TURNER
BUSINESS APPRAISERS

Business Valuation of:

Dinner at Your Door, LLC

As of: February 26, 2020

Prepared for:

Mr. Jeffery Pickle, MAI, AI-GRS, V.P.

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Opinion of Value

February 26, 2020

Mr. Jeffery Pickle, MAI, AI-GRS, V.P.
First Bank of Ashcity
320 Ridgefield Court
Ashcity, NC 28806

Dear Mr. Pickle:

At your request, we have completed a valuation engagement, in conformity with the Professional Standards of the American Institute of Certified Public Accountants hereinafter (AICPA), of a 100% equity interest in Dinner at Your Door, LLC at February 26, 2020. This valuation was performed solely to assist the stakeholders with Loan Evaluation. This estimate of value should not be used for any other purpose or by any other party for any purpose.

The following is considered a summary report. It is not within the scope of this assignment for the reader to replicate the value conclusion; however, the full scope of the value conclusions and evidence for support of the financial calculations are included in my work files according to the AICPA's Statement on Standards for Valuation Services (SSVS No.1).

Based on our analysis as described within this summary valuation report, the estimate of value of a one hundred percent (100%) equity interest in Dinner at Your Door, LLC at February 26, 2020 is best expressed as:

$2,700,000

This opinion of value is subject to the Statement of Assumptions and Limiting Conditions presented in the following report and to our Representations also presented in the following report. We have no obligation to update this report or our summary conclusion of value for information that comes to our attention after the date of this report.

Sincerely yours,

Jim Turner, CPA, CVA
Turner Business Appraisers, Inc.

Executive Summary

Governing Standard:	AICPA SSVS No. 1
Purpose:	Loan Evaluation
Standard of Value:	Fair Market Value
Premise of Value:	Going Concern
Client Name:	Mr. Jeffery Pickle, MAI, AI-GRS, V.P.
Business Name:	Dinner at Your Door, LLC
Type of Entity:	Limited Liability Company
Business Interest Valued:	A 100% equity interest
Valuation Date:	February 26, 2020
Report Date:	February 26, 2020
Appraiser Name:	Jim Turner, CPA, CVA
Appraiser Firm:	Turner Business Appraisers, Inc.
Conclusion of Value:	$2,700,000

Valuation Synopsis:

Dinner at Your Door, LLC was organized in 2004 and was owned exclusively by Peter Piper until 2016. During 2016 two investors Dinner Delivery of Ashcity, LLC and At Your Door, LLC collectively purchased 50% of the equity in the business. Subsequently, Dinner Delivery and Dinner At Your Door filed a combined business tax return. For purposes of our valuation we relied upon the 2016 tax return filed by Dinner At Your Door, and 2016 thru February 26, 2020 split profit & loss statements prepared by management. The split profit & loss statements were apportioned between Dinner Delivery and Dinner At Your Door and reconciled back to the 2016 and 2017 combined tax returns filed by Dinner Delivery (see Appendix- G for net income reconciliation). Management supplied detailed five year projections in addition to the tax returns and profit & loss statements. Ultimately, based upon the company's revenue & growth trends combined with favorable industry forecasts we relied upon the five year projections and weighted the discounted cash flow "DCF" method and used the P/EBITDA ratio market method as a reasonableness test.

1.0 Introduction

Scope of the Assignment

1.1 Establishing an understanding with the Client

The understanding of work standard section of SSVS No.1 states an appraiser should; (i) establish an understanding with the client regarding the engagement to be performed; (ii) the understanding should include, at a minimum, the nature, purpose and objective of the valuation engagement, the clients responsibilities, the valuations analysts responsibilities, the applicable assumptions and limiting conditions, the type of report to be issued, and the standard of value to be used.[1]

1.2 Scope of Work Limitations

The scope of this appraisal assignment is limited to the development of a good-faith estimate or opinion of value based on the standard of value and assumptions set forth herein. The scope of this appraisal precludes forensic accounting, and is no more than a reasonable inquiry into the quality of management. Turner Business Appraisers, Inc. has relied on management's representations, without independent investigation or corroboration, and has no reason not to believe they fairly and accurately represent the financial status and activities of the Company.

Neither this engagement nor this report can be relied upon to disclose any misrepresentation, fraud, deviations from Generally Accepted Accounting Principles (GAAP), or other errors or irregularities. Turner Business Appraisers, Inc. assumes no responsibility for legal or tax matters relative to its findings. The opinion of value is stated without reference to applicable legal or tax matters. The Company is considered in full compliance with all applicable local, state and federal laws, unless otherwise stated in this report.

A "due diligence" review of the company has not been undertaken and this report should not be construed as such. Numerous material factors impacting the value of a business might be identified in such a review but are not within the scope of this engagement. "Due diligence" encompasses a highly detailed, comprehensive, expensive and time consuming audit of the company's financials, contracts, customers, environmental issues, legal issues, and many other matters. An audit of this nature is far more encompassing than the scope of a normal calculation of value and often involves the services of a multi- disciplinary team of attorneys, accountants, and other consultants and advisors.

The term "due diligence" is often misused and misunderstood by those not involved with mergers and acquisitions. While this report is not a due diligence report, that does not mean that Turner Business Appraisers was not diligent, objective, and unbiased in its conclusion of value. As will be shown

[1] Source: AICPA SSVS No.1, Introduction and Scope

in this report, Turner undertook an extensive analysis of the business and used objective independent data (where available) to reach its value. This analysis, however, should not be misinterpreted to rise to the same level as a due diligence review, which, as noted above, is far beyond the scope of a normal calculation of value.

1.3 Subject of the Appraisal

The subject of this appraisal is to determine the value of a 100% equity interest in Dinner at Your Door, LLC

1.4 Confidentiality and Privacy

Turner Business Appraisers, Inc. will maintain the conformity and privacy of the Company's information obtained in the course of this valuation assignment in compliance with the Institute of Business Appraisers' Standards, American Society of Appraisers and Title V of Gramm, Leach, Bliley Financial Modernization Act.

Information about the Company's business model will not be sold to others. Turner Business Appraisers, Inc. objectives are to protect the security and any confidential information about the Company's personnel and business related activities. Information is shared outside of this assignment only when necessary to administer products or services provided when we have permission, or when required or permitted by law or the courts.

1.5 Intended Users of the Appraisal

Distribution and use of this appraisal report is limited to: Mr. Jeffery Pickle, MAI, AI-GRS, V.P. and the U.S. Small Business Administration. Intended users may not provide this report to any third party without the prior written consent of Turner Business Appraisers, Inc.

1.6 Nature and Purpose (Use)

The nature and purpose (use) of the appraisal assignment is to develop an independent opinion of the Fair Market Value of a 100% equity interest in the Company, an operating company, to be utilized by management during loan evaluation any other use is invalid and may be misleading.

1.7 Definition of the Standard of Value

The standard of value for this assignment is Fair Market Value and is defined as; the price, expressed in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arm's length in an open and unrestricted market, when neither is under any compulsion to buy or sell and when both have reasonable knowledge of the relevant facts.

The buyer under fair market value is considered to be a financial buyer. This excludes a buyer who because of other business activities brings some value-added benefits to the Company, thus enhancing the Company, and the buyer's other similar business activities.

This also excludes buyers who are already shareholders or relatives, who might be willing to acquire the interest at an artificially greater or lower price due to considerations not typical of the arm's length financial buyer.[2]

1.8 Effective Date of the Valuation (Appraisal Date)

The appraisal date (as of date), which the appraisers' opinion of value applies, is February 26, 2020. This date was selected because it was the most recent year end monthly close of the subject company.

1.9 External Sources of Information

To aid us in our analysis of the Company, we consulted a number of publicly available sources of information. Numerous financial publications and databases were consulted including IBISWorld, The Beige Book, First Research, Duff & Phelps Valuation Handbook – Guide to Cost of Capital, *and the US Congress Joint Economic Committee.*

While the appraiser has thoroughly prepared this valuation, it is important to note that a large portion of the valuation is examined and analyzed based upon information obtained in various resources. Please see Appendix D for a complete listing.

1.10 Other Sources of Information

To aid us in our analysis of the Company, we interviewed the following stakeholders:

- Mr. George Thickburger, Manager

[2] Source: International Glossary of Business Valuation Terms

2.0 Summary Analysis of the Organization

This section of the valuation report informs the reader about pertinent information relating to the Company's activities and financial status as recorded on the tax returns and/or income statements and balance sheets.

2.1 Company Background

Dinner at Your Door, LLC provides marketing and outsourced delivery services for restaurants to residential and business customers. The company also provides online ordering websites for some restaurant partners. In 2010, Dinner At Your Door underwent a rebranding strategy and was renamed Footman Gourmet. In 2018, Footman Gourmet merged with Dinner Delivery, and is now operating under the umbrella of Dinner Delivery.

2.2 General Business Information

Dinner at Your Door, LLC is a Limited Liability Company

2.3 Location

The subject company is located at 241 Good Eats, Ashcity, NC 28888.

2.4 Company Identification

Dinner at Your Door, LLC is a limited liability company organized under the laws of NC. The Company can be categorized under the North American Industry Classification System (NAICS) Code of 49222.

2.5 Equity Ownership

Dinner at Your Door, LLC has three equity owners:

- George Thinkburger owns 50.00%
- We Deliver Takeout, LLC owns 40.47%
- Dinner Delivery, LLC 9.53%

2.6 Prior Transactions

A transaction was completed in 2016 for equity in the subject company. The price paid was $1,300,000 for a 50% equity interest. As of the valuation date, Turner Business Appraisers completed a business valuation on Dinner Delivery an affiliated company. We have not appraised the subject company in the last three years. We have no financial interest or contemplated financial interest in the subject of this report.

Company Highlights

In 2003 Jeffery Pickle started Dinner At Your Door food delivery service in Ashcity, NC. In 2010 the company was rebranded as Footman Gourmet, and in 2016 Dinner Delivery purchased a minority interest in Dinner At Your Door. The affiliate companies now operate in several major markets across North Carolina and Tennessee.

2.8 Valuation Considerations and Analysis

Risk factors considered in the analysis of the subject company included management and staffing, customer and supplier diversity, facilities and location, barriers to entry and competition, and future prospects. Other items such as what is or is not included in the sale are also a consideration. Numerous other considerations are examined by the appraiser for the assignment of a risk weight in the development of cash flow models. Projected economic conditions and industry projections for the company are also considered as part of the valuation process.

