Exhibit 1

IN THE SUPREME COURT
OF THE STATE OF NEW YORK
COUNTY OF KINGS

LMEG WIRELESS, LLC,	)	
Petitioner,	)	
vs.	)	No. 501508/2021
MENACHEM FARRO	)	
Respondent	)	

EXPERT WITNESS REPORT OF

MARK L. ZYLA, CPA/ABV, CFA, ASA

September 9, 2022

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I. Introduction

1. I have been retained by Anderson Kill P.C. as an expert to provide my opinion regarding the fair value of a 33.33% interest in the equity of LMEG Wireless, LLC ("LMEG"), LM International, Inc. ("LM"), SHN International, Inc. ("SHN"), Seller 1on1, Inc. ("Seller"), and BBM Wireless, Inc. ("BBM") (together defined as "LMEG Wireless" or the "Company") as of November 16, 2016.

2. I reserve the right to supplement or add to my opinions. The information and documents I considered in reaching my opinion are provided in this report and are listed in Appendix A.[1] Zyla Valuation Advisors, LLC ("ZVA") is compensated for my work at the rate of $575 an hour for my time. My compensation is not contingent on the outcome of the matter. I have been assisted by other ZVA employees and contractors who have conducted their work under my direction and supervision. My opinion is based on my skills, knowledge, education, experience and training as a certified public accountant and with financial analysis and valuation.

3. I have been practicing in the valuation profession for over thirty years. I am a certified public accountant, accredited in business valuation ("CPA/ABV"), a chartered financial analyst ("CFA") and a senior member accredited in business valuation by the American Society of Appraisers ("ASA"). In addition to my practice, I regularly teach valuation concepts to other Certified Public Accountants ("CPAs"). For example, I have regularly taught the National Business Valuation School for the American Institute of Certified Public Accountants ("AICPA"). I also regularly teach the Fair Value Workshop for the AICPA. I have served on numerous professional committees, including the Business Valuation Committee of the American Society of Appraisers ("ASA"). I am also a former member of the Forensic and Valuation Services Executive Committee ("FVS Exec") of the AIPCA. I am a former Chairman of the AICPA committee that prepares the national examination to accredit CPAs in business valuation. I have participated in the development of the Content Specific Outline ("CSO") that CPAs should be versed in to become accredited in valuation. I am the former Chairman of the subcommittee of the ASA which writes business valuation standards for that particular organization. I currently serve as Chairman of the Standards Review Board of the International Valuation Standards Council ("IVSC").

[1] This report is submitted without reviewing or receiving certain information and materials concerning Duff & Phelps, LLC (or Kroll, LLC). All rights and remedies with respect to amending or supplementing this report upon receipt of such materials is expressly reserved.

4. I am the author of *Fair Value Measurement: Practical Guidance and Implementation* 3rd edition published by John Wiley & Sons (2020) which discusses the concept of fair value in financial reporting. I have co-authored three portfolios on fair value issues for BNA Bloomberg. I am also a contributing author to both *Shannon Pratt's Valuing a Business: The Analysis and Appraisal of Closely Held Companies* and the 6th edition of *Understanding Business Valuation* by Gary R. Trugman.

II. Summary of Opinions

5. The fair value of a 33.33% membership interest in LMEG Wireless, LLC as of November 16, 2016, is $24,600,000.

III. Background

6. Menachem Farro ("Mr. Farro") and Levi Wilhelm ("Mr. Wilhelm") formed LMEG as equal equity partners and began operations in 2005. LMEG specializes in purchasing returned/damaged and wholesale consumer electronic ("CE") products and accessories from OEMs, wireless carriers and large retailers/e-tailers in bulk and then selling them through retail (e.g., Amazon, eBay, proprietary LMEG website) and wholesale channels (e.g., CE insurance providers) after in-house refurbishing, reconditioning and/or testing.[2]

7. Subsequently, Farro and Mr. Wilhelm also formed LM, SHN, Seller and BBM as equal shareholders, in or about 2010-2011 in furtherance of their business. Each entity operates from the Company's facility in Brooklyn, New York, and has the same management team. A brief description of each entity as of 2014 is as follows:
   - LM – The entity sells products to retail customers through its All4Cellular website and generates some income by selling products on Amazon and eBay.
   - SHN – The entity primarily sells cellular phone batteries to Asurion, LLC.
   - Seller – This entity is a registered merchant on Amazon and sells products to retail customers through its channel.
   - BBM – This entity does not have any operating activity; however, an insignificant amount of revenue and expenses were allocated to this entity. [3]

[2] REP_FARROSUB_00000037 "Refreshed" TUC prepared by Ridgemont Equity Partners dated September 26, 2016.
[3] LMEG-083031-Project Brooklyn – Sell Side Due Diligence – Draft prepared by McGladrey dated June 28, 2014.

8. In or about 2011, Zalman Schochet ("Mr. Schochet"), an attorney licensed to practice law in the State of New York, agreed to grant additional loans at interest rates of approximately 24% per annum a reduction in the interest rate from his prior loans to the company of a rate of 48% per annum[4]. As of the valuation date, the principal amount of the Loans from Partners was approximately $17,250,000[5]. Mr. Schochet proposed receiving a 33.33% ownership interest in the Company in exchange for a lower rate of interest on his loans to the Company. However, no transfer of any equity interest was agreed to or effectuated at that time. Subsequently on or about December 7, 2011, a 33.33% ownership was transferred to Mr. Schochet making him an equal owner in the Company with Mr. Farro and Mr. Wilhelm.[6]

9. By 2016, the Company had distinct procurement channels for damaged/returned consumer electronic products, wholesale consumer electronic accessories and proprietary products (Chromo, Bohm, Orbo). Below is a description of the procurement channels of the Company for:

- Returned/Damaged consumer electronics products
  - Original Equipment Manufacturers ("OEM's) – Otter Box (only direct OEM relationship currently)
  - Secondary Market – Brightstar, Authorized dealers, "Mom and Pop" resellers
  - E-tailers/Retailers/Carriers – Best Buy, Verizon, AT&T
- Wholesale CE accessories
  - Global OEMs
- Proprietary products
  - Factories in China, with one main factory providing 70% of the products.

  All the products then are resold through discrete Etail and Wholesale channels after in-house refurbishing, reconditioning and/or testing in the Company's 89,000 square feet warehouse in Brooklyn, New York. Following are the sales channels used by the Company for:
- Retail Sales
  - Amazon – Majority of sales occur through Amazon

[4] Annualized interest on a loan of $1 million which was granted by Schochet to LMEG with a repayment schedule of three installments of $373,333 each at an interval of one month starting from the grant date. (LMEG-541341). Schochet deposition draft 23:18-19.
[5] LMEG-643426 - CONFIDENTIAL - Monthly Balance Sheet FY16
[6] Complaint Indexed No: 501508/2021 (95 – Exhibit 1. Mr. Schochet was first list as a 33.33% owner on LMEG Wireless's 2012 tax return. LMEG-024507. See also Amended Loan Agreement dated December 7, 2011.

  - eBay
  - A4C – Co-owned site
  - Other e-tailers – Groupon, Living Social
  - Shipped directly to end user via DHL, USPS
- Wholesale Sales
  - Insurance providers – Assurant, Genco
  - Other wholesale distributors - Mizco[7]

10. From 2014 through 2016, several private equity firms have shown interest in acquiring a stake in the Company. Following is the summary of the valuation of the invested capital (total equity + interest bearing debt) of LMEG Wireless. [8]

Letter of Intent Date	Acquiring Entity	Valuation Offered (in $ million)	EBITDA Multiple as per LOI	Implied TTM EBITDA Multiple
August 28, 2014	Southfield Capital Advisory, LLC	$100-114	7.0x-8.0x	8.7x-9.9x
August 29, 2014	Swander Pace Capital	$100-115	NA	8.7x-10.0x
August 29, 2014	Stephens Capital Partners, LLC	$85-100	NA	7.4x-8.7x
August 29, 2014	TZP Capital Partners II, L.P.	$70-80	NA	6.1x-6.9x
September 3, 2014	Waud Capital	$106.8-121.0	7.5x-8.5x	9.3x-10.5x
September 3, 2014	Webster Capital III, L.P.	$92.3-106.5	6.5x-7.5x	8.0x-9.23x
July 1, 2015	TZP Capital Partners II, L.P.	$100	NA	8.7x
November 17, 2015	Ridgemont Equity Partners II, LLC	$102.5	NA	8.9x
March 9, 2016	Ridgemont Equity Partners II, LLC	$70	5.0x	6.1x

(TTM EBITA – Adjusted Historical EBITDA for the last twelve months ending November 16, 2016.)

11. In another document prepared by Ridgemont Equity Partners titled "Refreshed" TUC dated September 26, 2016, Ridgemont provided "a going-in valuation of $73.5mm (which) represents 7.5x Fully

[7] LM Wireless Company Overview prepared by Ridgemont Equity Partners dated March 2016.
[8] LMEG-012650, 2015.07 TZP Valuation, 2015.11 Ridgemont Valuation & 2016.03 Ridgemont Valuation.

Burdened LTM June 2016 EBITDA or 5.4 x Status Quo EBITDA".[9] Ridgemont's "Refreshed" TUC also presents sources and uses of funds at this valuation which provides a valuation of $20 million for "Inactive Owner Buyout".[10]

12. Furthermore, in a draft document titled, Equity Purchase Agreement by and among LZR Holdings, LLC, [LMEG Wireless, LLC] S. Zalman Schochet, and Levi Wilhelm dated October 12, 2016, the parties to the Equity Purchase Agreement agreed to a purchase price for "Purchased Interests" to be $73,500,000 less an amount retained by the Sellers as Rollover Interests.[11]

13. On November 16, 2016, Mr. Wilhelm and Mr. Farro, whose membership in aggregate constitutes most of the voting membership interest of the Company, adopted the resolution approving the merger of LMEG Wireless, LLC and LMEG Acquisition, LLC ("Merger"), resulting in LMEG Acquisition, LLC emerging as the sole surviving company with Mr. Wilhelm and Mr. Farro as its equal and only owners. Pursuant to Section 407 of the New York Limited Liability Company Law, Mr. Farro being the dissenting member to the merger was entitled to a redemption of his interest in LMEG. Per the resolution all membership interests held by the minority member shall be exchanged for $216,765 for each 1% of the membership in LMEG. [12]

14. Subsequent to the Merger on November 17, 2016, LMEG Acquisition, LLC was renamed as LMEG Wireless, LLC.

15. Additionally, on November 22, 2016, a separate entity named LMEG Wireless, LLC (DE) ("LMEG (DE)") was formed which was later renamed as LM Holdco, LLC on January 1, 2017.[13] On the same date, Mr. Wilhelm and Mr. Farro entered into an agreement with LM Holdco, LLC whereby they agreed to transfer their interest in LMEG to LM Holdco, LLC ("Holdco") in exchange for newly issued Class A units of LM Holdco, LLC. [14]

16. On January 13, 2017, LM Holdco, LLC entered into an agreement with Bohm Technologies, LLC whereby Holdco agreed to transfer its interest in LMEG (DE) to Bohm Technologies, LLC as a capital

[9] REP_FARROSUB_00000039
[10] REP_FARR0SUB_00000045 I assume that Ridgemont valued Mr. Farro's interest in LMEG at $20 million as of September 26, 2016.
[11] The Equity Purchase Agreement defines the sellers as S. Zalman Schochet and Levi Wilhelm (LMEG-031468)
[12] Action by Unanimous Written Consent of the Members of LMEG Acquisition LLC.
[13] LMEG-037239 - LM Holdco, LLC Current Legal Entity Structure (6-16-17).
[14] BOHM000042-45 - Contribution and Exchange Agreement dated as of January 13, 2017.

contribution, as a result of which LMEG will become a wholly owned subsidiary of Bohm Technologies, LLC. [15]

17. **Financial Analysis**

First, I analyzed the historical financial performance of the Company. Historical and common sized income statements and balance sheets are presented in Exhibits 2 and 3. I also considered information presented in the Quality of Earnings Reports prepared by PwC and McGladrey.[16] I understand that PwC was retained by Ridgemont Equity Partners in its "evaluation of LM Wireless"[17] ("Project Siri"). I analyzed the quality of earnings adjustments in the prospective financial information presented in the "Refreshed" TUC.[18] I considered this information in my analysis of the fair value of a 33.33% interest in LMEG Wireless.

18. **Prospective Financial Information ("PFI")**

I then utilized the prospective financial information for the Company for the fiscal year ("FY") 2016 through 2021 as presented in the document titled "Refreshed" TUC dated September 26, 2016 ("TUC forecast"). In the TUC, the forecasted revenues are expected to grow from 4.9% in FY 2017 to 17.7% in FY 2021 due to shift in focus on higher value business lines (OEM branded etail and wholesale) and less on proprietary products.[19] EBITDA margins decrease slightly in FY 2017 as compared to FY2016 due to the Company's expenditures to move its operations to Dallas, Texas. The expected improved margins FY 2017 onwards are largely a result of the business being able to ramp up production and leverage existing relationships once the Company is fully operational out of Dallas. Per the TUC forecast, the only bottleneck for growth identified are the operational capabilities and capacities. To mitigate these hindrances a new Chief Financial Officer, Chief Operating Officer, Executive Chairman, Production Manager, Chief Technology Officer, Warehouse Manager and supporting staff were eventually hired.[20]

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[15] BOHM000060-61 - Written Consent of the Sole Managing Member of LM Holdco, LLC.
[16] 2016.08 Financial Evaluation for Ridgemont - Project Siri – Financial Due Diligence Observations prepared by PwC as of August 16, 2016.
[16] LMEG-083031-Project Brooklyn – Sell Side Due Diligence – Draft prepared by McGladrey dated June 28, 2014
[17] Project Siri Financial Due Diligence Observations- Q0E & Inventory .
[18] REP_FARROSUB_00000065.
[19] REP_FARROSUB_00000040.
[20] REP_FARROSUB_00000037 - "Refreshed" TUC prepared by Ridgemont Equity Partners dated September 26, 2016.

19. While I relied on these financial forecasts and tested them for reasonableness for use in my analysis, I have not examined the forecasted data or the underlying assumptions as a Certified Public Accountant in accordance with the standards prescribed by the American Institute of Certified Public Accountants and do not express an opinion or any other form of assurance on the forecasted data and related assumptions.

A. Industry Overview

Consumer Electronic Stores in the U.S.[21]

20. In the valuation of any business interest, the industry outlook as of the valuation date is considered, since the industry in which a business operates influences how investors perceive alternative investment opportunities at any given time. LMEG Wireless as a purchaser of returned or damaged and wholesale consumer electronic which are then sold primarily through online retail channels operates in a number of market segments including consumer electronic, cell phone refurbishing and computer and tablet sales.[22] The Company operates in a particular segment of online consumer electronics retailers described as "e-tail".

21. In my analysis, I considered the various industry factors and trends that prevailed in the period leading up to the fourth quarter of 2016. This section contains an overview of these factors as they were considered relevant for this analysis.

