded partly by EU funds). The first implementation phase of the tender was successfully completed by the Company in September 2018. Since then, development of the platform continues also from the Company's own funding.

The online learning platform can provide online training for companies, for example, for internal training purposes, for educational companies (e.g. language schools), for educational institutions (secondary schools, universities) to expand their client base and regional reach, as well as for medical training (in-service training, mediation of surgeries, development of online clinics etc.) and in many other areas such as consultations, group discussions-trainings, conferences.

Other developments and projects

This area includes both providing customised software solutions to existing customers and developing solutions based on new, innovative technologies. It also includes innovative technologies developed based on the use of artificial intelligence, blockchain and visual recognition. In the first half of 2020, the Company has engaged itself in distribution of medical equipment.

In addition, the Company has been granted with funds from a GINOP tender offer for the construction of a small components-galvanizing plant in the amount of around HUF 760 million.

Historical financials

The Company realised net sales totalling HUF 368 million until March 2020 and booked capitalized own assets in the amount of HUF 317 million. The other income reached HUF 130 million. Net sales for the fiscal year 2019 amounted to HUF 2.05 billion, compared to HUF 2.09 billion in 2018. Material-type expenditures – in particular intermediated services – were the highest among the firm's

expenses in all three periods. The Company's personnel expenses reached 7% of its net sales in the first three month of the year (4-8% in 2018 and 2019).

The operating loss of the Company in 2020 Q1 amounted to HUF -83 million. In 2019, the operating profit/loss showed a positive balance of HUF 120 million, while in the previous year it was slightly negative.

The Company's fixed assets as of March 2020 consisted of intangible assets (mainly intellectual property) in the amount of HUF 630 million and tangible assets (HUF 347 million). In contrast, at the end of 2019, the value of intangible assets (licenses and similar rights) were HUF 339 million. Tangible assets amounted to HUF 47.5 million in 2019.

Industry trends

Biometric systems market

The biometric system market can be referred to as biological data that is used by advanced technologies to identify a person. These systems enable the user to analyse and provide statistical analysis of physical and behavioural characteristics of people based on the premise that each individual is unique and can be identified by his/her distinct physical traits and behaviour. Biometric systems have been embraced by organizations of all sizes and shapes regardless their industry type and vertical. Availability of fingerprint sensors in affordable mobile devices and government national ID programs have particularly brought biometrics to common man and have increased awareness as well as acceptance. Biometric systems are also getting more and more inexpensive due to widespread implementation and increasing rate of adoption[3].

Based on the analysis of Markets and Markets[4], between 2019 and 2024 a dynamic CAGR[5] of 14.6% is expected to be realised on this market, as the global biometric system market size is expected to grow from USD 33.0 billion in 2019 to USD 65.3 billion by 2024. The major drivers behind growth will likely be the increasing use of biometrics in consumer electronics devices, rising number of government initiatives to adopt biometrics, growing need for surveillance and security due to the threats of terrorist attacks, and increasing penetration of biometric technology in automotive and enterprise applications.

The prominent key players in the biometric system market are Secunet Security Networks AG (Germany), Fujitsu Ltd. (Japan), Aware, Inc. (U.S.), BIO-Key International, Inc. (U.S.), Thales SA (France), SA (France), Cognitec Systems GmbH (Germany), NEC Corporation (Japan), Cross Match Technologies (U.S.), Precise Biometrics AB (Sweden), and others.

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[3] Source: Biometric Devices: Cost, Types and Comparative Analysis, https://www.bayometric.com/biometric-devices-cost/

[4] Source: Biometric System Market by Authentication Type (Single-Factor: Fingerprint, Iris, Palm Print, Face, Voice; Multi-Factor), Offering (Hardware, Software), Functionality (Contact, Noncontact, Combined), End User, and Region - Global Forecast to 2024

[5] Compounded average growth rate

The market can be segmented along different aspects such as application, function, authentication type, and components. Based on this latter, the components can be hardware components (such as fingerprint readers, scanners, cameras and voice recognition devices) and software components.[6]

In respect of the application/use, the market can be segmented into Healthcare, Government, Security, Consumer Electronics, BFSI (Banking, financial services and insurance), Commercial, Military and Defence, Home, Travel and Immigration, Security, and others. For the time being application of biometric solutions in the Healthcare and Travel and Immigration sectors represent the largest share. The healthcare segment is especially expected to grow further in the coming years. In this context biometric systems allow security and authority in hospitals by providing effective identification system that supports iris, vein, palm, fingerprint, and face recognition (enhanced patient privacy, eradication of identity fraud).

As per the authentication type, biometric solutions can be segmented into two categories: the ones using single factor authentication and the others using multi-factor authentication. In the first segment one can comprise fingerprint recognition, iris recognition, palm print recognition, vein recognition, face recognition, signature recognition, voice recognition, DNA recognition, gait recognition and others[7]. In this segment, as use of fingerprint scanners skyrocketed in the first half of 2010's, fingerprint recognition accounts today by far for the highest market share thanks to its increased implementation in personal computers, laptops and smartphones for security purposes. A big advantage of fingerprint solutions, and hence its widespread use also in the travel and immigration industry is its low cost, ease of use and implementation and excellent services.

There are various elements to consider before choosing any modality to employ for a biometric application. These typically include level of security required, cost of the biometric system and return on investment, etc[8]. In the following table the biggest strengths and weaknesses of authentication types are summarised:

Type	Accuracy	Cost	Size of template	Long-term stability	Level of security
Facial recognition	Low	High	Large	Low	Low
Iris scan	High	High	Small	Medium	Medium
Fingerprint recognition	Medium	Low	Small	Low	Low
Finger Vein	High	Medium	Medium	High	High
Voice recognition	Low	Medium	Small	Low	Low
Retina Scan	High	High	Medium	High	High

[6] Source: Synopsis of Biometric System Market Research Report- Global Forecast 2023 downloaded from https://www.marketresearchfuture.com/reports/biometric-system-market-3754
[7] Source: https://www.marketresearchfuture.com/reports/biometric-system-market-3754
[8] Source: Biometric Devices: Cost, Types and Comparative Analysis, https://www.bayometric.com/biometric-devices-cost/

In the meantime, multi-factor authentication segment can be broken down into biometrics combined with PIN technology, biometrics combined with smart card technology, three biometric factor authentication, and two biometric factor authentication. As cost is an important factor to consider while choosing a biometric recognition system, multi-factor authentication or multi-modal biometric implementation can be rather considered for high security applications only (e.g military set-ups, data centres, nuclear reactors, R&D facilities, etc.)

The North American region has gained the maximum share in the global biometric system market. The regional market is showing massive growth due to factors like increasing digitization, improved network infrastructure, and higher implementation of technologies. The region holds the top spot in the global market due to the presence of a wide pool of players therein.

Nowadays, billions of people use biometric identification and authentication in some or other way on a daily basis, from unlocking doors to unlocking phones. Mass production cuts down prices, and that is what exactly happening with biometric recognition systems right now. Increasing numbers of implementation and adoption made mass production of biometric systems imperative and slashed prices. A biometric system's price may depend on factors like brand, certifications, waterproofing, type of sensor, etc. Increasing production and completion are expected to lower the prices further. Average selling price of global mobile fingerprint sensor volumes is estimated to be dropped to USD 2 per unit in 2020 which was as high as USD 5.5 in 2014.

IT security market (encrypted hardware devices)

Hardware encryption is a technology that encrypts the data stored on a hard drive using advanced mathematical functions[9]. Data encrypted this way on a hard drive cannot be read by anyone who does not have access to the appropriate key or password. The encryption (decryption) of information is done automatically by a specialised software when a file is written to (read from) the drive while leaving all other stored data encrypted. Based on the analysis of Market Research Future (MRFR)[10] as presented in a short synopsis, between 2017 and 2023 a CAGR of 22% is expected to be realised on this market. The major drivers boosting the envisaged growth will likely be increasing complexity and number of data breaches and the reduced cost of encryption. The total turnover of the market is expected to reach a projected value of around USD 200 billion by 2023, from its turnover of around USD 74 billion in 2018.

The global hardware encryption market can be segmented along different features such as architecture, algorithms and standards, product, application and end users. In terms of application, the most important segments are the BFSI, automotive, military and aerospace, IT and telecom, and healthcare. In the BFSI segment, hardware encryption is in widespread use in the world's largest financial service providers to protect daily financial transactions in core back-end systems, and also embedded in countless ATMs. In the automotive industry, encrypted hardware includes critical

[9] Source: Hardware Encryption Market Research report – Forecast to 2023; https://www.marketresearchfuture.com/reports/hardware-encryption-market-4857
[10] Source: Hardware Encryption Market Research report – Forecast to 2023

modules such as engine control units, body control modules, and vehicle on-board infotainment systems.

In terms of products, the hardware encryption market covers the following usual devices: external hard disk drives, inline network encryptors, internal hard disk drives, solid-state drives (SSD), USB flash drives. As per the end users, encrypted hardware has extensive application in the commercial, residential, industrial and government bodies' segments.

The North American region will have the largest market share in the forecast period. The market is the home soil for many established hardware encryption manufacturing companies. The Asia Pacific region is also expected to grow at a high rate in the period, propelled by the high expansion dynamics of IT and telecommunication networks in many countries, including China, Thailand, Malaysia, South Korea and India.

Some of the most dominant players on this market are: Micron Technology Inc. (US), Samsung Electronics (South Korea), Toshiba Corporation (Japan), Western Digital Corp. (US), Seagate Technology Plc. (Ireland), Kingston Technology Corp. (US), Symantec Corp. (US), and a handful of other US-based technology companies.

Electronic learning market

The Electronic Learning (or eLearning) industry has become to the predominant global educating force of the 21st century due to the combination of its low cost, high convenience and accessibility. The eLearning industry continues to expand, offering an ever-increasing array of eLearning tools to companies, government bodies, and individuals. Based on an industrial study published on the elearningindustry.com website[11] the global eLearning market may reach USD 325 billion by 2025, after having recorded USD 107 billion in 2015. This implies a CAGR of around 12% over the ten-year-period, which is likely to be driven mainly by the demand in developing countries[12]. eLearning provides developing country audiences with access to world-class educational resources which may not be available in-person in their home country. The other drivers in the market are the need to educate vast numbers of people at low cost, the falling price of learning solutions, and the needs of the modern workforce to engage in life-long learning.

Since 2000, turnover in the eLearning industry have grown by more than 900%. And, as seen from above statistics, the trend isn't showing any signs of slowing down, with the industry expected to nearly triple in size between 2015 and 2025. The key for eLearning solutions' success lies in the standardization. Companies need standardization to ensure consistent quality across their organizations. Staff in one location should be trained on the same material and in the same way as staff in

[11] Source: Top 20 eLearning Statistics For 2019 You Need To Know [Infographic], https://elearningindustry.com/top-elearning-statistics-2019
[12] Source: Forecasts provided by Global Industry Analysts Inc., in „E-Learning – Market Analysis, Trends and Forecasts", referred to in Top 20 eLearning Statistics For 2019 You Need To Know [Infographic], https://elearningindustry.com/top-elearning-statistics-2019

another location. Another key feature of eLearning is that it takes the social pressure out of learning and empowers people with particular personalities to get the most out of training.

Interestingly, the self-paced eLearning segment has much darker prospects than the rest of the market, as it is going through a period of secular decline and is expected to see its total revenues fall by 6.1% per year until 2021 (to USD 33.5 billion) from around USD 44 billion in 2018[13]

According to this website, the percentage of US companies using online learning reached 77% in 2017, largely based on the recognition that eLearning can speed up employee training. In 2017, the Brandon Hall Group's HCM Outlook Survey found that eLearning could reduce employee training time by as much as 40-60%[14]

In addition to private sector companies, government bodies and, increasingly, traditional educational establishments are also embracing the wave of innovative change that eLearning solutions can provide during the last decade. Figures from Statista suggest that more than 65% of faculty support the use of Open Educational Resources (OER), such as eLearning courses. Many more also support cutting-edge instructional methods. 39%, for instance, support gamification[15].

Based on Statista's data, in 2015, 49% of students, worldwide, have taken an online course during the preceding 12 months. The key to online learning's success is multiple fold. Some students, for instance, will benefit from the fact that they can listen to lectures as many times as they need, others will find the delivery on eLearning courses to be higher than the face-to-face equivalent at an educational establishment. The ability to pause and rewind to ensure understanding is not possible in traditional learning settings. Finally, eLearning courses may present material in a way that the student perceives as being friendlier, encouraging more relaxed and open learning, rather than panicked cramming.

In addition to its effectiveness and cost-consciousness, one of the most important advantages of eLearning technologies is that it represents a far greener and more efficient method of training than face-to-face. Figures from an Open University study suggest that eLearning cuts energy consumption by 90% and slashes CO_2 by more than 85%. eLearning courses become, therefore, an essential pillar in the global fight against climate change.

The old image of eLearning where a student or employee sits at a computer terminal clicking boxes is also changing rapidly. It's being replaced by a new, highly mobile model where learners can take courses in whatever subjects they like, no matter where they happen to be at the time. This trend is being made possible by the proliferation of mobile devices and well-designed, interactive learning

[13] Source: Data provided by Statista, Worldwide self-paced e-learning market revenue from 2016 to 2021, by region (in billion U.S. dollars) referred to in Top 20 eLearning Statistics For 2019 You Need To Know [Infographic].
[14] Source: Results provided by Brandon Hall Group Research, in 2017 Learning Technology Study referred to in Top 20 eLearning Statistics For 2019 You Need To Know [Infographic].
[15] Source: Data provided by Statista, Share of global students who have taken an online course in the past year from 2013 to 2015, referred to in Top 20 eLearning Statistics For 2019 You Need To Know [Infographic].

environments. The mobile learning market is expected to continue to expand, reaching USD 37.6 billion by 2020 – a notable share of the overall market.

Computer vision systems (Artificial Intelligence) and blockchain technologies

The computer vision market is expected to grow from USD 10.9 billion in 2019 to USD 17.4 billion by 2024-growing at a CAGR of around 8% during the forecast period. The major factors driving the market include increasing need for quality inspection and automation, growing demand for vision-guided robotic systems, and rising demand for application-specific computer vision systems.[16] In terms of regional breakdown, in 2018, North America represented the largest market, closely followed by Asia-Pacific and Europe. North America is expected to hold its lead during the forecast period, driven by pharmaceuticals and food & packaging, the major two sectors that are implementing computer vision systems because of mandatory government regulations, to ensure quality, and for ease of operation.

When one talks about the computer vision market, it can be segmented according to components, products, application, vertical and geography. In terms of components, these systems have hardware and software elements. With respect to products, the market can be classified into PC-based computer vision systems and smart camera-based computer vision systems. The growth in the market today is attributed to the advancements in smart camera technology and IoT, and increasing penetration of smart camera-based computer vision systems. Smart camera-based computer vision systems are cost-effective, compact and flexible.

Based on application, the computer vision market is to be segmented into: Quality Assurance & Inspection, Positioning & Guidance, Measurement, Identification, Predictive Maintenance.

In terms of vertical, the industrial use of computer vision systems is dominant, within which the automotive industry is one of the early adopters of computer vision systems and continues to hold the largest share of the market among other industries. Automation is widely used for assembling vehicles in this industry; hence, the adoption of computer vision systems is high.

Key players in the computer vision market include Cognex Corporation (US), Basler (Germany), Omron Corporation (Japan), KEYENCE CORPORATION (Japan), National Instruments (US), Sony Corporation (Japan), Teledyne Technologies, Inc. (US), Allied Vision Technologies (Germany), Texas Instruments, Inc. (US), Intel Corporation (US), Baumer Optronic (Germany), and others.

[16] Source: Markets and Markets / Market report - Computer Vision Market by Component (Hardware (Camera, Frame Grabber, Optics, Processor) and Software (Deep Learning and Traditional Software)), Product (PC Based and Smart Camera Based), Application, Vertical - Global Forecasts to 2023

Forecasts suggest that global blockchain technology revenues will experience massive growth in the coming years, with the market expected to climb to over USD 23.3 billion in size by 2023. The financial sector has been one of the quickest to invest in blockchain, with over 60 percent of the technology's market value concentrated in this field.[17]

[17] Source: Data provided by Statista, Size of the blockchain technology market worldwide from 2018 to 2023 (in billion U.S. dollars)

VALUATION METHODS

We have made the investigation to express our opinion on the fair market value of the 100% ownership stake in the Company as of March 31, 2020 on the premise of continued use. As of our understanding, our opinion of value may provide support for accounting purposes (contribution-in-kind).

The definition of fair market value and continued use can be found in the executive summary. An estimate of fair market value arrived at on the premise of continued use does not represent the amount that might be realized from piecemeal disposition of the property in the open market or from an alternate use of the property

There are three generally accepted approaches that need to be considered for the purposes of business enterprise valuation, namely the cost, market and income approaches:

The **cost approach** puts focus on the estimation of the cost of replacement new of the business enterprise, based on the premise that a potential investor will not pay more for a business enterprise than the amount for which it would be able to establish it under similar operating conditions. The disadvantage of this approach is that it should theoretically involve the application of index numbers in the calculation of cost of reproduction new of some items that are difficult, or even impossible, to measure (i.e. market reputation in case of the customer base), and/or in other cases the estimation of the cost of reproduction new relies largely on uncertain assumptions (in case of skilled workforce). An additional caveat stems from the barriers to entry and the determination of their implied costs. Therefore, the cost approach may be limited in its ability to draw a reliable final conclusion on business value, however, it can provide a sound basis in other instances where the other approaches to value rely on uncertain, risky or unrealistic assumptions. The method of cost approach comprises the re-valuation of company's assets and liabilities to their fair market value, and by taking the difference between the restated assets' and liabilities' values, that is the net asset value, it approximates the company's equity value.

In application of the **market approach**, we analyse recent market transactions involving the sale and purchase of ownership stakes in similar companies. During this, we may analyse transactions taken place both on the public markets and in private, and we derive multiples from the valuation and relevant financial metrics of similar target companies. Under both methods, comparable financial multiples are projected then to the financial metric of the subject company to be valued, and conclusions are drawn regarding the fair market value of the company. The concluded value may need to be adjusted depending on the ownership rights stated in the articles of association. When applying the guideline publicly traded companies method, if the equity interest being valued conveys control, it may be necessary to apply a "premium for control". When valuing the ownership in a private company, we generally apply a discount for lack of marketability and the closed nature of the investment.

The **income approach**, that is estimation of the present value of net income derived in the future from the business operation, which – based on the time value of money concept – can be estimated by the application of a yield factor characteristic to the business risk of the Company. The reliability

of business value calculated with the income approach depends implicitly on the projections taken into consideration and the expected rate of return. There are several methods of the income approach available. Selection of the most suitable method depends mainly on the reliability of available operating data and the specific characteristics of the operating environment. The discounted cash flow, or DCF method measures economic value through the rights for future economic benefits from the ownership. The value is then estimated by discounting to their present value the future available net cash flows at a market rate of return. Another form of income approach is the capitalization of earnings, which determines the business value by capitalizing the company's stabilised historical net income.

Each of the above approaches may be used to develop an indication of fair market value, however the appropriateness of these approaches varies with the type of business interest being valued.