Barriers to Entry

Local delivery services

In contrast to Global couriers, local deliverers often do not require owning vehicles or an integrated network of transportation systems, so barriers to entry are low. Technically, anyone with a vehicle and communication equipment, such as a mobile phone, can operate a delivery business. Participants like these rely on a niche market or specific metropolitan area for business. E-commerce platforms have enabled smaller operators to set up businesses with relative ease, helping them to develop a customer base with little to no cost.[3]

2.9 Historical Financial Performance of Subject

Management provided the 2015 Dinner At Your Door business tax return and profit and loss spreadsheets for 2016 thru 2017. These documents were relied upon for this appraisal, and are summarized in this section of the report. The actual profit and loss data provided to us are contained in the appraisers' work file.

Typically the analysis of the Company's financial statements, the income statement and balance sheet, are performed in order to assist in measuring trends, and identifying the assets and liabilities of the Company.

2.10 Historical Balance Sheet

The balance sheet indicates the financial status of a business as of a certain date. Dinner at Your Door, LLC is currently affiliated with Dinner Delivery, LLC and did not maintain a separate balance sheet during 2016 and 2017. However, management did

[3] IBISWorld Inc., Industry Report 49222, Couriers & Local Delivery Services in the US, June 2018, pg. 4

provide the 2015 Dinner at Your Door, LLC balance sheet and a balance sheet at February 26, 2020. Our analysis was limited to the periods for which balance sheets were provided.

Historical Balance Sheets- Exhibit 2-1

Historic Balance Sheets

	Jun 2018	Dec 2017	Dec 2016	Dec 2015
ASSETS				
Cash	1,333	-	-	111,840
Accounts Receivable	14,936	-	-	8,329
Inventory	-	-	-	-
Other Current Assets	77,807	-	-	80,456
Total Current Assets	94,076	-	-	200,625
Fixed Assets	-	-	-	-
(Accumulated Depreciation)	-	-	-	2,261
Intangible Assets	-	-	-	-
(Accumulated Amortization)	-	-	-	76,553
Other Non-Current	1,200	-	-	-
Non-Operating Assets	-	-	-	-
Total Assets	95,276	-	-	279,439
LIABILITIES & EQUITY				
Accounts Payable	-	-	-	26,815
Income Taxes	-	-	-	-
Short Term Notes Payable	-	-	-	63,271
Current Portion of LT Debt	-	-	-	-
Other Current Liabilities	55,858	-	-	17,738
Total Current Liabilities	55,858	-	-	107,824
Long Term Debt	-	-	-	261,065
Other Non-Current Liabilities	-	-	-	-
Non-Operating Liabilities	-	-	-	-
Total Liabilities	55,858	-	-	368,889
Equity	39,418	-	-	(89,450)
Total Liabilities & Equity	95,276	-	-	279,439

2.11 Historical Income Statement

The income statement shows the financial activities of a business over a specific time period. This information is useful in determining costs associated with revenues and operating line item expenses of the Company. The historical financial information is depicted below in exhibit 2-2.

Historic Income Statements- Exhibit 2-2

Historic Income Statements

	Annualized June 2018	Dec 2017	Dec 2016	Dec 2015
Revenues less Discounts and Allowances	4,538,182	3,667,620	3,297,722	3,251,392
Cost of Goods Sold	3,511,984	2,847,576	2,665,040	2,362,325
Gross Profit	1,026,198	820,044	632,682	889,067
Operating Expenses				
Depreciation/Amortization	-	32,386	-	9,716
Officers' Compensation	-	-	-	48,197
Operating Lease and Rent	11,400	15,576	26,594	60,300
Salaries & Wages	370,638	308,503	268,968	349,508
Repairs & Maintenance	-	-	133	50
Taxes & Licenses	28,958	17,416	52,449	48,441
Bad Debt	-	-	-	646
Advertising	84,494	46,992	60,745	34,795
Accounting	-	-	-	-
Auto & Truck Expense	-	-	-	17,459
Bank Charges	4,076	2,248	1,812	-
Dues & Subscriptions	5,942	2,927	2,934	27,743
Insurance	22,636	16,724	19,801	48,066
Legal & Professional	51,962	25,888	9,751	108,387
Meals & Entertainment	3,534	5,354	-	3,094
Office Expense	23,912	5,133	11,116	58,596
Parking fees & tolls	-	-	-	-
Security	-	-	-	-
Supplies	4,416	27,047	-	11,056
Telephone & Utilities	5,666	1,685	7,115	15,824
Miscellaneous	5,858	12,955	710	30,367
Travel	-	-	4,170	25,840
Employee Benefit Program				2,477
Total Operating Expenses	623,492	520,834	466,298	900,562
Operating Profit	402,706	299,210	166,384	(11,495)
Other Income/Expenses				
Interest Expense	20,774	34,923	24,086	25,082
Other Income	-	-	-	-
Other Expense	-	-	-	-
Income Before Taxes	381,932	264,287	142,298	(36,577)
Income Taxes	-	-	-	-
Net Income	381,932	264,287	142,298	(36,577)

The appraiser reviewed the Company's historical financial information to determine if adjustments were required to the operating performance to create normalized financial statements. Normalized financial statements are used to convert accounting figures into economic figures for valuation purposes.

Depending on the purpose, management can either increase earnings by minimizing operating expenses or decrease earnings by increasing operating expense. The same can be said for assets and liabilities recorded at their booked value. The implications gleaned from the historical financial statements indicate certain adjustments are warranted to present a truer economic picture of the Company. These adjustments will be discussed further in the section titled “Valuation of Subject.”

3.0 Economic Conditions

3.1 National Economic and Industry Conditions

One of the factors to consider specifically mentioned in the Revenue Ruling 59-60 is "the economic outlook in general and the condition and outlook of the specific industry in particular". Although individual economic factors may or may not have a direct impact on a particular industry or business, the overall economy (and the outlook for it) strongly influences the actions of investors and the assessment of investment opportunities. All businesses are impacted in some way by the economy.

The appraiser has examined the national and state economic reports available through various sources to create an informed opinion regarding the general direction and scope of the downstream demand determinants that influence the subject company. In general, the economy creates the environment within which the business must operate. It influences the size of the available market and company's growth potential.

The summary below provides an overview of some selected economic factors that prevailed as of February 20, 2020 as well as a discussion of the factors that are crucial over an extended period of time. The full narrative is contained in our work files.

Overview of the Current U.S. Economy:

National Summary, February, 2020

Economic activity expanded moderately in late April and early May with few shifts in the pattern of growth. The Dallas District was an exception, where overall economic activity sped up to a solid pace. Manufacturing shifted into higher gear with more than half of the Districts reporting a pickup in industrial activity and a third of the Districts classifying activity as "strong." Fabricated metals, heavy industrial machinery, and electronics equipment were noted as areas of strength. Rising goods production led to higher freight volumes for transportation firms. By contrast, consumer spending was soft. Non-auto retail sales growth moderated somewhat and auto sales were flat, although there was considerable variation by District and vehicle type. In banking, demand for loans ticked higher and banks reported that increased competition had led to higher deposit rates. Delinquency rates were mostly stable at low levels. Homebuilding and home sales increased modestly, on net, and nonresidential construction continued at a moderate pace. Contacts noted some concern about the uncertainty of international trade policy. Still, outlooks for near term growth were generally upbeat. [4]

[4] The Beige Book , Summary of Commentary on Current Economic Conditions by Federal Reserve District, May 2018 p. 5

3.2 Regional Overview

The Fifth District economy expanded at a moderate pace in recent weeks. Manufacturing conditions improved moderately and port activity remained strong. Trucking demand remained robust, and driver shortages have led some trucking companies to turn some business away. As a result, some shippers turned to rail. Reports from retailers were mixed as furniture and equipment sales picked up but new car sales declined. Travel and tourism remained strong, despite some adverse weather limiting outdoor recreation. Residential real estate markets improved modestly as home sales were steady, while inventories remained limited. Commercial real estate leasing activity increased, particularly for retail and industrial space. Overall, loan demand grew modestly and competition for deposits intensified. Nonfinancial services firms reported a modest rise in demand. Natural gas and coal production picked up in recent weeks while agriculture reports were mixed. The demand for labor continued to strengthen while supply remained tight across industry sectors. Prices rose moderately; firms reported rising steel and aluminum prices and increasing transportation costs.[5]

3.3 Industry Conditions and Outlook

Industry overview

The Couriers and Local Delivery Services industry comprises two segments: larger couriers and smaller local delivery companies. Together, these segments cater to a wide variety of consumers, with demand for each segment differing based on the services offered. Specifically, downstream demand for courier services stems from manufacturers and retailers across the country, while demand for local delivery services is derived from households and other local markets. Although the markets for each segment differ; demand for each segment tends to fluctuate in line with consumer spending, corporate profit and the number of businesses, all of which have increased over the five years to 2019. As a result, IBISWorld expects industry revenue to grow at an annualized rate of 4.1% to

[5] The Beige Book , Summary of Commentary on Current Economic Conditions by Federal Reserve Bank of Richmond, May 2018 p. 15

$99.8 billion during the five-year period, including growth of 6.3% in 2018 alone.

Over the past five years, many developments in the e-commerce and online retailing space have driven growth in this industry. As large online retailers such as Amazon.com Inc. introduce new services, like same-day delivery of certain products in some cities, demand for local couriers and messengers increases. Additionally, seasonal holiday spending has risen due to improved economic conditions, increasing revenue for this industry. Both FedEx and UPS recorded historic growth in delivery volumes in the 2017 holiday season.[6]

Industry Indicators

The increasing popularity of e-commerce has had a twofold effect on this industry. Firstly, increasing use of alternative methods of communication, such as e-mail and fax, has decreased demand for some industry services. The need for document delivery has been greatly reduced as businesses and consumers increasingly transfer documents electronically, as opposed to physically. Conversely, the rising popularity of e-commerce has increased the speed of business transactions, boosting demand for couriers and local deliverers. As more people purchase items online, the greater the need for delivery services between retailers and customers.