22. The Company broadly operates in the consumer electronic store industry. According to IBISWorld, Consumer electronics stores retail a range of new appliances, electrical goods, and home entertainment products, such as dishwashers, TVs and computers. Many stores also offer repair services, and some stores sell used goods.

23. IBISWorld expects revenue to fall an annualized 1.1% to $74.3 billion over the five years to 2016, including a projected decrease of 2.4% in 2016 alone, driven primarily by a continuing shift toward online electronics purchasing. Even as revenue has fallen over the past five years, profit margins have

[21] IBISWorld Industry Report 44311 – Consumer Electronic Stores in the US – December 2016
[22] REP_FARROSUB_00000037 "Refreshed" TUC prepared by Ridgemont Equity Partners dated September 26, 2016.

recovered from their 2011 figures. During the downturn, a hesitant consumer base delayed purchases on the discretionary items that are prominent in this industry.

24. Most participants in this industry are American-owned and earn their revenue from domestic operations. However, some larger players in the industry, including Best Buy, derive a small portion of their revenue from international operations in Canada, China, Mexico, and Europe. Most of the industry's products are manufactured overseas.

25. Over the next five years, continued economic strengthening will drive increasing consumer spending, but the industry will continue to contract. In the face of mounting competition from online retailers, industry companies will be sustained by consumers who prefer to shop for big-ticket items in-store, but as more consumers become accustomed to making these purchases online, aggregate sales will decline. Furthermore, despite continued improvements in the residential construction market and the growing number of US households will help sustain sales of consumer electronics and more expensive appliances, much of these sales will take place through online channels. Overall, revenue is forecast to decrease at an annualized rate of 1.0% to $70.4 billion over the five years to 2021.

26. Revenue volatility in this industry is quite low but is affected by several factors. Due to the largely discretionary nature of products in the industry, demand is influenced by variations in disposable income and consumer confidence. Consumers are price conscious; therefore, their purchase of appliances and consumer electronics depends on the level of income at their disposal. Demand is also affected by fluctuations in the level of consumer confidence. Retail spending generally rises when consumers are more confident about their financial position.

27. The Consumer Electronics Stores industry is in the mature phase of its life cycle, characterized by growth lower than that of the overall GDP, contracting enterprise figures and wholehearted market acceptance. This industry is estimated to underperform the growth of the US economy over the 10 years to 2021. During the period, industry value added (IVA), which is a measure of the industry's contribution to the US economy, is expected to decrease at an annualized rate of 0.5%. Meanwhile, the US economy is projected to grow at an annualized rate of 2.0% during the same period. As a result, the industry's share of the overall economy is shrinking slightly.

28. IBISWorld estimates that the top four industry players account for 61.2% of revenue. However, much of that concentration is from the industry's largest player, Best Buy, which is expected to account for

49.0% of revenue. However, several factors have led to the medium level of market share concentration in the Consumer Electronics Stores industry. Firstly, there is a high volume of smaller operators in this industry. Nearly 49.0% of industry companies are small businesses with four or fewer employees. Also, the industry has become less concentrated in the five years to 2016, as deteriorating economic conditions resulted in the exit of former major players Circuit City and RadioShack.

29. The Consumer Electronics Stores industry has a low level of capital intensity. IBISWorld estimates that for every dollar spent on wages, industry operators will spend $0.04 on capital investment. Capital investment is in fixtures and fittings, cash registers and point-of-sale (POS) systems.

Cell Phone Recycling in the US[23]

30. The Company also broadly operates in the cell phone recycling industry as this industry also includes companies engaged in refurbishing devices for resale, such as LMEG Wireless. According to IBISWorld, Businesses in this industry primarily separate and sort recyclable materials from cell phones, smart phones, pagers and personal digital assistants. Companies also refurbish devices for resale; thus, I considered the outlook for this industry segment as well.

31. As consumers upgrade their phones, retiring their old phones after purchasing new ones, this increases the potential market for cell phone recycling. The number of mobile internet connections is expected to increase during 2016, representing a potential opportunity for the industry.

32. The Cell Phone Recycling industry faces a low level of industry globalization due to the service-oriented nature of the industry. While some industry companies resell parts to operators in other countries, this exchange remains a low portion of industry revenue due to high transportation costs. It is also difficult for industry operators to set up operations in other countries due to regulations regarding recycling and the handling of material waste.

33. IBISWorld forecasts industry revenue to continue growing through 2021 at an annualized rate of 10.2% per year to reach $1.3 billion. However, a 2014 survey by Harris Poll on behalf of the Institute of Scrap Recycling Industries indicated that younger Americans are not as prone to recycling as are older Americans, indicating a challenge for industry operators.

[23] IBISWorld Industry Report OD5888 – Cell Phone Recycling in the US – October 2016

34. The Cell Phone Recycling industry also experienced a low level of revenue volatility over the past five years. Industry revenue is affected by the national stock of mobile phones ready for end-of-life management. As cell phone and smartphone ownership grew over the period, this has increased the pool of potential phones that can be recycled. Additionally, rising smartphone and cell phone ownership increased the potential demand for recycled phones by consumers.

35. According to Pew Research Center, cell phone and smartphone ownership has risen. In 2004, 65% of US adults owned cell phones. As of 2015, 92% of US adults owned a cell phone. Over the past five years, smartphone ownership also has risen drastically. In 2011, just 35.0% of US adults owned a smartphone. By 2015, the percentage had risen to 68.0%. Rising cell phone and smartphone ownership increases the amount of electronic waste. As new models are released, a Gallup Panel survey estimates that 2.0% of smartphone users will replace their smartphone, while 44.0% of users replace their smartphones every two years. When consumers and businesses replace their phones, this positively benefits demand for industry services as consumers and businesses look for safe ways to dispose of their cell phones and smartphones.

36. The major market segmentation is based upon the source of cell phones received by industry operators. Operators primarily obtain cell phones from two categories: businesses and commercial entities and consumers. Businesses and commercial entities provide 74.1% of all recycled cell phones to industry operators. This category includes private and non-private organizations and government agencies. Consumers provide only 25.9% of all recycled cell phones. Although this segment can obtain extra money by recycling cell phones, many consumers choose not to recycle them.

37. IBISWorld analysis reveals this industry is in the growing stage of its cycle. Over the 10 years to 2021, industry value added (IVA), which measures the industry's contribution to the US economy, is projected to increase at an annualized rate of 11.1%.

Online Computer and Tablet Sales in the US[24]

38. Lastly, the Company broadly operates in the online computer and tablet sales industry as this industry also includes companies engaged in online sales of computer and tablet. According to IBISWorld, Businesses in this industry primarily sell tablets and computer via the internet (e-tail).

39. Over the five years to 2016, industry revenue was expected to increase at an annualized rate of 2.3% to $44.1 billion, including a 2.3% jump in 2016 alone.

40. Over the five years to 2021, the industry will continue to grow, with revenue projected to increase at an annualized rate of 2.6% to $50.1 billion. Improving per capita disposable income and rising consumer confidence about the convenience and security of online purchases will secure repeat sales. In addition to improving economic conditions, product innovations and new technologies will further bolster industry growth.

41. Globalization in the Online Computer and Tablet Sales industry is low. Most industry operators are based in the United States and revenue from the industry is based solely on domestic sales. Nevertheless, the industry is exposed to some globalization because some operators generate a significant portion of their sales from international consumers.

42. Over the next five years, demand for tablets is projected to continue to stabilize, but two-in-one tablet hybrids are expected to grow in popularity. Nevertheless, the looming threat of online sales tax may hamper sales and slow profit growth. By burdening online retailers with sales tax on all purchases, this legislation could remove a significant portion of the cost saved by operating online, resulting in fewer sales transactions. Moreover, many small and midsize operators may need to hire tax specialists for compliance, thus reducing profit margins.

43. During the five years to 2016, the Online Computer and Tablet Sales industry's revenue has exhibited a low level of volatility. During this period, industry revenue is expected to grow at a steady pace, barring a slightly drop in sales growth in 2013. In this year, sales of tablets began to slow, as the consumer market for such products began to saturate and new product introduction slowed.

[24] IBISWorld Industry Report OD5078 – Online Computer and Tablet Sales in the US – August 2016

44. The precipitous rise of the tablet computer and the introduction of laptop tablet hybrid computers have been the primary drivers of growth for the Online Computer and Tablet Sales industry over the past five years. Rapid technological change, combined with increased production efficiency, have resulted in falling retail prices for industry products, making them more attractive and affordable for consumers. Over the past five years, the industry has experienced strong growth, in line with the overall e-commerce sector. As the economy has strengthened, disposable income figures have risen, and consumers have become more accustomed to making electronics purchases online. As a result, the industry has expanded, despite some indications of market saturation.

45. Consumers aged 30 to 49 represent the largest market for operators in the Online Computer and Tablet Sales industry, at 30.5%. This age group is most likely to have the highest level of disposable income, giving them the ability to spend on new electronics. Individuals aged 29 or below are estimated to account for 27.9% of industry revenue, making them the second-largest market. These consumers are likely to need computers or tablets for higher education or to remain competitive in the labor market and are often the most technologically inclined market. These young professionals are likely to have lower disposable income than their elders; however, they are also less likely to have a spouse or children. Consequently, this age group is an attractive market for industry operators. Consumers aged 65 and older are expected to generate 18.8% of industry revenue in 2016. This market has been rapidly expanding over the past five years, due to its adoption of tablet devices.

46. The Online Computer and Tablet Sales industry is in the growth stage of its life cycle, with rising participation and rapid technological advancements. During the 10 years to 2021, IBISWorld projects the industry value added, which measures the industry's contribution to the overall economy, will grow at an average annual rate of 3.5%. Meanwhile, US GDP is expected to increase an annualized 2.1% over the same period.

47. The Online Computer and Tablet Sales industry has a moderate level of market share concentration. IBISWorld estimates the four largest operators in the industry account for less than 40.0% of total industry revenue. Large companies in this industry are often either large e-commerce retailers, such as Amazon, which enjoy the financial benefits of scale, or manufacturers that sell directly through their company website and cut out the cost detriments associated with selling to a wholesalers or retailer.

48. The Online Computer and Tablet Sales industry has a medium level of capital intensity. In 2016, operators are expected to allocate an estimated $0.13 on capital expenditures for every $1.00 spend on

labor. Because this industry includes both retail operators that sell online and online-only stores, the capital intensity of this industry comes out somewhere in the middle of those two intensive industries.

49. In summary, over the five years leading to 2016, while the consumer electronics industry had a tepid and slow growth, it is majorly attributable to consumers purchasing through online modes. The Online Computers and Tablet sales industry is expected to align its growth with the economy. This shift to online purchasing coupled with the cell phone refurbishing business positions the LMEG Wireless well for significant growth.

B. General Economic Outlook[25]

50. In the valuation of any business interest, the general economic outlook as of the valuation date should be considered since the national economic outlook influences how investors perceive alternative investment opportunities at any given time.

51. In my analysis, I considered the general economic climate that prevailed in the third quarter of 2016. This section contains an overview of some selected economic factors, followed by a discussion of those factors that are critical over the long term. Topics addressed include general economic conditions, monetary policy, consumer prices and inflation rates, and employment growth and unemployment.

52. **General Economic Conditions**

Following a strong gain of 3.9% in the second quarter (due to a rebound from the first quarter's weather-related factors), the U.S. economy grew by only 1.5% in the third quarter. Better consumption failed to offset the third quarter's inventory reduction and weaker business investment. For the full year, the U.S. economy was expected to grow by 2.4%. In 2016, growth was expected to pick up to 2.6%, thanks to better business investment. In 2017, this growth trend was expected to continue at 2.4% as the global economy improves and in turn helps U.S. exports.

[25] Source: Georgia State University's *Forecast of the Nation, August 2016.*

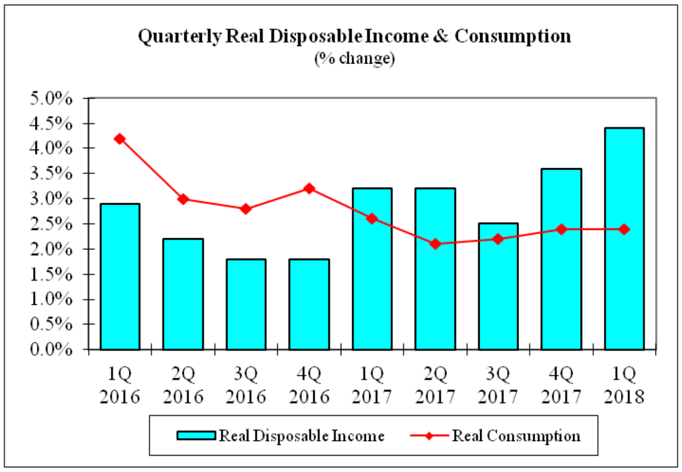
53. **Monetary Policy**

In July, the Federal Open Market Committee ("FOMC") kept the federal funds rate at a median rate of 0.375% for the fifth consecutive meeting, and it issued a mixed statement on the economy's progress. The committee continued to view an improving labor market with strong job gains. However, despite diminishing near-term risks to the outlook, business fixed investments remained weak while inflation compensation remained low. Just before the Brexit vote, the 10-year rate was 1.73%, but a flight to safety resulted in a low yield of 1.37% soon afterwards. Since then, the rate had rebounded and was 1.59% in early August.

54. **Consumer Prices and Inflation Rates.**

After falling by 0.3% in the first quarter, overall Consumer Price Index ("CPI") rose by 2.5% in the second quarter of 2016. Food and beverage inflation had fallen marginally for two quarters in a row (-0.1% in the second quarter). Meanwhile, fuels and utilities rebounded from 4.1% deflation in the first quarter to 1.8% inflation in the second. Core inflation, which negates these energy and food price fluctuations, had risen consistently at 2.7% growth in the first quarter and 2.1% in the second. On a year-over-year basis, overall inflation was 1.1% in the first half of 2016.

55. The following chart demonstrates the relationship between real disposable income and consumption for the second quarter of 2016 through the expected economic results for second quarter 2018.



56. In 2015, consumer spending grew at a steady rate of 2.5% on average every quarter. However, in the first two quarters of this year, consumption had see-sawed. After growing just 1.6% in the first quarter, consumer spending bounced back to a solid gain of 4.2% in the second quarter due to strong spending on vehicles, travel and consumer goods. Spending was forecasted to smooth out in the remainder of 2016 and result in a growth rate of 2.7%. In 2017, consumer spending was expected to grow 2.8% followed by an increase of 2.3% in 2018.

57. After 0.2% deflation in the first quarter, CPI grew by 2.5% in the second quarter of 2016. Going forward, energy prices were expected to continue to rise, which was expected to aid in the recovery of inflation. The forecasted inflation was 1.3% in 2016, 2.4% in 2017, and 2.6% in 2018. Core inflation was forecasted to be 2.2% in both 2016 and 2017 and 2.3% in 2018, just slightly higher than the Federal Reserve's inflation target of 2.0%. Meanwhile, nonfarm wage compensation was expected to grow by a weak 2.0% in 2016, a better 3.4% in 2017, and another gain of 3.6% in 2018.