In accordance with our engagement and in line with the current operations of iSRV Zrt. (as of the valuation date, it is engaged in revenue-generating activities and has a medium-term detailed business plan (for April 2020-2025)), we have applied the income approach's discounted cash flow (DCF) method for the Company's business valuation.

The application of discounted cash flow method and our conclusions on the value are presented in the next chapter.

VALUATION WITH INCOME APPROACH

Discounted cash-flow method

Discounting is a form of capitalization by which projected future economic incomes are converted to a present value estimate. This method differentiates between cash flows based on their timing by discounting them to their present value and recognizes that an income due and receivable sometime in the future is less valuable than the same amount received in the present. Under this approach, we take into consideration the projections of net revenues, other income, direct and indirect operating expenses, other expenditures, depreciation, the expected CAPEX, and the additional working capital requirements.

In order to determine the present value of cash flows, it is necessary to derive a discount rate that properly reflects the rate of return required by investors. Continuous cash flows are assumed during the projection period but for practical reasons we represent them in one amount for the respective period (year or partial year). Cash flows are aligned to the middle point in each projection period.

The present value of interim cash flows and the present value of terminal period sum up in the invested capital value of the operating business, that is, the business enterprise value (BEV). By reducing it with the value of interest-bearing and other financial liabilities, and by increasing it with the fair market value of non-operating assets (if any), financial investments, excess net working capital (or decreasing it in case of a deficit) and surplus cash, we derive the fair market value of equity.

The Company's business plan

The Company's management has provided us with its business plan for the period of April 2020 to 2025, broken down by products (services). This splits the activity portfolio into a total of 8 different technology solutions/business segments, which we, in accordance with the management, further segmented where relevant and added value to the accuracy of the model. As a result, direct sales and direct costs were projected separately for a total of 11 solutions (projects). Based on our request, the Company's management has classified the products / services according to their level of technological development, completeness, and current commercial maturity because this input has played an important role in estimating the risk of the cash flows associated with the product and thus the likelihood of occurrence. According to management information, the Company's developments can be categorized into three main classes:

1. Existing product / service with existing contract and revenue ("existing business")

2. A product under development or already finished with a contract or letter of intent from a customer ("close business")

3. A product or product idea under development that is an opportunity in a less advanced phase without a signed contract ("planned business")

The above categorisation serves to provide probability weights for cash flows per product included in the business plan, reflecting the difference between (1) contract based, running and revenue-generating projects; (2) projects in the pipeline and likely to generate revenue in the near future; and (3) future innovative products, which are most similar to those developed and intended to be commercialised by a start-up company.

The business plan is based on the direct revenues and cost projections of the following 11 products / services:

iSRV Zrt. – Business lines, developments and their degree of marketability

	Business Line	Product/service	Dev. phase
1.	Video on Demand (VoD)	VoD for contracted clients	existing business
2.	Security systems	Shoot simulator	close business
3.	Security systems	SBU products and services	close business
4.	Security systems	Datagate solutions	close business
5.	Security systems	Encrypted SSD products	close business
6.	Online learning platform	Online learning platform	existing business
7.	Galvanisation plant	Galvanisation activity	existing business
8.	Software development	Customised software development	existing business
9.	AI technology solutions	Plant recognition	planned business
10.	AI technology solutions	Smart city solutions	close business
11.	Medical equipment distribution	Resale of medical equipment	existing business

We have discussed with the Company's management the market, economic and operational assumptions behind the business plan. The management has provided us with its own estimates of the probability of success of contracts/deals to be signed for each product / service in the status of close business, which we have found to be relevant and credible. In case of „planned businesses", our probability weighting follows industry patterns of the average survival rates of newly created companies in the sector concerned, in Hungary, over the period of 1, 2, 3, 4 and 5 years. In the case of existing business (current contracts), the management's forecasts were considered relevant and reliable and were accepted unchanged and with a 100% probability weighting.

In addition to cash flows directly attributable to the products / services, the management has provided us with an estimate of indirect operating costs of the Company over the forecast horizon, which we have taken into account with 100% probability.

The detailed business plan (April 2020 - 2025) compiled by the Company's management has been supplemented by 5 more years (2026-2030) in order to properly model without distortion the end of

products' cash flows with finite useful life; and that we consider only the normalised financial impact of expectedly longer-term (sustainable) activities in the terminal period's cash flow. Management estimates have been applied for the useful lives of developments with a finite life and for existing contracts with a finite expiration date, as well as for their profile of revenues and expenses in the period 2026-2030.

It is important to note that our opinion was primarily based on the business plan provided by the Company's management. The risks inherent in the business plan were taken into account when determining the discount rate. In business valuation, the risk assessment (resulting from both the 'pure' business activity and the financial leverage) is typically considered during the determination of the cost of capital (discount rate). The only aim when determining cash flows is to consider their expected value in the business plan, in mathematical terms, if they are subject to financial risk.

The prospective financial information prepared by the management and approved by the Company's shareholders have been reviewed by us and accepted without any substantial changes. Where minor internal anomalies or faults were discovered in the plan, we informed the management who approved our findings by correcting the eventual errors. The probability weights used in the valuation model were discussed with the management, who accepted them as realistic assumptions. We have assumed that figures in the business plan provided represents properly the Company's expected operations and financial position as of the valuation date.

In the following we exhibit a summary of the main assumptions of the business plan by product / service.

Video on Demand (VoD) for contracted clients

The Company receives this service revenue from Client Company 1 on the basis of an ongoing contract, in which iSRV Zrt. in cooperation with Partner Company 1, as its subcontractor, provides VoD services on a platform developed for this purpose.

The projected revenues contain amounts that are chargeable based on the contract and are taken into account by the Company only in 2020. The costs incurred include operating costs of the developed platform and server rental fees. The gross margin of the service is 20%.

Security systems (shoot simulator)

The management forecasts revenues in this business line from re-sale of a shoot simulator supplied by a third party manufacturer in the first year, and the related support services in the subsequent years. A large one-time order is expected to be concluded in 2020. In the year of delivery, the Company does not expect to generate profit due to the relatively small primary margin applied upon the costs of goods sold (25% sales-based margin) and other related expenses (such as that of marketing, and implementation, 28%). In the contrary, the management expects profit from the business line in the subsequent years, where revenues from training, implementation and other added-value services

are forecasted with a high gross margin. No growth in service revenues is assumed in the business plan over the forecast horizon, the expected life span of the business line (under which the Company can provide support) is 10 years. For this business line, the market niche is based on the customer relationships and market knowledge built up previously by the Company.

Security systems (Secure Biometric Unlock Products and time-sheet)

Revenue expectations for the product (customised biometric identification solution) are based by the management on the interest perceptible on the North American market on the one hand. On the other, one area of the Secure Biometric Unlock (SBU) application is an advanced working time recording system, for which significant interest is shown by several companies in the domestic market. In both cases, the management expects to conclude new contracts soon, so the probability rate assumed for the cash flows projected in the business plan is 90% over the forecast period.

According to management, the growth rate in the business line can be very high at the beginning (almost 100% from 2020 to 2021), which will then gradually ease as the Company reaches higher market penetration and share. Further annual growth rates between 2021 and 2024 are expectedly the following: +54%, +28.4% and 20.3% (products sold, and services revenue combined). In 2025, the management forecasts a decline in sales from products sold, as the novelty of the technology fades, while revenues from SBU services can keep growing further. The rate of expansion is likely to gradually decline also in the service revenues from 2026 onwards and converge to a long-term sustainable level of 1.5% p.a. (in the terminal period), such as in case of product revenues.

The costs incurred are the COGS of contract manufacturing of the products and the costs of intermediated services (rental of servers). The Company has been granted with EU funds for the development of the working time recording system, which grant can be consumed over a three-years' period (2020-22). Product development costs are reported under CAPEX line. The useful life of SBU products cannot currently be determined, so the business plan assumes that improvements and upgrades may keep the solution on the market after the forecast period (along with sustainable revenue growth rates, decreasing profitability and considering the investment need of upgrades).

Security Systems (Datagate Solutions)

Within this product line, the Company plans to sell a unique encryption algorithm system (Datagate). Among the components of Datagate, both hardware and software are self-developed and applicable for law enforcement, government and bank data encryption.

Management expects that sales of the Datagate solution will grow dynamically between 2020 and 2025, and then the growth curve will gradually flatten as the technology enters a more mature stage in its life cycle. Datagate's sales may increase by more than 70% from 2020 to 2021, and then with around 20% per annum in the following years until 2025. Based on management assumptions, the growth dynamics could remarkably decelerate from 2026 onwards, and after a 3-year period of convergence, it can reach the sustainable level of 1.5% p.a. in 2028.

The costs incurred contain the COGS of contract manufacturing of hardware components and the expenses of contractual selling partners (agents).

The useful life of Datagate solution cannot currently be determined, so the business plan assumes that improvements and upgrades may keep the solutions on the market after the forecast period (along with declining revenue growth rates).

In case of the Datagate solution, the management expects to sign new contracts soon, so the probability rate assumed for the cash flows projected in the business plan is 90% over the forecast period.

Security Systems (Encrypted SSD products)

Within this product line, the Company plans to sell encrypted flash-based solid-state drives (both products and its associated services).

The management expects that sales of encrypted SSD products and services will grow dynamically between 2020 and 2023, especially in the first two years, and then due to precaution the management projects stagnating revenues. The major expense items associated with SSD products contain the COGS of contract manufacturing of products and the costs of implementation and training.

The useful life of encrypted SSD technology cannot currently be determined, so the business plan assumes that improvements and upgrades may keep the solutions on the market after the forecast period (along with stagnating revenue and considering the investment need of upgrades).

In case of the encrypted SSD technology, the management expects to sign new contracts soon, so the probability rate assumed for the cash flows projected in the business plan is 90% over the forecast period.

Online Learning Platform (OLP)

The OLP platform is an innovative development addressing corporate electronic (distance) learning and on which organisations with multiple sites and multinational companies can organise internal online interactive trainings. In addition, this technology can serve educational and healthcare institutions.

In connection with OLP, the Company has already realized revenues and the management expects that the planned figures will be attainable in the coming period with the contracts ready to be signed / being under conclusion, meaning that this business line can be considered as an existing business. Based on the precautionary principle, after 2023 we assumed a 5% annual decrease in the probability of forecasted EBIT (until down to 80%).

For OLP-related revenues, the Company expects annual revenue growth between 20% and 50% until 2025, after which the current technology's life cycle may enter its decline phase. The platform has an estimated useful life of another 10 years, so cash flows are expected to run until 2030.

The most important costs associated with the solution are the marketing, customisation and operating costs (rental fee of servers) and the cost of own personnel, which is included in the general administrative (indirect) costs of the Company. The investments include the cost of platform development by subcontractors and consultants, as well as related license fees.

Galvanisation Plant

The construction of a galvanizing plant is driven by a tender opportunity thanks to which the Company can use non-refundable EU funding. The primary market opportunity for galvanizing services is the supply to the automotive and the solar panel manufacturing industries. According to management information, the capacity of the plant is fully reserved by customers for years in advance, therefore this business can be considered as an existing business. However, based on the precautionary principle, after 2023 we assumed a 5% annual decrease in the probability of forecasted EBIT (until down to 80%).

To set up the plant, the Company is granted with EU funds (with 50% intensity) which can be used spread over the amortisation period of the main asset invested (10 years). The costs of building the plant are included in the CAPEX. Up to March 2020, around HUF 300 million of investment (out of the 763 million budgeted) arose.

The estimated useful lifespan of the business (plant) is 10 years. Net sales are expected to decline after 2025 and cash flows are expected to run until 2030.

Customised software development

This is one of the Company's legacy activities that it had already performed on and before the valuation date. Management expects that contract-based software development will continue to be demanded, thus the current contract will be extended. The plan assumes unchanged volume and revenue over the forecast horizon (until 2025), followed by slightly increasing revenues.

The costs incurred are primarily those of outsourced subcontractors (developers), with an expected primary margin of 7.5% in the business line.

Artificial Intelligence-based solutions (plant recognition)

The business line covers several product/service ideas that are based fundamentally on the application of artificial intelligence. Product developments include the development of plant recognition applications using artificial intelligence e.g. for military, security, law enforcement agencies and companies, as well as several technologies in the “smart city” context.

As the plant recognition technology is innovative and pioneering, the management sees significant potential in it. However, due to the high degree of innovation, the product life cycle is expected to be shorter: revenues are expected to increase massively by 2023, then decline sharply, as the implementation of projects are getting completed. Cash flows are forecasted in the business plan to peak

at 2023 and then progressively decline thereafter. An entire retirement of the technology is forecasted in 2027.

The costs incurred comprise marketing costs, operating services' costs provided by subcontractors and costs of third-party hardware and software to be delivered as part of the solutions. Product development costs are taken into account under CAPEX.

This technology is novel and innovative that will be completely new in the Company's business portfolio. It is therefore worth considering the revenues of this business line as similar to the revenues generated by a start-up from an innovative technology.

Innovative technologies such as the above are often commercialized first by start-up companies, which typically bear many of the characteristics of a young business. For example, they have no market history (in the present case, it is valid only for this particular technology), they have no sales revenue (again, only for this technology), no established cost structure, and most importantly, they miss market evidence on the competitiveness of their technology. Damodaran[18] concludes that most young businesses do not reach the phase of commercial success and fail.

Therefore, to capture the unique risk profile of young (start-up) companies, we use Damodaran's conclusions, which, based on studies by Knaup (2005) [19] and others, suggest using the survival rate of start-up companies - which mirrors the expected probability of a technology's viability - to adjust the expected cash flows of innovative companies in order to more accurately capture their risks. Thus, the probability weighting of business line revenues and expenses has been based on the analogy that as if the business line concerned were set up as a stand-alone start-up.

The source of survival rates for start-ups was a database published by Eurostat, of which we used data for 2017 (latest available), specifically for Hungarian companies in the Information and Communication Technology sector: [20]

Survival rates of Hungarian companies in the ICT sector, in 2017

Date of incorporation	t-1 year	t-2 year	t-3 year	t-4 year	t-5 year
Survival rate	82.8%	71.1%	59.4%	56.3%	48.6%

[18] Source: Aswath Damodaran: Valuing Young, Start-up and Growth Companies: Estimation Issues and Valuation Challenges, Stern School of Business, New York University, May 2009
[19] Source: Knaup, Amy E., May 2005,, "Survival and longevity in the Business Employment Dynamics data," Monthly Labor Review, pp. 50–56 in Aswath Damodaran: Valuing Young, Start-up and Growth Companies: Estimation Issues and Valuation Challenges, Stern School of Business, New York University, May 2009
[20] Source: https://ec.europa.eu/eurostat/web/structural-business-statistics/entrepreneurship/business-demography

We have considered forecasted net revenues and expenses adjusted for the above probability weights between 2020 and 2024 and assumed the probability rate of the last year (the survival rate) as fixed for the subsequent period.

Artificial Intelligence-based solutions (smart city applications)

Smart city applications specifically cover smart parking solutions for densely populated urban areas (based on license plate recognition), traffic management solutions (based on license plate recognition), air quality control solutions and smart waste collection application.

Similar to the plant recognition technology, the management sees significant sales potential in these innovative products too, but also projects a rather limited useful life for them. Sales revenues are likely to increase very dynamically until 2023, and after one year of relative stagnation in 2024, sales are forecasted to decline sharply in the subsequent three years. The entire retirement of the solutions is forecasted in 2027.

The costs incurred comprise selling and marketing costs, operating services' costs and COGS of goods to be delivered as part of the solutions. Product development costs are taken into account under CAPEX.

In comparison to the plant recognition technology, the Company's management considers the smart city applications as being in a more advanced phase of development which are now ready to be commercialised. Negotiations with potential buyers in the Asia-Pacific region entered in their final phase, and the signing of supply contracts is projected in the near future once the pandemic crisis restrictions on international travel are lifted. Therefore, the management associates a 90% probability weighting with the cash flows projected under this product line.

Resale of medical equipment

This line of business covers the importation of medical equipment and consumables from China as part of the fight against the coronavirus pandemic in Hungary. The management has established strong business ties – together with other partner companies – in China recently and aims to use every opportunity to fulfil the needs of the government's or other institution's demand for medical supplies. The cash flows projected are based on the importation and re-sale of medical equipment and supplies.

The timing of cash flows is expected in the very near future as of the valuation date (in 2020 Q2). A re-sale margin of 2.0% is projected upon the distribution of medical equipment and consumables, and this business line can be considered as a sure and existing business.

General admin and other expenses, taxes and other cash flow components

In this income statement category, the business plan reflects on the Company's general operating expenses and costs of employees. The number of employees also includes the team of professionals involved in the development of certain products. The business plan foresees a 2% annual increase in the material-type expenditures and a slightly higher annual increase in personnel costs until 2025.

In addition to the above costs, we also calculated the local business tax, which was quantified at a rate of 2%. The Company is exempt from the payment of innovation contribution.

In course of the valuation, the corporate income tax was taken into account in accordance with the Hungarian corporate tax law in force with a 9% corporate tax rate.

To determine the additional net working capital requirements, we used the operational data of comparable companies which were also relied on to determine the discount rate. Basically, we set up comparable company samples for five types of activities (see in the next chapter), then for the five samples, we calculated the comparable companies' historical (average of last 5 years) days receivables, days payables and inventory days statistics (see in Appendix C.4). Applying these ratios to the forecasted figures of the Company's business lines (each of them being assigned to one of the 5 activities), we determined the pattern of working capital of the business lines, and then summed these to obtain the expected net working capital position of the Company over the forecast period.

Development of the discount rate

The currency used in business planning was the euro, therefore we have built up an EUR-denominated discount rate.

When determining the discount rate, we first calculate the expected return on (cost of) equity, using the capital asset pricing model (CAPM). The cost of debt was also estimated based on average credit market conditions.

According to current economic and financial theories, there exists an average optimal financing structure for companies operating in a given sector, at which the average cost of funding can be the lowest. Consequently, when determining the discount rate, the industry average capital structure is taken into account instead of the company's specific capital structure observed for the specific date. To approximate the industry average capital structure, we have analysed data of companies available in the S&P Capital IQ database. As the Company's developed products belong to multiple industries, several industries were considered in building-up the discount rate, and the resulting industry-specific discount rates were then weighted in proportion to the expected EBIT of business lines.