Thus, the robust growth of the e-commerce sector benefited industry operators over the five years to 2019. IBISWorld analysis indicates e-commerce sales have grown at an annualized rate of 14.3% over past five years, accounting for a much higher portion of retail sales than they did in 2013. By nature, e-commerce sales require the services of this industry to deliver their products to their consumers, consequently increasing revenue. For instance, online holiday purchases, driven by rising consumer spending, is of particular importance to the industry. Over the past five years, consumers have increasingly used the internet to order gifts and other products for holidays such as Valentine's, Day and Christmas. For example, major player FedEx reported a 6.0% increase in shipment volume from holiday related online sales in fiscal 2018, which gave a boost to the company's revenue for the fiscal year (ending in May). On a smaller scale, takeout and delivery are one of the fastest-growing segments of the restaurant industry, and a large number of consumers using the internet to place an order for takeout or delivery. This indirectly helps small operators in the industry that generate revenue via their presence on e-commerce platforms like Seamless.[7]

Industry Forecast

An increase in the number of households and consumer spending will lead to a rise in demand for courier and delivery services at the consumer level. The more households

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[6] IBISWorld Inc., Industry Report 49222, Couriers & Local Delivery Services in the US, June 2018, pgs. 3-4

[7] Ibid, pg. 7

the more delivery points for couriers, while an increase in consumer spending will boost online purchases. Likewise, in the corporate sector as the number of businesses increases, along with corporate profit, the volume of deliveries should rise, leading to higher demand in the industry. Consumer spending, corporate profit and the number of businesses are expected to increase, leading to higher and more stable revenue in the industry.[8]

Implications for the Company

Over the five years to 2023, the Couriers and Local Delivery Services industry is expected to benefit from growth in consumer spending and an expansion in the number of businesses. Forecast growth in consumer confidence and greater access to credit are further expected to reflect an overall improvement in the economy, which will benefit industry operators. As a result, during the five-year period, IBISWorld expects industry revenue to increase at an annualized rate of 4.2% to $122.5 billion, including growth of 5.4% in 2019 alone.[9]

Of course, the above includes the combined Delivery Services as well as Couriers and Local Messengers (of which the subject company is part). It is important, therefore, to note that, households are the main users of grocery and restaurant delivery services. Industry operators in this segment are independent contractors not affiliated with the products being sold. According to the National Restaurant Association, ***takeout and delivery is one of the fastest-growing segments in the restaurant industry***, with demand increasing as consumers wish to save time and as restaurants aim to increase sales.[10] As such this bodes well for the subject company. As the economy continues to grow, and household incomes & discretional spending increases, the delivery of goods and in this case specifically food delivery, should follow suit. The keys to success will be the company's ability to differentiate itself from their competitors in order to gain market share.

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[8] IBISWorld Inc., Industry Report 49222, Couriers & Local Delivery Services in the US, June 2018, P. 34

[9] Ibid, p. 9

[10] Ibid, p. 17

4.0 Financial Analysis of the Company

Ratios are among the best-known and most widely used tools of financial analysis. A financial ratio is a relationship between two quantities on a company's financial statements, which is derived by dividing one quantity by another.

For purposes of comparison with industry financial measures available from non-public company sources, we reviewed the A*nnual Statement Studies*, published by The Risk Management Association (RMA). RMA compiled average percentage income statement and balance sheets and key financial ratios of companies classified under NAICS code 49222. We believe the RMA data provide limited comparative perspective and strict comparisons should be made with caution.

4.1 Ratio Analysis of Income Statement

The income statement analysis reveals selected line items that require further explanation; the high points of the analysis are as follows:

- The subject company's operating profit and pre-tax net profit have been at par with the industry average the most recent two periods during our analysis

Common Size Adjusted Income Statements

	RMA	Annualized 2018	Dec 2017	Dec 2016
Revenue	100.00%	100.00%	100.00%	100.00%
Cost of Goods	0.00%	77.39%	77.64%	80.81%
Gross Profit	100.00%	22.61%	22.36%	19.19%
Operating Expenses	91.00%	14.20%	15.15%	14.87%
Operating Profit	9.00%	8.42%	7.21%	4.32%
Other Income/(Expense) Net	-0.60%	0.00%	0.00%	0.00%
Pre-Tax Profit	8.40%	8.42%	7.21%	4.32%

4.2 Ratio Analysis of the Balance Sheet

We utilized the company's internally generated balance sheet for the ratio analysis. Some highlights of our analysis of the balance sheet are listed below:

- The company's current assets as a percentage of total assets of 98.74% as of February 26, 2020 were higher than the industry. A lack of fixed assets partially explains the larger percentage of current assets

Common Size Historic Balance Sheets

	RMA	30-Jun 2018	Historic 2017	Historic 2016	Historic 2015
Cash & Equivalents	15.10%	1.40%	0.00%	0.00%	40.02%
Accounts Receivable	39.80%	15.68%	0.00%	0.00%	2.98%
Inventory	0.00%	0.00%	0.00%	0.00%	0.00%
Other Current Assets	1.30%	81.66%	0.00%	0.00%	28.79%
Total Current Assets	56.20%	98.74%	0.00%	0.00%	71.80%
Fixed Assets Net	30.50%	0.00%	0.00%	0.00%	0.81%
Intangibles Net	0.30%	0.00%	0.00%	0.00%	27.40%
Other Non-Current Assets	12.90%	1.26%	0.00%	0.00%	0.00%
Total Assets	99.90%	100.00%	0.00%	0.00%	100.00%
Accounts Payable	8.40%	0.00%	0.00%	0.00%	9.60%
Short Term Notes Payable	9.40%	0.00%	0.00%	0.00%	22.64%
Current Maturity LT Debt	7.00%	0.00%	0.00%	0.00%	0.00%
Other Current Liabilities	8.00%	58.63%	0.00%	0.00%	6.35%
Total Current Liabilities	32.80%	58.63%	0.00%	0.00%	38.59%
Long Term Debt	48.70%	0.00%	0.00%	0.00%	93.42%
Other Non-Current Liabilities	6.70%	0.00%	0.00%	0.00%	0.00%
Total Liabilities	88.20%	58.63%	0.00%	0.00%	132.01%
Total Equity	11.70%	41.37%	0.00%	0.00%	-32.01%
Total Liabilities & Equity	99.90%	100.00%	0.00%	0.00%	100.00%

4.3 Summary of Financial Performance

The Company's industry comparison risk assessment suggests a lower level of risk based upon the historical financial information. The Company's performance on operating profit and net pretax profit indicates a lower company specific risk.

5.0 Valuation of the Company

5.1 Methods available to Estimate FMV

Estimating or arriving at a conclusion of fair market value for a business or an ownership interest begins with an analysis of the Company and the external forces that affect it. In this analysis the appraiser:

- Gains an understanding of the history of the business, its industry, products, facilities, suppliers, customers, the organizational structure, marketing philosophy and management personnel;
- Performs a financial review of the business' financial statements and performance ratios;
- Investigates outside forces affecting the business such as general and industry economic conditions, competitors, government regulations and technology;
- Forms an opinion about the businesses ability to effectively compete in its competitive environment.

After these analyses are completed and the appraiser forms an opinion about the Company's future prospects, its strengths and weaknesses, the appraiser determines the valuation approaches and methods to be considered in forming an opinion of value. Valuation approaches are defined as "a general way of determining value using one or more specific valuation methods." All valuation methods can be described in terms of three broad approaches to value; (i) Asset Approach, (ii) Income Approach, (iii) Market Approach.

5.2 Premises of Value

The term "premise of value" relates to either; (i) going-concern value or (ii) liquidation value. The value of the Subject's interest is deemed to be the higher of the two values, or stated another way, the highest and best use.

Going-concern value is generally thought of, as if the Subject's earning capacity were greater than the value of the Subject's assets, then the highest and best use would be as a going-concern. Going-concern value implies that the business will continue into the future.

Typically there are two levels of liquidation; (i) forced liquidation and (ii) orderly liquidation.

- Forced liquidation value is for immediate sale. (i.e., auction)
- Orderly liquidation value is considered to be a period of time sufficient to allow items to be sold on a piecemeal basis to obtain the highest possible price.

The appraiser has considered both premises of value and it is the intention of management to continue to operate the business as a going-concern. The appraiser has analyzed the data and has established going-concern value to be the highest and best use. Thus, the valuation will not be based on liquidation value.

5.3 Selection of Appropriate Rate of Return

Capitalization and discount rates are used in the income approach to valuation. These rates are applied to an expected stream of earnings to arrive at a business' entity value. Steps involved in using capitalization and discount rates are:

- Determine an appropriate capitalization and discount rate.
- Estimate the business' pro-forma sustainable earnings.
- Discount/Capitalize sustainable earnings into an indication of value.
- Add/subtract non-operating assets and/or liabilities to determine the Fair Market Value for the entire entity as of the date of valuation.

Discount/Capitalization rates vary among particular types of businesses and from one period of time to another. Expressed as a percentage, the more speculative a business' income stream, the higher a discount/capitalization rate (produces less value); conversely, the more stable an income stream, produces a lower discount/capitalization rate (produces a higher value). This stability or non-stability is termed "risk". The basic components are illustrated in Exhibit 5-1 followed by a discussion of each component.

Exhibit 5-1

Development of Rate of Return Applicable to Equity as of February 26, 2020

COE Capitalization Rate

Cost of equity			
Risk-free Rate of Return		2.92%	
Common Stock Equity Risk Premium		7.07%	
Small Stock Risk Premium		5.22%	
Plus/Minus Industry Risk Premium		0.00%	
Company Specific Premium			
Depth of Management			
Importance of Key Personnel	2.0%		
Stability of Industry			
Diversification of Product Line			
Diversification of Customer Base			
Diversification/Stability of Suppliers			
Geographic Location			
Stability of Earnings			
Earnings Margins			
Financial Structure			
Total Company Specific Premium		2.0%	
Total Cost of Equity			17.21%
Less Sustainable Growth			2.00%
Next Year Capitalization Rate			15.21%
Current Year Capitalization Rate			14.91%
Selected Capitalization Rate			14.90%

Risk Free Rate

The risk free rate measures the rate of return an investor can earn without taking any additional risk. Examples of risk free returns are the United States Treasury bonds. The rate applied to the buildup was 2.9%.

Equity Risk Premium

The equity risk premium represents the risk an investor accepts for investing in large public companies. This risk is measured by taking the returns of public companies since 1926 and subtracting the risk free return since 1926 (average annual returns for large capitalization stocks minus average income returns for long term government bonds). This information is published by Duff & Phelps, LLC. The rate applied to Dinner at Your Door, LLC was 7.1%.