58. **Employment Growth and Unemployment**

After a dismal 24,000 job additions in May, employment rebounded to add 292,000 jobs in June and 255,000 in July. Since January, the economy averaged 186,000 monthly job gains, which was off pace of the average 228,000 job additions in 2015. In July, domestically driven sectors such as retail trade, hospitality, and healthcare fared better compared to other areas, although they also saw moderation from the 2015 pace. The corporate sector and financial activities also rebounded in July. The unemployment rate fell to a low 4.7% in May but had since inched up to 4.9% in July.

IV. Discussion

59. New York Consolidated Laws, Business Corporation Law BSC Sec. 623 Procedure to enforce shareholder's rights to receive payment for shares. The Respondent in this matter, Menachem Farro is a former shareholder in LMEG Wireless who has asserted dissenter's rights regarding the fair value of his shares in respect to the merger.

60. I understand that the appraisal rights regarding the fair value of Mr. Farro's interest in LMEG Wireless is subject to a special proceeding under Article 4 of the Civil Practice Law and Rules ("CPLR") section 1005 of the Limited Liability Company and Section 623 of the Business Corporation Law. I considered both these statutes and a prior case held before the Supreme Court of the State of New York for guidance in determining the fair value of Mr. Farro's interest.

61. In the Matter *Lawrence R. Blake v. Blake Agency,* the New York Supreme Court notes that "in making the necessary determination (of fair value), courts should look for guidance to the criteria set forth by the cases interpreting Business Corporation Law (section) 623, the appraisal rights statute. The factors to be considered are inter alia, market value, investment value, and net asset value."[26]

62. The Court further describes the appropriate approaches to determining fair value indicating, "within the context of a closely held corporation, market value is usually of little or no significance because the shares of stock are not traded on any public market. Moreover, other than certain bona fide offers to purchase all of the outstanding stock of a corporation (i.e., through a merger or acquisition), a sale of the stock of a closely held corporation usually does not qualify as an arm's length transaction because the sale usually does not qualify as an arm's length transaction because the sale usually involves corporate officers, employees or family members. Net asset value is generally the standard applicable in evaluation manufacturing corporation or real estate and investment holding companies. With a corporation like the one in issue herein, investment value will usually be the primary criterion upon which "fair value" is based."[27]

63. With respect to the application of discounts for lack of control ("DLOC") and lack of marketability ("DLOM") I have again considered the guidance from *Blake v. Blake Agency, Inc*. The Court noted that, "said discount should only reflect the lack of marketability of petitioner's shares in the closely

[26] 486 N.Y. S.2d 341 (1985)
[27] ibid

held corporations. No discount should be applied simply because the interest to be valued represents a minority interest in the corporation." Additionally, I considered guidance from New York courts in the Zelouf and Chiu matters.[28]

64. Thus, in my valuation analysis I have considered but not applied any specific discounts for lack of control and I have considered and applied a discount for lack of marketability.

65. The Court noted in *Blake v. Blake Agency*, "the (New York) statue does not define the term "fair value, and it fails to provide any criteria for determining "fair value. In addition to the guidance provided in *Blake v. Blake Agency*, I also utilized the definition of fair value as provided by the Revised Model Business Corporation Act ("RMBCA") which is the foundation of laws in many other states.[29]

66. The original definition of fair value as provided in the 1984 RMBCA is:

> *"The value of the shares immediately before the effectuation of the corporate action to which the shareholder objects, excluding any appreciation or depreciation in anticipation of the corporate action unless exclusion would be inequitable."*[30] In 1999, a provision was added to the RMBCA clarifying the applicability of discounts for lack of control and discounts for lack of marketability under the concept of fair value.

> *"The value of the corporation's shares determined immediately before the effectuation of the corporate action to which the shareholder objects using customary and current valuation concepts and techniques generally employed for similar businesses in the context of the transaction requiring appraisal without discounting for lack of marketability or minority status except, if appropriate, for amendments to the articles pursuant to section 13.02(a)(5)."*[31]

67. I note that the definition of fair value under the RMBCA does not consider discounts for lack of control or marketability. However, the guidance in the *Blake v. Blake Agency* provides for the consideration of discount for lack of marketability but not for lack of control.

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[28] Ibid I also considered other guidance as to the application of a discount for lack of marketability in fair value matters in the State of New York in Zelouf International Corp. v. Zelouf, 2014 NY Slip Op 51462 (U) [Sup Ct, NY County Oct. 6, 2014; Chiu v. Chiu, 2015 NY, lip Op 01427 [2d Dept Feb. 18, 2015] among other sources.

[29] ibid
[30] Model Business Corporation Act Section 13.01(3((ABA 1984).
[31] Model Business Corporation Act Section 13.01(4) (ABA 1999).

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C. Valuation Methodology

68. There are three generally recognized approaches for valuing the stock of a corporation: the income approach, the asset approach, and the market approach. Valuation analysts use one or more of these three approaches to estimate value. The objective of using more than one approach is to develop mutually supporting evidence for the conclusion of value.

69. **Income Approach**

The application of the income approach establishes value by methods that discount or capitalize future anticipated benefits, such as net cash flow, by a rate that reflects market rate of return expectations or conditions, as well as the relative risk of the investment. This approach is accomplished using the discounted cash flow ("DCF") or capitalized cash flow ("CCF") method. DCF is most appropriate when cash flow is expected to fluctuate or differ in the short term from the company's long-term cash flow and a CCF is used when the company's cash flow is estimated to be relatively stable and consistent through the long-term. Because a long-term (six-year) forecast was available, I have used the DCF method as a primary approach in the valuation of the Company. While the CCF analysis was used as a corroborative approach.

70. **Market Approach**

Value can be determined using the market approach by comparing the subject company to similar businesses, business interests, or securities that have been sold. In some cases, this can be accomplished by a comparison to guideline publicly traded ("GPC") companies, an analysis of guideline transactions of similar businesses sold ("GTC"), or by analyzing transactions of the company's own stock. In the determining the fair value of a 33.3% interest in the Company, I have employed both the GPC and GTC methodologies as corroborative approaches.

71. **Asset Approach**

The asset or cost approach establishes value by netting the market value of the assets by the liabilities to determine the net asset value or net worth of the business. This approach generally reflects the historical cost or depreciated value of the company's assets versus the current market values of the assets. Therefore, the independent valuation of fixed assets, or the use of other valuation approaches for intangible assets, may be necessary to estimate a current value of the company. This approach is usually a good indicator of value for investment or holding types of businesses, or for companies that no longer operate as going concerns. The Company was an operating company and was not contemplating liquidation in 2016. In addition, holding a minority membership interest, the respondent could not compel liquidation of the business. Consequently, I considered, but did not use the asset approach.

A. Valuation – Income Approach

I. Discounted Cash Flow Analysis

72. The Discounted Cash Flow ("DCF") method estimates the value of an asset based on its ability to generate future cash flows. This methodology is particularly useful when future profit margins and growth are expected to vary significantly from historical operating results.

73. I utilized the prospective financial information for the Company as presented in TUC forecast. In my DCF analysis, I analyzed the underlying assumptions based on internal company data, industry data and guideline public company information for reasonableness.

74. In addition, long-term growth rate and the debt-free working capital ("DFWC") requirements are other assumptions in the DCF. I considered the DFWC as provided in the TUC forecast to be a reasonable requirement for maintaining the forecasted growth. The prospective DFWC assumed was in the reasonable range of the DFWC requirements of the comparable companies as well as the Company's own historical requirements.

75. Discounting the prospective cash flows using the Weighted Average Cost of Capital ("WACC") as of the valuation date results in an indicated fair market value of the invested capital (equity + interest bearing debt) of $96,000,000. (Exhibit 7)

II. Capitalized Cash Flow Analysis

76. The Capitalization of Cash Flows ("CCF") method estimates the value of an asset based on its ability to generate future cash flows. This methodology is particularly useful when the company's cash flow is estimated to be relatively stable and consistent through the long-term.

77. I utilized the adjusted historical Earnings Before Interest Taxes Depreciation and Amortization ("EBITDA") and adjusted EBITDA as presented in Quality of Earnings (QoE) - Monthly for the last twelve months (LTM) ending November 2016 and Diligence Adjusted EBITDA for the LTM ending May 2016 as reported in the Project Siri - Financial due diligence observations - QoE and Inventory report by PwC dated August 16, 2016, to calculate three different scenarios of net normalized cash flows accruing to the Company.

78. In my CCF analysis, I considered assumptions based on internal company data, industry data and guideline public company information. The long-term growth rate and the debt-free working capital requirement are key assumptions in the CCF.

79. After capitalizing the net normalized cash flows, the three different CCF scenarios resulted in an indicated fair value of the invested capital (equity + interest bearing debt) as follows: (Exhibit 8)

   a. Historical LTM - $95,500,000
   b. QoE McGladrey - $104,200,000
   c. QoE PwC – $79,000,000

III. Weighted Average Cost of Capital ("WACC") Calculation

80. The WACC is the cost of capital, or discount rate, determined by the weighted average of the cost of all financing sources in the entity's capital structure, at market value. The derivation of the WACC is shown in Exhibit 6. The formula is:

$$WACC = ke \times We + kd \times Wd$$

where:

ke = Cost of equity
We = Equity weight (value of equity divided by invested capital)
kd = After-tax cost of debt
Wd = Debt weight (value of interest-bearing debt divided invested capital)

81. I calculated the WACC using a build-up method to determine an equity rate of return. I also utilized the Modified Capital Asset Pricing Method.

The build-up approach can be summarized as follows:

ke = Rf + RPm + RPi+ RPs + RPu

where:

Rf = Rate of return on a risk-free security

RPm = Risk premium for the market

RPi = Risk premium for the industry

RPs = Size risk premium over and above RPm

RPu = Risk premium for unsystematic risk attributable to the specific company (company-specific risk premium)

82. For the Company, I used the following information:

ke = 2.69% + 6.90% - 0.11% + 5.60% + 3.00%

ke = 18.08%

The Modified Capital Asset Pricing Method ("MCAPM") can be summarized as follows:

ke = Rf + (β x RPm) + RPs + RPu

ke = 2.69 % + (0.98 x 6.90%) + 5.60% + 3.00%

ke = 18.08%

Where:

Rf = Rate of return on a risk-free security

β = Subject company's beta coefficient

RPm = Risk premium for the market

RPs = Size premium over and above market premium

RPu = Risk premium for unsystematic risk attributable to the specific company (company-specific risk premium)

83. The rate of return on a risk-free security was developed from the yields of U.S. Treasury securities. Ideally, the duration of the security used as an indication of the risk-free rate should match the horizon

of the forecasted cash flows that are being discounted. Based on the yield on 20-year Treasury Constant Maturities as of November 16, 2016, the risk-free rate was 2.69%.

84. The average market return determined above represents a rate of return that an average investor would consider adequate for an investment in a portfolio of S&P 500 stocks. Both financial theory and empirical evidence indicate there is a relation between company size and return. The size risk premium represents small company total returns over large company total returns. Since the Company is smaller than the S&P 500 stocks used to derive the equity risk premium, I added a premium for size. The return on small stocks is determined by a study that examines returns by market capitalization of all stocks on the NYSE from 1926 through December 2016. The Company being a private company, no market capitalization was available. Hence, I considered the enterprise value of the subject Company from the expressions of interest as well as the value indication from market approach. Since the enterprise value is within the range of $1.963 million to $209.46 million, empirical data suggests a corresponding 10th decile market capitalization size premium of 5.60%.

85. The risk premium for unsystematic risk is designed to account for additional risk factors specific to the subject entity. Based on the analysis of the PFI, I estimated the company specific risk of the Company to be approximately 3% to capture the uncertainties related to achievement of growth in the forecasts.

86. I also analyzed the cost of equity using risk premia from the 2016 study performed by Duff & Phelps, which relies on eight alternative measurements of size, to assess the risk of the Company. The cost of equity implied by the build-up method was 17.72% and 15.96% for the modified CAPM method. I concluded on a cost of equity of 17.0% as applicable to the Company, relying on Duff & Phelps data.

87. The discount rate for debt in the capital structure is usually defined as the marginal borrowing rate of the subject company net of tax benefit associated with the deductibility of interest expense. The marginal borrowing rate can be found by examining existing lending agreements, by interviewing current or prospective lenders, or by observing the market borrowing rate for credit ratings relatively suitable for the Company. I relied on a rate as presented in the TUC forecast to be the rate of interest on the loans going forward. [32]

88. The calculation of the discount rate for debt in the capital structure can be summarized as follows:

[32] REP_FARROSUB_00000037 - "Refreshed" TUC prepared by Ridgemont Equity Partners dated September 26, 2016.

$$kd = \text{Marginal borrowing rate} \times (1 - \text{Marginal tax rate})$$

89. The required return on debt in the capital structure is defined as the marginal borrowing rate of the Company net of tax benefit associated with the deductibility of interest expense. I relied on the TUC forecast for the rate of interest on the loans going forward. I assumed that the Company's actual cost of borrowing to be 10.0%. After tax, the cost of debt financing is estimated to be 7.4 %. [33]

90. To compute the debt-free cash flows, I applied a 26.00% provision for income taxes. LMEG is a Limited Liability Company ("LLC[34] which is a "passthrough" entity for income tax purposes, similar to the taxation of a partnership. The implied tax rate is computed using the modified Delaware MRI methodology where a formula approach is used to determine the appropriate hypothetical equivalent C corporation income tax rate to be applied when valuing an ownership interest in an LLC. [35]

91. I assumed a long term 10% debt to 90% equity capital ratio for the capital structure. This assumption is consistent with the capital structure of the comparable companies. Assuming an approximately $100 million enterprise valuation, the Company currently has an approximately 17% debt to 83% equity ratio. However, given the nature and the rate of interest on the shareholder loans to the Company, the debt has some characteristics of equity financing. Furthermore, the "Refreshed" TUC appears to assume a pay down of debt during the forecast period. Each of these supports the reasonableness of my assumption of the appropriate long-term capital structure of the Company.

92. As of November 16, 2016, using the estimated capital structure of the industry and the cost of capital resulted in a WACC of approximately:

$$\text{WACC} = 0.90\,(17.0\%) + 0.10\,(7.4\%) = 16.00\%\ \text{(rounded) (Exhibit 6)}$$

B. Valuation – Market Approach

[33] I noted that loans from partners had implied interest rate of up to 48%. In my experience, this level of required rate of return is typically for investment in equity interests in very early stage companies, which LMEG Wireless is not.
[34] Section 4.15 (i) of the Equity Purchase Agreement notes," the Target is, and since the date of its formation has been, treated as a "partnership" for U.S. federal, state and local income Tax purposes."
[35] DELAWARE OPEN MRI RADIOLOGY ASSOCIATES, P.A., Petitioner, v. Howard B. KESSLER, et al., Respondents.
Howard B. Kessler, et al., Plaintiffs, v. George J. Broder, et al., Defendants.
C.A. No. 275-N.