After understanding the nature of activity, we have looked for comparable companies in five different industries, including online education/learning, video streaming solutions, biometric software solutions, artificial intelligence and blockchain (complemented with drone-based imaging technology), and galvanisation. We were looking for companies with activity focused on Europe (where

possible). A further criterion for the selection was that the trading intensity in the shares of the comparable company, i.e. the liquidity of the investment therein, be sufficient, which is a prerequisite for the reliable assessment of their risk profile. The capital structure of selected comparables, by industry, are characterised by the debt/ equity ratio shown in the table below (at market value, median). In determining the discount rate for the projection period, it may be assumed that a hypothetical buyer is converging towards a capital structure close to the industry average, in the medium (long) term.

iSRV Zrt. – Estimated capital structure and volatilty, by industry

	Debt/TIC*	Unlevered beta
Online education		
Ideagen plc	2.2%	0.86
Induct Software AS	5.9%	1.60
InVision Aktiengesellschaft	4.0%	0.89
Learning Technologies Group plc	6.8%	0.87
Netex Knowledge Factory, S.A.	33.4%	NA
RM plc	6.2%	1.02
Median (rounded)	**6.0%**	**0.89**
Video streaming solutions		
Agile Content, S.A.	27.0%	0.65
Anevia Société Anonyme	21.5%	0.33
Blackbird plc	0.4%	0.69
BrandBee Holding AB (publ)	1.1%	NA
Netgem SA	6.8%	1.03
TeamViewer AG	10.7%	NA
TerraNet Holding AB (publ)	12.0%	1.73
Vetrya S.p.A.	21.3%	0.66
Median (rounded)	**11.0%**	**0.67**
Biometric software solutions		
BIO-key International, Inc.	4.7%	1.26
Dream Security co., Ltd.	3.9%	1.72
Facephi Biometria, S.A.	8.8%	1.17
Hancom Secure Inc.	31.1%	0.82
ImageWare Systems, Inc.	8.1%	1.18
INITECH Co., Ltd.	34.2%	0.70
Nuance Communications, Inc.	31.6%	0.65
Raonsecure Co., Ltd.	4.8%	1.53
StrikeForce Technologies, Inc.	43.6%	2.34
Synel M.L.L Payway Ltd	70.0%	0.38
Median (rounded)	**20.0%**	**1.18**
Galvanisation		
CSY Spólka Akcyjna	0.0%	0.82
Elastron S.A. - Steel Service Centers	70.2%	0.45
Galvo S.A.	34.1%	NA
Gesco AG	37.8%	0.56

Hill & Smith Holdings PLC	16.2%	0.61
Stalprodukt S.A.	17.9%	0.88
Median (rounded)	**26.0%**	**0.61**
AI & BC solutions, imaging, and drone technology		
Expert System S.p.A.	28.5%	0.68
The Blockchain Group	27.7%	1.38
Acconeer AB (publ)	0.0%	1.37
Delta Drone SA	21.3%	1.46
Drone Volt SA	21.5%	0.79
Fastout Int. AB (publ)	0.5%	1.10
Remote Monitored Systems plc	9.9%	0.57
Artificial Solutions International AB (publ)	33.6%	0.67
Petards Group plc	15.9%	0.73
Tracsis plc	0.4%	0.83
Median (rounded)	**19.0%**	**0.81**

*Total Invested Capital – based on historical average capital structure of comparable companies;

The cost of equity has been developed based on the CAPM. At first, the risk-free rate (R_f) of return must be determined, which is the rate of return required by investors on a risk-free investment. As the most appropriate risk-free rate to use, we typically apply the promised yield to maturity on long-term government bonds. In the current case, since Hungary has not currently got any outstanding EUR-denominated sovereign bond with 20 year or longer maturity on the secondary market, we have calculated an implied EUR-based government bond yield. For this purpose, we have taken as base rate the 20-year yield of government bonds issued by Eurozone's AAA-rated countries that we have majored with the yield spread payable by Hungary over AAA-rated sovereigns. The yield premium has been estimated to 1.5% by considering the CDS differences between Germany and Hungary (for 10 years), the yield premium payable by Hungary upon its shorter term EUR government bonds (for 5 and 7 years), and the premium payable by Hungary upon its approx. 20-year USD-denominated bond over the benchmark US Treasury bond yield.

All daily yield data has been averaged for a period of 12-month immediately preceding the valuation date. The risk-free rate is hence determined to be 1.6%.

In addition, in case of risky investments (equities), investors require an additional yield component, a risk premium (EP), which is the difference between the rate of return expected by investors on an average risky investment and the return on a risk-free investment. The market equity risk premium is estimated based on consideration of historical realised returns on equity investments over a risk-free rate as represented by government bonds and forward-looking equity risk premium estimates (20 years' yield). Data sources reviewed generated a range of equity risk premium indications. However, a 6.0% equity risk premium was considered to reasonably represent a consensus viewpoint of the market equity risk premium.

In the next step, the estimation of the beta (ß) coefficient should be carried out, which proportionate the risk of a given sector to the average market risk. This is a mathematical analysis of historical

stock price volatility of comparable firms in the given industry vis-à-vis the volatility of aggregated stock market. The beta coefficient of less than 1 indicates an industry that is rather defensive in nature. Generally, when the market rises, the prices of stocks in this industry will not rise as much and conversely, when the market declines, the prices of stocks will not decrease so sharply. A beta coefficient above 1 indicates an industry that is more aggressive in nature which leads to opposite behaviour. Finally, a beta coefficient of around 1 indicates an industry that mostly changes in tandem with the overall change of stock prices.

The correlation of comparable companies selected for the determination of discount rate with the market portfolio (index) varies significantly across the industries (see above in the table). Based on data from S&P Capital IQ for the companies analysed, the unlevered (or „project") ß, representing the pure risk of business activity without the risk of financial leverage is concluded to be 0.89 in online education, 0.67 in video streaming, 1.18 in biometric software solutions, 0.81 in artificial intelligence, BC, imaging and drone tech and 0.61 in galvanisation. These unlevered beta coefficients have been re-levered for all industries with the assumed capital structure (the market average capital structure) and tax rate of iSRV Zrt.

A special risk premium stemming from the size of sales volume, the riskiness of the business plan, and the size of targeted markets is the so-called company specific risk that is determined on a case-by-case basis in all analysis. For the subject Company, a risk premium of 3.39% has been applied derived from size factors, based on the analysis of Duff&Phelps data[21].

Given the aforementioned discussion of the parameters (the risk-free rate and other parameters), the cost of equity (CAPM) is estimated in the range of 9.5% to 13.7% for the five industries, as of March 31, 2020.

We estimated the pre-tax cost of debt (4.6%) applicable to the Company by reference to information technology sectoral corporate yield curves. We approximated the credit rating of the Company with the average credit rating of comparable companies based on their available long-term credit ratings from S&P (a BB rating has been assumed). For this, we used the yield curve data provided by the S&P Capital IQ database. Taking into account the benefits of tax savings, the after-tax cost of debt resulted to be 4.2%.

Given the above calculated components of weighted average cost of capital, the WACC is estimated to fall in the range of 8.4% to 11.8% for the five industries, as of March 31, 2020. The resulting industry-specific WACC were then weighted in proportion to the expected aggregated EBIT of business lines, to form our final concluded WACC (10.7%).

Terminal value calculation

The value of cash flows from the years after the detailed forecast period (2020-2030) is expressed as a single figure, that is the so-called terminal value. Long-term cash flow is derived from the cash

[21] Duff&Phelps: 2018 Valuation Handbook - Guide to Cost of Capital

flow of the last year of projection period, which is a normalized operating year. In order to estimate the terminal value after the explicit forecast period, we have assumed a long-term growth rate (g) of cash flows that basically reflect on business plan figures compiled in nominal terms. The (sustainable) annual growth rate of cash flows was estimated at 1.5% with a view to the Company's long-term sustainable growth potential. In order to maintain nominal growth at a low level, we have assumed that the value of investments will equal the level of annual depreciation.

The terminal value capturing the present value of all cash flows in the terminal period is calculated using the following formula (form of the Gordon Growth Model):

$$Residual.Value = \frac{p \cdot (1+g)}{r-g} \cdot d$$

where

p = debt-free cash flow in the terminal year;
r = discount rate;
g = growth rate (of cash flows after the projection period);
d = terminal year discount factor.

The present value of interim cash flows and the present value of terminal period sum up in the invested capital value of the operating business, that is, the business enterprise value (BEV). By reducing it with the value of interest-bearing and other financial liabilities, increasing it with the fair market value of non-operating assets (if any), financial investments and surplus cash, and correcting it with the balance of excess (deficient) net working capital position as at the valuation date, we derive the fair market value of equity.

Non-operating tangible assets have not been identified in the balance sheet of iSRV Zrt., while among financial investments we take into account receivables which are owed to the Company as a result of the sale of its ownership stake in an other company. Other valuable assets include cash surpluses, whereas the net working capital balance of the Company as at the valuation date was highly deficient, mainly due to a large amount of customer advance booked in connection with the resale of medical equipment. We have recognised some liabilities in the balance sheet of the Company that represented long-term trade payables and a small-value loan given by the managing director of the Company. Deferred tax liabilities (arising from the development reserve booked) have also been accounted for.

CONCLUSIONS

Based on the facts presented above and the analyses and method outlined in the report, it is our opinion that, with the application of income approach (**discounted cash flow method**), the fair market value of the **100% equity interest** in the Company as a going concern, as of **March 31, 2020** can be estimated according to the following table:

iSRV Zrt. – Business value with income approach – data in ths EUR –	**Estimated value**
Present value of interim cash flows (April 2020 - 2030)	12,478
Discounted terminal value	1,832
Business Enterprise Value	**14,310**
Plus/minus: Excess (deficient) net working capital	-7,362
Plus: Cash	5,244
Plus: Other financial investments	982
Plus: Non-Operating Assets	0
Less: Interest-bearing and non-interest bearing debts	73
Less: Deferred Tax Liabilities	33
Estimated equity value (100%)	**13,067**

It is our opinion that the **fair market value of 100% equity stake** in **iSRV Zrt.**, with the application of DCF method, as of **March 31, 2020** can be estimated to **EUR 13,067,000** or **THIRTEEN MILLION SIXTY-SEVEN THOUSAND Euro.**

The value determined by discounted cash flow analysis does not necessarily represent the value, a "real option" value, that arises from decision-making opportunities available to the owners at a given future date during the operations of the company. The value of such decision-making opportunities, as with financial options, is stemming from the fact that, based on an information base evolved over time, potential owners are free to decide whether to continue the business, expand it, possibly upgrade their investment programs, or close the whole project at all.

In the course of our analysis as independent appraisers, we tried to consider all relevant information available to us during the valuation procedure, and conclude our value estimations accordingly. We have not investigated the title to or any liabilities against the properties appraised, and no responsibility is assumed for these matters.

We note that there might be differences between the projected and actual financial figures in the future, and that difference might have an impact on valuation. Given the lack of historical exploitation and financial data of some of the innovative products that comprise a significant part of the Company's valuation, their yet unproven competitiveness and the start-up nature of some business lines concerned, the above statement is particularly valid for this valuation.

The Company's management, upon our request, has confirmed to us that the business forecasts provided to us incorporate the expected impacts and risks arising from the ongoing COVID-19 pandemic upon the operations, both in positive and negative sense, and therefore, on the basis of business forecasts accordingly compiled, our valuation conclusion also represents these impacts.

This valuation conclusion represents a reasonable estimate of the fair value as of the valuation date, on the basis of information made available to us. This value at any other point in time in the future may be higher or lower as the company's environment and business conditions might change.

Our analysis has been conducted in accordance with generally accepted valuation standards, as promulgated by international appraiser societies. Accordingly, our appraisal included such procedures that we considered necessary under the circumstances.

We are independent from the company to be valued, as well as from its owners. Our fee for this engagement is not based upon the results of our valuation analysis. We have relied upon data compiled and provided by the management, including prospective operating information, historical audited and non-audited financial information and business plan figures, such as revenue and earnings forecasts and estimated probability of success rates, without independent verification or confirmation. As part of our consultancy, we have not audited, reviewed or compiled these data.

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The fair value presented in this report is based upon the premises outlined and purposes stated herein. The value concluded is not valid for any other purpose. The enclosed assumptions and limiting conditions represent an inalienable part of our report.

EXHIBITS

Exhibit A

Historical audited financial statements of iSRV Zrt. from the period of 2015-2019 and interim financials as of March 31, 2020

Valuation of iSRV Zrt. **Exhibit A.1**
Historical Financial Statements

Assets

As of December 31	2015	2016	2017	2018	2019	2020.03.31
	HUF '000	HUF '000	HUF '000	HUF '000	HUF '000	HUF '000
Fixed assets	**15 649**	**42 967**	**116 679**	**227 330**	**386 844**	**976 389**
Intangible assets	-	-	42 317	171 511	339 316	629 725
Capitalized value of formation/reorganization expenses	-	-	-	-	-	-
Capitalized value of research and development	-	-	-	-	79 803	229 740
Concessions, licenses and similar rights	-	-	42 317	171 511	25 605	22 422
Trade-marks, patents and similar assets	-	-	-	-	233 908	377 563
Goodwill	-	-	-	-	-	-
Advances and prepayments on intangible assets	-	-	-	-	-	-
Adjusted value of intangible assets	-	-	-	-	-	-
Tangible assets	15 649	42 967	74 362	55 819	47 528	346 664
Land and buildings and rights to immovables	1 981	4 160	3 898	19 990	17 513	16 490
Plant and machinery, vehicles	-	-	18 121	27 268	25 943	24 333
Other equipment, fixtures and fittings, vehicles	13 668	38 807	14 048	8 561	4 072	303 863
Breeding stock	-	-	-	-	-	-
Assets in course of construction	-	-	38 295	-	-	1 978
Advances on assets in course of construction	-	-	-	-	-	-
Adjusted value of tangible assets	-	-	-	-	-	-
Financial investments	-	-	-	-	-	-
Long-term participations in affiliated undertakings	-	-	-	-	-	-
Long-term credit to affiliated undertakings	-	-	-	-	-	-
Long-term significant ownership stakes	-	-	-	-	-	-
Long-term credit given to undertakings of significant ownership stake	-	-	-	-	-	-
Other long-term participations	-	-	-	-	-	-
Long-term loan to independent undertakings	-	-	-	-	-	-
Other long-term loans	-	-	-	-	-	-
Securities representing a long-term creditor relationship	-	-	-	-	-	-
Adjusted value of financial investments	-	-	-	-	-	-
Revaluation difference of financial investments	-	-	-	-	-	-
Current assets	**231 665**	**1 014 095**	**1 056 353**	**1 398 869**	**1 335 578**	**7 849 035**
Inventories	2 375	20 000	326 968	136 929	-	127 271
Raw materials and consumables	-	-	-	-	-	-
Work in progress, intermediate and semi-finished products	-	-	-	-	-	-
Animals for breeding and fattening and other livestock	-	-	-	-	-	-
Finished products	-	-	-	-	-	-
Goods	2 375	20 000	326 968	136 929	-	127 271
Advances and prepayments on inventories	-	-	-	-	-	-
Account receivables	150 968	982 896	614 982	1 140 176	903 994	5 838 757
Trade debtors	134 010	943 169	543 796	500 085	811 058	1 562 478
Receivables from affiliated undertakings	-	-	-	-	-	-
Receivables from companies with significant ownership stakes	-	-	-	-	-	-
Receivables from independent undertakings	-	-	-	-	-	-
Bills receivable	-	-	-	-	-	-
Other receivables	16 958	39 727	71 186	640 091	92 936	4 276 280
Revaluation difference of receivables	-	-	-	-	-	-
Positive revaluation difference of derivatives	-	-	-	-	-	-
Securities	4 021	8 679	92 354	116 372	408 725	-
Participations in affiliated undertakings	-	-	-	-	-	-
Significant ownership stakes	-	-	-	-	-	-
Other participations	-	-	-	-	-	-
Own shares and own partnership shares	-	-	-	-	-	-
Securities representing a creditor relationship held for trading purposes	4 021	8 679	92 354	116 372	408 725	-
Revaluation difference of securities	-	-	-	-	-	-
Liquid assets	74 301	2 520	22 049	5 392	22 859	1 883 007
Cash, checks	253	649	2 508	2 039	1 463	497
Bank deposits	74 048	1 871	19 541	3 353	21 396	1 882 510
Accrued and deferred assets	**29 368**	**102**	**36 016**	**41 184**	**10 500**	**1 776**
Deferred income	27 891	102	36 005	41 184	220	-
Accrued expenses	1 477	-	11	-	10 280	1 776
Deferred expenses	-	-	-	-	-	-
Total assets	**276 682**	**1 057 164**	**1 209 048**	**1 667 383**	**1 732 922**	**8 827 200**

Notes

(1) Source: Company filings

Liabilities and Shareholder's equity

As of December 31	2015	2016	2017	2018	2019	2020.03.31
	HUF '000	HUF '000	HUF '000	HUF '000	HUF '000	HUF '000
Shareholders' equity	**30 652**	**70 298**	**199 633**	**250 081**	**602 574**	**492 117**
Subscribed capital	5 000	5 000	5 000	5 000	5 000	5 000
Subscribed capital unpaid (-)	-	-	-	-	-	-
Capital reserve	-	-	-	-	-	-
Accumulated profit reserve	13 289	4 619	- 8 780	194 633	15 278	211 184
Tied-up reserve	-	21 032	74 078	-	229 803	386 390
Revaluation reserve	-	-	-	-	-	-
Profit or loss for the year / Profit after tax (from 2016)	12 363	39 647	129 335	50 448	352 493	- 110 456
Provisions	**-**	**-**	**-**	**-**	**-**	**-**
Provisions for forward liabilities	-	-	-	-	-	-
Provisions for forward expenses	-	-	-	-	-	-
Other provisions	-	-	-	-	-	-
Liabilities	**219 390**	**986 316**	**692 966**	**1 411 792**	**1 086 189**	**8 294 842**
Subordinated liabilities	-	-	-	-	-	-
Subordinated liabilities to affiliated undertakings	-	-	-	-	-	-
Subordinated liabilities to companies with significant ownership stakes	-	-	-	-	-	-
Subordinated liabilities to independent undertakings	-	-	-	-	-	-
Subordinated liabilities to other economic entities	-	-	-	-	-	-
Long-term liabilities	3 940	3 031	2 093	-	6 718	24 677
Long-term loans	-	-	-	-	-	-
Convertible bonds	-	-	-	-	-	-
Bonds	-	-	-	-	-	-
Investment and development credits	-	-	2 093	-	-	-
Other long-term credits	3 940	3 031	-	-	-	-
Long-term liabilities to affiliated undertakings	-	-	-	-	-	-
Long-term liabilities to companies with significant ownership stakes	-	-	-	-	-	-
Long-term liabilities to independent undertakings	-	-	-	-	-	-
Other long-term liabilities	-	-	-	-	6 718	24 677
Current liabilities	215 450	983 285	690 873	1 411 792	1 079 471	8 270 166
Short-term loans	-	61 885	50 166	1 068 731	172	1 672
Short-term credits	892	909	1 019	-	-	-
Advances received from customers	1 800	-	-	-	256 312	6 277 134
Accounts payable	194 333	888 993	588 868	69 155	783 252	1 965 351
Bills payable	-	-	-	-	-	-
Short-term liabilities to affiliated undertakings	-	-	-	-	-	-
Short-term liabilities to companies with significant ownership stakes	-	-	-	-	-	-
Short-term liabilities to independent undertakings	-	-	-	-	-	-
Other short-term liabilities	18 425	31 498	50 820	273 906	39 735	26 008
Revaluation difference of payables	-	-	-	-	-	-
Negative revaluation difference of derivatives	-	-	-	-	-	-
Accrued and deferred liabilities	**26 640**	**550**	**316 449**	**5 510**	**44 159**	**40 240**
Accrued income	-	-	235 280	-	43 054	39 957
Deferred expenses	26 640	550	81 169	5 510	1 105	284
Deferred revenues	-	-	-	-	-	-
Total liabilities	**276 682**	**1 057 164**	**1 209 048**	**1 667 383**	**1 732 922**	**8 827 200**