Small Stock Risk Premium

This added-risk element is associated with the additional risk inherent in the development of equity risk premiums for smaller companies as compared to larger companies. The need for this size premium adjustment is the result of the fact that small companies generally are more risky than larger companies. Empirical studies have shown that stocks of small companies tend to generally outperform stocks of larger companies. The greater risks inherent in smaller companies are the results from limited access to capital markets, dependence upon limited products and geographic market with relatively small bases, reliance on few suppliers, limited management depth and/or key person dependence, etc.

The risk premium for size is again obtained from Duff & Phelps' Valuation Handbook. The size premium added by market investors for companies in the tenth decile of the

New York Stock Exchange over and above the riskless rate and additional risk premium for the applicable period was 5.22%.

Industry Risk Premia

The Duff & Phelps risk premia are calculated using a full information beta estimation process that is described in the Chapter-5 of the Duff & Phelps Valuation Edition Yearbook. Simply put, the full beta estimation process calculates a weighted average beta for an industry from the betas of companies that contribute sales to the respective industry[11]. The weighting of each company's beta is based on the sales of the industry as a whole. The Duff & Phelps industry risk premia specific to the subject industry was 0.00% thus we applied this risk premia in our rate of return model.

Company Specific Risk Premium

This last increment relates to other factors specific to the subject company and is based on the appraiser's professional judgment, as no empirical data or evidence presently exists to measure these specific risk drivers. The appraiser not only needs to identify these specific risk drivers applicable to the subject company, but must also determine their incremental magnitude to the rate of return. Based upon an analysis of the several factors detailed below total specific company risk premium of 2.0% was added to the required rate of return build-up model.

Depth of Management	
Importance of Key Personnel	2.0%
Stability of Industry	
Diversification of Product Line	
Diversification of Customer Base	
Diversification/Stability of Suppliers	
Geographic Location	
Stability of Earnings	
Earnings Margins	
Financial Structure	

5.4 Valuing Equity or Invested Capital

Generally speaking "equity" means ownership, assets minus liabilities. "Enterprise value", often times referred to as "invested capital" is the debt free value of the business. A simplified example of the above explanation for each model is when a real estate appraiser, let's say, values a property at $100,000. The appraiser is not concerned with how much debt is associated with that property, thus the value is based on an "enterprise value" model. If you were to subtract the debt amount, let's say in our example, of $25,000, you would have "equity" in the property of $75,000.

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[11] *Valuing a Business, "The Analysis and Appraisal of Closely Held Companies." Pratt, Shannon, PhD. McGraw-Hill Companies, Inc. 2008©*

5.5 Valuation of the Subject

The selection of valuation approaches used in a valuation assignment is based on the information that is available as of the date of valuation and is based on the appraiser's judgment. The choice of methods used from within each valuation approach in a given assignment is determined by the characteristics of the business, reliable data, statutory and case law.

The market and income approaches were deemed the most appropriate for this valuation assignment. Selected methods and/or models were used from each approach to arrive at an indication of value. In the following sections we present the methodology employed in providing a final opinion of value for the Company.

Asset Approach

5.5.1 Adjusted Asset Value-Going Concern

The adjusted asset value method gives consideration to the fair market value of the tangible assets of the business being valued as a starting point in determination value of the Company, as if debt free. A current and accurate accounting of these assets is essential in obtaining an accurate indication of value.

The main focus of this method is to determine a reasonable approximation of the net tangible assets that will be owned by the buyer.

Exhibit 5-3 presents the adjusted balance sheet, followed by a detailed discussion for each adjustment.

Exhibit 5-3

Balance Sheet Adjustments

	Book Value 2018	Adjustments	Adjusted Book Value
ASSETS			
Cash	1,333		1,333
Accounts Receivable	14,936		14,936
Inventory	-		-
Other Current Assets	77,807		77,807
Total Current Assets	94,076	-	94,076
Fixed Assets	-		-
(Accumulated Depreciation)	-		-
Intangible Assets	-		-
(Accumulated Amortization)	-		-
Other Non-Current	1,200		1,200
Non-Operating Assets	-		-
Total Assets	95,276	-	95,276
LIABILITIES & EQUITY			
Accounts Payable	-		-
Income Taxes	-		-
Short Term Notes Payable	-		-
Current Portion of LT Debt	-		-
Other Current Liabilities	55,858		55,858
Total Current Liabilities	55,858	-	55,858
Long Term Debt	-		-
Other Non-Current Liabilities	-		-
Non-Operating Liabilities	-		-
Total Liabilities	55,858	-	55,858
Equity	39,418	-	39,418
Total Liabilities & Equity	95,276	-	95,276

[1] It is anticipated that a transaction would be in the form of an equity sale, therefore the balance sheet did not require any adjustments.

Adjusted Net Asset Method:

Adjusted Net Asset Method

	Jun 2018
Unadjusted Equity	39,418
Tax Effect of Built In Gain	-
Total Adjustments	-
Adjusted Equity - Going Concern Value	39,418
Less Marketability Discount	0.0%
Indicated Value	39,418
Selected Value	39,400

Income Approach

5.6 Income Approach Methods

Income methods are earnings, or cash flow based and is calculated for the Company, then a risk related rate of return is determined and applied to the selected earnings stream to estimate the fair market value of the business. If the income approach is used to determine fair market value, goodwill is inclusive in the indication of value. The following sections present the methodology incorporated to develop an indication of value for the Company using this approach.

5.7 Adjusting the Earnings Stream

Before an income-based method can be applied, the Company's income stream must be adjusted to remove **non-business expenditures** and **non-business income**, and add back costs not borne by the business as well as adjust for any business income not reflected in its operations. Owner's discretionary expenses such as trips, insurance, entertainment, etc. as well as excess or inadequate owner's compensation were also reviewed.

Income statements for each year have been adjusted to reflect what could be considered discretionary and not entirely necessary to the daily operations of this particular business. Exhibit 5-4 presents the information followed by a discussion for each adjustment.

Exhibit 5-4

Income Statement Adjustments

	Feb 2018	Dec 2017	Dec 2016	Dec 2015
Historic Income Before Taxes	381,932	264,287	142,298	(36,577)
Adjustments to Revenue				
Revenues less Discounts and Allowances				
Other Income				
Net Increase (Decrease) in Revenue	-	-	-	-
Adjustments to Expense				
Cost of Goods Sold				
Depreciation/Amortization				
Officers' Compensation				
Operating Lease and Rent				
Salaries & Wages				
Repairs & Maintenance				
Taxes & Licenses				
Bad Debt				
Advertising				
Accounting				
Auto & Truck Expense				
Bank Charges				
Dues & Subscriptions				
Insurance				
Legal & Professional				
Meals & Entertainment				
Office Expense				
Parking fees & tolls				
Security				
Supplies				
Telephone & Utilities				
Miscellaneous				
Travel				
Employee Benefit Program				
Interest Expense				
Other Expense				
Net Increase (Decrease) in Expense	-	-	-	-
Net Increase (Decrease) to Income	-	-	-	-
Tax Effect				
Net Increase (Decrease) to Income After Tax	-	-	-	-
Historic Tax Expense	-	-	-	-
Adjusted Net Income	381,932	264,287	142,298	(36,577)

Adjustment Descriptions:

[1] Our analysis revealed that no adjustments were warranted to the income statement

Exhibit 5-5 depicts the adjusted income statement

Adjusted Income Statements

	Dec 2018	Dec 2017	Dec 2016	Dec 2015
Revenues less Discounts and Allowances	4,538,182	3,667,620	3,297,722	3,251,392
Cost of Goods Sold	3,511,984	2,847,576	2,665,040	2,362,325
Gross Profit	1,026,198	820,044	632,682	889,067
Operating Expenses:				
Depreciation/Amortization	-	32,386	-	9,716
Officers' Compensation	-	-	-	48,197
Operating Lease and Rent	11,400	15,576	26,594	60,300
Salaries & Wages	370,638	308,503	268,968	349,508
Repairs & Maintenance	-	-	133	50
Taxes & Licenses	28,958	17,416	52,449	48,441
Bad Debt	-	-	-	646
Advertising	84,494	46,992	60,745	34,795
Accounting	-	-	-	-
Auto & Truck Expense	-	-	-	17,459
Bank Charges	4,076	2,248	1,812	-
Dues & Subscriptions	5,942	2,927	2,934	27,743
Insurance	22,636	16,724	19,801	48,066
Legal & Professional	51,962	25,888	9,751	108,387
Meals & Entertainment	3,534	5,354	-	3,094
Office Expense	23,912	5,133	11,116	58,596
Parking fees & tolls	-	-	-	-
Security	-	-	-	-
Supplies	4,416	27,047	-	11,056
Telephone & Utilities	5,666	1,685	7,115	15,824
Miscellaneous	5,858	12,955	710	30,367
Travel	-	-	4,170	25,840
Employee Benefit Program	-	-	-	2,477
Total Operating Expenses	623,492	520,834	466,298	900,562
Operating Profit	402,706	299,210	166,384	(11,495)
Other Income/Expenses				
Interest Expense	20,774	34,923	24,086	25,082
Other Income	-	-	-	-
Other Expense	-	-	-	-
Income Before Taxes	381,932	264,287	142,298	(36,577)
Income Taxes	-	-	-	-
Net Income	381,932	264,287	142,298	(36,577)

5.8 Capitalization of Earnings

The Capitalization of Earnings method arrives at an estimate of value by dividing current normalized operations, which are weighted and averaged to approximate future earnings expectations, by a capitalization rate. As shown below, the fair market value based on the Capitalization of Earnings method is estimated to be $1,960,000 .

In the Capitalization of Earnings method, weighted average, normalized after tax cash flow $292,700 is divided by the capitalization rate, of 14.90%, to determine fair market value of the operating entity 1,964,430. The Income Statement Adjustments describe the relevant adjustments made to historic earnings and the Discount & Capitalization Rates section discusses our capitalization rate calculations.

COE Indicated Value

Adjusted After Tax Cash Flow	292,700
Divide By	
Capitalization Rate	14.9%
Sub-Total	1,964,430
Excess/Non-Operating Assets	-
Indicated Value	1,964,430
Selected Value	1,960,000

The normalized earnings stream is presented in the table below. Because the income streams showed a marked upward trend for the years 2016 and 2017, and management and industry reports communicate this growth is anticipated to continue, all weight was allocated to annualized June 2018.