I. GPC Method

93. The GPC method is based on a comparison of a subject company to similar "guideline" publicly traded companies. Market pricing multiples are developed and based on the guideline companies' financial fundamentals and quoted trading prices. The multiples are then applied to the subject company's financial fundamentals to calculate indications of value. In my analysis, I identified several companies which I considered similar to LMEG Wireless; therefore, I used the guideline public company method.

94. In valuing the Company, I searched for guideline companies in similar lines of business as LMEG. I performed an independent search for guideline companies using the S&P's Capital IQ database. I identified the following 10 companies whose lines of business were considered comparable to the Company.

- Cerebra Integrated Technologies Limited
- Telecom Service One Holdings Limited
- Harris Technology Group Limited
- Medicale Group AB (publ)
- Luxey International (Holdings) Limited
- Cyfrowe Centrum Serwisowe Spólka Akcyjna
- Simclar, Inc.
- Ban Leong Technologies Limited
- Munoth Communication Limited
- Suny Cellular Communication Ltd

(Refer to Exhibit 12 for detailed description of the guideline companies)

95. Using the Capital IQ database, I calculated multiples of the guideline companies' market value of invested capital (MVIC) to EBITDA for the TTM period ending November 16, 2016. These multiples and other pertinent financial information are shown in Exhibit 9.

96. The MVIC / EBITDA multiple was selected with consideration to the guideline company multiples. I considered guideline companies' margins, growth/contraction and leverage in the selection of the multiple. As of the valuation date, the Company's margins were among the highest of the guideline companies. The Company was also bigger than the guideline companies as reflected in the financial metrics. After consideration of these factors, I selected the MVIC / EBITDA multiple of 8.13 based on

the 3rd quartile in the application of this methodology. My analysis using the 8.13 multiple indicated a value of the invested capital of the Company to be approximately $93,900,000. (Exhibit 9)

II. Guideline Transaction Method

97. The guideline transaction method, also known as the merged and acquired method, is similar to the guideline publicly traded company method in that pricing multiples are calculated and applied to a subject company. The transaction method, however, is based on the analysis of similar companies (either publicly traded or closely held) that have been recently acquired in a merger or acquisition transaction, as opposed to similar companies that are traded on an organized exchange. I performed a search for similar acquired companies using the S&P's Capital IQ database and identified 9 transactions involving companies engaged in similar lines of business. After consideration of these factors, I selected the Enterprise Value (EV)/EBITDA multiple of 7.67 based on the 3rd quartile in the application of this methodology. Using this multiple, the indicated EV of the Company was approximately $88,492,000 to which Company's cash balance was added to compute the MVIC under this methodology which was approximately $88,900,000. The guideline transactions with accompanying pricing and financial data are presented in Exhibit10.

98. I also calculated the fair value of the Company using the implied TTM EBITDA Multiples for the valuations offered by different acquiring entities as presented in Paragraph 9. The mean and median ranges for the implied EV/EBITDA multiple of these offers were 8.0x-8.7x and 8.7x-8.9x respectively. Using the mean range of 8.0x-8.7x, the indicated EV of the Company was approximately $96,422,000 to which Company's cash balance was added to compute the MVIC under this methodology which was approximately $96,800,000. The details of the offers and the implied multiples analyzed are presented in Exhibit10a.

99. **DLOM Calculation**

All other things being equal, an investment in a business is worth more if it is readily marketable or, conversely, worth less if it is not. Investors prefer liquidity to lack of liquidity, and interests in closely held companies are illiquid relative to most other investments. As such, I considered a discount for lack of marketability in my analysis.

100. I relied on the Option Pricing Model ("OPM") to determine the DLOM to factor the non-marketability of the Company's Equity. Several quantitative methods have been developed for option pricing. These

models focus on future expected market conditions and the underlying stock price and what the indicated value of the option should be, given these factors and terms of the option. The following summarizes some of the factors considered in valuing options:

- economic conditions and outlook, specifically with regards to interest rates.
- time to the options' expiration.
- dividends expected and volatility on the underlying stock.

101. In estimation of this discount, I used the following option pricing models:

1. Chaffe Put Option Analysis
2. Finnerty Option Analysis
3. Ghaidarov Forward-Starting Put Analysis
4. Ghaidarov Adjusted Arithmetic Average-Strike Option Analysis

102. I considered a holding period of three months since Mr. Schochet and Mr. Wilhelm were actively seeking investors in the equity of the Company from 2014 through 2016. Several different private equity firms had shown interest in acquiring a stake in the Company. Furthermore, Mr. Schochet and Mr. Wilhelm had an equity purchase agreement drawn up to sell an interest in LMEG Wireless to Ridgemont Equity Partners, approximately just one month prior to the valuation date. Based on the OPM, I concluded on a discount of 6.0% to be appropriate in factoring the lack of marketability of a 33.33 % interest in the equity of LMEG Wireless. (Exhibit 11)

103. I also considered empirical data known as "Restricted Stock Studies" as a corroboration to the OPM for computing the DLOM. These studies compare the value per share of a private placement of an otherwise publicly traded stock to its public traded price. Since private placements are restricted from resale for a certain period of time, these studies have been used by valuation analysts as an indication the magnitude of lack of marketability. These restricted stock studies have concluded an average discount for lack of marketability for restricted shares (compared to otherwise identical freely traded shares) in the range of 11% to 45%. (Exhibit 11c). I have considered these studies in my analysis of an appropriate discount for lack of marketability, however since the management was actively seeking investors in the Company, I primarily relied on the OPM method as an indication of the discount for lack of marketability.

104. **Conclusion**

Between 2014 and 2016, LMEG Wireless LLC had received various proposals for financing which included indications of the value of the invested capital of the Company. These proposals estimated the value of LMEG Wireless, LLC to be between $70-$115 million. In forming my opinion, I performed my own independent valuation analysis as to the fair value of the 33.33% membership interest in the Company as of November 16, 2016. In my valuation, I analyzed the fair value of Mr. Farro's interest through both a discounted cash flow analysis and a capitalization of cash flow analysis under the income approach. I also analyzed the fair value of Mr. Farro's interest using a guideline company method and a merged and acquired method under the market approach. I also considered third party indications of value.

105. In my opinion, the discounted cash flow analysis provides the best indication of the fair value of Mr. Farro's interest in LMEG Wireless since this methodology best captures the value from the expected incremental growth of the Company as of the valuation date. I used the other methodologies as well as the value indications in the financing proposals as corroboration the valuation indications by the discounting cash flows.[36]

106. My discounted cash flow analysis indicates that the fair value of total invested capital as of the valuation date to be $96,000,000. In order to derive the fair value of the equity of LMEG Wireless, I subtracted the fair value of total interest-bearing debt (assumed to be equal to the book value as of the valuation date) of $17,400,000. The resulting fair value of the equity is $78,600,000 on a fully marketable basis. Since a 33.33% interest in LMEG Wireless is not readily marketable, I applied a discount for lack of marketability of 6.0% the application of which is based upon guidance from various court cases in the State of New York, resulting the fair value of the total equity on a non-marketable basis of $73,900,000. The conclusions of my analysis are presented below and supplemented by supporting Exhibits as presented in Exhibit 1.

107. In my opinion, the fair value of 33.33% membership interest in the Company as of November 16, 2016, is $24,600,000.

* * *

[36] For example, I noted that Ridgemont Equity Partners in the "Refreshed" TUC and confirmed by the draft Equity Purchase Agreement valued Mr. Farro's interest in LMEG Wireless to be $ 20 Million as of September 26, 2016.

I have been engaged in a consulting role to serve as an expert witness in this matter. I have not audited in accordance with generally accepted auditing standards, any of the financial information or other documents considered in reaching my opinions.

Mark L. Zyla CPA/ABV, CFA, ASA

September 9, 2022

Appendix A – Valuation Exhibits

Exhibit 1
LMEG Wireless LLC and its Affiliates
Equity Valuation Summary
As of November 16, 2016

		(USD $ 000')
Income Approach		
Discounted Cash Flow Method	(1)	96,000
Capitalized Cash Flow Method	(2)	
LTM		95,500
QoE - McGladrey		104,200
QoE - PwC	(3)	79,000
Market Approach		
Guideline Publicly Traded Company Method - TTM	(4)	93,900
Guideline Merged and Acquired Company Method	(5)	88,900
Value Conclusion from the Implied Multiples from the Offers	(6)	96,800
Indicated Value of Invested Capital	(7)	**96,000**
Minus: Interest Bearing Debt	(8)	(17,400)
Concluded Fair Value of Total Equity - Marketable basis		**78,600**
Minus: Discount for Lack of Marketability @ 6.0%	(9)	(4,716)
Concluded Fair Value of Total Equity - Non-Marketable basis (Rounded)		**$ 73,900**
Fair Value of 33.33% Membership Interest		**$ 24,600**

Notes:

(1) Refer to Exhibit 7
(2) Refer to Exhibit 8
(3) QoE Analysis for 2016 is as of May 2016.
(4) Refer to Exhibit 9
(5) Refer to Exhibit 10
(6) Refer to Exhibit 10a.
(7) Based on a weighting of 100% to the Discounted Cash Flow method. Value conclusion derived from other methods were performed as a corroboration to the discounted cash flow method.
(8) Interest bearing debt comprises of loan from Zalman Schochet and long term loans from other sources per the valuation date Balance Sheet. Refer to Exhibit 2.
(9) Refer to Exhibit 11

Exhibit 2
LMEG Wireless LLC and its Affiliates
Historical and Common Sized Balance Sheets
As of November 16, 2016

(USD $ 000')

As of December 31,	2012		2013		2014		2015		As of November 2016	
ASSETS										
Current Assets										
Cash and Cash Equivalents	97	1.4%	287	3.8%	97	0.4%	(51)	-0.2%	365	1.6%
Trade Notes and Accounts Receivable	218	3.2%	852	11.3%	3,320	15.0%	3,857	15.1%	2,455	10.7%
Inventories	5,680	82.0%	5,868	78.0%	12,341	55.8%	14,625	57.4%	16,708	72.5%
Other Current Assets	-	0.0%	-	0.0%	5,723	25.9%	6,315	24.8%	2,711	11.8%
Total Current assets	5,996	86.6%	7,007	93.1%	21,482	97.1%	24,747	97.0%	22,239	96.6%
Non-Current Assets										
Loans to shareholders	2	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Property, Plant and Equipment										
Buildings and other depreciable assets	51	0.7%	95	1.3%	84	0.4%	181	0.7%	939	4.1%
Less: Accumulated Depreciation	(25)	-0.4%	(39)	-0.5%	(43)	-0.2%	(109)	-0.4%	(148)	-0.6%
Intangible Assets										
Intangible assets (amortizable only)	237	3.4%	505	6.7%	521	2.4%	672	2.6%		0.0%
Less: Accumulated Amortization	(41)	-0.6%	(44)	-0.6%	(95)	-0.4%	(162)	-0.6%		0.0%
Other Assets	707	10.2%	-	0.0%	172	0.8%	171	0.7%		0.0%
Total Non-Current assets	931	13.4%	518	6.9%	641	2.9%	753	3.0%	791	3.4%
Total Assets	**6,927**	**100.0%**	**7,525**	**100.0%**	**22,122**	**100.0%**	**25,500**	**100.0%**	**23,031**	**100.0%**
LIABILITIES & STOCKHOLDERS' EQUITY										
Current Liabilities										
Accounts Payable	649	9.4%	12	0.2%	764	3.5%	1,634	6.4%	1,013	4.4%
Mortgages, bond, notes payable in less than 1 year	725	10.5%	966	12.8%	543	2.5%	1,434	5.6%	-	0.0%
Other Current Liabilities	-	0.0%	447	5.9%	-	0.0%	8	0.0%	1,252	5.4%
Total Current Liabilities	1,375	19.8%	1,426	18.9%	1,307	5.9%	3,076	12.1%	2,266	9.8%
Non-Current Liabilities										
Loan from Shareholders	59	0.8%	11	0.2%	930	4.2%	388	1.5%	-	0.0%
Loan from Partners	5,076	73.3%	2,559	34.0%	9,031	40.8%	13,778	54.1%	17,250	74.9%
Mortgages, bond, notes payable in more than 1 year	-	0.0%	100	1.3%	270	1.2%	-	0.0%	150	0.7%
Total Non-current Liabilities	5,135	74.1%	2,670	35.5%	10,231	46.2%	14,166	55.7%	17,400	75.6%
Equity										
Drawings										
Zalman Schochet									(254)	
Menachem Farro									(351)	
Levi Wilhelm									(402)	
Members equity	417	6.0%	3,429	45.6%	10,584	47.8%	8,208	32.3%	4,372	19.0%
Total Liabilities and Stockholders' Equity:	**6,927**	**100.0%**	**7,525**	**100.0%**	**22,122**	**100.0%**	**25,450**	**100.0%**	**23,031**	**100.0%**
Supplementary Information										
Net Working Capital	4,621		5,581		20,174		21,671		19,974	
Revenue	34,755		44,287		70,370		76,176		73,585	
Debt Free Working Capital ("DFWC")	5,346		6,548		20,717		23,105		19,974	
% of Revenue	*15.4%*		*14.8%*		*29.4%*		*30.3%*		*27.1%*	
DFWC (without cash)	5,249		6,261		20,620		23,156		19,609	
% of Revenue	15.1%		14.1%		29.3%		30.4%		26.6%	

Source: Tax returns provided by the management for LMEG Wireless and its Affiliates for the financial years 2012 through 2016. For TTM November 2016 internally prepared monthly balance sheet statement was relied upon.