Notes

(1) Source: Company filings

Income Statement

As of December 31	2015	2016	2017	2018	2019	2020.03.31
	HUF '000	HUF '000	HUF '000	HUF '000	HUF '000	HUF '000
Net domestic sales	1 572 356	1 086 539	2 045 584	1 123 016	1 299 162	368 093
Net external sales	-	1 016 807	-	964 530	750 391	21
Total sales (revenues)	1 572 356	2 103 346	2 045 584	2 087 546	2 049 553	368 113
Variations in self-manufactured stocks	-	-	-	-	-	-
Capitalised value of self-performed work	-	-	-	58 814	230 975	317 255
Own performance capitalized	-	-	-	58 814	230 975	317 255
Other income	158	3 446	95 354	10 468	327 769	130 331
Raw materials and consumables	1 908	3 953	8 526	8 816	214 227	3 055
Contracted services	15 119	101 732	185 951	244 031	266 198	346 333
Other services	5 722	4 959	4 789	6 673	7 756	967
Original cost of goods sold	-	3 210	20 000	18 939	2 172	-
Value of services sold (intermediated)	1 519 656	1 899 456	1 585 655	1 615 146	1 513 645	490 613
Material costs	1 542 405	2 013 310	1 804 921	1 893 605	2 003 998	840 968
Wages and salaries	2 482	22 079	117 370	133 331	76 101	22 983
Other employee benefits	1 044	1 135	2 145	1 252	1 142	163
Contributions on wages and salaries	1 242	6 099	26 494	27 608	14 852	4 270
Cost of employees	4 768	29 313	146 009	162 191	92 095	27 417
Depreciation	4 530	12 849	18 557	54 359	79 582	30 488
Other operating expenses	2 214	7 935	31 480	55 764	312 336	118
including: loss in value	-	-	-	-	136 929	-
Operating profit/loss (EBIT)	**18 597**	**43 385**	**139 971**	**- 9 091**	**120 286**	**- 83 292**
EBITDA	**23 127**	**56 234**	**158 528**	**45 268**	**199 868**	**- 52 804**
Dividends and profit-sharing (received or due)	-	-	-	-	-	-
including: from affiliated undertakings	-	-	-	-	-	-
Capital gains on investments	-	-	-	-	-	-
including: from affiliated undertakings	-	-	-	-	-	-
Interest and capital gains on financial investments	-	-	-	-	245 524	-
including: from affiliated undertakings	-	-	-	-	-	-
Other interest and similar income (received or due)	35	458	1 643	2	-	-
including: from affiliated undertakings	-	-	-	-	-	-
Other income from financial transactions	1 917	2 468	-	75 216	29 085	204 746
Income from financial transactions	1 952	2 926	1 643	75 218	274 609	204 746
Capital losses on investments	-	-	-	-	-	-
including: to affiliated undertakings	-	-	-	-	-	-
Interest payable and capital losses on financial investments	-	-	-	-	696	56 298
including: to affiliated undertakings	-	-	-	-	-	-
Interest payable or due and similar charges	1 141	2 280	5 921	3 791	-	-
including: to affiliated undertakings	-	-	-	-	-	-
Losses on shares, securities and bank deposits	-	-	-	-	-	-
Other expenses on financial transactions	3 896	1 966	-	11 078	37 302	175 613
Expenses on financial transactions	5 037	4 246	5 921	14 869	37 998	231 911
Profit or loss from financial transactions	- 3 085	- 1 320	- 4 278	60 349	236 611	- 27 164
Profit or loss of ordinary activities (up to 2015)	15 512	42 065	135 693	51 258	356 897	- 110 456
Extraordinary income (up to 2015)	-	-	-	-	-	-
Extraordinary expenses (up to 2015)	-	-	-	-	-	-
Extraordinary profit or loss (up to 2015)	-	-	-	-	-	-
Income before taxes	15 512	42 065	135 693	51 258	356 897	- 110 456
Taxes payable	3 149	2 418	6 358	810	4 404	
Profit after taxes (Net Income)	**12 363**	**39 647**	**129 335**	**50 448**	**352 493**	**- 110 456**

Notes

(1) Source: Company filings

Valuation of iSRV Zrt. **Exhibit A.2**
Historical Financial Statements

Assets

As of December 31	2019	2020.03.31
	EUR '000	EUR '000
Fixed assets	**1 170**	**2 719**
Intangible assets	1 027	1 754
Capitalized value of formation/reorganization expenses	-	-
Capitalized value of research and development	241	640
Concessions, licenses and similar rights	77	62
Trade-marks, patents and similar assets	708	1 051
Goodwill	-	-
Advances and prepayments on intangible assets	-	-
Adjusted value of intangible assets	-	-
Tangible assets	144	965
Land and buildings and rights to immovables	53	46
Plant and machinery, vehicles	78	68
Other equipment, fixtures and fittings, vehicles	12	846
Breeding stock	-	-
Assets in course of construction	-	6
Advances on assets in course of construction	-	-
Adjusted value of tangible assets	-	-
Financial investments	-	-
Long-term participations in affiliated undertakings	-	-
Long-term credit to affiliated undertakings	-	-
Long-term significant ownership stakes	-	-
Long-term credit given to undertakings of significant ownership stake	-	-
Other long-term participations	-	-
Long-term loan to independent undertakings	-	-
Other long-term loans	-	-
Securities representing a long-term creditor relationship	-	-
Adjusted value of financial investments	-	-
Revaluation difference of financial investments	-	-
Current assets	**4 041**	**21 858**
Inventories	-	354
Raw materials and consumables	-	-
Work in progress, intermediate and semi-finished products	-	-
Animals for breeding and fattening and other livestock	-	-
Finished products	-	-
Goods	-	354
Advances and prepayments on inventories	-	-
Account receivables	2 735	16 260
Trade debtors	2 454	4 351
Receivables from affiliated undertakings	-	-
Receivables from companies with significant ownership stakes	-	-
Receivables from independent undertakings	-	-
Bills receivable	-	-
Other receivables	281	11 909
Revaluation difference of receivables	-	-
Positive revaluation difference of derivatives	-	-
Securities	1 237	-
Participations in affiliated undertakings	-	-
Significant ownership stakes	-	-
Other participations	-	-
Own shares and own partnership shares	-	-
Securities representing a creditor relationship held for trading purposes	1 237	-
Revaluation difference of securities	-	-
Liquid assets	69	5 244
Cash, checks	4	1
Bank deposits	65	5 242
Accrued and deferred assets	**32**	**5**
Deferred income	1	-
Accrued expenses	31	5
Deferred expenses	-	-
Total assets	**5 243**	**24 582**

Notes

(1) Source: Company filings

Liabilities and Shareholder's equity

As of December 31	2019	2020.03.31
	EUR '000	EUR '000
Shareholders' equity	**1 823**	**1 370**
Subscribed capital	15	14
Subscribed capital unpaid (-)	-	-
Capital reserve	-	-
Accumulated profit reserve	46	588
Tied-up reserve	695	1 076
Revaluation reserve	-	-
Profit or loss for the year / Profit after tax (from 2016)	1 066	- 308
Provisions	**-**	**-**
Provisions for forward liabilities	-	-
Provisions for forward expenses	-	-
Other provisions	-	-
Liabilities	**3 286**	**23 100**
Subordinated liabilities	-	-
Subordinated liabilities to affiliated undertakings	-	-
Subordinated liabilities to companies with significant ownership stakes	-	-
Subordinated liabilities to independent undertakings	-	-
Subordinated liabilities to other economic entities	-	-
Long-term liabilities	20	69
Long-term loans	-	-
Convertible bonds	-	-
Bonds	-	-
Investment and development credits	-	-
Other long-term credits	-	-
Long-term liabilities to affiliated undertakings	-	-
Long-term liabilities to companies with significant ownership stakes	-	-
Long-term liabilities to independent undertakings	-	-
Other long-term liabilities	20	69
Current liabilities	3 266	23 031
Short-term loans	1	5
Short-term credits	-	-
Advances received from customers	775	17 481
Accounts payable	2 370	5 473
Bills payable	-	-
Short-term liabilities to affiliated undertakings	-	-
Short-term liabilities to companies with significant ownership stakes	-	-
Short-term liabilities to independent undertakings	-	-
Other short-term liabilities	120	72
Revaluation difference of payables	-	-
Negative revaluation difference of derivatives	-	-
Accrued and deferred liabilities	**134**	**112**
Accrued income	130	111
Deferred expenses	3	1
Deferred revenues	-	-
Total liabilities	**5 243**	**24 582**

Notes

(1) Source: Company filings

Income Statement

As of December 31	2019	2020.03.31
	EUR '000	EUR '000
Net domestic sales	3 993	1 086
Net external sales	2 306	0
Total sales (revenues)	6 300	1 086
Variations in self-manufactured stocks	-	-
Capitalised value of self-performed work	710	936
Own performance capitalized	710	936
Other income	1 007	384
Raw materials and consumables	658	9
Contracted services	818	1 021
Other services	24	3
Original cost of goods sold	7	-
Value of services sold (intermediated)	4 652	1 447
Material costs	6 160	2 480
Wages and salaries	234	68
Other employee benefits	4	0
Contributions on wages and salaries	46	13
Cost of employees	283	81
Depreciation	245	90
Other operating expenses	960	0
including: loss in value	421	-
Operating profit/loss (EBIT)	**370**	**- 246**
EBITDA	**614**	**- 156**
Dividends and profit-sharing (received or due)	-	-
including: from affiliated undertakings	-	-
Capital gains on investments	-	-
including: from affiliated undertakings	-	-
Interest and capital gains on financial investments	755	-
including: from affiliated undertakings	-	-
Other interest and similar income (received or due)	-	-
including: from affiliated undertakings	-	-
Other income from financial transactions	89	604
Income from financial transactions	844	604
Capital losses on investments	-	-
including: to affiliated undertakings	-	-
Interest payable and capital losses on financial investments	2	166
including: to affiliated undertakings	-	-
Interest payable or due and similar charges	-	-
including: to affiliated undertakings	-	-
Losses on shares, securities and bank deposits	-	-
Other expenses on financial transactions	115	518
Expenses on financial transactions	117	684
Profit or loss from financial transactions	727	- 80
Profit or loss of ordinary activities (up to 2015)	1 097	- 326
Extraordinary income (up to 2015)	-	-
Extraordinary expenses (up to 2015)	-	-
Extraordinary profit or loss (up to 2015)	-	-
Income before taxes	1 097	- 326
Taxes payable	14	-
Profit after taxes (Net Income)	**1 083**	**- 326**

Notes

(1) Source: Company filings

Exhibit B

Discount rate development

Valuation of **iSRV Zrt.** **Exhibit B**
Weighted Average Cost of Capital Analysis
As of **March 31, 2020**
Monetary Units: **EUR**

WACC	**Weighted average**	**Peer Group 1**	**Peer Group 2**	**Peer Group 3**	**Peer Group 4**	**Peer Group 5**
Debt		0.3%	0.5%	0.8%	1.1%	0.8%
Equity		10.0%	8.4%	10.9%	7.3%	8.8%
Weighted Average Cost of Capital		10.3%	8.9%	11.8%	8.4%	9.6%
Concluded WACC	**10.7%**	**10.3%**	**8.9%**	**11.8%**	**8.4%**	**9.6%**

	Cost of Equity	**Peer Group 1**	**Peer Group 2**	**Peer Group 3**	**Peer Group 4**	**Peer Group 5**
	Capital Asset Pricing Model					
(1)	Risk Free Rate of Return	1.6%	1.6%	1.6%	1.6%	1.6%
	Plus Beta Adjusted Equity Risk Premium					
(2)	Market Equity Risk Premium	6.0%	6.0%	6.0%	6.0%	6.0%
(3)	Times Levered/Relevered Beta	0.94	0.75	1.44	0.81	0.98
	Beta Adjusted Equity Risk Premium	5.7%	4.5%	8.7%	4.8%	5.9%
(4)	Plus Size Premium	3.4%	3.4%	3.4%	3.4%	3.4%
(5)	Plus Company Specific Risk Adjustment	0.0%	0.0%	0.0%	0.0%	0.0%
	Cost of Equity	10.6%	9.5%	13.7%	9.8%	10.9%
	Concluded Cost of Equity	**10.6%**	**9.5%**	**13.7%**	**9.8%**	**10.9%**
	Cost of Debt					
(6)	Concluded PreTax Cost of Debt	4.6%	4.6%	4.6%	4.6%	4.6%
(7)	Income tax rate	9.0%	9.0%	9.0%	9.0%	9.0%
	Concluded After Tax Cost of Debt	**4.2%**	**4.2%**	**4.2%**	**4.2%**	**4.2%**

	Selected Yields and Interest Rates	**12-month average**
(8)	5-Year Treasury Bonds	1.6%
(8)	10-Year Treasury Bonds	1.8%
(8)	20-Year Treasury Bonds	2.1%
(8)	30-Year Treasury Bonds	2.3%
(8)	5-Year Eurozone AAA Bond	-0.6%
(8)	10-Year Eurozone AAA Bond	-0.3%
(8)	15-Year Eurozone AAA Bond	-0.1%
(8)	20-Year Eurozone AAA Bond	0.1%
(8)	30-Year Eurozone AAA Bond	0.3%
(8)	1m EURIBOR	-0.4%
(8)	12m EURIBOR	-0.3%
(8)	1m BUBOR	0.2%
(8)	12m BUBOR	0.4%
(8)	Germany 10-yr CDS (in bps)	21.1
(8)	Hungary 10-yr CDS (in bps)	109.7
(8)	Hungary estimated gov. bond spread over AAA-rated sovereigns (20-yr)	1.5%

	Selected Debt Data for Guideline Companies	LT Issuer Rating / S&P	LT Issuer Rating / Moody's	LT Bond year of maturity	Bond currency	Yield to Maturity	Spread to Maturity
	Nuance Communications, Inc.	BB-					

	Selected Data for S&P CIQ sectoral yield curves / Sector	Currency	Maturity	S&P Rating	Yield to maturity	Spread to maturity
	Information Technology	EUR	20y	BBB	1.9%	1.8%
	Information Technology	EUR	20y	BB	3.1%	3.0%
	Information Technology	EUR	20y	B	6.4%	6.3%

Notes:

(1) Based on the implied 20-Year Hungarian Government Bond yield (in EUR)
(2) The market equity risk premium is estimated based on consideration of historical realized returns on equity investments over a risk-free rate as represented by 20-year government bonds and forward-looking equity risk premium estimates. Data sources reviewed generated a range of equity risk premium indications. However, a 6.0% equity risk premium was considered to reasonably represent a consensus viewpoint of the market equity risk premium.
(3) Based on analyses of publicly traded guideline companies (S&P Capital IQ).
(4) Additional risk premium for size in excess of large company stocks. This is based on beta-adjusted size premium data from Duff & Phelps 2018 Valuation Handbook-Guide to Cost of Capital.
(5) Adjustment was added to capture the additional risk of the Company fully achieving the projections.
(6) Based on the information from the Risk-free yield adjusted for risk premium/spread on selected corporate bonds (Based on Capital IQ yield curves)
(7) Estimated effective tax rate for the Company which reflects the combined effects of federal and state income tax payments.
(8) Based on information from S&P Capital IQ as of 2019.04.01-2020.03.31
(9) Based on information from the Government Debt Management Agency as of 2019.04.01-2020.03.31
(10) If available, this is based on information from S&P Capital IQ and Moody's as of 2020.03.31
(11) If available, this is based on information from S&P Capital IQ corporate yield curves as of 2019.04.01-2020.03.31

Peer Group 1 - Online Learning

Guideline Companies	Published Levered Beta (1)	Book Value Interest-Bearing Debt (2) (EUR Millions*)	Value of preferred stock + minority interests (2) (EUR Millions*)	Market Value of Common Equity (3) (EUR Millions*)	Total Invested Capital ("TIC") (4) (EUR Millions*)	2020.03.31 Debt to TIC (5)	2020.03.31 Equity to TIC (6)	5-yr average Debt to TIC	5-yr average Equity to TIC
Ideagen plc	0.88	31.3	0.0	422.6	453.9	6.9%	93.1%	2.2%	97.8%
Induct Software AS	1.68	0.6	0.0	4.5	5.0	10.9%	89.1%	5.9%	94.1%
InVision Aktiengesellschaft	0.92	2.6	0.0	29.1	31.7	8.3%	91.7%	4.0%	96.0%
Learning Technologies Group plc	0.92	59.2	0.0	1 012.8	1 072.0	5.5%	94.5%	6.8%	93.2%
Netex Knowledge Factory, S.A.	NMF	6.1	(0.0)	11.5	17.6	34.7%	65.3%	33.4%	66.6%
RM plc	1.07	24.1	0.0	130.8	154.9	15.6%	84.4%	6.2%	93.8%
AVERAGE	1.09	20.6	(0.0)	268.5	289.2	13.6%	86.4%	9.7%	90.3%
MEDIAN	0.92	15.1	0.0	79.9	93.3	9.6%	90.4%	6.0%	94.0%

* Currency is EUR for all guideline publicly traded companies unless noted otherwise.

Concluded Variables	
Capital Structure for the Company	
Percent Debt	6.0% (7)
Percent Equity	94.0% (7)
Tax rate for the Company	9.0% (8)
Levered/Relevered beta for the Company	0.94

Computation of Unlevered beta for the Guideline Companies
BU = BL / [1 + (1 - T) x (Wd / We)]

	BU	Tax rate
Ideagen plc	0.86	21.1%
Induct Software AS	1.60	22.0%
InVision Aktiengesellschaft	0.89	28.8%
Learning Technologies Group plc	0.87	22.6%
Netex Knowledge Factory, S.A.	NA	29.0%
RM plc	1.02	18.9%
AVERAGE	1.05	
MEDIAN	0.89	

Computation of Relevered beta for the Company
BL = BU x [1 + (1 - T) x (Wd / We)]

Concluded Unlevered beta	0.89
Relevered beta for the Company	0.94

Peer Group 2 - Video streaming

Guideline Companies	Published Levered Beta (1)	Book Value Interest-Bearing Debt (2) (EUR Millions*)	Value of preferred stock + minority interests (2) (EUR Millions*)	Market Value of Common Equity (3) (EUR Millions*)	Total Invested Capital ("TIC") (4) (EUR Millions*)	2020.03.31 Debt to TIC (5)	2020.03.31 Equity to TIC (6)	5-yr average Debt to TIC	5-yr average Equity to TIC
Agile Content, S.A.	0.80	5.5	0.0	47.4	52.9	10.4%	89.6%	27.0%	73.0%
Anevia Société Anonyme	0.40	2.7	0.0	10.1	12.8	21.4%	78.6%	21.5%	78.5%
Blackbird plc	0.69	0.5	0.0	41.8	42.2	1.1%	98.9%	0.4%	99.6%
BrandBee Holding AB (publ)	NMF	0.0	0.0	1.0	1.0	0.0%	100.0%	1.1%	98.9%
Netgem SA	1.08	1.5	0.0	24.5	26.0	5.7%	94.3%	6.8%	93.2%
TeamViewer AG	NMF	616.8	0.0	7 278.0	7 894.8	7.8%	92.2%	10.7%	89.3%
TerraNet Holding AB (publ)	1.92	1.4	0.0	3.1	4.5	30.1%	69.9%	12.0%	88.0%
Vetrya S.p.A.	0.77	14.0	0.0	28.9	42.9	32.7%	67.3%	21.3%	78.7%
AVERAGE	0.94	80.3	0.0	929.3	1 009.6	13.7%	86.3%	12.6%	87.4%
MEDIAN	0.79	2.1	0.0	26.7	34.1	9.1%	90.9%	11.4%	88.6%

* Currency is EUR for all guideline publicly traded companies unless noted otherwise.