COE Economic Stream

After Tax Cash Flow	Annualized 2018	Dec 2017	Dec 2016	Dec 2015
Adjusted EBT	381,932	264,287	142,298	(36,577)
Adjusted Depreciation and Amortization	-	32,386	-	9,716
	381,932	296,673	142,298	(26,861)
Weight	1	-	-	-
Weighted Average	381,932			
Less Ongoing Depreciation/Amortization Expense	-			
Taxable Base	381,932			
Less State Income Taxes 3%	11,458			
Sub-Total	370,474			
Less Federal Taxes (From Below)	77,800			
Sub-Total	292,674			
Add Back Ongoing Depreciation/Amortization Expense	-			
Decrease/(Increase) in Working Capital	-			
Decrease/(Increase) in Capital Expenditures	-			
Increase/(Decrease) in Long Term Debt	-			
Ongoing Capacity	292,674			
Selected Ongoing Capacity	292,700			

FEDERAL TAX CALCULATION

Taxable Income	Times Tax Rate	Tax
50,000	21.0%	10,500
25,000	21.0%	5,250
25,000	21.0%	5,250
235,000	21.0%	49,350
35,474	21.0%	7,450
-	21.0%	-
-	21.0%	-
-	21.0%	-
370,474		77,800

5.9 Discounted Future Earnings

The underlying premise for this valuation method is the basic valuation principle that an investment in a business is worth the present value of all the future benefits it will produce for its owner(s), with each expected future benefit discounted back to present value at a discount rate that reflects the risk (degree of uncertainty) that those benefits may not be realized. Therefore, the application of this method requires a determination of the present value of an expected future income stream that the business generates for that owner.

Overview of management projections

The effective valuation date is February 26, 2020, and company management has projected robust year over year sales growth between 2018 thru 2020. By 2021 management forecast sales growth to accelerate to 30% year over year with a 2.0% growth rate forecast into perpetuity.

Management anticipates no capital expenditures during the period; however working capital is expected to increase by 3% of gross revenue each year based upon a historic analysis of working capital as a percent of revenue.

In addition, management expects cost of goods to remain constant at 79% of sales for the next five years while operating expenses are forecast decrease from 14.2% to 8.26% over the five year forecast period (Appendix E depicts the detailed 5 year forecast).

The discounted cash flow economic stream is depicted below:

DCF Projection Method

Dollar Growth	Dec 2018	Dec 2019	Dec 2020	Dec 2021	Dec 2022
Enter Projected Stream In Dollars	212,799	301,417	533,559	811,765	1,174,956

In the Discounted Future Earnings method, Free Cash Flow has been projected for 5 years and each year's earnings have been discounted back to present value using an annual discount rate of 27.2% and end-of-year discounting calculations.

Because it is assumed that the business will continue as a going concern beyond the term of the projections, a terminal value (also referred to as residual value) has been calculated based on Free Cash Flow from projected year 5. These residual earnings are first capitalized using the capitalization rate of 25.2% and then that quantity is discounted back to present value using the discount rate of 30.031%. The value of the business using the DCF method is estimated at 2,703,960.

DCF Indicated Value

Forecast Period	Projected Economic Stream	Growth Rate	Factor At 27.2% Disc Rate	Terminal Value	Discounted Value
2018	212,799		78.616%		167,295
2019	301,417	41.6%	61.805%		186,292
2020	533,559	77.0%	48.589%		259,251
2021	811,765	52.1%	38.199%		310,086
2022	1,174,956	44.7%	30.031%		352,847
2023-forever	1,198,455	2.0%	30.031%	4,755,774	1,428,189
Total Discounted Cash Flows					2,703,960
Less Marketability Discount					0.0%
Sub-Total					2,703,960
Excess/Non-Operating Assets					-
Indicated Value					2,703,960
Selected Value					2,704,000

Terminal Value = Projected Economic Stream / (Discount Rate less Terminal Growth Rate)

Discount rate utilized for DCF method:

Due to the inherent volatility of forecasts the appraiser used a higher discount rate for the DCF method than for the COE income approach method. It is the opinion of the valuator that a hypothetical buyer would perceive increased risk with the cash flow projections for the 5 years 2018 thru 2022 because the growth rate for sales and net income are both robust. We added a 10% risk premium to the specific company risk for this perceived additional risk by a hypothetical buyer.

DCF Discount Rate

Cost of equity			
Risk-free Rate of Return		2.9%	
Common Stock Equity Risk Premium		7.1%	
Small Stock Risk Premium		5.2%	
Plus/Minus Industry Risk Premium		0.0%	
Company Specific Premium			
Depth of Management			
Importance of Key Personnel	2.0%		
Stability of Industry			
Diversification of Product Line			
Diversification of Customer Base			
Diversification/Stability of Suppliers			
Projection Specific Risk	10.0%		
Stability of Earnings			
Earnings Margins			
Financial Structure			
Total Company Specific Premium		12.0%	
Discount Rate			27.2%
Selected Discount Rate			27.2%

Market Approach

5.10 Market Approach Methods

The market approach includes a collection of methods, which use transactional data from the market. The general theory is that if one can find sufficiently similar companies that have been sold in arms-length transactions, those transactions may form a foundation for an indication of value for the interest being valued. We have considered the two methods detailed below for this assignment.

5.10.1 Search Criteria (Private Company)

The search for transactional data on closely held businesses begins with developing search criteria that is a representative sample of the same or similar types of businesses:

- Controlling Interest and Primary NAICS code 49222
- Annual sales from $500,000 to $10,000,000. This range was selected because businesses with annual sales in this range should have similar operating characteristics (i.e., management style, business model, etc.).
- Inquiries were made into comparable sales databases. Our search revealed 2 transactions that met our search criteria.

Exhibit 5-6 Private Transactional Data

Database	TransactionID	SaleDate	SDE	EBITDA	Sales Price	Revenue	SDE%	P/SDE	P/EBITDA	P/R
Peercomps	4950	2007	$115,000	$72,000	$370,000	$952,000	12%	3.22	5.14	0.39
Pratts Stats	6847	2/28/2005	$145,873	$21,073	$455,000	$1,880,030	8%	3.12	21.59	0.24
25th percentile							8.84%	3.14	9.25	0.28
Average						$566,406	9.92%	3.17	13.37	0.32
Median						$1,416,015	9.92%	3.17	13.37	0.32
Subject			$402,700			$4,538,200	8.87%			

The subject company's percentage of SDE (aka cash flow) to Revenue was 8.87% which approximated the median at 9.92% of the comparable sales transactions. Cash flow is a catalyst for measuring how much a business is worth so the ratios utilized for P/R (.32) and P/SDE (3.17) were both extrapolated from the median.

5.10.2 Market Approach: Guideline Merged and Acquired Company Method

The guideline merged and acquired company method within the Market Approach, is a market-based method, meaning you need several transactions to determine the market average. The "sold" companies selected must closely match a set of criteria established by the appraisers, based on the closely held status of the business being valued.

This method conventionally estimates "value" by taking the Company's normalized historical financial measurements and applying the market valuation multiple(s). While some research indicates that private transaction valuation multiples generally do not change over time, consideration must be given for the economic recovery and its impact on the industry in deciding if sufficient and reliable data is available to reach a supportable conclusion of value.

Price to Revenue

The price-to-revenue model which is fairly straight forward is depicted below in exhibit 5-7. This calculation begins with the appropriate sales figure of $4,538,200 multiplied by the selected valuation multiple 0.32. As shown below, the fair market value of Dinner at Your Door, LLC based on the price to revenue method is estimated to be $1,450,000.

Exhibit 5-7 Price/Revenue Multiple

Market Data P/R Indicated Value

	Pratts
Revenue Base	4,538,200
P/R Multiple	0.32
Sub-Total	1,452,224
Adjustment	
Sub-Total	1,452,224
Excess/Non-Operating Assets	-
Indicated Value	1,452,224
Selected Value	1,450,000

The weighted revenue is depicted in the table below. Revenue growth has trended positively over the past several years and management has provided oral evidence that this will continue so one-hundred percent weight was placed upon 2018.

Market Data Revenue Base

	Annualized 2018	Dec 2017	Dec 2016	Dec 2015
Adjusted Revenue	4,538,182	3,667,620	3,297,722	3,251,392
Weight on Revenue	1		-	-
Weighted Average Revenue	**4,538,182**			
Selected Revenue Base	**4,538,200**			

Price to Sellers Discretionary Earnings

As with the price to revenue model; the selected valuation multiple 3.17 is applied to the applicable economic base. As shown below, the fair market value of the subject company based on the price to SDE method is estimated to be 1,300,000.

Exhibit 3-7 Market Data Price/SDE Indicated Value

Market Data P/SDE Indicated Value

	Pratts
Economic Base	402,700
P/E Multiple	3.17
Sub-Total	1,276,559
Adjustment	
Sub-Total	1,276,559
Excess/Non-Operating Assets	-
Indicated Value	1,276,559
Selected Value	1,300,000

Exhibit 3-8 presents the normalized earnings stream. The price to Sellers Discretionary Income financial measurement considers any adjustments to the earnings stream each year. The most recent earnings stream was allocated 100% weight because there has been a definitive positive trend

Market Data BIZCOMPS/PRATTS SDE Base

	Annualized 2018	Dec 2017	Dec 2016	Dec 2015
Adjusted Pre-Tax Income	381,932	264,287	142,298	(36,577)
Adjusted Interest Expense	20,774	34,923	24,086	25,082
Adjusted Depreciation/Amortization	-	32,386	-	9,716
Adjusted Officers' Compensation	-	-	-	48,197
Seller's Discretionary Earnings	402,706	331,596	166,384	46,418
Weight on Seller's Discretionary Cash Flow	1		-	
Weighted Average BIZCOMPS SDE Base	**402,706**			
Selected BIZCOMPS SDE Base	**402,700**			

Price to EBITDA

The P/EBITDA method is presented here as a sanity check for the discounted cash flow model. This method was calculated in the same way (the only exception being the use of the 25th percentile ratio multiple in lieu of the median) that the P/R and P/SDE methods described earlier in the report and the results are presented below:

Market Data P/EBITDA Indicated Value

	Pratts
EBITDA Base	402,700
P/EBITDA Multiple	9.25
Sub-Total	3,724,975
Adjustment	
Sub-Total	3,724,975
Excess/Non-Operating Assets	-
Indicated Value	3,724,975
Selected Value	3,720,000

Due to the sparse number of market comparable sales identified by our search it was not plausible to determine the correlation between the independent and dependent variables. Moreover, the typical statistical indices relied upon to determine the relative variability of the data points e.g. standard deviation and coefficient of variation are not as calculable in this assignment due to the lack of comparable sales. Therefore, the market approach will not be weighted but it will be used as a sanity check.