Exhibit 3
LMEG Wireless LLC and its Affiliates
Historical and Common Sized Income Statements
As of November 16, 2016

(USD $ 000')

For the Years Ending December 31,	**2012**		**2013**		**2014**		**2015**		**LTM November 2016**	
	(1)		*(2)*		*(3)*		*(4)*		*(5)*	
Revenues										
OEM Product (Retail)	20,261	43.6%	16,589	33.2%	24,056	32.1%	29,404	38.5%	31,451	34.9%
Products (Wholesale OEM+Prop)	7,418	16.0%	10,753	21.5%	20,627	27.6%	27,968	36.6%	26,661	29.6%
Proprietary Products (Retail)	7,076	15.2%	16,945	33.9%	25,687	34.3%	18,804	24.6%	15,473	17.2%
Total Products Revenue	34,755	74.8%	44,287	88.6%	70,370	94.0%	76,176	99.6%	73,585	81.7%
Growth	*NA*		*27.4%*		*58.9%*		*8.3%*		*-3.4%*	
Other Income										
Other Income	-	0.0%	-	0.0%	52	0.1%	29	0.0%	387	0.4%
Flips	11,733	25.2%	3,378	6.8%	2,042	2.7%	262	0.3%	16,113	17.9%
Service	-	0.0%	2,296	4.6%	2,401	3.2%	-	0.0%	-	0.0%
Total Other Income	11,733	25.2%	5,674	11.4%	4,494	6.0%	290	0.4%	16,500	18.3%
Growth	*NA*		*-51.6%*		*-20.8%*		*-93.5%*		*5580.9%*	
Total Revenue	**46,488**	**100.0%**	**49,962**	**100.0%**	**74,864**	**100.0%**	**76,466**	**100.0%**	**90,085**	**100.0%**
Growth	*NA*		*7.5%*		*49.8%*		*2.1%*		*17.8%*	
Direct Expense										
Total Direct Expenses	(25,574)	-55.0%	(28,502)	-57.0%	(42,074)	-56.2%	(47,379)	-62.0%	(61,321)	-68.1%
Gross Profit										
OEM Product (Retail)	11,445	24.6%	5,526	11.1%	10,751	14.4%	11,685	15.3%	11,711	13.0%
Products (Wholesale OEM+Prop)	3,947	8.5%	5,119	10.2%	6,297	8.4%	8,017	10.5%	8,807	9.8%
Proprietary Products (Retail)	3,191	6.9%	8,410	16.8%	13,222	17.7%	9,354	12.2%	7,765	8.6%
Flips / Service Profit	2,331	5.0%	2,404	4.8%	2,520	3.4%	33	0.0%	482	0.5%
Total Gross Profit	**20,914**	**45.0%**	**21,459**	**43.0%**	**32,790**	**43.8%**	**29,088**	**38.0%**	**28,764**	**31.9%**
Growth	*NA*		*2.6%*		*52.8%*		*-11.3%*		*-1.1%*	
Operating Expense										
Total Operating Expenses	(11,147)	-24.0%	(11,107)	-22.2%	(15,718)	-21.0%	(16,210)	-21.2%	(17,870)	-19.8%
			(385)							
Operating Income (Loss)	**9,767**	**21.0%**	**10,352**	**20.7%**	**17,072**	**22.8%**	**12,878**	**16.8%**	**10,895**	**12.1%**
Growth	*NA*		*6.0%*		*64.9%*		*-24.6%*		*-15.4%*	
Interest Expense	1,509	3.2%	(3,732)	-7.5%	(2,732)	-3.6%	(4,619)	-6.0%	(5,778)	-6.4%
Income Before Taxes	**11,276**	**24.3%**	**6,620**	**13.3%**	**14,340**	**19.2%**	**8,259**	**10.8%**	**5,116**	**5.7%**
Less: Provision for Income Taxes	-	0.0%	(16)	0.0%	(132)	-0.2%	(247)	-0.3%	(40)	0.0%
Net Income	**11,276**	**24.3%**	**6,604**	**13.2%**	**14,208**	**19.0%**	**8,012**	**10.5%**	**5,076**	**5.6%**
Growth	*NA*		*-41.4%*		*115.1%*		*-43.6%*		*-36.6%*	
Supplementary Data										
Operating Income (Loss)	9,767	21.0%	10,352	20.7%	17,072	22.8%	12,878	16.8%	10,895	12.1%
Add: Depreciation and Amortization	-	0.0%	240	0.5%	-	0.0%	-	0.0%	-	0.0%
EBITDA	**9,767**	**21.0%**	**10,592**	**21.2%**	**17,072**	**22.8%**	**12,878**	**16.8%**	**10,895**	**12.1%**
Less: Flips/Service Gross Profit	(2,331)		(2,404)		(2,520)		(33)		(482)	
Less: Other Income	-		-		(52)		(29)		(387)	
Add: Other Non-Recurring items	-		-		-		-		1,519	
Adjusted EBITDA (6)	**9,767**	**28.1%**	**8,188**	**18.5%**	**14,501**	**20.6%**	**12,816**	**16.8%**	**11,544**	**15.7%**

Source: Internally prepared financial statements for the years ended December 31, 2012 through December 31, 2015 and the TTM for the period ended November 16, 2016.
(1)2014.07 LMEG Information Memorandum
(2)REP_FARROSUB_00000014_CONFIDENTIAL
(3)REP_FARROSUB_00000014_CONFIDENTIAL
(4)REP_FARROSUB_00000001
(5)LMEG-643426 - CONFIDENTIAL - Monthly Balance Sheet FY16
(6)The adjustments such as profits from Flips/Service which represent products purchased from vendors which are then immidiately resold to a customer who has prepaid for these goods, along with other and non-recurring sources of income were considered as one-time and were excluded in calculating adjusted EBITDA so as to reflect the historical financial data on a proforma basis in line with the projections.

Exhibit 3a
LMEG Wireless LLC and its Affiliates
Quality of Earnings Analysis - PwC
As of November 16, 2016

(USD $ 000')

For the Years Ending December 31,	2015		LTM February 2016		LTM May 2016	
Revenues						
OEM Product (Retail)	29,948	38.9%	29,363	38.9%	29,832	38.7%
Products (Wholesale OEM+Prop)	28,001	36.3%	27,532	36.5%	28,602	37.1%
Proprietary Products (Retail)	19,134	24.8%	18,494	24.5%	18,617	24.2%
Total Products Revenue	**77,083**	**100.0%**	**75,389**	**100.0%**	**77,051**	**100.0%**
Growth	*n/a*		*-2.2%*		*2.2%*	
Direct Expense						
Cost of Production	(43,608)	-56.6%	(42,021)	-55.7%	(50,038)	-64.9%
Direct Labour	(2,591)	-3.4%	(2,697)	-3.6%	(2,782)	-3.6%
Other Direct Expense	(1,439)	-1.9%	(1,492)	-2.0%	(1,514)	-2.0%
Total Direct Expenses	(47,638)	-61.8%	(46,210)	-61.3%	(54,334)	-70.5%
Gross Profit						
OEM Product (Retail)	12,361	16.0%	12,056	16.0%	11,806	15.3%
Products (Wholesale OEM+Prop)	8,124	10.5%	8,090	10.7%	8,834	11.5%
Proprietary Products (Retail)	9,218	12.0%	9,034	12.0%	9,123	11.8%
Total Gross Profit	**29,703**	**38.5%**	**29,180**	**38.7%**	**29,763**	**38.6%**
Growth	*n/a*		*-1.8%*		*2.0%*	
Operating Expense						
Indirect Labour	(2,092)	-2.7%	(2,090)	-2.8%	(2,137)	-2.8%
Internet Marketing & Fees	(9,207)	-11.9%	(9,452)	-12.5%	(9,534)	-12.4%
Frieght Out	(3,074)	-4.0%	(2,995)	-4.0%	(3,099)	-4.0%
Other Expenses	(1,837)	-2.4%	(1,854)	-2.5%	(1,875)	-2.4%
Total Operating Expenses	(16,210)	-21.0%	(16,391)	-21.7%	(16,645)	-21.6%
Operating Income (Loss)	**13,493**	**17.5%**	**12,789**	**17.0%**	**13,118**	**17.0%**
Growth	*n/a*		*-5.2%*		*2.6%*	
Other (Expense)/Income	33	0.0%	29	0.0%	57	0.1%
Mngt Adjusted EBITDA	**13,526**	**17.5%**	**12,818**	**17.0%**	**13,175**	**17.1%**
Diligence Adjusted EBITDA	**10,992**	**14.3%**	**10,106**	**13.4%**	**9,995**	**13.0%**
Growth	*n/a*		*-8.1%*		*-1.1%*	

Source: "2016.08 Financial Evaluation for Ridgemont" - Project Siri - Financial due diligence observations - QoE and Inventory report by PwC dated August 16, 2016.

Exhibit 4
LMEG Wireless LLC and its Affiliates
Management's Prospective Financial Information ("PFI")
As of November 16, 2016

(USD $ 000')

For the Years Ending December 31,	**2016**		**2017**		**2018**		**2019**		**2020**		**2021**	
	(Projected)		*(Projected)*		*(Projected)*		*(Projected)*		*(Projected)*		*(Projected)*	
Revenues												
OEM Product (Retail)	31,532	41.0%	33,494	41.6%	36,263	41.5%	41,299	43.0%	50,059	46.2%	63,860	50.1%
Products (Wholesale OEM+Prop)	28,342	36.9%	29,759	36.9%	32,735	37.4%	36,008	37.5%	39,609	36.6%	44,560	34.9%
Proprietary Products (Retail)	16,964	22.1%	17,315	21.5%	18,430	21.1%	18,695	19.5%	18,695	17.3%	19,120	15.0%
Total Products Revenue	**76,838**	**100.0%**	**80,568**	**100.0%**	**87,428**	**100.0%**	**96,002**	**100.0%**	**108,363**	**100.0%**	**127,540**	**100.0%**
Growth	*NA*		*4.9%*		*8.5%*		*9.8%*		*12.9%*		*17.7%*	
Direct Expenses	(46,916)	-61.1%	(49,634)	-61.6%	(53,651)	-61.4%	(58,811)	-61.3%	(66,191)	-61.1%	(76,972)	-60.4%
Gross Profit												
OEM Product (Retail)	12,558	16.3%	13,341	16.6%	14,761	16.9%	17,095	17.8%	21,140	19.5%	27,944	21.9%
Products (Wholesale OEM+Prop)	9,198	12.0%	9,570	11.9%	10,587	12.1%	11,693	12.2%	12,712	11.7%	14,141	11.1%
Proprietary Products (Retail)	8,166	10.6%	8,023	10.0%	8,429	9.6%	8,403	8.8%	8,320	7.7%	8,483	6.7%
Total Gross Profit	**29,922**	**38.9%**	**30,934**	**38.4%**	**33,777**	**38.6%**	**37,191**	**38.7%**	**42,172**	**38.9%**	**50,568**	**39.6%**
Baseline Operating Expense	(16,747)	-21.8%	(16,653)	-20.7%	(17,434)	-19.9%	(18,209)	-19.0%	(19,291)	-17.8%	(21,955)	-17.2%
Status Quo EBITDA	**13,175**	**17.1%**	**14,281**	**17.7%**	**16,343**	**18.7%**	**18,982**	**19.8%**	**22,881**	**21.1%**	**28,613**	**22.4%**
QoE Adjustments	(1,197)	-1.6%	(1,360)	-1.7%	(1,388)	-1.6%	(1,425)	-1.5%	(1,558)	-1.4%	(1,770)	-1.4%
New Opex Investment	(2,400)	-3.1%	(3,400)	-4.2%	(3,437)	-3.9%	(3,075)	-3.2%	(3,114)	-2.9%	(3,153)	-2.5%
Fully Burdened EBITDA	**9,578**	**12.5%**	**9,521**	**11.8%**	**11,518**	**13.2%**	**14,482**	**15.1%**	**18,209**	**16.8%**	**23,690**	**18.6%**
Supplementary Information												
Capex	66	0.1%	2,602	3.2%	1,678	1.9%	958	1.0%	1,084	1.0%	1,275	1.0%
Working Capital	20,853	27.1%	22,005	27.3%	23,683	27.1%	25,509	26.6%	28,119	25.9%	32,079	25.2%
Change in Working Capital	(2,039)		(1,152)		(1,678)		(1,826)		(2,610)		(3,960)	

Notes:
Source: "REP_FARROSUB_00000037" - Base case prospective financial information as presented in "Refreshed" TUC prepared by Ridgemont Equity Partners dated September 26, 2016.

Exhibit 5
LMEG Wireless LLC and its Affiliates
Debt-Free Working Capital Computation
As Of November 16, 2016

Industry Debt-Free Working Capital Requirements and Cash Requirements (1)

	45331Y - Used Merchandise Stores (Cost of Sales)		44314Y - Electronics and Appliance Stores (Cost of Sales)	
Sales Range	**All**	**Over $25 MM**	**All**	**Over $25 MM**
As a % of Total Assets				
Current Assets	61.3%	37.6%	74.9%	72.9%
Less: Current Liabilities	28.1%	36.3%	49.0%	52.2%
Working Capital	33.2%	1.3%	25.9%	20.7%
Working Capital	33.2%	1.3%	25.9%	20.7%
Plus: Notes Payable - Short-term	11.6%	8.9%	11.1%	7.9%
Plus: Current Mat. - L.T.D.	1.8%	1.7%	1.5%	2.6%
Debt-Free Working Capital (DFWC)	46.6%	11.9%	38.5%	31.2%
Debt-Free Working Capital	46.6%	11.9%	38.5%	31.2%
Times: Total Assets - $000	$586,650	$439,482	$4,935,661	$4,378,293
Debt-Free Working Capital - $000	$273,379	$52,298	$1,900,229	$1,366,027
Debt-Free Working Capital - $000	$273,379	$52,298	$1,900,229	$1,366,027
Divided by: Total Sales - $000	$1,164,862	$880,700	$16,213,090	$14,589,535
DFWC As a % of Sales	**23.5%**	**5.9%**	**11.7%**	**9.4%**

Guideline Company Debt-Free Working Capital Requirements (2)

Guideline Companies	**Ticker**	**DFWC as a % of revenue**
Cerebra Integrated Technologies Limited	BSE:532413	57.0%
Telecom Service One Holdings Limited	SEHK:3997	53.9%
Harris Technology Group Limited	ASX:HT8	NA
Mediacle Group AB (publ)	NGM:MEGR	65.6%
Luxey International (Holdings) Limited	SEHK:8041	NA
Cyfrowe Centrum Serwisowe Spólka Akcyjna	WSE:CCS	4.5%
Simclar, Inc.	OTCEM:SIMC	19.0%
Ban Leong Technologies Limited	SGX:B26	21.5%
Munoth Communication Limited	BSE:511401	n.m.
Suny Cellular Communication Ltd	TASE:SNCM	11.6%
Average		33.3%
Median		21.5%

Subject Historical Debt-Free Working Capital Requirements

Last 3 FY Average	29.0%
Concluded Debt-Free Working Capital Requirements (3)	**25.0%**

Notes:
NA = Not Available; n.m. = not meaningful
(1) Risk Management Association's 2016 - 2017 Annual Statement Studies.
(2) Sourced from S&P's Capital IQ.
(3) Based on the consideration of industry, comparable companies, subject company's historical and projected levels of working capital.