Concluded Variables	
Capital Structure for the Company	
Percent Debt	11.0% (7)
Percent Equity	89.0% (7)
Tax rate for the Company	9.0% (8)
Levered/Relevered beta for the Company	0.75

Computation of Unlevered beta for the Guideline Companies
BU = BL / [1 + (1 - T) x (Wd / We)]

	BU	Tax rate
Agile Content, S.A.	0.65	34.2%
Anevia Société Anonyme	0.33	28.0%
Blackbird plc	0.69	19.0%
BrandBee Holding AB (publ)	NA	
Netgem SA	1.03	37.4%
TeamViewer AG	NA	
TerraNet Holding AB (publ)	1.73	21.4%
Vetrya S.p.A.	0.66	37.2%
AVERAGE	0.85	
MEDIAN	0.67	

Computation of Relevered beta for the Company
BL = BU x [1 + (1 - T) x (Wd / We)]

Concluded Unlevered beta	0.67
Relevered beta for the Company	0.75

Peer Group 3 - Biometric software

Guideline Companies	Published Levered Beta (1)	Book Value Interest-Bearing Debt (2) (EUR Millions*)	Value of preferred stock + minority interests (2) (EUR Millions*)	Market Value of Common Equity (3) (EUR Millions*)	Total Invested Capital ("TIC") (4) (EUR Millions*)	2020.03.31 Debt to TIC (5)	2020.03.31 Equity to TIC (6)	5-yr average Debt to TIC	5-yr average Equity to TIC
BIO-key International, Inc.	1.31	2.3	0.0	12.1	14.4	15.7%	84.3%	4.7%	95.3%
Dream Security co., Ltd.	1.77	8.3	0.0	58.8	67.1	12.3%	87.7%	3.9%	96.1%
Facephi Biometria, S.A.	1.26	2.5	0.0	48.6	51.1	4.9%	95.1%	8.8%	91.2%
Hancom Secure Inc.	1.10	25.6	1.5	27.6	54.7	49.6%	50.4%	31.1%	68.9%
ImageWare Systems, Inc.	1.26	2.0	8.0	18.0	27.9	35.6%	64.4%	8.1%	91.9%
INITECH Co., Ltd.	0.96	2.1	65.6	50.5	118.2	57.3%	42.7%	34.2%	65.8%
Nuance Communications, Inc.	0.86	1 592.2	0.0	4 319.6	5 911.8	26.9%	73.1%	31.6%	68.4%
Raonsecure Co., Ltd.	1.60	12.0	0.9	42.9	55.7	23.1%	76.9%	4.8%	95.2%
StrikeForce Technologies, Inc.	3.67	6.1	0.2	2.4	8.7	72.1%	27.9%	43.6%	56.4%
Synel M.L.L Payway Ltd	1.11	92.2	20.7	42.8	155.7	72.5%	27.5%	70.0%	30.0%
AVERAGE	1.49	174.5	9.7	462.3	646.5	37.0%	63.0%	24.1%	75.9%
MEDIAN	1.26	7.2	0.5	42.8	55.2	31.3%	68.7%	19.9%	80.1%

* Currency is EUR for all guideline publicly traded companies unless noted otherwise.

Concluded Variables

Capital Structure for the Company	
Percent Debt	20.0% (7)
Percent Equity	80.0% (7)
Tax rate for the Company	9.0% (8)
Levered/Relevered beta for the Company	1.44

Computation of Unlevered beta for the Guideline Companies

BU = BL / [1 + (1 - T) x (Wd / We)]

	BU	Tax rate
BIO-key International, Inc.	1.26	27.0%
Dream Security co., Ltd.	1.72	25.0%
Facephi Biometria, S.A.	1.17	23.9%
Hancom Secure Inc.	0.82	25.0%
ImageWare Systems, Inc.	1.18	27.0%
INITECH Co., Ltd.	0.70	28.0%
Nuance Communications, Inc.	0.65	27.0%
Raonsecure Co., Ltd.	1.53	11.9%
StrikeForce Technologies, Inc.	2.34	27.0%
Synel M.L.L Payway Ltd	0.38	18.5%
AVERAGE	1.18	
MEDIAN	1.18	

Computation of Relevered beta for the Company

BL = BU x [1 + (1 - T) x (Wd / We)]

Concluded Unlevered beta	1.18
Relevered beta for the Company	1.44

Peer Group 4 - Galvanisation

Guideline Companies	Published Levered Beta (1)	Book Value Interest-Bearing Debt (2) (EUR Millions*)	Value of preferred stock + minority interests (2) (EUR Millions*)	Market Value of Common Equity (3) (EUR Millions*)	Total Invested Capital ("TIC") (4) (EUR Millions*)	2020.03.31 Debt to TIC (5)	2020.03.31 Equity to TIC (6)	5-yr average Debt to TIC	5-yr average Equity to TIC
CSY Spólka Akcyjna	0.82	0.0	0.0	38.8	38.8	0.0%	100.0%	0.0%	100.0%
Elastron S.A. - Steel Service Centers	1.23	41.1	0.0	16.1	57.2	71.8%	28.2%	70.2%	29.8%
Galvo S.A.	NMF	0.6	0.0	0.6	1.2	49.8%	50.2%	34.1%	65.9%
Gesco AG	0.77	170.6	15.2	148.1	333.8	55.6%	44.4%	37.8%	62.2%
Hill & Smith Holdings PLC	0.70	284.8	0.0	859.6	1 144.4	24.9%	75.1%	16.2%	83.8%
Stalprodukt S.A.	1.04	43.5	23.6	151.6	218.7	30.7%	69.3%	17.9%	82.1%
AVERAGE	0.91	90.1	6.5	202.5	299.0	38.8%	61.2%	29.4%	70.6%
MEDIAN	0.82	42.3	0.0	93.4	138.0	40.3%	59.7%	26.0%	74.0%

* Currency is EUR for all guideline publicly traded companies unless noted otherwise.

Concluded Variables

Capital Structure for the Company	
Percent Debt	26.0% (7)
Percent Equity	74.0% (7)
Tax rate for the Company	9.0% (8)
Levered/Relevered beta for the Company	0.81

Computation of Unlevered beta for the Guideline Companies

BU = BL / [1 + (1 - T) x (Wd / We)]

	BU	Tax rate
CSY Spólka Akcyjna	0.82	22.8%
Elastron S.A. - Steel Service Centers	0.45	27.2%
Galvo S.A.	NA	14.3%
Gesco AG	0.56	40.4%
Hill & Smith Holdings PLC	0.61	24.7%
Stalprodukt S.A.	0.88	20.8%
AVERAGE	0.67	
MEDIAN	0.61	

Computation of Relevered beta for the Company

BL = BU x [1 + (1 - T) x (Wd / We)]

Concluded Unlevered beta	0.61
Relevered beta for the Company	0.81

Peer Group 5 - AI & BC software solutions, imaging, drone technology

Guideline Companies	Published Levered Beta (1)	Book Value Interest-Bearing Debt (2) (EUR Millions*)	Value of preferred stock + minority interests (2) (EUR Millions*)	Market Value of Common Equity (3) (EUR Millions*)	Total Invested Capital ("TIC") (4) (EUR Millions*)	2020.03.31 Debt to TIC (5)	2020.03.31 Equity to TIC (6)	5-yr average Debt to TIC	5-yr average Equity to TIC
Expert System S.p.A.	0.88	22.6	0.0	86.8	109.4	20.6%	79.4%	28.5%	71.5%
The Blockchain Group	1.76	2.1	0.7	5.2	8.0	34.1%	65.9%	27.7%	72.3%
Acconeer AB (publ)	1.37	0.0	0.0	26.1	26.1	0.0%	100.0%	0.0%	100.0%
Delta Drone SA	1.75	7.9	(2.2)	5.9	11.7	49.2%	50.8%	21.3%	78.7%
Drone Volt SA	0.94	3.8	(0.4)	5.3	8.6	38.9%	61.1%	21.5%	78.5%
Fastout Int. AB (publ)	1.10	0.0	0.0	1.9	1.9	0.0%	100.0%	0.5%	99.5%
Remote Monitored Systems plc	0.62	0.1	(0.0)	1.0	1.0	4.6%	95.4%	9.9%	90.1%
Artificial Solutions International AB (publ)	0.94	18.1	0.0	23.1	41.1	44.0%	56.0%	33.6%	66.4%
Petards Group plc	0.84	1.7	0.0	3.6	5.3	32.1%	67.9%	15.9%	84.1%
Tracsis plc	0.83	1.9	0.0	194.2	196.1	1.0%	99.0%	0.4%	99.6%
AVERAGE	1.10	5.8	(0.2)	35.3	40.9	22.4%	77.6%	15.9%	84.1%
MEDIAN	0.94	2.0	0.0	5.6	10.2	26.3%	73.7%	18.6%	81.4%

* Currency is EUR for all guideline publicly traded companies unless noted otherwise.

Concluded Variables

Capital Structure for the Company	
Percent Debt	19.0% (7)
Percent Equity	81.0% (7)
Tax rate for the Company	9.0% (8)
Levered/Relevered beta for the Company	0.98

Computation of Unlevered beta for the Guideline Companies

BU = BL / [1 + (1 - T) x (Wd / We)]

	BU	Tax rate
Expert System S.p.A.	0.68	24.0%
The Blockchain Group	1.38	28.0%
Acconeer AB (publ)	1.37	21.4%
Delta Drone SA	1.46	28.0%
Drone Volt SA	0.79	28.0%
Fastout Int. AB (publ)	1.10	21.4%
Remote Monitored Systems plc	0.57	19.0%
Artificial Solutions International AB (publ)	0.67	21.4%
Petards Group plc	0.73	19.0%
Tracsis plc	0.83	16.0%
AVERAGE	0.96	
MEDIAN	0.81	

Computation of Relevered beta for the Company

BL = BU x [1 + (1 - T) x (Wd / We)]

Concluded Unlevered beta	0.81
Relevered beta for the Company	0.98

Definitions:
BU = Beta Unlevered
T = Income tax rate for the Company
BL = Beta Levered
Wd = Percentage of debt capital in the capital structure; debt capital is comprised of interest bearing debt and the liquidation value of preferred stock
We = Percentage of equity capital in the capital structure; equity capital is comprised of the market value of common equity

Notes:

(1) Source: S&P Capital IQ
(2) Data are based on information from the S&P Capital IQ database, if available. Alternative datasource used are Bloomberg or Amadeus.
(3) Market Value of Common Equity = Stock Price per Share x Common Shares Outstanding
(4) Total Invested Capital (TIC) = Book Value Interest-Bearing Debt + Value of Preferred Stock and Minority Interests + Market Value of Common Equity
(5) (Book Value of Interest-Bearing Debt + Value of Preferred Stock and Minority Interests) / TIC
(6) Market Value of Common Equity / TIC
(7) Based on the median of guideline publicly traded companies (rounded)
(8) Estimated effective tax rate for the Company which reflects the combined effects of federal and state income tax payments.

Exhibit C

Background calculation to the valuation with income approach

Valuation of iSRV Zrt. **Exhibit C.1**
Discounted Cash Flow Analysis (5)
As of March 31, 2020

Assumptions

(1)	Weighted Average Cost of Capital	10.7%
(2)	Tax rate for the subject Company	9.0%
(3)	Normal DFNWC as % of Revenues	9.4%
(4)	Perpetuity Growth Rate	1.5%
	Monetary Units	EUR '000
	Indicated Equity Valu	13 067

For the Fiscal Years Ending December 31	Actual 2020 I-III	2020 IV-XII	2021	2022	2023	2024	Projected 2025	2026	2027	2028	2029	2030	Normalized year	Terminal period
(5) Probability weighted net revenues	1 086	41 991	9 903	12 559	14 394	14 765	13 825	12 460	10 665	8 676	7 891	7 457	6 969	7 074
Annual growth %			-77.0%	26.8%	14.6%	2.6%	-6.4%	-9.9%	-14.4%	-18.7%	-9.0%	-5.5%	-6.5%	1.5%
(5) Probability weighted other income	1 320	114	226	147	109	109	109	109	109	109	109	109	0	0
Annual growth %		-91.3%	97.4%	-35.0%	-25.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-100.0%	
(5) Prob. weighted total operating expenses (Excl. Depr. & Amort.)	2 562	40 516	8 178	9 892	10 947	11 058	10 145	9 269	8 142	6 923	6 560	6 368	6 235	6 329
as % of Net Revenues	235.9%	96.5%	82.6%	78.8%	76.1%	74.9%	73.4%	74.4%	76.3%	79.8%	83.1%	85.4%	89.5%	89.5%
Operating EBITDA	-156	1 590	1 951	2 813	3 555	3 816	3 790	3 299	2 632	1 862	1 440	1 198	734	745
as % of Net Revenues	-14.3%	3.8%	19.7%	22.4%	24.7%	25.8%	27.4%	26.5%	24.7%	21.5%	18.3%	16.1%	10.5%	10.5%
(5) Depreciation and Amortization	90	286	646	642	642	625	453	393	389	393	391	388	124	126
as % of Net Revenues	8.3%	0.7%	6.5%	5.1%	4.5%	4.2%	3.3%	3.2%	3.6%	4.5%	5.0%	5.2%	1.8%	1.8%
Local Tax - Estimated		102	149	180	204	201	179	160	134	106	97	92	87	88
as % of Net Revenues		0.2%	1.5%	1.4%	1.4%	1.4%	1.3%	1.3%	1.3%	1.2%	1.2%	1.2%	1.2%	1.2%
Operating EBIT	-246	1 202	1 156	1 991	2 709	2 990	3 157	2 747	2 109	1 362	952	718	523	531
as % of Net Revenues	-22.6%	2.9%	11.7%	15.9%	18.8%	20.2%	22.8%	22.0%	19.8%	15.7%	12.1%	9.6%	7.5%	7.5%
Estimated Income Tax		108	104	179	244	269	284	247	190	123	86	65	47	48
Invested Capital Net Income		1 093	1 052	1 812	2 465	2 720	2 873	2 500	1 919	1 240	867	653	476	483
as % of Net Revenues		2.6%	10.6%	14.4%	17.1%	18.4%	20.8%	20.1%	18.0%	14.3%	11.0%	8.8%	6.8%	6.8%
Number of relevant months		9.0												
Adjustment for partial period		100.0%												
Invested Capital Net Income Adjusted for Partial Period		1 093												
(3) Less: Incremental DFNWC (Does Not Include Excess)		50	590	256	231	169	21	-207	-284	-323	-193	-111	-136	10
(5) Less: Capital Expenditures		1 598	87	87	87	83	78	212	173	138	138	138	138	126
(5) Plus: Depreciation		286	646	642	642	625	453	393	389	393	391	388	124	126
Plus/less: Net cash flow adjustment for funded projects		699	-226	-147	-109	-109	-109	-109	-109	-109	-109	-109	0	0
Debt-Free cash-flow		430	795	1 964	2 680	2 985	3 118	2 779	2 310	1 708	1 203	905	598	473
Discount period		0.375	1.250	2.250	3.250	4.250	5.250	6.250	7.250	8.250	9.250	10.250	11.250	11.250
Present Value Factor		0.9626	0.8807	0.7956	0.7188	0.6493	0.5866	0.5299	0.4787	0.4325	0.3907	0.3529	0.3188	0.3188
Terminal value														5 148
Present Value of Invested Capital Cash Flow		414	700	1 563	1 927	1 938	1 829	1 472	1 106	739	470	319	191	1 641

	Sum of Present Values (Years 2020 IV-XII Through 2030)	12 478
	Plus: Terminal value	1 832
	Invested Capital Value of Operating Business	14 310
(3)	Plus (Less): Excess (Deficient) DFNWC	-7 362
(6)	Plus: Cash	5 244
(6)	Plus: Financial receivables	982
(6)	Plus: Other Non-Operating Assets	0
	Invested Capital Value	13 173
(6)	Less: Interest-bearing debts	5
(6)	Less: Non interest-bearing long-term liabilities	69
(6)	Less: Deferred tax liabilities	33
	Equity value	13 067

Notes:

(1) The applicable discount rate is based on the weighted average cost of capital (WACC) as developed using guideline publicly traded companies. The discount rate incorporates a mid-year discounting convention to represent the ongoing nature of the business.

(2) Estimated effective tax rate for the Company which reflects the combined effects of federal and state income tax payments.

(3) Normal debt free net working capital (DFNWC) requirements were arrived at by an analysis of the historical operations of the Company and the guideline publicly traded companies utilized in the discount rate development. The Company's normal DFNWC at the Valuation Date, incremental cash flow requirement related to DFNWC in the first year of the projections, and its excess (deficient) DFNWC at the Valuation Date are presented below:

The Company's Latest 12 Months Revenues (2019)	6 300
Normal DFNWC as % of Net Revenues	9.4%
Normal DFNWC at the Valuation Date	594
Net Revenues for 2020	43 077
Normal DFNWC as % of Net Revenues	1.5%
Normal DFNWC at End of 2020	645
Normal DFNWC at the Valuation Date	594
Incremental DFNWC in 2020 IV-XII	50
The Company's Actual DFNWC at the Valuation Date	-6 768
Less Normal DFNWC at the Valuation Date	594
Excess (Deficient) DFNWC at the Valuation Date	-7 362

(4) Normalized growth rate estimate reflects the estimated sustainable long-term growth rate of the Company.

(5) Revenue and expenses taken from the Projected Financial Information provided by management.