6.0 Adjustments to the Indication of Values

Before arriving at a final opinion of value, the appraiser must consider adjustments appropriate to this valuation assignment. The most common adjustments to values initially determine the differences between the level of control and/or marketability in the interest being appraised versus the level reflected in the value initially determined by each method employed.

Although adjustments may be required for differing levels of control and marketability, each are considered separately. Therefore, the issues related to level of control must first be considered and once correctly reflected, any adjustments necessary to properly reflect marketability will be determined. Adjustments may also be required for non-operating assets that were previously excluded from this analysis, but must be considered in determining the final opinion of value.

6.1 Adjustments for Control & Marketability

Discount for control

The valuation assignment herein was to determine an opinion of value for one-hundred percent (100%) of the Company; therefore a non-controlling discount would not apply.

Discount for marketability

Protection from the many risks inherent with holding a minority interest in a business can be controlled in the public stock market by selling the equity holdings, should the holder decide that management actions are elevating his or her risk beyond an acceptable level. This same ability to liquidate (convert to cash) an interest in a privately held company rarely exists. Moreover, due to size and other specific company nuances, as well as a lack of a perfect market mechanism for disposition, risk attendant to a lack of liquidity or of marketability can often be an issue for even a control interest in a privately held enterprise.

Clearly the ability to convert an investment from an illiquid asset into cash is an ownership characteristic of considerable value. Often, when this trait is missing, an investor is subject to substantially higher risk, and valuation of the attendant equity interest must be adjusted accordingly.

Marketability has been defined by Dr. Shannon Pratt et al. as:

> "The ability to convert the business ownership interest (at whatever ownership level) to cash quickly, with minimum transaction and administrative costs in so doing and with a high degree of certainty of realizing the expected amount of net proceeds."[12]

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[12] *"Business Valuation: Fundamentals, Techniques, and Theory," NACVA, ©1995-2012. Chapter-7, pp. 17-18.*

It is important to note that the valuation discount for lack of marketability is not black or white. Rather, there are degrees of marketability, or lack of it, which are dependent on the facts and circumstances of each engagement.

A discount for a lack of marketability (liquidity) was not applied to the estimate of value utilizing the Income Approach. The discount for marketability (liquidity) even for a controlling interest can be appropriate when applying the income approach[13]. However in our opinion, based upon a myriad of factors the sum of which are favorable to the subject company, i.e. company financial performance, breadth of company history, and geographic location, we have determined that a discount for marketability is inappropriate for the subject company.

It is important to emphasize that a discount for marketability (liquidity) is unnecessary for the Guideline Merged & Acquired Company method within the ***market approach***. This is true because the market multiples are calculated from actual sales of private companies thus the resulting multiples are on an illiquid control basis. The presupposition made by the appraiser is that any discount for illiquidity would already be reflected in the market price paid by the buyer.

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[13] **Controlling Interests-Discount for a Lack of Marketability: The Empirical Evidence, Ronald D. DiMattia, CPA, ABV, CMA, AICPA Newsletter for Providers of Business Valuation, Forensics, & Litigation Services. Summer 2008.*

7.0 Reconciliation of the Valuation Estimates

At this point in the appraisal process the appraiser must consider the relative merits of each method employed and determine the degree of influence or weight each method will have in the final opinion of value. The weighting of valuation methods is not an exact science and is presented in mathematical terms only to assist the reader in interpreting the appraiser's thinking as to the relative influence given to each method.

Exhibit 7-1 presents the appraiser's weighted estimate for each method used, along with the final opinion of value for the Company:

1. No weight was applied to the ***adjusted net-asset method***, as this approach does not consider any intangible asset values.

2. Additionally, no weight was given to the market ***approach***, but this approach was utilized as a "sanity check."

3. Management has provided us with projected cash flows for 2018 through 2022. Since the subject company has experienced growth in recent years and management expects that growth to continue over the next five years the discounted cash flow model (DCF) is the most applicable approach to value the subject. Therefore, we applied one-hundred percent weight to the Income approach DCF method.

Exhibit 7-1 Reconciliation of Indicated Values

Conclusion of Value

	Indicated	Weight	
Valuation Indication by Method	Value	Number	Percent
COE Indicated Value	1,960,000		0%
DCF Indicated Value	2,704,000	100	100%
Market Data P/SDE Indicated Value	1,300,000		0%
Market Data P/R Indicated Value	1,450,000		0%
Market Data P/EBITDA Indicated Value	3,720,000		0%
Calculated Weighted Average Conclusion of Value	2,704,000	100	100%
Selected Conclusion of Value	$2,700,000		

7.1 Conclusion of Value

Therefore, based upon the facts and circumstances of the valuation and subject to the limitations in both conditions and scope listed in this report, our opinion of the resultant Fair Market Value for a one hundred percent (100%); private marketable equity interest in Dinner at Your Door, LLC at February 26, 2020 is:

$2,700,000

8.0 Value Justification and Pricing Scenarios

To test the reasonableness of the final opinion of value, we performed a proof of purchase price justification test. This test includes certain assumptions regarding buyer's cash down payment, terms of the purchase and an applicable interest rate. These assumptions are presented in the following exhibits.

Exhibit 8-1 Hypothetical Financing Scenario

	Appraised Value		2,700,000		
Source of Purchase Funds	Percentage	Amount	Terms (mos.)	Interest	Monthly Payment
Required Cash From Buyer	10%	270,000			
Seller Take Back Note		-	0	0.0%	-
Commercial Loan	75%	2,025,000	120	8.0%	24,569
		-			-
Total	85%	2,295,000			24,569

Exhibit 8-2 Projected Available Cash Flow based upon Hypothetical Financing Scenario

BASED ON HYPOTHETICAL TERMS OF SALE

		Dec 2019	Dec 2020	Dec 2021	Dec 2022	Dec 2023
Projected EBT	0.0%	408,865	737,882	1,129,605	1,640,874	1,640,874
Interest Expense on Purchase Notes		157,020	145,582	133,195	119,779	105,251
Projected Post Sale EBT		251,845	592,300	996,410	1,521,095	1,535,623
Income Taxes	24.0%	60,443	142,152	239,138	365,063	368,550
Projected Post-Sale Net Income		191,402	450,148	757,272	1,156,032	1,167,074
Depreciation/Amortization Expense		32,386	32,386	32,386	32,386	32,386
Principle Payments on Purchase Notes		137,806	149,244	161,631	175,047	189,575
Projected Available Cash Flow		85,982	333,290	628,027	1,013,371	1,009,884

Based upon a hypothetical willing buyer, the opinion of value as presented in this report for subject company forecasts remaining cash flows are adequate to cover debt-service, future capital expenditures, working capital increases and result in an adequate return for the willing buyer. Please note the hypothetical post-acquisition cash flow shown above will most likely be very different from the actual buyer's post-acquisition cash flows due to the asset allocation and its related tax implications.

Appendix A: Valuation Certification & Signature of the Analyst

We certify to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct to the best of the appraiser's knowledge and belief.

2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are personal, impartial, and unbiased professional analyses, opinions, and conclusions.

3. We have no present or prospective interest in the property that is the subject of this report and we have no personal interest with respect to the parties involved.

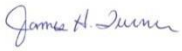
4. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

5. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.

6. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

7. Administrative staff has helped with the research and analysis, but has not acted as an "appraiser". No person except the undersigned participated materially in the conclusion of this appraisal.

Signature of the Analyst:



Mr. Jim Turner, CPA, CVA
Turner Business Appraisers, Inc.

Appendix B: Limiting Conditions

The engagement is subject to the following assumptions and limiting conditions.

1. In conjunction with the preparation of this report, a representative of Turner Business Appraisers, Inc. might have visited with management of Client. If applicable this visit, together with other conversations with management, provided important perspective to our understanding of the information reviewed and analyzed in the preparation of this valuation opinion.

2. In all cases, we have relied upon the referenced information without independent verification. This report is, therefore, dependent upon the information provided. A material change in critical information relied upon in this report would be cause for a reassessment to determine the effect, if any, upon our conclusion.

3. Users of this business valuation report should be aware that business valuations are based on future earnings potential that may or may not materialize. Therefore, the actual results achieved during the projection period will vary from the projections utilized in this valuation, and the variations may be material.

4. Some assumptions invariably will not materialize, and unanticipated events and circumstances may occur. Therefore, the actual performance in any areas forecasted/projected will vary from the forecast/projection, and the variations may be material. Turner Business Appraisers, Inc. will not express any form of assurance on the likelihood of achieving the forecast/projection or on the reasonableness of the used assumptions. Any such forecast/projection is presented as part of the appraisal and is not intended to be used separately.

5. The value premise(s) cited in this report are fundamental to the value opinions rendered herein, and we reserve the right to reconsider such premise(s) should subsequent or additional information be discovered, although no such obligation exists.

6. We have relied upon the representations of the owners, management and other third parties concerning the value and useful condition of all equipment, real estate, investments used in the business, and any other assets or liabilities except as specifically stated to the contrary in this report. We have not attempted to confirm whether or not all assets of the business are free and clear of liens and encumbrances, or that Client has good title to all assets.

7. The estimate of value included in this report assumes that Client will maintain the character and integrity of the company through any sale, reorganization or reduction of any owner's/manager's participation in the existing activities of the company.

8. Since neither Client management nor advisors have advised us otherwise, we assume that there is full compliance with all applicable federal, state, and local laws and regulations unless the lack of compliance is stated, defined, and considered in the appraisal report.

9. Public information, purchased private information and industry statistical information are from sources we deem to be reliable; however, we make no representation as to the accuracy or completeness of such information, and have accepted the information without further verification.

10. This report and its related calculations were prepared using various software applications potentially including Microsoft Word and Microsoft Excel, Express Business Valuation, and/or various Internet-related software, third-party data (as indicated) and information.

11. We assume no responsibility for the legal description or matters including legal or title considerations. Title to the subject assets, properties, or business interests is assumed to be good and marketable as represented by owners, management and advisors of Client unless otherwise stated.