Exhibit 6
LMEG Wireless LLC and its Affiliates
Weighted Average Cost of Capital
As of November 16, 2016

Build-Up Method, Cost of Equity: Ke = Rf + RPm + RPi + RPs + RPu

	Ten Decile Analysis		Twenty-Five Portfolio Rank Analysis	
Risk-Free Rate (Rf)	2.69%	(1)	2.69%	(1)
Market Premium (RPm)	6.90%	(2)	n/a	(10)
Industry Risk Premium (RPi)	-0.11%	(3)	-0.08%	(12)
Small Company Market Premium (RPs)	5.60%	(4)	12.11%	(11)
Company Specific Risk Premium (RPu)	3.00%	(5)	3.00%	(5)
ke =	**18.08%**		**17.72%**	

After Tax Cost of Debt: kd = Kb(1-t)

Borrowing Rate (Kb)	(6)	10.00%
Tax Rate (t)	(7)	26.00%
kd =		**7.40%**

Modified CAPM Method, Cost of Equity: Ke = Rf + (b x RPm) + RPs + RPu

	Ten Decile Analysis		Twenty-Five Portfolio Rank Analysis	
Risk-Free Rate (Rf)	2.69%	(1)	2.69%	(1)
Beta (b)	0.98	(9)	0.98	(9)
Market Premium (RPm)	6.90%	(2)	4.93%	(13)
Size Premium (RPs)	5.60%	(4)	5.42%	(11)
Company Specific Risk Premium (RPu)	3.00%	(5)	3.00%	(5)
ke =	**18.08%**		**15.96%**	
Concluded ke =			**17.00%**	

Weighted Average Cost of Capital (WACC)

	Cost	Weighting (8)	
Cost of Equity	17.00%	90.00%	15.30%
Cost of Debt	7.40%	10.00%	0.74%
		WACC =	**16.04%**
		Rounded =	**16.00%**

Notes:
(1) 20-Year Treasury Bond as of valuation date; Federal Reserve Statistical Release.
(2) Duff & Phelps *Cost of Capital Navigator;* historical long-term horizon expected equity risk premium.
(3) Difference between Industry Specific Market Premium and Market Premium
(4) Duff & Phelps *Cost of Capital Navigator* (Long-Term Returns in Excess of CAPM Estimations for Decile Portfolios of the NYSE/AMEX/NASDAQ 10th Decile).
(5) Based on analysis of the Company's historic and prospective revenue growth rates, the acquisition internal rate of return and uncertainty associated with financial forecasts.
(6) Expected Rate of Interest for loans as provided by the management in "Refreshed" TUC prepared by Ridgemont Equity Partners dated September 26, 2016.
(7) Market participant tax assumption based on the combined U.S. federal and state tax rates.
(8) Based on market participants capital structure.
(9) Based on the levered adjusted betas for the guideline publicly traded companies.
(10) Market Premium, Duff & Phelps included as part of the size specific equity risk premium.
(11) Size-specific equity risk premiums over CAPM are based on comparison of the Company to risk premium groups presented in the Duff & Phelps Cost of Capital Navigator. (Smoothed Average Premium over CAPM).
(12) Converted Ten Decile Rank IRP to Twenty-Five Portfolio Rank (New IRP=10 IRP*(25 ERP/10 ERP)).
(13) Adjusted Market Premium, Duff & Phelps Cost of Capital Navigator.

Exhibit 7
LMEG Wireless LLC and its Affiliates
Discounted Cash Flow Analysis
As of November 16, 2016

Assumptions:		
Discount Rate	(2)	16.00%
Perpetuity Growth Rate	(3)	2.69%
Debt Free Working Capital as % of Revenue	(4)	25.00%
Tax Rate	(5)	26.00%

(USD $ 000')

	For the Fiscal Years Ending December 31,	**2016 Projection (1)**		**2017 Projection (1)**		**2018 Projection (1)**		**2019 Projection (1)**		**2020 Projection (1)**		**2021 Projection (1)**		**Terminal Year**	
	Total Revenue	**76,838**	**100.0%**	**80,568**	**100.0%**	**87,428**	**100.0%**	**96,002**	**100.0%**	**108,363**	**100.0%**	**127,540**	**100.0%**	**130,971**	**100.0%**
	% Annual Growth	*n/a*		*4.9%*		*8.5%*		*9.8%*		*12.9%*		*17.7%*		*2.7%*	
	Total Direct & Operating Expenses	(63,663)	-82.9%	(66,287)	-82.3%	(71,085)	-81.3%	(77,020)	-80.2%	(85,482)	-78.9%	(98,927)	-77.6%	(101,588)	-77.6%
	QoE Adjustments	(1,197)	-1.6%	(1,360)	-1.7%	(1,388)	-1.6%	(1,425)	-1.5%	(1,558)	-1.4%	(1,770)	-1.4%	(1,818)	-1.4%
	New Opex Investment	(2,400)	-3.1%	(3,400)	-4.2%	(3,437)	-3.9%	(3,075)	-3.2%	(3,114)	-2.9%	(3,153)	-2.5%	(3,238)	-2.5%
	Total Expenses	(67,260)	-87.5%	(71,047)	-88.2%	(75,910)	-86.8%	(81,520)	-84.9%	(90,154)	-83.2%	(103,850)	-81.4%	(106,644)	-81.4%
	EBITDA	**9,578**	**12.5%**	**9,521**	**11.8%**	**11,518**	**13.2%**	**14,482**	**15.1%**	**18,209**	**16.8%**	**23,690**	**18.6%**	**24,327**	**18.6%**
	Less: Depreciation	(171)	-0.2%	(692)	-0.9%	(1,027)	-1.2%	(1,219)	-1.3%	(1,436)	-1.3%	(1,519)	-1.2%	(1,309)	-1.0%
	EBIT	**9,407**	**12.2%**	**8,829**	**11.0%**	**10,491**	**12.0%**	**13,263**	**13.8%**	**16,773**	**15.5%**	**22,171**	**17.4%**	**23,018**	**17.6%**
	Estimated Tax	(2,446)	-3.2%	(2,296)	-2.8%	(2,728)	-3.1%	(3,448)	-3.6%	(4,361)	-4.0%	(5,764)	-4.5%	(5,985)	-4.6%
	Debt Free Net Income	**6,961**	**9.1%**	**6,534**	**8.1%**	**7,763**	**8.9%**	**9,815**	**10.2%**	**12,412**	**11.5%**	**16,406**	**12.9%**	**17,033**	**13.0%**
(6)	Less: Capital Expenditures	(66)	-0.1%	(2,602)	-3.2%	(1,678)	-1.9%	(958)	-1.0%	(1,084)	-1.0%	(1,275)	-1.0%	(1,309)	-1.0%
	Plus: Depreciation	171	0.2%	692	0.9%	1,027	1.2%	1,219	1.3%	1,436	1.3%	1,519	1.2%	1,309	1.0%
(4)	Less: Incremental Debt Free Net Working Capital	(2,039)	-2.7%	(1,152)	-1.4%	(1,678)	-1.9%	(1,826)	-1.9%	(2,610)	-2.4%	(3,960)	-3.1%	(858)	-0.7%
	Debt Free Cash Flow	**5,027**	**6.5%**	**3,471**	**4.3%**	**5,434**	**6.2%**	**8,250**	**8.6%**	**10,154**	**9.4%**	**12,691**	**10.0%**	**16,176**	**12.4%**
	Terminal Year Value													139,030	
	Partial period	0.12		1.00		1.00		1.00		1.00		1.00		1.00	
	Discount Period	0.06		0.62		1.62		2.62		3.62		4.62		4.62	
	Present Value Factor	0.99		0.91		0.79		0.68		0.58		0.50		0.50	
	Present Value of Cash Flows	598		3,166		4,273		5,592		5,933		6,393		70,035	
	Sum of Present Values (Years 2016 Through 2021)	25,955													
(7)	Present value of Terminal Value	70,035													
	Preliminary Value of Invested Capital	**95,990**													
	Value of Invested Capital (Rounded)	**$ 96,000**													

Notes:
(1) Base case prospective financial information as presented in the Refreshed" TUC dated September 26, 2016. See Exhibit 4.
(2) Discount rate is selected as WACC. Refer to Exhibit 6.
(3) Based on 20-Year Treasury Bond as of valuation date; Federal Reserve Statistical Release.
(4) Incremental DFWC requirement as presented in the Refreshed" TUC dated September 26, 2016. Refer to Exhibit 4.
(5) Given that the entity is a pass-through entity ("PTE"), pre-tax income has been tax affected using the modified Delaware MRI methodology.
(6) Capital expenditure projections provided by management.
(7) The terminal value is based on the H model.

H Model Growth Assumptions:	
CF(1)	$ 16,176
CF(0)	13,944
Discount Rate	16.0%
Mid-point of High Growth (Transition Period/2)	2.0
Initial Growth Rate	17.70%
Stable Growth Rate	2.7%
Value of Extraordinary Growth:	31,445
Value of Stable Growth:	107,585
Terminal Value:	139,030

Exhibit 7a
LMEG Wireless LLC and its Affiliates
Sensitivity Analysis
As of November 16, 2016

		WACC				
		14%	15%	16%	17%	18%
LTGR	1.7%	112,200	101,400	92,200	84,300	77,500
	2.2%	115,100	103,700	94,000	85,800	78,700
	2.7%	118,200	106,100	96,000	87,400	80,000
	3.2%	121,600	108,800	98,100	89,100	81,400
	3.7%	125,300	111,700	100,400	90,900	82,900

Exhibit 8
LMEG Wireless LLC and its Affiliates
Capitalized Cash Flow Analysis
As of November 16, 2016

Assumptions:		
Discount rate	(4)	16.00%
Tax Rate	(5)	26.00%
Normal DFNWC as % of Revenues	(6)	25.0%
Perpetuity Growth Rate	(7)	8.0%

(USD $ '000)	**Trailing Twelve Months Ended (1) 11/16/2016**	**QoE (2) Nov 2016 TTM**	**QoE (3) May 2016 TTM**
Adjusted EBITDA	11,544	12,414	9,995
Depreciation & Amortization (8)	-	-	-
Normalized EBIT	11,544	12,414	9,995
- Provision for Income Taxes	(3,001)	(3,228)	(2,599)
= Net Income Available to Invested Capital	8,543	9,186	7,396
+ Depreciation & Amortization (8)	-	-	-
- Capital Expenditures (8)	-	-	-
- Change in Debt-Free Working Capital (Additions) (9)	(1,472)	(1,471)	(1,541)
= Net Cash Flow Available to Invested Capital	7,071	7,715	5,855
x (1 + Long Term Growth Rate)	1.080	1.080	1.080
= Growth Adjusted Net Cash Flow to Invested Capital	7,637	8,332	6,324
÷ Weighted Average Cost of Capital less Growth (10)	8.00%	8.00%	8.00%
= Indicated Value of Invested Capital	95,459	104,153	79,046
Value of Invested Capital	**95,459**	**104,153**	**79,046**
Value of Invested Capital (Rounded)	**$ 95,500**	**$ 104,200**	**$ 79,000**

Notes:
(1) Refer to Exhibit 3.
(2) Quality of Earnings Analysis. *Source: LMEG-002755 - CONFIDENTIAL*
(3) Refer to Exhibit 3a.
(4) Discount rate is selected as WACC. Refer to Exhibit 6.
(5) Given that the entity is a pass-through entity ("PTE"), pre-tax income has been tax affected using the modified Delaware MRI methodology.
(6) Refer to Exhibit 5.
(7) Based on long-term real growth for the U.S. as reported by the Office of Economic Cooperation and Development, long term inflation as calculated from the Federal Reserve Statistical Release and expectations that the industry will have higher than GDP growth over a five year horizon as reported by IBISWorld. While selecting the long-term growth rate, I also looked at the compounded annual growth rate in the PFI for the years starting 2016 through the terminal year as presented in Exhibit 7.
(8) Represents a normalized on-going level of capital expenditures. Depreciation assumed to be equal to capital expenditures in the long-term.
(9) Based on incremental growth of revenues at long term growth rate multiplied by the concluded debt-free working capital.
(10) Capitalization rate is equal to 1 / (weighted average cost of capital less growth).

Exhibit 9
LMEG Wireless LLC and its Affiliates
Guideline Publicly Traded Company Method
As of November 16, 2016

(USD $ '000)

Guideline Companies	MVIC / EBITDA	MVIC (1)	EBITDA	EBITDA%	1-Year EBITDA Growth	Debt / MVIC
Cerebra Integrated Technologies Limited	n.m.	30,830	1,218	3.5%	-2.1%	6.9%
Telecom Service One Holdings Limited	11.10	35,280	3,178	22.8%	-5.7%	1.9%
Harris Technology Group Limited	n.m.	22,737	1,000	2.5%	1.1%	35.4%
Mediacle Group AB (publ)	NM	2,565	NA	NA	NA	0.0%
Luxey International (Holdings) Limited	NM	110,355	(1,895)	-9.7%	104.6%	2.3%
Cyfrowe Centrum Serwisowe Spólka Akcyjna	5.66	3,753	663	1.6%	-27.5%	12.5%
Simclar, Inc.	NM	21,528	(763)	-0.7%	0.0%	NA
Ban Leong Technologies Limited	7.14	20,430	2,861	2.8%	11.7%	24.7%
Munoth Communication Limited	NM	418	(70)	-105.6%	-25.5%	47.4%
Suny Cellular Communication Ltd	4.30	52,758	12,280	5.3%	456.1%	69.0%
LMEG - TTM (2)			11,544	15.7%	-9.9%	
Maximum	11.1	110,355	12,804	22.8%	456.1%	69.0%
Average	7.0	30,065	3,804	-7.3%	57.0%	22.2%
1st Quartile	5.3	7,922	480	-0.1%	-5.7%	2.3%
3rd Quartile	8.1	34,168	6,068	4.0%	11.7%	35.4%
Median	6.4	22,132	2,039	2.7%	0.0%	12.5%
Minimum	4.3	418	(1,895)	-105.6%	-27.5%	0.0%

	MVIC / EBITDA
Selected Multiple (3)	**8.13**
Trailing Twelve Months Financial Metric (3)	11,544
Value of Invested Capital	93,867
Weights	100.0%
Indicated Value of Invested Capital	**93,867**
Indicated Value of Invested Capital (Rounded)	**$93,900**

Notes:
Source: S&P 's Capital IQ
NA = Not Available; NM = Negative Multiple; n.m. = not meaningful
(1) MVIC = Market Value of Invested Capital (Market Value of Equity + Interest Bearing Debt)
(2) Trailing twelve months calculated based on information provided by management. One year growth represents the TTM November 2016 over fiscal year 2015. Refer to Exhibit 3.
(3) I considered the MVIC/EBITDA based on the 3rd quartile multiple to apply to the Company's financial metrics

Exhibit 10
LMEG Wireless LLC and its Affiliates
Guideline Merged and Acquired Company Method
As of November 16, 2016

(USD $ '000)

Target	Buyer	Transaction Date	Target EBITDA $000	EV/ EBITDA
BST Distribution, Inc.	PhoneX Holdings, Inc.	10/26/2015	1,620	4.25
ModusLink Recovery LLC	Encore Holdings, LLC	1/11/2013	NA	NA
ANOVO SA	Butler Capital Partners	10/31/2011	6,503	12.78
Teleplan International N.V.	Rivean Capital B.V.,Gilde Buyout Fund IV,Gilde Buyout Fund IV,Gilde Buyout Fund IV,Gilde Buyout Fund IV,Gilde Buyout Fund IV	11/28/2010	28,136	6.11
Cofidur S.A.	NA	3/18/2009	4,764	5.18
CRC Group plc	Blancco Technology Group plc	12/14/2006	2,248	8.18
Mentor Media Ltd.	Navis Capital Partners,Southern Capital Group,Headland Private Equity Fund 3 Limited,Navis Asia Fund IV, L.P.,Mulberry Asia Fund,HPEF Capital Partners Limited	9/3/2005	30,677	5.80
LMEG			11,544	
High			30,677	12.78
Low			1,620	4.25
1st Quartile			2,877	5.34
3rd Quartile			22,728	7.67
Mean			12,325	7.05
Median			5,634	5.96

	Trailing Twelve Months Financial Metric (2)	11,544
	Multiplied by: Selected Multiple (3)	7.67
	Enterprise Value	88,492
	Weights	100.0%
	Preliminary Enterprise Value	**88,492**
(4)	Plus: Cash and Other Non-Operating Assets	365
	Indicated Value of Invested Capital	**88,857**
	Indicated Value of Invested Capital (Rounded)	**$88,900**

Notes:
Sources: S&P's Capital IQ
NA = Not Available
(1) EV = Enterprise value (Market Value of Equity + Interest Bearing Debt - Cash)
(2) Trailing twelve months calculated based on information provided by management. See Exhibit 3.
(3) I considered the EV/EBITDA based on the 3rd quartile after evaluation of the risks, size and growth etc. of the guideline target companies multiples in comparison to the subject company.
(4) Refer to Exhibit 2.