(6) Company Data

Valuation of iSRV Zrt. **Exhibit C.2**

Projected Financial Information

Financial information provided by management

As of March 31, 2020

EUR '000

Business Plan - Summary

For the Fiscal Years Ending December 31	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
No 1. - Video on demand (contracted)												
(1) Probability weighted net revenues	343	0	0	0	0	0	0	0	0	0	0	0
(2) Probability weighted other income	0	0	0	0	0	0	0	0	0	0	0	0
(3) Prob. weighted total operating expenses (Incl. Depr. & Amort.)	274	0	0	0	0	0	0	0	0	0	0	0
Probability weighted EBIT	69	0	0	0	0	0	0	0	0	0	0	0
as % of Net Revenues	20.0%											
Probability weighted D&A	0	0	0	0	0	0	0	0	0	0	0	0
(4) Probability weighted CAPEX	0	0	0	0	0	0	0	0	0	0	0	0
No 2. - Security technology (Shoot simulator)												
(1) Probability weighted net revenues	495	99	99	99	99	99	99	99	99	99	99	0
(2) Probability weighted other income	0	0	0	0	0	0	0	0	0	0	0	0
(3) Prob. weighted total operating expenses (Incl. Depr. & Amort.)	512	17	17	17	17	17	17	17	17	17	17	0
Probability weighted EBIT	-17	83	83	83	83	83	83	83	83	83	83	0
as % of Net Revenues	-3.3%	83.3%	83.3%	83.3%	83.3%	83.3%	83.3%	83.3%	83.3%	83.3%	83.3%	
Probability weighted D&A	0	0	0	0	0	0	0	0	0	0	0	0
(4) Probability weighted CAPEX	0	0	0	0	0	0	0	0	0	0	0	0
No 3. - Security technology (SBU and Time-Sheet)												
(1) Probability weighted net revenues	124	244	376	483	581	559	588	612	628	638	647	657
(2) Probability weighted other income	114	117	38	0	0	0	0	0	0	0	0	0
(3) Prob. weighted total operating expenses (Incl. Depr. & Amort.)	161	273	315	367	433	412	446	481	511	539	567	574
Probability weighted EBIT	77	88	99	115	148	147	142	131	117	98	80	83
as % of Net Revenues	62.5%	36.0%	26.2%	23.9%	25.5%	26.3%	24.1%	21.5%	18.6%	15.4%	12.4%	12.6%
Probability weighted D&A	77	105	105	105	105	2	21	42	63	84	105	105
(4) Probability weighted CAPEX	12	0	0	0	0	0	117	117	117	117	117	117
No 3. - Security technology (Datagate)												
(1) Probability weighted net revenues	239	416	525	619	754	904	995	1 044	1 060	1 076	1 092	1 108
(2) Probability weighted other income	0	0	0	0	0	0	0	0	0	0	0	0
(3) Prob. weighted total operating expenses (Incl. Depr. & Amort.)	110	216	267	317	384	461	507	533	541	549	557	565
Probability weighted EBIT	129	200	257	302	369	443	487	512	519	527	535	543
as % of Net Revenues	54.0%	48.1%	49.1%	48.8%	49.0%	49.0%	49.0%	49.0%	49.0%	49.0%	49.0%	49.0%
Probability weighted D&A	0	0	0	0	0	0	0	0	0	0	0	0
(4) Probability weighted CAPEX	0	0	0	0	0	0	0	0	0	0	0	0

No 3. - Security technology (Encrypted SSD)

(1)	Probability weighted net revenues	504	1 071	2 345	2 921	2 973	2 973	2 973	2 973	2 973	2 973	2 973	3 017
(2)	Probability weighted other income	0	0	0	0	0	0	0	0	0	0	0	0
(3)	Prob. weighted total operating expenses (Incl. Depr. & Amort.)	642	872	1 934	2 362	2 351	2 323	2 327	2 331	2 335	2 339	2 342	2 377
	Probability weighted EBIT	-138	200	412	559	621	650	646	642	638	634	630	640
	as % of Net Revenues	-27.5%	18.6%	17.6%	19.1%	20.9%	21.9%	21.7%	21.6%	21.5%	21.3%	21.2%	21.2%
	Probability weighted D&A	15	20	20	20	20	0	4	8	12	16	20	20
(4)	Probability weighted CAPEX	0	0	0	0	0	0	22	22	22	22	22	22

No 4. - Online Learning Platform

(1)	Probability weighted net revenues	991	1 354	1 754	2 318	3 308	3 822	3 248	2 446	1 467	734	367	0
(2)	Probability weighted other income	0	0	0	0	0	0	0	0	0	0	0	0
(3)	Prob. weighted total operating expenses (Incl. Depr. & Amort.)	693	872	1 018	1 255	1 893	1 989	1 676	1 275	786	410	216	0
	Probability weighted EBIT	298	482	736	1 063	1 414	1 833	1 573	1 170	681	323	151	0
	as % of Net Revenues	30.1%	35.6%	42.0%	45.9%	42.8%	48.0%	48.4%	47.8%	46.4%	44.1%	41.2%	
	Probability weighted D&A	38	85	102	120	130	104	74	70	63	49	35	0
(4)	Probability weighted CAPEX	116	87	87	87	83	78	74	35	0	0	0	0

No 5. - Galvanizing plant

(1)	Probability weighted net revenues	0	729	729	729	693	656	558	446	357	250	125	0
(2)	Probability weighted other income	0	109	109	109	109	109	109	109	109	109	109	0
(3)	Prob. weighted total operating expenses (Incl. Depr. & Amort.)	0	695	695	695	660	625	550	466	408	338	256	0
	Probability weighted EBIT	0	143	143	143	142	140	117	89	58	21	-22	0
	as % of Net Revenues			19.7%	19.7%	20.4%	21.3%	20.9%	19.9%	16.3%	8.4%	-17.7%	
	Probability weighted D&A	0	218	218	218	207	196	185	174	174	174	174	0
(4)	Probability weighted CAPEX	1 320	0	0	0	0	0	0	0	0	0	0	0

No 6. - Customised software development

(1)	Probability weighted net revenues	1 581	2 000	2 000	2 000	2 000	2 000	2 030	2 060	2 091	2 123	2 155	2 187
(2)	Probability weighted other income	0	0	0	0	0	0	0	0	0	0	0	0
(3)	Prob. weighted total operating expenses (Incl. Depr. & Amort.)	1 463	1 850	1 850	1 850	1 850	1 850	1 878	1 906	1 935	1 964	1 993	2 023
	Probability weighted EBIT	119	150	150	150	150	150	152	155	157	159	162	164
	as % of Net Revenues	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
	Probability weighted D&A	0	0	0	0	0	0	0	0	0	0	0	0
(4)	Probability weighted CAPEX	0	0	0	0	0	0	0	0	0	0	0	0

No 7. - ArtificiaI Intelligence-based solutions (plant recognition)

(1)	Probability weighted net revenues	1 218	1 899	1 899	2 099	1 198	837	586	293	0	0	0	0
(2)	Probability weighted other income	0	0	0	0	0	0	0	0	0	0	0	0
(3)	Prob. weighted total operating expenses (Incl. Depr. & Amort.)	1 061	1 729	1 666	1 793	1 132	684	472	236	0	0	0	0
	Probability weighted EBIT	157	170	232	307	66	153	114	57	0	0	0	0
	as % of Net Revenues	12.9%	8.9%	12.2%	14.6%	5.5%	18.3%	19.4%	19.4%				
	Probability weighted D&A	0	14	12	11	10	10	0	0	0	0	0	0
(4)	Probability weighted CAPEX	75	0	0	0	0	0	0	0	0	0	0	0

No 7. - Artificial Intelligence-based solutions (Smart city solutions)

(1)	Probability weighted net revenues	782	2 091	2 832	3 125	3 160	1 976	1 383	692	0	0	0	0
(2)	Probability weighted other income	0	0	0	0	0	0	0	0	0	0	0	0
(3)	Prob. weighted total operating expenses (Incl. Depr. & Amort.)	338	1 571	2 031	2 202	2 222	1 487	1 028	514	0	0	0	0
	Probability weighted EBIT	444	520	800	923	938	489	355	178	0	0	0	0
	as % of Net Revenues	56.8%	24.9%	28.3%	29.5%	29.7%	24.8%	25.7%	25.7%				
	Probability weighted D&A	0	18	18	18	18	18	0	0	0	0	0	0
(4)	Probability weighted CAPEX	75	0	0	0	0	0	0	0	0	0	0	0

No 8. - Other business (resale of medical equipment)

(1)	Probability weighted net revenues	35 714	0	0	0	0	0	0	0	0	0	0	0
(2)	Probability weighted other income	0	0	0	0	0	0	0	0	0	0	0	0
(3)	Prob. weighted total operating expenses (Incl. Depr. & Amort.)	35 000	0	0	0	0	0	0	0	0	0	0	0
	Probability weighted EBIT	714	0	0	0	0	0	0	0	0	0	0	0
	as % of Net Revenues	2.0%											
	Probability weighted D&A	0	0	0	0	0	0	0	0	0	0	0	0
(4)	Probability weighted CAPEX	0	0	0	0	0	0	0	0	0	0	0	0

Selling, General and Admin operations

(3)	Prob. weighted total operating expenses (Incl. Depr. & Amort.)	548	730	742	733	741	750	762	773	785	796	808	820
	Probability weighted EBIT	-548	-730	-742	-733	-741	-750	-762	-773	-785	-796	-808	-820
	Probability weighted D&A	155	187	168	151	136	122	109	95	82	68	54	0
(4)	Probability weighted CAPEX	0	0	0	0	0	0	0	0	0	0	0	0
	Total probability weighted net revenues	41 991	9 903	12 559	14 394	14 765	13 825	12 460	10 665	8 676	7 891	7 457	6 969

Business Lines

No 1. - Video on demand (contracted)

(1) **Net Revenues**

Normalized growth rate 0.0% per discussion with management regarding the sustainable long-term growth rate for the Company

Management business plan includes projections for 2020 4-12M through 2025.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
VoD revenues from Client Company 1	343	0	0	0	0	0	0	0	0	0	0	0
Net Revenues	343	0	0	0	0	0	0	0	0	0	0	0
Annual growth %		-100.0%										

(2) **Other Income**

Management business plan includes projections for 2020 4-12M through 2025.

Other Income after 2026 is based on a normalized ratio to Sales

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Other Income	0	0	0	0	0	0	0	0	0	0	0	0
Annual growth %												

(3) **Operating Expenses**

Management business plan includes projections for 2020 4-12M through 2025.

Operating expenses after 2026 are based on a normalized ratio to Sales.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Raw materials and consumables												
Services purchased												
Other Services												
Cost of goods sold												
Cost of services transferred	274	0	0	0	0	0	0	0	0	0	0	0
Material costs	274	0	0	0	0	0	0	0	0	0	0	0
Cost of employees	0	0	0	0	0	0	0	0	0	0	0	0
Other Operating Expenses	0	0	0	0	0	0	0	0	0	0	0	0
Total Yearly D&A	0	0	0	0	0	0	0	0	0	0	0	0
Total Operating Expenses (Including Depr. & Amort.)	274	0	0	0	0	0	0	0	0	0	0	0
Operating EBIT	**69**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
as % of Net Revenues	20.0%											

(4) **Capital Expenditures**

Capital expenditure forecast is based on management expectations.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Total Yearly Capital Expenditures	0	0	0	0	0	0	0	0	0	0	0	0
as % of Net Revenues	0.0%											
Probability weight for operating income	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Probability weight for CAPEX	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Prob. weighted EBIT	**69**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Prob. weighted CAPEX	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

No 2. - Security technology (Shoot simulator)

(1) **Net Revenues**

Normalized growth rate 0.0% per discussion with management regarding the sustainable long-term growth rate for the Company

Management business plan includes projections for 2020 4-12M through 2025.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Revenues from shoot simulator (resale)	550											
Revenues from shoot simulator (support services)	0	110	110	110	110	110	110	110	110	110	110	0
Net Revenues	550	110	110	110	110	110	110	110	110	110	110	0
Annual growth %		-80.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-100.0%

(2) **Other Income**

Management business plan includes projections for 2020 4-12M through 2025.

Other Income after 2026 is based on a normalized ratio to Sales

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Other Income	0	0	0	0	0	0	0	0	0	0	0	0
Annual growth %												

(3) **Operating Expenses**

Management business plan includes projections for 2020 4-12M through 2025.

Operating expenses after 2026 are based on a normalized ratio to Sales.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Raw materials and consumables												
Services purchased												
Other Services												
Cost of goods sold	413	0	0	0	0	0						
Cost of services transferred	156	18	18	18	18	18	18	18	18	18	18	0
Material costs	569	18	18	18	18	18	18	18	18	18	18	0
Cost of employees	0	0	0	0	0	0	0	0	0	0	0	0
Other Operating Expenses	0	0	0	0	0	0	0	0	0	0	0	0
Total Yearly D&A	0	0	0	0	0	0	0	0	0	0	0	0
Total Operating Expenses (Including Depr. & Amort.)	569	18	18	18	18	18	18	18	18	18	18	0
Operating EBIT	**-18**	**92**	**92**	**92**	**92**	**92**	**92**	**92**	**92**	**92**	**92**	**0**
as % of Net Revenues	-3.3%	83.3%	83.3%	83.3%	83.3%	83.3%	83.3%	83.3%	83.3%	83.3%	83.3%	

(4) **Capital Expenditures**

Capital expenditure forecast is based on management expectations.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Total Yearly Capital Expenditures	0	0	0	0	0	0	0	0	0	0	0	0
as % of Net Revenues	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Probability weight for operating income	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Probability weight for CAPEX	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Prob. weighted EBIT	**-17**	**83**	**83**	**83**	**83**	**83**	**83**	**83**	**83**	**83**	**83**	**0**
Prob. weighted CAPEX	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

No 3. - Security technology (SBU and Time-Sheet)

(1) **Net Revenues**

Normalized growth rate 1.5% per discussion with management regarding the sustainable long-term growth rate for the Company

Management business plan includes projections for 2020 4-12M through 2025.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Revenues from SBU products	138	201	329	426	507	448	455	462	469	476	483	490
Revenues from SBU services	0	71	88	110	138	172	198	218	229	232	236	239
Net Revenues	138	271	418	536	645	621	653	680	698	708	719	730
Annual growth %		97.1%	54.0%	28.4%	20.3%	-3.8%	5.2%	4.1%	2.6%	1.5%	1.5%	1.5%

(2) **Other Income**

Management business plan includes projections for 2020 4-12M through 2025.

Other Income after 2026 is based on a normalized ratio to Sales

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Other Income	114	117	38	0	0	0	0	0	0	0	0	0
Annual growth %		2.0%	-67.7%	-100.0%								

(3) **Operating Expenses**

Management business plan includes projections for 2020 4-12M through 2025.

Operating expenses after 2026 are based on a normalized ratio to Sales.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Raw materials and consumables												
Services purchased												
Other Services												
Cost of goods sold	93	155	193	242	302	378	384	389	395	401	407	413
Cost of services transferred	0	32	40	50	62	78	89	98	103	105	106	108
Material costs	93	187	233	291	364	455	473	487	498	506	513	521
Cost of employees	0	0	0	0	0	0	0	0	0	0	0	0
Other Operating Expenses	0	0	0	0	0	0	0	0	0	0	0	0
Total Yearly D&A	86	117	117	117	117	2	23	47	70	93	117	117
Total Operating Expenses (Including Depr. & Amort.)	179	303	350	408	481	458	496	534	568	599	630	638
Operating EBIT	**73**	**85**	**105**	**128**	**164**	**163**	**157**	**146**	**130**	**109**	**89**	**92**
as % of Net Revenues	53.3%	31.2%	25.2%	23.9%	25.5%	26.3%	24.1%	21.5%	18.6%	15.4%	12.4%	12.6%

(4) **Capital Expenditures**

Capital expenditure forecast is based on management expectations.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Total Yearly Capital Expenditures	12	0	0	0	0	0	117	117	117	117	117	117
as % of Net Revenues	8.5%	0.0%	0.0%	0.0%	0.0%	0.0%	17.8%	17.1%	16.7%	16.5%	16.2%	16.0%
Probability weight for operating income	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Probability weight for CAPEX	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Prob. weighted EBIT	**77**	**88**	**99**	**115**	**148**	**147**	**142**	**131**	**117**	**98**	**80**	**83**
Prob. weighted CAPEX	**12**	**0**	**0**	**0**	**0**	**0**	**117**	**117**	**117**	**117**	**117**	**117**

No 3. - Security technology (Datagate)

(1) **Net Revenues**

Normalized growth rate 1.5% per discussion with management regarding the sustainable long-term growth rate for the Company

Management business plan includes projections for 2020 4-12M through 2025.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Revenues from Datagate	266	462	583	688	837	1 005	1 105	1 160	1 178	1 195	1 213	1 232
Net Revenues	266	462	583	688	837	1 005	1 105	1 160	1 178	1 195	1 213	1 232
Annual growth %		73.7%	26.2%	18.0%	21.7%	20.0%	10.0%	5.0%	1.5%	1.5%	1.5%	1.5%

(2) **Other Income**

Management business plan includes projections for 2020 4-12M through 2025.

Other Income after 2026 is based on a normalized ratio to Sales

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Other Income	0	0	0	0	0	0	0	0	0	0	0	0
Annual growth %												

(3) **Operating Expenses**

Management business plan includes projections for 2020 4-12M through 2025.

Operating expenses after 2026 are based on a normalized ratio to Sales.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Raw materials and consumables												
Services purchased	53	86	103	123	148	177	195	205	208	211	214	218
Other Services												
Cost of goods sold	69	154	194	229	279	335	368	387	393	398	404	411
Cost of services transferred												
Material costs	122	240	297	353	427	512	564	592	601	610	619	628
Cost of employees	0	0	0	0	0	0	0	0	0	0	0	0
Other Operating Expenses	0	0	0	0	0	0	0	0	0	0	0	0
Total Yearly D&A	0	0	0	0	0	0	0	0	0	0	0	0
Total Operating Expenses (Including Depr. & Amort.)	122	240	297	353	427	512	564	592	601	610	619	628
Operating EBIT	**144**	**222**	**286**	**336**	**410**	**492**	**542**	**569**	**577**	**586**	**595**	**604**
as % of Net Revenues	54.0%	48.1%	49.1%	48.8%	49.0%	49.0%	49.0%	49.0%	49.0%	49.0%	49.0%	49.0%

(4) **Capital Expenditures**

Capital expenditure forecast is based on management expectations.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Total Yearly Capital Expenditures	0	0	0	0	0	0	0	0	0	0	0	0
as % of Net Revenues	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Probability weight for operating income	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Probability weight for CAPEX	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Prob. weighted EBIT	**129**	**200**	**257**	**302**	**369**	**443**	**487**	**512**	**519**	**527**	**535**	**543**
Prob. weighted CAPEX	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

No 3. - Security technology (Encrypted SSD)

(1) **Net Revenues**

Normalized growth rate 1.5% per discussion with management regarding the sustainable long-term growth rate for the Company

Management business plan includes projections for 2020 4-12M through 2025.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Revenues from Encrypted SSD (products)	394	719	1 866	2 335	2 335	2 335	2 335	2 335	2 335	2 335	2 335	2 370
Revenues from Encrypted SSD (services)	165	472	740	911	968	968	968	968	968	968	968	983
Net Revenues	559	1 191	2 606	3 246	3 303	3 303	3 303	3 303	3 303	3 303	3 303	3 352
Annual growth %		112.8%	118.9%	24.5%	1.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.5%

(2) **Other Income**

Management business plan includes projections for 2020 4-12M through 2025.

Other Income after 2026 is based on a normalized ratio to Sales

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Other Income	0	0	0	0	0	0	0	0	0	0	0	0
Annual growth %												

(3) **Operating Expenses**

Management business plan includes projections for 2020 4-12M through 2025.