12. We assume no hidden or unapparent conditions regarding the subject assets, properties or business interests.

13. Unless otherwise stated in this report, we did not observe, and we have no knowledge of, the existence of hazardous materials with regard to the subject assets, properties, or business interests. However, we are not qualified to detect such substances. We assume no responsibility for such conditions or for any expertise required to discover them.

14. No opinion, counsel or interpretation is intended in matters that require legal or other appropriate professional advice. It is assumed that such opinions, counsel or interpretations have been or will be obtained from the appropriate professional sources.

15. The analyses, opinions, and conclusions presented in this report apply to this engagement only and may not be used out of the context presented herein. This report is valid only for the effective date(s) specified and only for the purpose(s) specified herein.

16. Although we have exerted considerable diligence and applied our best efforts in constructing this document, immaterial anomalies, if any, may arise. Even so, we are confident that our overall conclusion would still fall within a materially consistent conclusion.

17. While the client has not informed Turner Business Appraisers, Inc. of any intent to do so, any third parties to whom this report is shown may be assured that this report, while performed in the employ of the client, was materially prepared on a non-advocacy basis. Any third persons, however, are cautioned that Turner Business Appraisers, Inc. has no duty to you and, therefore, no warranty is expressed or implied. Nothing in this report is intended to replace your independent sole judgment, due diligence, or decision to seek professional legal, accounting, or valuation counsel.

18. This report has been prepared solely for the use of the party or parties named and specifically for the purposes set out therein. In accordance with normal practice, we hereby disclaim liability to any other person. Any other person should not rely upon the information and conclusions reached nor should any statement in this report be used for any other purpose without written consent from Client.

19. The statements and opinions given in this report are given in good faith and in the belief that such statements are not false or misleading. In preparing this report we have relied upon information believed to be reliable and accurate provided by the owners, management and advisors of Client and other sources. We have no reason to believe that any material facts have been withheld from us, nor do we warrant that our investigation has revealed all of the matters in which an audit or more extensive examination might disclose.

20. This valuation reflects facts and conditions existing at the date of this valuation. Subsequent events have not been considered, and we have no obligation to update our report for such events and conditions.

21. Turner Business Appraisers, Inc. does not purport to be a guarantor of value. Valuation of closely held companies is an imprecise science, with value being a question of fact, and reasonable people can differ in their estimates of value. Turner Business Appraisers, Inc., however, performed conceptually sound and commonly accepted methods and procedures of valuation in determining the estimate of value included in this report. Turner Business Appraisers, Inc. is not liable for any use, reliance, financial applications, report distribution or other utilization of any kind, by any party not having written authorization from Turner Business Appraisers, Inc.

22. The appraised estimate of fair market value in this report is based on the definition applied throughout such report. An actual transaction in the shares may be completed at a value higher, lower or equal to the value rendered herein. We make no guarantee of any kind with regard to the likely or ultimate amount that may result in any future transaction.

23. The opinion(s) offered in this report do not constitute an offer to buy or sell the shares. In no way is Turner Business Appraisers, Inc. recommending a loan. It is

agreed that the client does not hold the appraiser responsible in case of a loan default.

24. The valuation analyst, by reason of performing this valuation and preparing this report, is not to be required to give expert testimony nor to be in attendance in court or at any government, professional or regulatory hearing, including IRS matters with reference to the matters contained herein, unless prior written arrangements have been made with Turner Business Appraisers, Inc. regarding such additional engagement as to the timing, fee arrangements, and nature of the services required.

25. None of the partners or employees of Turner Business Appraisers, Inc. have any present or contemplated future interest in the property being valued, any personal interest with respect to the parties involved, or any other interest that might prevent us from performing an unbiased valuation. Our compensation is not contingent on an action or event resulting from the analysis, opinions, or conclusions in, or the use of, this report.

26. Possession of this report does not carry with it the right of publication. It may not be used for any purpose by any person other than the client to whom it is addressed without our written consent and, in any event, only with proper written qualifications and only in its entirety.

27. Neither all nor any part of the contents of this report shall be disseminated to the public through advertising, public relations, news, sales, or other media without our prior written consent and approval.

28. Liability of Turner Business Appraisers, Inc. and its partners and employees for errors and omissions, if any, in this work will be limited to the amount of its compensation for the work performed in this assignment.

29. This report is further subject to any other contingencies, assumptions, and limiting conditions that may be set out elsewhere within this report.

Appendix C: Qualifications of Appraiser

FIRM OVERVIEW

Turner Business Appraisers is a forensic accounting firm located in Matthews, NC specializing in business valuations and machinery and equipment appraisals. Team Turner is comprised of business professionals including CPAs (Certified Public Accountants), CMEAs (Certified Machinery & Equipment Appraisers) and CVAs (Certified Valuation Analysts). Turner's professionals are committed to delivering superior service with integrity, accuracy and exemplary customer care.

ACCREDITATION IN BUSINESS VALUATION

- *2 Certified Valuation Analysts on staff who have earned the CVA designation from the National Association of Certified Valuators and Analysts (NACVA).*

ENGAGEMENTS COMPLETED

- *Gift Tax*
- *SBA Loan Appraisal*
- *Equitable Distribution Appraisal*

COMPANY HISTORY

Turner Business Appraisers was established in the year 2000 and originally began as a forensic accounting firm whose core business was performing compliance audits for local governments. Due to some legislative changes over the years, the company began to cultivate new skills and offer additional services to supplement the core business. In an effort to augment and enrich our services many of our professionals earned the certified valuation analyst and certified machinery and equipment appraiser designations. We have several certified public accountants on staff and although our firm still offers compliance audits for local governments, we have become experts in the field of business valuations and equipment appraisals. Our knowledge and experience in both of these areas has been greatly enhanced by our extensive tax accounting background.

-Ed Steh, CPA, CVA-

ACCREDITATION IN BUSINESS VALUATION

- *Earned the CVA designation the National Association of Certified Valuators and Analysts (NACVA).*

NOTEWORTHY BUSINESS VALUATION ASSIGNMENTS

- *Successful completion of numerous assignments in various industries and for diverse circumstances including but not limited to :*

  - ✓ *Gift Tax*
  - ✓ *Marital Dissolution*
  - ✓ *Estimate of worth for internal management purposes*
  - ✓ *Estimate of worth for Buy/Sell Agreements*

PROFESSIONAL ASSOCIATIONS MEMBERSHIPS

- *North Carolina Association of Certified Public Accountants*
- *NACVA, Certified Business Valuator*

EXPERT WITNESS MATTERS

- *Served as an expert witness for Camden County, NC*
- *Served as an expert witness for Pitt County, NC*
- *Served as an expert witness for Surry County, NC*
- *Served as an expert witness for Warren County, NC*

EDUCATIONAL BACKGROUND

- *Bachelor of Science Degree in Applied Economics and Business Management from Cornell University.*
- *Masters of Accountancy from California State University, Fullerton*

-Jim H. Turner, Jr., CPA, CVA, CMEA-

ACCREDITATION IN BUSINESS VALUATION AND EQUIPMENT APPRAISAL

- *Earned the CVA designation from the National Association of Certified Valuators and Analysts (NACVA).*
- *Earned the CMEA designation from the NEBB Institute*

NOTEWORTHY BUSINESS VALUATION ASSIGNMENTS

- *Corporation to S-Corporation conversion basis calculation reported to the IRS*
- *Dissenting Shareholder Valuations*
- *Estate of Moss, IRS Estate Tax*
- *Kruse v. Kruse (Pitt County District Court, The Honorable Judge, Lee Teague)*
- *Maalizadeh v. Maalizadeh (Mecklenburg County District Court, Appointed by The Honorable Judge Jena Culler)*
- *McKenzie v. McKenzie (Rowan County District Court, The Honorable Judge, Lillian Jordan)*
- *Toldon vs. Toldon (York County, South Carolina Equitable Distribution)*
- *Valuations for lenders to determine reasonableness of purchase price pursuant to SBA SOP 50-10-5(h)*

PROFESSIONAL ASSOCIATIONS MEMBERSHIPS

- *North Carolina Association of Certified Public Accountants*
- *NACVA, Certified Business Valuator*
- *NEBB Institute, Certified Machinery & Equipment Appraiser*

EXPERT WITNESS MATTERS

- *Sellers v. Claudio*
- *McKenzie v. McKenzie*
- *Amusements of Rochester vs. Pender County*
- *Tax Office hearings for numerous jurisdictions.*

KEYNOTE SPEAKER/EDUCATOR

- *Business Valuations for SBA: " SOP 50 10 5(J) Update," 2018 ISBA Conference, Dallas)*
- *SBA Business Valuations: "What you need to Know," 2017 ISBA Conference, Dallas)*
- *The ABC's of Business Valuation (SPCC, Small Business Workshop Series| Dec 2013|Monroe)*
- *Making Heads or Tails out of a Machinery & Equipment Appraisal (IAAO 2013|Grand Rapids)*
- *Historical Cost or Acquisition Cost: Which Yields Fair Market Value? (NCAAO 2003 Fall Conference)*

EDUCATIONAL BACKGROUND

UNIVERSITY OF NORTH CAROLINA AT CHARLOTTE

- *Bachelor of Science Degrees in Accountancy and Geography plus Post Grad work in Geography (GIS, Statistics, Research Design, and Site Feasibility) GPA 3.17/4.0 and 3.75/4.0.*

Appendix D: Sources of Information

-Interviews with the following person(s)
    -Mr. Wes Garrison

-Analysis of the profit & loss spreadsheets for 2016 thru February 26, 2020
    -Analysis of the 2015 Dinner at Your Door, LLC business tax return
    -Projections 2018 thru 2022 provided by management
    -Balance Sheet at February 26, 2020

-Research of the overall economic conditions
    -Business Valuation Resources, LLC
    -United States Congress Joint Economic Committee

-Market Approach Databases
    -Bizcomps
    -Peercomps
    -Pratts stats

-Research of the industry outlook
    -IBIS World

-Financial Analysis of the Company with its peers in the industry
    -Risk Management Associates, Philadelphia, PA

-Company Specific Information
    -Ratio analysis and review of the cash flow stream

This information was accepted without further verification. See Appendix B for a complete list of the assumptions and limitations to which this valuation report is subject to.