Exhibit 10a
LMEG Wireless LLC and its Affiliates
Value Conclusion from the Implied Multiples from the Offers
As of November 16, 2016

(USD $ '000)

LOI Date (1)	Acquiring Entity (1)	Valuation Offered (in $ mn) (1)	EBITDA Multiple as per LOI (1)	Implied TTM EBITDA Multiple (2)	
August 28, 2014	Southfield Capital Advisory, LLC	$100-114	7.0x-8.0x	8.7	9.9
August 29, 2014	Swander Pace Capital	$100-115	-	8.7	10.0
August 29, 2014	Stephens Capital Partners, LLC	$85-100	-	7.4	8.7
August 29, 2014	TZP Capital Partners II, L.P.	$70-80	-	6.1	6.9
September 3, 2014	Waud Capital	$106.8-121.0	7.5x-8.5x	9.3	10.5
September 3, 2014	Webster Capital III, L.P.	$92.3-106.5	6.5x-7.5x	8.0	9.2
July 1, 2015	TZP Capital Partners II, L.P.	$100	-	8.7	8.7
November 17, 2015	Ridgemont Equity Partners II, LLC	$102.50	-	8.9	8.9
March 9, 2016	Ridgemont Equity Partners II, LLC	$70	5.0x	6.1	6.1
High				9.3	10.5
Low				6.1	6.1
1st Quartile				7.4	8.7
3rd Quartile				8.7	9.9
Mean				8.0	8.7
Median				8.7	8.9
Trailing Twelve Months Financial Metric (3)				11,544	11,544
Multiplied by: Selected Multiple				7.96	8.75
Enterprise Value				91,844	101,000
Weights				50.0%	50.0%
Preliminary Enterprise Value					**96,422**
Plus: Cash and Other Non-Operating Assets (4)					365
Indicated Value of Invested Capital					**96,787**
Indicated Value of Invested Capital (Rounded)					**$96,800**

Notes:

(1) From 2014 through 2016, several private equity firms have shown interest in acquiring a stake in the Company.
Source: LMEG-012650, 2015.07 TZP Valuation, 2015.11 Ridgemont Valuation & 2016.03 Ridgemont Valuation

(2) Implied multiples computed by dividing the EV provided in the offers with the TTM Adjusted EBITDA as of November 16, 2016.

(3) Refer to Exhibit 3.

(4) Refer to Exhibit 2.

Exhibit 11
LMEG Wireless LLC and its Affiliates
Discount for Lack of Marketability - Summary
As of November 16, 2016

	Approach	%
(1)	Option pricing model	
	Chaffe	7.76%
	Finnerty	4.50%
	Ghaidarov Forward-Starting Put Analysis	7.82%
	Ghaidarov Adjusted Arithmetic Average-Strike Option Analysis	4.53%
	Average	6.15%
	Median	6.14%
	Minimum	4.50%
	Maximum	7.82%
	Concluded Discount for Lack of Marketability (Rounded)	**6.00%**

Notes:
(1) Refer to Exhibit 11a.

Exhibit 11a
LMEG Wireless LLC and its Affiliates
Discount for Lack of Marketability - Option Pricing Model
As of November 16, 2016

Theoretical Option Pricing Models	**Holding Period Assumption**			
	0.25 years	**0.5 years**	**0.75 years**	**1 year**
Chaffe Put Option Analysis	7.76%	12.64%	15.25%	17.68%
Finnerty Option Analysis	4.50%	7.35%	8.90%	10.34%
Ghaidarov Forward-Starting Put Analysis	7.82%	12.81%	15.54%	18.12%
Ghaidarov Adjusted Arithmetic Average-Strike Option Analysis	4.53%	7.45%	9.07%	10.61%

Source: Discount for lack of marketability, Guide and Toolkit - Business valuation resources

Inputs	%			
Volatility *(Refer to Exhibit 11b)*	39.26%	45.61%	45.27%	45.82%
Risk Free Rate	0.47%	0.62%	0.62%	0.76%
Risk Free Rate - Continuously Compounded	0.47%	0.62%	0.61%	0.76%

Exhibit 11b
LMEG Wireless LLC and its Affiliates
Volatility Computation Summary
As of November 16, 2016

Company name	Ticker	November 16, 2016 0.25	0.5 year	0.75 year	1 year
Cerebra Integrated Technologies Limited	BSE:532413	63.44%	53.93%	64.97%	72.55%
Telecom Service One Holdings Limited	SEHK:3997	37.74%	36.79%	36.28%	37.64%
Harris Technology Group Limited	ASX:HT8	n.m.	n.m.	n.m.	n.m.
Mediacle Group AB (publ)	NGM:MEGR	n.m.	n.m.	n.m.	n.m.
Luxey International (Holdings) Limited	SEHK:8041	54.28%	51.24%	60.88%	63.94%
Cyfrowe Centrum Serwisowe Spólka Akcyjna	WSE:CCS	39.26%	45.61%	45.27%	45.82%
Ban Leong Technologies Limited	SGX:B26	36.97%	37.43%	36.78%	31.94%
Munoth Communication Limited	BSE:511401	27.38%	29.09%	23.99%	23.08%
Suny Cellular Communication Ltd	TASE:SNCM	63.99%	54.16%	48.16%	64.47%
Average		**46.15%**	**44.03%**	**45.19%**	**48.49%**
Median		**39.26%**	**45.61%**	**45.27%**	**45.82%**

Source: Stock prices have been sourced from S&P Cap IQ
n.m. = not meaningful

Exhibit 11c
LMEG Wireless LLC and its Affiliates
Discount for Lack of Marketability - Restricted Stock Studies Summary
As of November 16, 2016

Study	Period of	Transactions	DLOM Mean	DLOM Median
Securities Exchange Commission	1966– 1969	398	25.80%	n.a
Gelman	1968– 1970	89	33.00%	33.00%
Trout	1968– 1972	60	33.45%	n.a
Maher - All Transactions	1969– 1973	34	35.40%	33.30%
Maher - Adjusted Transactions	1969– 1973	28	34.70%	33.30%
Moroney	1969– 1972	146	35.60%	33.00%
Wruck Unregistered	1979 – 1985	37	13.50%	12.20%
Wruck Registered	1979 – 1985	36	-4.10%	1.80%
Management Planning, Inc. (Original)- Shares with Registration Rights	1980 – 1996	27	12.80%	9.10%
Bajaj et al.- Registered	1990 – 1995	37	14.00%	10.00%
Johnson Study	1991 – 1995	72	20.20%	n.a.
Columbia Financial Advisors, Inc.	1997 – 1998	15	13.00%	9.00%
Management Planning, Inc. (Update)- All Transactions	2000 – 2007	1,600	14.60%	n.a.
Management Planning, Inc. (Update)- Registered Shares	2000 – 2007	100	9.50%	n.a.
Management Planning, Inc. (Update)- All Transactions	1980 – 2009	1,863	15.90%	13.30%
Management Planning, Inc. (Update)- Registered Shares	1980 – 2009	203	8.70%	n.a
Management Planning, Inc. (Update)- Other Shares (w/Reg.Rights)	1980 – 2009	1,258	15.00%	n.a.
SRR	2005 – 2010	98	10.90%	0.093
FMV Opinions, Inc - All Transactions	1980 – 2015	769	**19.33%**	15.05%
FMV Opinions, Inc - Transactions Excluding Premiums	1980 – 2015	727	20.97%	16.11%
Pluris Valuation Advisors (LiquiStat)	2005 – 2006	61	32.80%	34.60%
Trugman Valuation Associates, Inc.	2007 – 2008	80	18.10%	14.40%
Trugman Valuation Associates, Inc. (Update)	2007 – 2010	136	**16.60%**	14.30%
Overall average			**19.55%**	**18.24%**
Rounded:			**20.00%**	**18.00%**

Source: Discount for lack of marketability, Guide and Toolkit - Business valuation resources

Exhibit 12
LMEG Wireless LLC and its Affiliates
Guideline Publicly Traded Companies Description
As of November 16, 2016

Company name	Ticker	Business Description
Cerebra Integrated Technologies Limited	BSE:532413	Cerebra Integrated Technologies Limited engages in the trading of refurbished computer products and accessories in India and internationally. It offers personal computers, servers, and laptops, as well as peripherals/accessories, such as mouse, printers, etc. The company also provides electronics manufacturing services for motherboards, memory modules, graphic cards, and networking products; enterprise solutions offer designs, plans, and implements IT hardware and software infrastructure, such as security, networking, server, storage, endpoint, operating system, application software products, etc.; and turnkey networking solutions. Cerebra Integrated Technologies Limited was founded in 1992 and is based in Bengaluru, India.
Telecom Service One Holdings Limited	SEHK:3997	Telecom Service One Holdings Limited, an investment holding company, provides repair and refurbishment services for mobile phones and other personal electronic products in Hong Kong. The company also sells mobile phone accessories, as well as offers support services. It serves manufacturers of mobile phones and personal electronic products; telecommunication service providers; and services companies. The company was founded in 1987 and is based in Kowloon Bay, Hong Kong. Telecom Service One Holdings Limited is a subsidiary of East-Asia Pacific Limited.
Harris Technology Group Limited	ASX:HT8	Harris Technology Group Limited engages in the technology distribution and online retailing businesses in Australia. The company is involved in the online retail of IT products. It sells its products through own eCommerce site www.ht.com.au, as well as online marketplace platforms, such as Amazon, eBay, Kogan, and Catch. The company was founded in 1986 and is based in Hallam, Australia.
Mediacle Group AB (publ)	NGM:MEGR	Mediacle Group AB (publ) engages in the trading of electronic products in Sweden. The company purchases and sells used mobile phones, computers, tablets, and peripheral products through the Internet. It also develops digital marketing products and services within videos, games, and apps. The company was founded in 2015 and is based in Stockholm, Sweden.
Luxey International (Holdings) Limited	SEHK:8041	Luxey International (Holdings) Limited, an investment holding company, engages in the buying, refurbishing, and selling of second hand mobile phones through online platforms; and trading of cameras and electronic parts, as well as acts as an agents for suppliers. In addition, the company engages in microfinance business. It operates in Hong Kong, the People's Republic of China, Cambodia, the United Kingdom, Spain, the Netherlands, France, Italy, Germany, Greece, Czech Republic, and internationally. The company was formerly known as China Post E-Commerce (Holdings) Limited and changed its name to Luxey International (Holdings) Limited in May 2012. Luxey International (Holdings) Limited is headquartered in Cheung Sha Wan, Hong Kong.
Cyfrowe Centrum Serwisowe Spólka Akcyjna	WSE:CCS	Cyfrowe Centrum Serwisowe Spólka Akcyjna engages in the provision of maintenance services for telecommunication devices, tablets, and digital camera models in Poland. It offers maintenance services, such as warranty and post-warranty services of telecommunication devices, tablets, selected digital camera models, logistic services, refurbishment and modifications devices for mobile phone manufacturers and operators. The company also involved in the wholesale and retail of mobile phones, smartphones, accessories, modems, notebooks, and other electronic products. In addition, it engages in the supervision and coordination of subsidiaries' activities and capital investments. Cyfrowe Centrum Serwisowe Spólka Akcyjna is based in Piaseczno, Poland.
Simclar, Inc.	OTCEM:SIMC	Simclar, Inc., together with its subsidiaries, operates as a contract manufacturer of electronic and electro-mechanical products in the United States and Mexico. The company also provides contract manufacturing services, which involves the manufacture of complete finished assemblies with all sheet metal, power supplies, fans, and PCBs, as well as complete sub-assemblies for integration into original equipment manufactures (OEMs) finished products, such as speaker and lock-key assemblies, and diode assemblies. In addition, Simclar offers reworking and refurbishing services, which comprise redesign, rework, refurbish, and repair of materials and subassemblies; sheet metal fabrication services; and backplane interconnect solutions. The company's products are manufactured to customer specifications and designed for OEMs in the data processing, telecommunications, instrumentation, and food preparation equipment industries. Simclar was founded in 1976. It was formerly known as Techdyne, Inc. and changed its name to Simclar, Inc. in September 2003. The company was founded in 1976 and is based in Hialeah, Florida.
Ban Leong Technologies Limited	SGX:B26	Ban Leong Technologies Limited, together with its subsidiaries, engages in the wholesale and distribution of computer peripherals, accessories, and other multimedia products in Singapore, Malaysia, Thailand, Asia, and internationally. Its Multimedia segment offers audio and visual products, such as earphones, speakers, cameras, and commercial and consumer displays. The Data Storage segment provides storage of data, such as cloud drives, HDD enclosures, and Blu-ray and portable DVD-RW. The IT Accessories segment offers PC-related accessories, including computer systems, components, peripherals, and printers, as well as mobile products, such as wearables, accessories, and powerpacks. The company distributes its products through e-commerce; retailers and chain stores; and directly to commercial resellers and system integrators. Ban Leong Technologies Limited was incorporated in 1993 and is based in Singapore.
Munoth Communication Limited	BSE:511401	Munoth Communication Limited sells and distributes mobile phones and accessories in India. Munoth Communication Limited was incorporated in 1984 and is based in Chennai, India.
SMART Tunisie SA	BVMT:SMART	Smart Tunisie engages in the import and wholesale of computer equipment and accessories in Tunisia. The company was founded in 1997 and is headquartered in Tunis, Tunisia.
Suny Cellular Communication Ltd	TASE:SNCM	Suny Cellular Communication Ltd imports and sells cell phones, accessories, and storage devices in Israel. The company provides sale, technical support, repair, and maintenance services for mobile end equipment, tablets, mobile phones and telephones, accessories, and spare parts, which are made by the Samsung Electronics Co. Ltd. It sells products through a network of 22 stores of Samsung brand; other retail chains, distributors, and mobile stores; and its website and other online sites. The company was formerly known as Scailex Corporation Ltd. and changed its name to Suny Cellular Communication Ltd in November 2016. Suny Cellular Communication Ltd was incorporated in 1971 and is based in Petah Tikva, Israel.