Operating expenses after 2026 are based on a normalized ratio to Sales.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Raw materials and consumables												
Services purchased	275	321	555	721	706	696	696	696	696	696	696	707
Other Services												
Cost of goods sold	376	575	1 514	1 822	1 822	1 822	1 822	1 822	1 822	1 822	1 822	1 849
Cost of services transferred	46	52	57	60	63	63	63	63	63	63	63	64
Material costs	697	947	2 127	2 602	2 591	2 581	2 581	2 581	2 581	2 581	2 581	2 620
Cost of employees	0	0	0	0	0	0	0	0	0	0	0	0
Other Operating Expenses	0	0	0	0	0	0	0	0	0	0	0	0
Total Yearly D&A	16	22	22	22	22	0	4	9	13	17	22	22
Total Operating Expenses (Including Depr. & Amort.)	713	969	2 149	2 624	2 613	2 581	2 585	2 590	2 594	2 598	2 603	2 641
Operating EBIT	**-154**	**222**	**458**	**622**	**690**	**722**	**718**	**713**	**709**	**704**	**700**	**711**
as % of Net Revenues	-27.5%	18.6%	17.6%	19.1%	20.9%	21.9%	21.7%	21.6%	21.5%	21.3%	21.2%	21.2%

(4) **Capital Expenditures**

Capital expenditure forecast is based on management expectations.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Total Yearly Capital Expenditures	0	0	0	0	0	0	22	22	22	22	22	22
as % of Net Revenues	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.7%	0.7%	0.7%	0.7%	0.7%	0.6%
Probability weight for operating income	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Probability weight for CAPEX	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Prob. weighted EBIT	**-138**	**200**	**412**	**559**	**621**	**650**	**646**	**642**	**638**	**634**	**630**	**640**
Prob. weighted CAPEX	**0**	**0**	**0**	**0**	**0**	**0**	**22**	**22**	**22**	**22**	**22**	**22**

No 4. - Online Learning Platform

(1) **Net Revenues**

Normalized growth rate 0.0% per discussion with management regarding the sustainable long-term growth rate for the Company

Management business plan includes projections for 2020 4-12M through 2025.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Revenues from licence sales	0	0	0	0	0	0	0	0	0	0	0	0
Revenues from services (academic)	601	825	1 061	1 428	2 353	2 825	2 542	2 034	1 220	610	305	0
Revenues from services (e-health)	389	529	694	890	1 129	1 422	1 279	1 024	614	307	154	0
Net Revenues	991	1 354	1 754	2 318	3 482	4 246	3 822	3 057	1 834	917	459	0
Annual growth %		36.6%	29.6%	32.1%	50.2%	22.0%	-10.0%	-20.0%	-40.0%	-50.0%	-50.0%	

(2) **Other Income**

Management business plan includes projections for 2020 4-12M through 2025.

Other Income after 2026 is based on a normalized ratio to Sales

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Other Income	0	0	0	0	0	0	0	0	0	0	0	0
Annual growth %												

(3) **Operating Expenses**

Management business plan includes projections for 2020 4-12M through 2025.

Operating expenses after 2026 are based on a normalized ratio to Sales.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Raw materials and consumables												
Services purchased	255	275	294	299	380	401	361	289	173	87	43	0
Other Services												
Cost of goods sold												
Cost of services transferred	399	512	622	836	1 476	1 692	1 523	1 218	731	366	183	0
Material costs	654	787	916	1 135	1 856	2 094	1 884	1 507	904	452	226	0
Cost of employees	0	0	0	0	0	0	0	0	0	0	0	0
Other Operating Expenses	0	0	0	0	0	0	0	0	0	0	0	0
Total Yearly D&A	38	85	102	120	137	116	87	87	78	61	44	0
Total Operating Expenses (Including Depr. & Amort.)	693	872	1 018	1 255	1 993	2 210	1 971	1 594	983	513	270	0
Operating EBIT	**298**	**482**	**736**	**1 063**	**1 489**	**2 037**	**1 850**	**1 463**	**852**	**404**	**189**	**0**
as % of Net Revenues	30.1%	35.6%	42.0%	45.9%	42.8%	48.0%	48.4%	47.8%	46.4%	44.1%	41.2%	

(4) **Capital Expenditures**

Capital expenditure forecast is based on management expectations.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Total Yearly Capital Expenditures	116	87	87	87	87	87	87	44	0	0	0	0
as % of Net Revenues	11.7%	6.4%	5.0%	3.8%	2.5%	2.0%	2.3%	1.4%	0.0%	0.0%	0.0%	
Probability weight for operating income	100.0%	100.0%	100.0%	100.0%	95.0%	90.0%	85.0%	80.0%	80.0%	80.0%	80.0%	80.0%
Probability weight for CAPEX	100.0%	100.0%	100.0%	100.0%	95.0%	90.0%	85.0%	80.0%	80.0%	80.0%	80.0%	80.0%
Prob. weighted EBIT	**298**	**482**	**736**	**1 063**	**1 414**	**1 833**	**1 573**	**1 170**	**681**	**323**	**151**	**0**
Prob. weighted CAPEX	**116**	**87**	**87**	**87**	**83**	**78**	**74**	**35**	**0**	**0**	**0**	**0**

No 5. - Galvanizing plant

(1) **Net Revenues**

Normalized growth rate 0.0% per discussion with management regarding the sustainable long-term growth rate for the Company

Management business plan includes projections for 2020 4-12M through 2025.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Net Revenues	0	729	729	729	729	729	656	558	446	312	156	0
Annual growth %			0.0%	0.0%	0.0%	0.0%	-10.0%	-15.0%	-20.0%	-30.0%	-50.0%	-100.0%

(2) **Other Income**

Management business plan includes projections for 2020 4-12M through 2025.

Other Income after 2026 is based on a normalized ratio to Sales

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Other Income	0	109	109	109	109	109	109	109	109	109	109	0
Annual growth %			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	

(3) **Operating Expenses**

Management business plan includes projections for 2020 4-12M through 2025.

Operating expenses after 2026 are based on a normalized ratio to Sales.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Raw materials and consumables	0	367	367	367	367	367	330	281	225	157	79	0
Services purchased	0	110	110	110	110	110	99	84	67	47	24	0
Other Services	0	0	0	0	0	0	0	0	0	0	0	0
Cost of goods sold	0	0	0	0	0	0	0	0	0	0	0	0
Cost of services transferred	0	0	0	0	0	0	0	0	0	0	0	0
Material costs	0	477	477	477	477	477	429	365	292	204	102	0
Cost of employees	0	0	0	0	0	0	0	0	0	0	0	0
Other Operating Expenses	0	0	0	0	0	0	0	0	0	0	0	0
Total Yearly D&A	0	218	218	218	218	218	218	218	218	218	218	0
Total Operating Expenses (Including Depr. & Amort.)	0	695	695	695	695	695	647	583	510	422	320	0
Operating EBIT	**0**	**143**	**143**	**143**	**143**	**143**	**118**	**84**	**45**	**-1**	**-55**	**0**
as % of Net Revenues		19.7%	19.7%	19.7%	19.7%	19.7%	18.0%	15.1%	10.2%	-0.3%	-35.2%	

(4) **Capital Expenditures**

Capital expenditure forecast is based on management expectations.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Total Yearly Capital Expenditures	1 320	0	0	0	0	0	0	0	0	0	0	0
as % of Net Revenues		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Probability weight for operating income	100.0%	100.0%	100.0%	100.0%	95.0%	90.0%	85.0%	80.0%	80.0%	80.0%	80.0%	80.0%
Probability weight for CAPEX	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Prob. weighted EBIT	**0**	**143**	**143**	**143**	**142**	**140**	**117**	**89**	**58**	**21**	**-22**	**0**
Prob. weighted CAPEX	**1 320**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

No 6. - Customised software development

(1) **Net Revenues**

Normalized growth rate 1.5% per discussion with management regarding the sustainable long-term growth rate for the Company

Management business plan includes projections for 2020 4-12M through 2025.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Software development revenues from Client Company 2	1 581	2 000	2 000	2 000	2 000	2 000	2 030	2 060	2 091	2 123	2 155	2 187
Net Revenues	1 581	2 000	2 000	2 000	2 000	2 000	2 030	2 060	2 091	2 123	2 155	2 187
Annual growth %		26.5%	0.0%	0.0%	0.0%	0.0%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%

(2) **Other Income**

Management business plan includes projections for 2020 4-12M through 2025.

Other Income after 2026 is based on a normalized ratio to Sales

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Other Income	0	0	0	0	0	0	0	0	0	0	0	0
Annual growth %												

(3) **Operating Expenses**

Management business plan includes projections for 2020 4-12M through 2025.

Operating expenses after 2026 are based on a normalized ratio to Sales.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Raw materials and consumables												
Services purchased	1 463	1 850	1 850	1 850	1 850	1 850	1 878	1 906	1 935	1 964	1 993	2 023
Other Services												
Cost of goods sold												
Cost of services transferred												
Material costs	1 463	1 850	1 850	1 850	1 850	1 850	1 878	1 906	1 935	1 964	1 993	2 023
Cost of employees	0	0	0	0	0	0	0	0	0	0	0	0
Other Operating Expenses	0	0	0	0	0	0	0	0	0	0	0	0
Total Yearly D&A	0	0	0	0	0	0	0	0	0	0	0	0
Total Operating Expenses (Including Depr. & Amort.)	1 463	1 850	1 850	1 850	1 850	1 850	1 878	1 906	1 935	1 964	1 993	2 023
Operating EBIT	**119**	**150**	**150**	**150**	**150**	**150**	**152**	**155**	**157**	**159**	**162**	**164**
as % of Net Revenues	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%

(4) **Capital Expenditures**

Capital expenditure forecast is based on management expectations.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Total Yearly Capital Expenditures	0	0	0	0	0	0	0	0	0	0	0	0
as % of Net Revenues	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Probability weight for operating income	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Probability weight for CAPEX	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Prob. weighted EBIT	**119**	**150**	**150**	**150**	**150**	**150**	**152**	**155**	**157**	**159**	**162**	**164**
Prob. weighted CAPEX	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

No 7. - Artificial Intelligence-based solutions (plant recognition)

(1) **Net Revenues**

Normalized growth rate 0.0% per discussion with management regarding the sustainable long-term growth rate for the Company

Management business plan includes projections for 2020 4-12M through 2025.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Revenues from AI-based solutions (plant recognition)	1 471	1 729	2 157	2 586	1 786	1 143	800	400	0	0	0	0
Revenues from AI-based solutions (plant recognition - operation)	0	943	1 037	1 141	678	577	404	202	0	0	0	0
Net Revenues	1 471	2 671	3 194	3 727	2 464	1 720	1 204	602	0	0	0	0
Annual growth %		81.6%	19.6%	16.7%	-33.9%	-30.2%	-30.0%	-50.0%	-100.0%	#ZÉRÓOSZTÓ!	#ZÉRÓOSZTÓ!	

(2) **Other Income**

Management business plan includes projections for 2020 4-12M through 2025.

Other Income after 2026 is based on a normalized ratio to Sales

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Other Income	0	0	0	0	0	0	0	0	0	0	0	0
Annual growth %												

(3) **Operating Expenses**

Management business plan includes projections for 2020 4-12M through 2025.

Operating expenses after 2026 are based on a normalized ratio to Sales.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Raw materials and consumables												
Services purchased	804	1 742	1 970	2 206	1 623	971	680	340	0	0	0	0
Other Services												
Cost of goods sold	478	670	813	956	685	414	290	145	0	0	0	0
Cost of services transferred												
Material costs	1 282	2 413	2 783	3 162	2 308	1 386	970	485	0	0	0	0
Cost of employees	0	0	0	0	0	0	0	0	0	0	0	0
Other Operating Expenses	0	0	0	0	0	0	0	0	0	0	0	0
Total Yearly D&A	0	20	20	20	20	20	0	0	0	0	0	0
Total Operating Expenses (Including Depr. & Amort.)	1 282	2 433	2 803	3 182	2 328	1 406	970	485	0	0	0	0
Operating EBIT	**189**	**239**	**391**	**544**	**136**	**314**	**234**	**117**	**0**	**0**	**0**	**0**
as % of Net Revenues	12.9%	8.9%	12.2%	14.6%	5.5%	18.3%	19.4%	19.4%				

(4) **Capital Expenditures**

Capital expenditure forecast is based on management expectations.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Total Yearly Capital Expenditures	75	0	0	0	0	0	0	0	0	0	0	0
as % of Net Revenues	5.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%				
Probability weight for operating income	82.8%	71.1%	59.4%	56.3%	48.6%	48.6%	48.6%	48.6%	48.6%	48.6%	48.6%	48.6%
Probability weight for CAPEX	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Prob. weighted EBIT	**157**	**170**	**232**	**307**	**66**	**153**	**114**	**57**	**0**	**0**	**0**	**0**
Prob. weighted CAPEX	**75**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

No 7. - Artificial Intelligence-based solutions (Smart city solutions)

(1) **Net Revenues**

Normalized growth rate 0.0% per discussion with management regarding the sustainable long-term growth rate for the Company

Management business plan includes projections for 2020 4-12M through 2025.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Revenues from AI-based solutions (smart parking)	754	1 095	1 389	1 517	1 372	399	280	140	0	0	0	0
Revenues from AI-based solutions (air quality, traffic control, other)	114	1 229	1 757	1 956	2 140	1 797	1 258	629	0	0	0	0
Net Revenues	869	2 323	3 146	3 472	3 512	2 196	1 537	769	0	0	0	0
Annual growth %		167.5%	35.4%	10.4%	1.1%	-37.5%	-30.0%	-50.0%	-100.0%	#ZÉRÓOSZTÓ!	#ZÉRÓOSZTÓ!	

(2) **Other Income**

Management business plan includes projections for 2020 4-12M through 2025.

Other Income after 2026 is based on a normalized ratio to Sales

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Other Income	0	0	0	0	0	0	0	0	0	0	0	0
Annual growth %												

(3) **Operating Expenses**

Management business plan includes projections for 2020 4-12M through 2025.

Operating expenses after 2026 are based on a normalized ratio to Sales.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Raw materials and consumables												
Services purchased	375	1 514	1 919	2 076	2 064	1 209	846	423	0	0	0	0
Other Services												
Cost of goods sold	0	212	318	350	385	424	296	148	0	0	0	0
Cost of services transferred												
Material costs	375	1 726	2 237	2 426	2 449	1 632	1 143	571	0	0	0	0
Cost of employees	0	0	0	0	0	0	0	0	0	0	0	0
Other Operating Expenses	0	0	0	0	0	0	0	0	0	0	0	0
Total Yearly D&A	0	20	20	20	20	20	0	0	0	0	0	0
Total Operating Expenses (Including Depr. & Amort.)	375	1 746	2 257	2 446	2 469	1 652	1 143	571	0	0	0	0
Operating EBIT	**493**	**577**	**889**	**1 026**	**1 042**	**544**	**395**	**197**	**0**	**0**	**0**	**0**
as % of Net Revenues	56.8%	24.9%	28.3%	29.5%	29.7%	24.8%	25.7%	25.7%				

(4) **Capital Expenditures**

Capital expenditure forecast is based on management expectations.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Total Yearly Capital Expenditures	75	0	0	0	0	0	0	0	0	0	0	0
as % of Net Revenues	8.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%				
Probability weight for operating income	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Probability weight for CAPEX	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Prob. weighted EBIT	**444**	**520**	**800**	**923**	**938**	**489**	**355**	**178**	**0**	**0**	**0**	**0**
Prob. weighted CAPEX	**75**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

No 8. - Other business (resale of medical equipment)

(1) **Net Revenues**

Normalized growth rate 0.0% per discussion with management regarding the sustainable long-term growth rate for the Company

Management business plan includes projections for 2020 4-12M through 2025.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Revenues from resale of medical equipment	35 714	0	0	0	0	0	0	0	0	0	0	0
Net Revenues	35 714	0	0	0	0	0	0	0	0	0	0	0
Annual growth %												

(2) **Other Income**

Management business plan includes projections for 2020 4-12M through 2025.

Other Income after 2026 is based on a normalized ratio to Sales

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Other Income	0	0	0	0	0	0	0	0	0	0	0	0
Annual growth %												

(3) **Operating Expenses**

Management business plan includes projections for 2020 4-12M through 2025.

Operating expenses after 2026 are based on a normalized ratio to Sales.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Raw materials and consumables												
Services purchased												
Other Services												
Cost of goods sold	35 000	0	0	0	0	0	0	0	0	0	0	0
Cost of services transferred												
Material costs	35 000	0	0	0	0	0	0	0	0	0	0	0
Cost of employees	0	0	0	0	0	0	0	0	0	0	0	0
Other Operating Expenses	0	0	0	0	0	0	0	0	0	0	0	0
Total Yearly D&A	0	0	0	0	0	0	0	0	0	0	0	0
Total Operating Expenses (Including Depr. & Amort.)	35 000	0	0	0	0	0	0	0	0	0	0	0
Operating EBIT	**714**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
as % of Net Revenues	2.0%											

(4) **Capital Expenditures**

Capital expenditure forecast is based on management expectations.