Appendix E: Intangible Valuation per Business Valuation

Intangible Value per BV

	Book Value 2018	Price Buyer Will Pay
ASSETS		
Cash	1,333	1,333
Accounts Receivable	14,936	14,936
Inventory	-	-
Other Current Assets	77,807	77,807
Total Current Assets	94,076	
Fixed Assets	-	
(Accumulated Depreciation)	-	
Intangible Assets	-	
(Accumulated Amortization)	-	
Other Non-Current	1,200	1,200
Non-Operating Assets	-	-
Total Assets	95,276	
LIABILITIES & EQUITY		
Accounts Payable	-	
Income Taxes	-	
Short Term Notes Payable	-	
Current Portion of LT Debt	-	
Other Current Liabilities	55,858	55,858
Total Current Liabilities	55,858	
Long Term Debt	-	
Other Non-Current Liabilities	-	-
Non-Operating Liabilities	-	-
Total Liabilities	55,858	
Equity	39,418	
Total Liabilities & Equity	95,276	
Purchased Assets and Liabilities		39,418
Intangible Value		2,660,582
Total Price		2,700,000

Appendix F: Management projections 2018 thru 2022

	Blue Ridge to Go						Projections					
Description	2017 Actual	% Sales	2018	% Sales	2019	% Sales	2020	% Sales	2021	% Sales	2022	% Sales
Growth Rate			25%		28%		30%		30%		30%	
Sales	$3,667,620	100.0%	$4,584,525	100.0%	$5,845,269	100.0%	$7,598,850	100.0%	$9,878,505	100.0%	$12,842,057	100.0%
Purchases	($2,847,576)	-77.6%	($3,644,697)	-79.5%	($4,646,989)	-79.5%	($6,003,092)	-79.0%	($7,804,019)	-79.0%	($10,145,225)	-79.0%
Other Expense	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%
Miscellaneous	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%
Total COGS	($2,847,576)	-77.6%	($3,644,697)	-79.5%	($4,646,989)	-79.5%	($6,003,092)	-79.0%	($7,804,019)	-79.0%	($10,145,225)	-79.0%
Gross Margin	$820,044	22.4%	$939,828	20.5%	$1,198,280	20.5%	$1,595,759	21.0%	$2,074,486	21.0%	$2,696,832	21.0%
Administrative Expenses												
Depreciation/Amortization	$32,386	0.9%	$32,386	0.7%	$ 32,386.00	0.6%	$32,386	0.4%	$32,386	0.3%	$32,386	0.3%
Officers' Compensation	$0	0.0%	$ -	0.0%	$ -	0.0%	$0	0.0%	$0	0.0%	$0	0.0%
Operating Lease and Rent	$15,576	0.4%	$ 11,500.00	0.3%	$ 12,100.00	0.2%	$12,221	0.2%	$12,343	0.1%	$12,467	0.1%
Salaries and Wages	$308,503	8.4%	$405,600	8.8%	$ 409,656.00	7.0%	$413,753	5.4%	$417,890	4.2%	$422,069	3.3%
Repairs & Maintenance		0.0%	$0	0.0%	$ -	0.0%	$0	0.0%	$0	0.0%	$0	0.0%
Taxes & Licenses	$17,416	0.5%	$42,697	0.9%	$ 43,337.62	0.7%	$43,988	0.6%	$44,647	0.5%	$45,317	0.4%
Bad Debt		0.0%	$5,693	0.1%	$ 5,778.35	0.1%	$5,865	0.1%	$5,953	0.1%	$6,042	0.0%
Advertising	$46,992	1.3%	$85,394	1.9%	$ 204,584.43	3.5%	$ 265,959.76	3.5%	$345,748	3.5%	$ 449,471.99	3.5%
Accounting		0.0%	$0	0.0%	$ -	0.0%	$0	0.0%	$0	0.0%	$0	0.0%
Auto & Truck Expense		0.0%	$0	0.0%	$ -	0.0%	$0	0.0%	$0	0.0%	$0	0.0%
Bank Charges	$2,248	0.1%	$5,693	0.1%	$ 5,778.35	0.1%	$5,865	0.1%	$5,953	0.1%	$6,042	0.0%
Dues & Subscriptions	$2,927	0.1%	$7,116	0.2%	$ 7,222.94	0.1%	$7,331	0.1%	$7,441	0.1%	$7,553	0.1%
Insurance	$16,724	0.5%	$24,720	0.5%	$ 25,956.00	0.4%	$27,254	0.4%	$28,616	0.3%	$30,047	0.2%
Legal & Professional	$25,888	0.7%	$11,386	0.2%	$ 11,556.70	0.2%	$11,730	0.2%	$11,906	0.1%	$12,085	0.1%
Meals & Entertainment	$5,354	0.1%	$6,405	0.1%	$ 6,500.64	0.1%	$6,598	0.1%	$6,697	0.1%	$6,798	0.1%
Office Expense	$5,133	0.1%	$14,232	0.3%	$ 14,445.87	0.2%	$14,663	0.2%	$14,882	0.2%	$15,106	0.1%
Parking fees & tolls			$0									
Security			$0									
Supplies	$27,047		$0									
Telephone & Utilities	$1,685	0.0%	$9,963	0.2%	$10,112	0.2%	$10,264	0.1%	$10,418	0.1%	$10,574	0.1%
Miscellaneous	$12,955		$0									
Travel			$0									
Employee Benefit Program			$0									
Operating Expenses	$520,834	14.2%	$662,785	14.5%	$789,415	13.5%	$857,877	11.3%	$944,882	9.6%	$1,055,958	8.2%
		14.2%		14.5%		13.5%		11.3%		9.6%		8.2%
Operating Income	$299,210	8.2%	$277,043	6.0%	$408,865	7.0%	$737,882	9.7%	$1,129,605	11.4%	$1,640,874	12.8%
Other Income Expense												
Other Income	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%
Interest Expense	$34,923	1.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%
Net Other Income (Expense)	($34,923)	-1.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%
Net Income (Loss) EBT	$264,287	7.2%	$277,043	6.0%	$408,865	7.0%	$737,882	9.7%	$1,129,605	11.4%	$1,640,874	12.8%
Interest Expense	$34,923	1.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%	$0	0.0%
Depreciation/Amortization	$32,386	0.9%	$32,386	0.7%	$32,386	0.6%	$32,386	0.4%	$32,386	0.3%	$32,386	0.3%
EBITDA	$331,596	9.0%	$309,429	6.7%	$441,251	7.5%	$770,268	10.1%	$1,161,991	11.8%	$1,673,260	13.0%
Less: Ongoing Depreciation/Amortizatic	($32,386)		($32,386)		($32,386)		($32,386)		($32,386)		($32,386)	
Taxable Base	$299,210		$277,043		$408,865		$737,882		$1,129,605		$1,640,874	$4,194,269
State Taxes @ 3%	$8,976		$13,852		$20,443		$36,894		$56,480		$82,044	$ 838,853.70
Federal Taxable Income	$290,234		$263,190		$388,422		$700,988		$1,073,124		$1,558,831	
Federal Taxes @ 21%	$60,949		$55,270		$81,569		$147,207		$225,356		$327,354	
Sub-Total	$229,285		$207,920		$306,853		$553,780		$847,768		$1,231,476	
Add Back Ongoing Depreciation/Amor	$32,386		$32,386		$32,386		$32,386		$32,386		$32,386	
Decrease/(increase) in working capital	$0		($27,507)		($37,822)		($52,607)		($68,390)		($88,907)	
Decrese/(Increase) in Capital Expenditu	$0		$0		$0		$0		$0		$0	
Debt Free After Tax Cash Flow	$261,671		$212,799		$301,417		$533,559		$811,765		$1,174,956	
									Terminal Growth		2%	
									Terminal Value Income		$1,198,455	

Appendix G: Dinner At Your Door & Dinner Delivery - Net Income Split 2016 and 2017

Reconciliation of Profit & Loss by Entity						
	BRToGo 2017	Combined 2017	Takeout Central 2017	BRToGo 2016	Combined 2016	Takeout Central 2016
Revenues less Discounts and Allowance	3,667,620	10,021,364	6,353,744	3,297,722	9,264,696	5,966,974
Cost of Goods Sold	2,847,576	8,029,615	5,182,039	2,665,040	7,495,349	4,830,309
Gross Profit	820,044	1,991,749	1,171,705	632,682	1,769,347	1,136,665
Operating Expenses						
Depreciation/Amortization	32,386	89,426	57,040		74,562	74,562
Officers' Compensation		115,385	115,385		124,616	124,616
Operating Lease and Rent	15,576	44,236	28,660	26,594	53,519	26,925
Salaries & Wages	308,503	828,685	520,182	268,968	762,337	493,369
Repairs & Maintenance		-	0	133	-	(133)
Taxes & Licenses	17,416	88,606	71,190	52,449	139,473	87,024
Bad Debt		13,914	13,914		-	0
Advertising	46,992	122,076	75,084	60,745	180,660	119,915
Accounting		-	0		4,994	4,994
Auto & Truck Expense		-	0		1,577	1,577
Bank Charges	2,248	11,920	9,672	1,812	5,147	3,335
Dues & Subscriptions	2,927	13,977	11,050	2,934	8,543	5,609
Insurance	16,724	46,179	29,455	19,801	22,759	2,958
Legal & Professional	25,888	88,474	62,586	9,751	35,847	26,096
Meals & Entertainment	5,354	10,600	5,246		7,862	7,862
Office Expense	5,133	21,800	16,667	11,116	25,900	14,784
Parking fees & tolls		154	154		754	754
Security		659	659		754	754
Supplies	27,047	65,006	37,959		17,414	17,414
Telephone & Utilities	1,685	15,152	13,467	7,115	14,750	7,635
Miscellaneous	12,955	24,221	11,266	710	20,486	19,776
Travel		2,895	2,895	4,170	13,131	8,961
Employee Benefit Program		-	0		-	0
Total Operating Expenses	520,834	1,603,365	1,082,531	466,298	1,515,085	1,048,787
Operating Profit	299,210	388,384	89,174	166,384	254,262	87,878
Other Income/Expenses						
Interest Expense	34,923	96,432	61,509	24,086	75,181	51,095
Other Income		-			-	
Other Expense		-			-	
Income Before Taxes	264,287	291,952	27,665	142,298	179,081	36,783
Income Taxes		-	-		-	-
Net Income	264,287	291,952	27,665	142,298	179,081	36,783