Appendix B – Data and Information Considered

Data and Information Considered

1. Tax Returns
   a. LMEG-000001 - LMEG-000416
   b. LMEG-000417 - LMEG-000882
   c. LMEG-000883 - LMEG-001392
   d. LMEG-001393 - LMEG-002132
   e. LMEG-006784 - LMEG-006821 - 2017 LM Wireless International LLC - Final Return
   f. LMEG-008381 - LMEG-008421 - 2017 LMEG Wireless LLC - Final Return
   g. LMEG-005373 - LMEG-005417 - 2017 LM International Inc. - Final Return
   h. LMEG-008834 - LMEG-008877 - 2016 Tax Return - LMZTLLC
   i. LMEG-008878 - LMEG-008915 - 2017 LMZT LLC - Final Return
   j. LMEG-009172 - LMEG-009209 - 2017 Seller Wireless LLC - Final Return

2. PBC 11.2.21
   a. Doc. 1 Petition
   b. Doc. 2 Notice of Petition
   c. Doc. 3 Ex. 1
   d. Doc. 4 Ex. 2
   e. Doc. 5 Ex. 3
   f. Doc. 6 Ex. 4
   g. Doc. 7 Ex. 5
   h. Doc. 8 Ex. 6
   i. Doc. 9 Ex. 7
   j. Doc. 10 Ex. 8
   k. Doc. 11 Ex. 9
   l. Doc. 12 Ex. 10
   m. Doc. 13 Ex. 11
   n. Doc. 14 Ex. 12
   o. Doc. 15 Notice of Petition – Appraisal

3. PBC 11.3.21
   a. 2015.07 TZP Valuation - Indication of interest letter by TZP Capital Partners as of July 1, 2015

  b. 2015.09 WR Management Presentation - Management presentation as on Sept 2015 prepared by Western Reserve Partners
  c. 2016.08 Financial Evaluation for Ridgemont - Project Siri – Financial Due Diligence Observations prepared by PwC as of August 16, 2016
  d. Financial Overview - Financial Overview prepared by TZP Group as of December 2014
  e. 2016.03 Ridgemont Valuation - Indication of interest letter by Ridgemont Equity Partners as of March 9, 2016
  f. Project Siri – Financial Due Diligence Observations prepared by PwC as of August 12, 2016
  g. 2014.07 LMEG Information Memorandum - Confidential Information Memorandum prepared by Western Reserve as of July 2014
  h. Financials – Bohm - Financials for FY15

4. PBC 12.27.21
  a. 93 - NOTICE OF MOTION
  b. 94 - AFFIDAVIT OR AFFIRMATION IN SUPPORT OF MOTION
  c. 95 - EXHIBIT 1

5. PBC 3.8.22
  a. Financial Overview - LM Wireless Company Overview
  b. REP_FARROSUB_00000001 - Combined Financial Report as of December 31, 2015
  c. REP_FARROSUB_00000037 - "Refreshed" TUC prepared by Ridgemont Equity as of September 26, 2016
  d. REP_FARROSUB_00000072 - Thesis-Level TUC prepared by Ridgemont Equity as of February 29, 2016
  e. BOHM000060-61 - Written Consent of the Sole Managing Member of LM Holdco, LLC dated January 13, 2017
  f. BOHM000042-45 – Contribution and Exchange Agreement dated January 1, 2017

6. PBC 5.5.22
  a. REP_FARROSUB_00000014_CONFIDENTIAL - Monthly Adj IS FY 13-15
  b. LMEG-643427 - CONFIDENTIAL - Monthly Cash Flow Statement FY16

7. PBC 5.17.22
  a. LMHOLDCO000001

b. LMHOLDCO000003
c. LMHOLDCO000009
d. LMHOLDCO000012

8. PBC 6.3.22
    a. LMEG-037239 - LM Holdco, LLC Current Legal Entity Structure (6-16-17)
    b. LMEG-643426 - CONFIDENTIAL - Monthly Balance Sheet FY16 - Monthly Balance Sheet FY16

9. PBC 6.7.22
    a. LMEG-083031 - Project Brooklyn Sell-side Due Diligence prepared by McGladrey as of June 28, 2014
    b. REP_FARROSUB_00000017 - Indication of interest letter by Ridgemont Equity Partners as of November 17, 2015

10. PBC 6.16.22 - LMEG-012650
    a. Indication of interest letter by Waud Capital Partners as of September 3, 2014
    b. Indication of interest letter by Swander Pace Capital as of August 29, 2014
    c. Indication of interest letter by Southfield Capital Advisors as of August 28, 2014
    d. Indication of interest letter by Webster Capital as of September 3, 2014
    e. Indication of interest letter by Stephens Capital Partners as of August 29, 2014
    f. Indication of interest letter by TZP Capital Partners as of August 29, 2014

11. PBC 6.30.22
    a. 21_LM Trial Balance 2012 - Trial Balance of LM Wireless of FY12
    b. 22_LM Trial Balance 2013 - Trial Balance of LM Wireless of FY13
    c. 23_LM Trial Balance 2014 - Trial Balance of LM Wireless of FY14
    d. 24_LM Trial Balance 2015 - Trial Balance of LM Wireless of FY15
    e. 25_LM Trial Balance 2016 - Trial Balance of LM Wireless of FY16

12. PBC 8.16.22
    a. LMEG-031464

13. Information available on the following databases:
    a. Standard and Poor's Capital IQ
    b. TagniFi
    c. Duff & Phelps Cost of Capital Handbook 2016
    d. Industry report by IBIS World
        a. Consumer Electronic Stores in the US – December 2016
        b. Cell Phone Recycling in the US – October 2016
        c. Online Computer & Tablet Sales in the US – August 2016
    e. Economic outlook report
        a. United States Economic Forecast, 3rd Quarter 2016, Deloitte.
        b. Source: Georgia State University's Forecast of the Nation, August 2016.
    f. Risk Management Association's 2016 - 2017 Annual Statement Studies.

14. Any other information mention in the narrative of my report.

Appendix C – Curriculum Vitae and Publications

Mark L. Zyla, CPA/ABV, CFA, ASA
Curriculum Vitae and Publications

Professional Experience

Present: Managing Director with Zyla Valuation Advisors LLC., an Atlanta, Georgia. A consultancy firm, specializing in valuation and litigation services.

Business Address: Zyla Valuation Advisors LLC
Ponce City Market, Suite 8500
Ponce de Leon Ave.
Atlanta, Georgia 30308

Prior: Acuitas, Inc. Managing Director 2007-2019
Willamette Management Associates, Principal 2005-2007
Acuitas, Inc. (formerly "Phillips Hitchner") Managing Director 1998-2005
PricewaterhouseCoopers L.L.P. (formerly "Coopers & Lybrand, L.L.P."), Atlanta, Georgia - Director 1995-1998; Manager 1993-1995; Financial Advisory Services
BDO Siedman, Atlanta, Georgia - Manager 1990-1993
C&S Bank, Atlanta, Georgia - Vice President 1990
Arthur Andersen & Company, Atlanta, Georgia - Manager 1989-1990; Senior Associate 1987-1989; Associate 1985-1987

Education

BBA in Finance, University of Texas at Austin, 1982
MBA in Finance, Georgia State University, 1985

Additional Executive Education

Valuation Program, Graduate School of Business, Harvard University, 1995
Mergers & Acquisitions Program, Aresty Institute of the Wharton School of the University of Pennsylvania, 1998

Mark L. Zyla, CPA/ABV, CFA, ASA

Affiliations and Credentials

Certified Public Accountant, Accredited in Business Valuation (CPA/ABV)
Certified in Financial Forensics by the AICPA (CFF)
Chartered Financial Analyst (CFA)
Accredited Senior Appraiser with the American Society of Appraisers,
Certified in Business Valuation (ASA)
Former Member of the ASA's Business Valuation Committee
Member and former Chairman of ASA BV Standards Subcommittee
Former Chairman of the ASA BV Technical Issues Subcommittee
Member, CFA Society of Atlanta
Member, American Institute of Certified Public Accountants
Former member of the Forensic and Valuation Executive Committee
Chairman of the AICPA's Fair Value Measurement Conference (2009-2012)
Former member of the AICPA's Business Valuation Committee
Member of the AICPA's Impairment Task Force
Past Chairman of the AICPA's Accredited in Business Valuation Examination Committee
Past Chairman of the AICPA's ABV Examination Review Course
Inducted into the AICPA's Business Valuation Hall of Fame (2013)
Chairman, Standards Review Board, International Valuation Standards Council
Vice Chairman, The Appraisal Foundation's Business Valuation Best Practices Working Group on Contributory Asset Charges.
Faculty Member, The Federal Judicial Center and The National Judicial College
Member, CFA Institute
Member, Southern Venture Forum
Member, Advisory Council for the Master in Science in Finance ("MSF") Program at the University of Texas at Austin

Mark L. Zyla, CPA/ABV, CFA, ASA

Books

Mr. Zyla is a contributing author *Shannon Pratt's Valuing a Business 6th ed.* Copyright 2022 by McGraw- Hill

Mr. Zyla is a contributing author to *Understanding Business Valuation 6th ed*. Copyright 2022 by Business Valuation Resources.

Mr. Zyla authored *Fair Value Measurements 3rd Edition: Practical Guidance and Implementation*, Copyright 2020, by John Wiley & Sons

Mr. Zyla is a contributing author of *Early Stage Valuation: A Fair Value Perspective* Copyright 2020, by John Wiley & Sons

Mr. Zyla Co-authored *Accounting for Goodwill and Other Intangible Assets* (along with Ervin L. Black) Copyright 2018, by John Wiley & Sons

Mr. Zyla is a contributing author to the *Twelfth Edition Accountant's Handbook* Copyright 2012, by John Wiley & Sons

Mr. Zyla is a contributing author to *Understanding Business Valuation* Fifth Edition, by Gary R. Trugman, AICPA, 2017

Mr. Zyla co-authored *Auditing Fair Value of Non-Issuers*, Copyright 2014, by Bloomberg BNA

Mr. Zyla co-authored *Business Combinations: Goodwill and Other Intangible Assets*, Copyright 2009, by Bloomberg BNA

Mr. Zyla co-authored *Fair Value Measurements: Valuation Principles and Auditing Techniques*, Copyright 2009, by Bloomberg BNA

Mr. Zyla co-authored *Valuation for Financial Reporting, Intangible Assets, Goodwill, And Impairment Analysis, SFAS 141 and 142*, Copyright © 2002 by John Wiley & Sons, Inc.

Mr. Zyla co-authored *Financial Valuation, Applications and Models,* Copyright © 2003 by John Wiley & Sons, Inc.

Mr. Zyla also authored *Accounting for Goodwill and Other Intangible Assets*, Copyright © 2010 AICPA; (AICPA's course on the valuation of intangible assets in financial reporting), and *Fair Value Accounting*, Copyright © 2015 AICPA (AICPA's course on Fair Value Measurements)

Mark L. Zyla, CPA/ABV, CFA, ASA
Publications

"The Intangible Valuation Renaissance: Five Methods" www.cfainstitute.org
January 11, 2019. Co-author with Antonella Puca.
"Keeping Accountable With Fair Value Measurement" FEI Daily January 10, 2018.

"Business Prenup: What To Do Before You Start A Company With A Partner" youngupstarts.com, October 24, 2017. Co-author with Jessica Wood.

"Titanic or Pacific Princess: Which Ship Will Your Partnership Be?" homebusinessmag.com, October 13, 2017. Co-author with Bill Piercy.

"Current Trends in Accounting Malpractice Cases" ComCom Quarterly, Massachusetts Bar Association, February 2017. Co-author with Kevin M. Colmey.

"Fair Value Measurements: In the Crosshairs of Regulators" NYLitigator, NYSBA, Fall, 2016 (reprint from PLUS Journal).
"What the Dell Decision Teaches Us About Valuation" CFO.com, July 18, 2016.

"Fair Value Measurements In the Crosshairs of Regulations" PLUS Journal, June, 2016.

"Unifying the Valuation Profession" Accounting Today, July 29, 2015.

"Ten Things Valuation Specialists Should Know about Fair Value Measurements and Private Companies" NACVA QuickRead October 29, 2014, Quickreadbuzz.com.

"Valuation, Like Beauty, is in the Eye of the Beholder," *Wall Street Journal*, September 9, 2014, WSJ.com.

"PCC Standards for Goodwill: What Valuation Specialists Need to Know" AICPA Insights, December 12, 2013, blog.aicpa.org.

"Private Company Council Proposals May Not Be So Simple" *Current Accounts,* GSCPAS, November- December 2013.

"Finding Fair Value In Private Company Deals May Not Be So Simple" Transaction Advisors, October 2013.

"Are you up to Speed on FASB's Business Combination and Goodwill Proposals?" CPA Insider, September 3, 2013, www.cpa@biz.com.

"Taxes and Valuations: Where Are We Now?" *Current Accounts,* GSCPAs, January- February 2013.

Mark L. Zyla, CPA/ABV, CFA, ASA

Publications (continued)

"Five Suggestions to Reduce the Cost of the Use of Financial Experts in Civil Litigation" Attorney at Law Magazine Metro Atlanta, Volume 1, Issue 5, 2012.

"The New Qualitative Assessments in Goodwill Impairment Testing May Not Be Simple," Corporate Insider, AICPA, February 2, 2012.

Appendix D – Expert Testimony in Past Four Years

Mark L. Zyla, CPA/ABV, CFA, ASA
Expert Testimony in Past Four Years

Name		State	Year
1.	Hatcher Management Holdings, LLC v. Alston & Bird LLP Civil Action File No. 2012CV214764 Testified at Trial	Superior Court of Fulton County, Georgia	2018
2.	In the Matter of the Order to Cease and Desist Revocation of California Charity Registration and Assessment of Penalties Against: MAP INTERNATIONAL, Respondent**.** Case No. 2018-CT103136 Expert Disclosure	Before the Attorney General of the State of California	2018
3.	Gabriel R. Hull, et al., Individually and on Behalf of All Others Similarly Situated, vs. Deloy Miller Civil Action no. 3:16-CV-00232-TAV-DCP Expert Report	United States District Court Eastern District of Tennessee At Knoxville	2020
4.	Ruby Tuesday, Inc. vs. Cede & Co, Quadre Investments, LP, et al. No. 2018CV304101 Expert Report	In the Superior Court of Fulton County State of Georgia	2020
5.	Ameris Bank and Ameris Bancorp vs. William J. Villari No. 2019CV328821 Deposition	In the Superior Court of Fulton County State of Georgia	2022