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Total Yearly Capital Expenditures	0	0	0	0	0	0	0	0	0	0	0	0
as % of Net Revenues												
Probability weight for operating income	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Probability weight for CAPEX	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Prob. weighted EBIT	**714**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Prob. weighted CAPEX	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Valuation of **iSRV Zrt.** **Exhibit C.3**

Debt Free Net Working Capital (DFNWC) Analysis

As of **March 31, 2020**

Monetary Units: **HUF '000**

	Fact 2015	Fact 2016	Fact 2017	Fact 2018	Fact 2019	Interim 2020.03.31
Account receivables						
Inventories	2 375	20 000	326 968	136 929	-	127 271
Trade debtors	134 010	943 169	543 796	500 085	811 058	1 209 837
Receivables from affiliated undertakings	-	-	-	-	-	-
Receivables from companies with significant ownership stakes	-	-	-	-	-	-
Receivables from independent undertakings	-	-	-	-	-	-
Bills receivable	-	-	-	-	-	-
Other receivables	16 958	39 727	71 186	640 091	92 936	4 276 280
Accrued and deferred assets	29 368	102	36 016	41 184	10 500	1 776
Current liabilities						
Advances received from customers	1 800	-	-	-	256 312	6 053 822
Accounts payable	194 333	888 993	588 868	69 155	783 252	1 965 351
Bills payable	-	-	-	-	-	-
Short-term liabilities to affiliated undertakings	-	-	-	-	-	-
Short-term liabilities to companies with significant ownership stakes	-	-	-	-	-	-
Short-term liabilities to independent undertakings	-	-	-	-	-	-
Other short-term liabilities	18 425	31 498	50 820	273 906	39 735	26 008
Accrued and deferred liabilities	26 640	550	316 449	5 510	44 159	284
Net working capital	**-58 487**	**81 957**	**21 829**	**969 718**	**-208 964**	**-2 430 302**
Change		140 444	-60 128	947 889	-1 178 682	-2 221 338
Total sales (revenues)	**1 572 356**	**2 103 346**	**2 045 584**	**2 087 546**	**2 049 553**	**2 049 553**
Net domestic sales	1 572 356	1 086 539	2 045 584	1 123 016	1 299 162	1 299 162
Net external sales	-	1 016 807	-	964 530	750 391	750 391
Domestic sales %	100.0%	51.7%	100.0%	53.8%	63.4%	63.4%
VAT rate	*27.0%*	*27.0%*	*27.0%*	*27.0%*	*27.0%*	*27.0%*
NWC in % of sales	-3.7%	3.9%	1.1%	46.5%	-10.2%	-118.6%
Days Inventory	1	3	58	24	0	23
Days Debtors	24	144	76	76	123	184
Days Debtors - Affiliated	0	0	0	0	0	0
Days Debtors - Companies with significant ownership	0	0	0	0	0	0
Days Debtors - Other participations	0	0	0	0	0	0
Bills receivable in % of sales	0	0	0	0	0	0
Other receivables in % of sales	1.1%	1.9%	3.5%	30.7%	4.5%	208.6%
Accrued and deferred assets in % of sales	1.9%	0.0%	1.8%	2.0%	0.5%	0.1%
Material costs	**1 542 405**	**2 013 310**	**1 804 921**	**1 893 605**	**2 003 998**	**2 003 998**
Advances received from customers in % of trade receivables	1.3%	0.0%	0.0%	0.0%	31.6%	500.4%
Days Suppliers	36	127	94	10	112	282
Bills payable in % of material costs	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Days Suppliers - Affiliated	0	0	0	0	0	0
Days Suppliers - Companies with significant ownership	0	0	0	0	0	0
Days Suppliers - Other participations	0	0	0	0	0	0
Other STL in % of material costs	1.2%	1.6%	2.8%	14.5%	2.0%	1.3%
Accrued and deferred liabilities in % of material costs	1.7%	0.0%	17.5%	0.3%	2.2%	0.0%

Valuation iSRV Zrt. **Exhibit C.4**
Debt Free Net Working Capital (DFNWC) Analysis
As of 2020.03.31

Average Days Sales Outstanding

	LFY-4	LFY-3	LFY-2	LFY-1	LFY	Latest 5 Years Average	Segment median
Guideline Companies							
Ideagen plc	125.3	105.1	100.3	97.5	98.5	105.3	
Induct Software AS	141.2	95.5	84.0	89.1	109.3	103.8	
InVision Aktiengesellschaft	68.8	61.4	37.2	37.2	37.0	48.3	
Learning Technologies Group plc	97.4	83.7	82.4	105.0	100.1	93.7	
Netex Knowledge Factory, S.A.		74.4	110.4	126.7	110.9	105.6	
RM plc	43.4	35.5	35.2	34.8	35.5	36.9	**98.8**
Agile Content, S.A.	85.0	105.7	104.6	116.3	64.8	95.3	
Anevia Société Anonyme	98.8	56.2	84.8	86.5		81.6	
Blackbird plc	68.6	94.7	102.4	67.5	116.8	90.0	
BrandBee Holding AB (publ)		70.0	58.9	51.5	14.9	48.8	
Netgem SA	79.3	91.9	102.1	147.0	165.0	117.1	
TeamViewer AG			49.2	24.3	13.1	28.9	
TerraNet Holding AB (publ)		68.1	84.3	201.1		117.8	
Vetrya S.p.A.	208.8	217.8	170.7	169.7	148.3	183.1	**92.7**
BIO-key International, Inc.	45.0	143.3	310.3	133.3	208.3	168.0	
Dream Security co., Ltd.							
Facephi Biometria, S.A.	52.0	44.6	142.9	203.7	242.9	137.2	
Hancom Secure Inc.	120.7	136.5		134.0	123.0	128.5	
ImageWare Systems, Inc.	24.9	23.5	30.5	31.7	59.1	34.0	
INITECH Co., Ltd.	54.4	51.9	50.2	42.8	32.5	46.4	
Nuance Communications, Inc.	75.7	70.7	81.9	73.6	72.5	74.9	
Raonsecure Co., Ltd.	125.0	72.5	65.1	106.9	117.5	97.4	
StrikeForce Technologies, Inc.	38.3	81.2	132.8	53.1	9.6	63.0	
Synel M.L.L Payway Ltd	77.3	75.7	71.7	70.3	69.8	72.9	**74.9**
CSY Spólka Akcyjna	56.9	75.0	69.7	56.7	92.3	70.1	
Elastron S.A. - Steel Service Centers	91.9	80.6	83.1	66.4	53.1	75.0	
Galvo S.A.	61.9	49.1	48.4	52.5	50.0	52.4	
Gesco AG	43.1	49.3	47.4	49.3		47.3	
Hill & Smith Holdings PLC	68.9	66.2	66.0	68.6	70.0	67.9	
Stalprodukt S.A.	40.7	50.4	51.0	44.8	52.4	47.9	**60.2**
Expert System S.p.A.	165.0	131.6	136.4	157.2	177.4	153.5	
The Blockchain Group	100.0	102.0	115.5	116.6		108.5	
Acconeer AB (publ)				9.3	53.0	31.1	
Delta Drone SA	180.7	189.1	79.3	103.3		138.1	
Drone Volt SA	14.4	18.8	20.6	30.4	49.0	26.6	
Fastout Int. AB (publ)		6.5	17.0	22.8	22.1	17.1	
Remote Monitored Systems plc		103.4	77.3	41.9	57.4	70.0	
Artificial Solutions International AB (publ)		59.3	35.5	31.4	112.5	59.7	
Petards Group plc	48.5	62.4	46.5	57.9	45.8	52.2	
Tracsis plc	63.3	56.7	73.2	68.2	58.3	63.9	**61.8**
Average of Guideline Companies	82.8	80.0	82.7	81.6	83.6	81.0	
Median of Guideline Companies	68.9	72.5	77.3	68.2	67.3	72.9	**72.9**

Average Days Inventory Outstanding

	LFY-4	LFY-3	LFY-2	LFY-1	LFY	Latest 5 Years Average	Segment median
Guideline Companies							
Ideagen plc	42.8	6.1	2.8			17.2	
Induct Software AS	0.0	0.0	0.0	0.0	0.0	0.0	
InVision Aktiengesellschaft	0.0	0.0	0.0	0.0	0.0	0.0	
Learning Technologies Group plc	0.0	0.0	0.0	0.0	0.0	0.0	
Netex Knowledge Factory, S.A.		18.5	27.1	24.9	19.5	22.5	
RM plc	35.8	39.3	48.7	52.4	55.2	46.3	**8.6**
Agile Content, S.A.	0.2	0.1	0.0	0.2	1.3	0.4	
Anevia Société Anonyme	15.3	18.0	11.3	6.1		12.7	
Blackbird plc	0.0	0.0	0.0	0.0	0.0	0.0	
BrandBee Holding AB (publ)	0.0	0.0	0.0	0.0	0.0	0.0	
Netgem SA	20.1	14.8	6.8	9.6	18.3	13.9	
TeamViewer AG			0.0	0.0	0.0	0.0	
TerraNet Holding AB (publ)		0.0	0.0	0.0		0.0	
Vetrya S.p.A.	0.3	0.4	0.2	0.1	0.1	0.2	**0.1**
BIO-key International, Inc.	5.2	25.7	159.0	79.5	85.3	70.9	
Dream Security co., Ltd.							
Facephi Biometria, S.A.	0.0	0.0	0.0	0.0	0.0	0.0	
Hancom Secure Inc.	0.5	1.1		14.9	11.4	7.0	
ImageWare Systems, Inc.	261.4	90.3	11.8	18.8	22.5	81.0	
INITECH Co., Ltd.	8.8	16.6	12.9	5.0	4.1	9.5	
Nuance Communications, Inc.	5.1	4.9	4.3	0.0	0.0	2.9	
Raonsecure Co., Ltd.							
StrikeForce Technologies, Inc.	0.0	0.0	0.0	0.0	0.0	0.0	
Synel M.L.L Payway Ltd	91.9	90.8	78.9	75.3	81.0	83.6	**8.2**
CSY Spólka Akcyjna	56.0	76.4	65.3	64.9	64.4	65.4	
Elastron S.A. - Steel Service Centers	127.0	115.6	122.0	115.4	110.6	118.1	
Galvo S.A.	300.9	42.8	41.8	38.0	37.6	92.2	
Gesco AG	195.2	200.2	175.4	194.9		191.4	
Hill & Smith Holdings PLC	70.2	69.5	77.9	80.8	82.2	76.1	
Stalprodukt S.A.	73.5	77.9	77.5	77.2	84.9	78.2	**85.2**

Expert System S.p.A.	30.3	14.5	4.4	1.3	0.9	10.3	
The Blockchain Group	0.0	0.0	0.0	0.0	0.0	0.0	
Acconeer AB (publ)							
Delta Drone SA	19.9	15.3	14.0	18.6	178.5	49.2	
Drone Volt SA	54.5	41.8	49.7	71.3	101.8	63.8	
Fastout Int. AB (publ)	0.0	0.0	0.0	0.0	0.0	0.0	
Remote Monitored Systems plc							
Artificial Solutions International AB (publ)	0.0	0.0	0.0	0.0	0.0	0.0	
Petards Group plc	62.7	77.7	77.4	102.2	104.7	84.9	
Tracsis plc	11.8	7.9	6.1	5.4	5.7	7.4	**8.8**
Average of Guideline Companies	45.1	30.5	30.7	30.2	33.4	33.5	
Median of Guideline Companies	11.8	14.5	6.1	5.4	4.9	9.9	**9.9**

Average Days Payable Outstanding

	LFY-4	LFY-3	LFY-2	LFY-1	LFY	Latest 5 Years Average	Segment median
Guideline Companies							
Ideagen plc	272.5	117.9	123.0		144.9	164.6	
Induct Software AS	327.2	344.2	77.3	135.6		221.1	
InVision Aktiengesellschaft	6.9	7.6	7.1	9.2	9.6	8.1	
Learning Technologies Group plc	15.2	14.5	8.9	5.1	5.0	9.7	
Netex Knowledge Factory, S.A.		25.2	31.1	29.3	26.4	28.0	
RM plc	40.5	46.2	48.5	59.4	56.5	50.2	**39.1**
Agile Content, S.A.	52.2	85.7	108.3	161.5	97.8	101.1	
Anevia Société Anonyme	49.7	45.0	36.5	29.0		40.0	
Blackbird plc		344.0	253.8	332.3		310.0	
BrandBee Holding AB (publ)	66.3	44.3	28.8	121.8	449.6	142.1	
Netgem SA	109.1	139.7	177.6	234.4	314.3	195.0	
TeamViewer AG			37.4	44.0	57.3	46.2	
TerraNet Holding AB (publ)		61.7	56.6	74.5	45.7	59.6	
Vetrya S.p.A.	217.0	189.8	146.6	170.7	165.1	177.8	**121.6**
BIO-key International, Inc.	215.8	191.3	289.8	47.3	42.4	157.3	
Dream Security co., Ltd.							
Facephi Biometria, S.A.							
Hancom Secure Inc.	144.8	192.8		130.3	98.8	141.7	
ImageWare Systems, Inc.	122.9	111.6	108.9	153.7	250.8	149.6	
INITECH Co., Ltd.	19.5	18.1	14.4	7.5	4.7	12.8	
Nuance Communications, Inc.	28.4	36.0	46.6		45.6	39.1	
Raonsecure Co., Ltd.	76.4	45.3	56.3	113.1	141.2	86.4	
StrikeForce Technologies, Inc.							
Synel M.L.L Payway Ltd	71.9	56.9	43.9	38.2	33.7	48.9	**86.4**
CSY Spólka Akcyjna	25.7	38.8	43.7	54.3		40.6	
Elastron S.A. - Steel Service Centers	60.7	13.0	18.8	20.6	37.4	30.1	
Galvo S.A.		43.6	56.5	61.7	67.9	57.4	
Gesco AG	20.7	21.8	18.2	23.0		21.0	
Hill & Smith Holdings PLC	59.5	55.6	57.1	58.9	61.7	58.6	
Stalprodukt S.A.	40.6	40.1	39.7	35.7	40.2	39.2	**39.9**
Expert System S.p.A.	42.6	34.5	30.2	31.8	37.6	35.3	
The Blockchain Group	101.8	116.5	79.8	99.0		99.3	
Acconeer AB (publ)				253.6	218.8	236.2	
Delta Drone SA	141.8	79.8	58.1	85.7		91.3	
Drone Volt SA	17.7	26.7	21.8	35.8	54.1	31.2	
Fastout Int. AB (publ)		23.8	9.8	17.8	35.8	21.8	
Remote Monitored Systems plc				287.6		287.6	
Artificial Solutions International AB (publ)		9.5	7.4	9.0		8.7	
Petards Group plc	50.4	60.7	65.0	77.5	81.2	67.0	
Tracsis plc	30.8	22.3	24.7	24.7	22.7	25.0	**51.1**
Average of Guideline Companies	86.7	79.5	65.7	87.8	94.5	90.3	
Median of Guideline Companies	55.9	45.1	45.3	58.9	55.3	57.4	**57.4**

Estimation of NWC positions

Net sales	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**Norm. period**
Online learning	2 572	3 354	3 754	4 318	5 308	5 822	5 278	4 506	3 559	2 856	2 521	2 187
Video streaming	343	0	0	0	0	0	0	0	0	0	0	0
Biometric software	1 362	1 830	3 345	4 122	4 406	4 535	4 654	4 728	4 760	4 785	4 811	4 782
Galvanisation	0	729	729	729	693	656	558	446	357	250	125	0
AI & BC software solutions, imaging, dr	2 000	3 990	4 730	5 224	4 359	2 813	1 969	985	0	0	0	0
Total	6 277	9 903	12 559	14 394	14 765	13 825	12 460	10 665	8 676	7 891	7 457	6 969

Direct costs	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**Norm. period**
Online learning	2 155	2 722	2 868	3 105	3 743	3 839	3 553	3 181	2 721	2 374	2 209	2 023
Video streaming	274	0	0	0	0	0	0	0	0	0	0	0
Biometric software	1 425	1 377	2 532	3 063	3 185	3 213	3 297	3 360	3 403	3 443	3 483	3 516
Galvanisation	0	695	695	695	660	625	550	466	408	338	256	0
AI & BC software solutions, imaging, dr	1 399	3 300	3 697	3 994	3 354	2 171	1 500	750	0	0	0	0
Total	5 253	8 094	9 793	10 857	10 943	9 847	8 901	7 758	6 532	6 155	5 948	5 539

Online learning	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**Norm. period**
Accounts receivables	696	908	1 016	1 169	1 436	1 575	1 428	1 219	963	773	682	592
Inventory	51	64	68	73	88	91	84	75	64	56	52	48
Accounts payables	236	293	308	333	403	411	380	340	290	253	236	216
Net working capital (segment)	**511**	**679**	**776**	**909**	**1122**	**1255**	**1132**	**955**	**737**	**576**	**498**	**423**
as % of Net Revenues	19.9%	20.2%	20.7%	21.0%	21.1%	21.6%	21.5%	21.2%	20.7%	20.2%	19.8%	19.4%

Video streaming	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**Norm. period**
Accounts receivables	87	0	0	0	0	0	0	0	0	0	0	0
Inventory	0	0	0	0	0	0	0	0	0	0	0	0
Accounts payables	91	-0	0	0	0	0	0	0	0	0	0	0
Net working capital (segment)	**-4**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
as % of Net Revenues	-1.3%											

Biometric software	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**Norm. period**
Accounts receivables	279	376	686	846	904	930	955	970	977	982	987	981
Inventory	32	31	57	69	72	73	74	76	77	78	79	79
Accounts payables	345	326	606	728	755	761	781	796	806	816	825	833
Net working capital (segment)	**-33**	**81**	**138**	**187**	**221**	**242**	**248**	**250**	**247**	**244**	**241**	**228**
as % of Net Revenues	-2.4%	4.4%	4.1%	4.5%	5.0%	5.3%	5.3%	5.3%	5.2%	5.1%	5.0%	4.8%

Galvanisation	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**Norm. period**
Accounts receivables	0	120	120	120	114	108	92	74	59	41	21	0
Inventory	0	162	162	162	154	146	128	109	95	79	60	0
Accounts payables	0	94	76	76	71	68	58	49	43	35	26	-7
Net working capital (segment)	**0**	**189**	**206**	**206**	**197**	**187**	**162**	**134**	**111**	**85**	**54**	**7**
as % of Net Revenues		25.9%	28.3%	28.3%	28.4%	28.4%	29.1%	29.9%	31.1%	34.0%	43.6%	

AI & BC software solutions, imaging, dr	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**Norm. period**
Accounts receivables	339	676	801	885	738	476	333	167	0	0	0	0
Inventory	34	80	90	97	81	53	36	18	0	0	0	0
Accounts payables	201	469	519	561	468	300	208	103	-3	0	0	0
Net working capital (segment)	**172**	**286**	**371**	**421**	**351**	**229**	**162**	**82**	**3**	**0**	**0**	**0**
as % of Net Revenues	8.6%	7.2%	7.8%	8.0%	8.1%	8.1%	8.2%	8.4%				
Total net working capital	**645**	**1235**	**1491**	**1722**	**1891**	**1912**	**1704**	**1420**	**1098**	**905**	**794**	**658**
		590	256	231	169	21	-207	-284	-323	-193	-111	-136
	10.3%	12.5%	11.9%	12.0%	12.8%	13.8%	13.7%	13.3%	12.7%	11.5%	10.6%	9.4%

Exhibit C.5

Local Tax calculation

		2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Normalized
Net Revenues - unweighted		42 482	11 112	14 541	16 826	17 081	15 930	14 421	12 300	9 661	8 669	8 115	7 501
Raw materials and consumables		0	367	367	367	367	367	330	281	225	157	79	0
Services purchased		3 225	5 897	6 800	7 385	6 882	5 415	4 756	3 943	3 080	3 005	2 971	2 947
Other Services		0	0	0	0	0	0	0	0	0	0	0	0
Cost of goods sold		36 428	1 766	3 033	3 599	3 473	3 372	3 160	2 891	2 609	2 621	2 633	2 673
Cost of services transferred		876	614	737	965	1 619	1 851	1 694	1 398	915	551	370	172
Local Tax Base		5 179	8 365	10 403	11 896	11 623	10 339	9 237	7 730	5 911	5 339	5 033	4 656
Local Tax	2%	104	167	208	238	232	207	185	155	118	107	101	93
Local Tax in % of net sales		*0.24%*	*1.51%*	*1.43%*	*1.41%*	*1.36%*	*1.30%*	*1.28%*	*1.26%*	*1.22%*	*1.23%*	*1.24%*	*1.24%*

Cash flow adjustment for funded projects

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Other Income from funded projects (non-cash)	**114**	**226**	**147**	**109**	**109**	**109**	**109**	**109**	**109**	**109**	**109**
No 3. - Security technology (SBU and Time-Sheet)	114	117	38	0	0	0	0	0	0	0	0
No 5. - Galvanizing plant	0	109	109	109	109	109	109	109	109	109	109
Additional cash funding from operative programs	**813**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
No 3. - Security technology (SBU and Time-Sheet)	269										
No 5. - Galvanizing plant	545										
Net cash flow adjustment for funded projects	**699**	**-226**	**-147**	**-109**	**-109**	**-109**	**-109**	**-109**	**-109**	**-109**	**-109**

Deferred tax calculation

	2020 4-12M	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Development reserve as at the Valuation Date	**436**										
Tax rate for the subject Company	9.0%										
Weighted Average Cost of Capital	10.7%										
Estimated use of development reserve	109	109	109	109							
Calculated tax impact	10	10	10	10							
Discount period	0.375	1.250	2.250	3.250							
Present Value Factor	0.9626	0.8807	0.7956	0.7188							
Present value of deferred tax payments	9	9	8	7							
Sum of Present Values (Years 2020 4-12M Through 202	**33**										