Valuation methodology

Meridian Valuation Partners LLC — September 30, 2025

This document describes the approaches, assumptions and procedures used to develop the valuation of Yavqo Corporation. It accompanies the valuation report dated September 30, 2025 and should be read together with it.

Income approach

The income approach estimates value by discounting projected free cash flows to their present value at a rate reflecting the risk of realizing those flows. We projected revenue and operating results for five years, from 2027 through 2031, based on management's long-range plan and our assessment of market growth. Free cash flow is calculated as earnings before interest and taxes, less taxes, plus depreciation and amortization, less capital expenditures and changes in working capital.

The discount rate was developed using a weighted average cost of capital framework. The cost of equity was estimated using the capital asset pricing model with a risk-free rate of 4.2%, an equity risk premium of 5.1% and a beta of 0.95 selected from guideline companies. The after-tax cost of debt reflects the company's implied borrowing rate on long-term obligations.

Market approach

The market approach estimates value by reference to pricing multiples observed for publicly traded companies with comparable business characteristics. We selected five guideline companies operating in payments and cloud infrastructure, and computed enterprise value to EBITDA and enterprise value to revenue multiples for 2027 estimated results. Multiples were adjusted for differences in growth, margin and capital intensity.

Terminal value

A terminal value was calculated using a perpetuity growth method, applying a 2.8% long-term growth rate to the final year's free cash flow and discounting the result to the valuation date. The selected growth rate does not exceed the long-term nominal growth rate of the economies in which the company operates.

Assumptions and sensitivity

Assumption	Value
Valuation date	September 30, 2025
Discount rate (WACC)	8.4%
Terminal growth rate	2.8%
Revenue CAGR, 2027–2031	11.0%
2027E EBITDA margin	36.0%
Capital expenditures, % of revenue	11.0% declining to 8.0%
Net cash and marketable securities	$97.0B
Diluted shares outstanding	11.65 billion

Sensitivity analysis

The table below presents the implied equity value per share under alternative discount rate and terminal growth assumptions. The analysis holds projected free cash flows constant; changes in the discount rate and growth rate affect only the present value of those flows and the terminal value.

WACC	2.0% growth	2.5% growth	3.0% growth
7.7%	$172	$184	$200
8.2%	$158	$169	$181
8.7%	$147	$156	$166
9.2%	$137	$145	$153

No control premium, discount for lack of marketability or blockage discount was applied. The company's shares are publicly traded and the valuation date value per share is stated on a minority, marketable basis.

Procedures, limitations and disclosures

Procedures performed

- Reviewed audited financial statements for fiscal years 2023 through 2025 and unaudited interim results through the valuation date.
- Interviewed management regarding strategy, revenue drivers, contract backlog, capital plans and competitive positioning.
- Analyzed historical operating performance and compared it with management's projections.
- Selected guideline companies and derived valuation multiples from publicly available market data.
- Developed a weighted average cost of capital and tested the sensitivity of the conclusion to key assumptions.

Limitations

We have relied on the accuracy and completeness of the financial and operating information provided by management without independent verification. Projections are inherently uncertain and are not guarantees of future performance. Our conclusion is stated as of the valuation date and we assume no obligation to update it for events occurring after that date.

Independence and compensation

The appraiser is independent of Yavqo Corporation and has no financial interest in the company or in the outcome of this engagement. Fees for this engagement were fixed in advance and are not contingent on the conclusion of value, on the completion of any transaction, or on the achievement of any target.

Use of this report

This report may be shared with shareholders, auditors, tax authorities and prospective investors for informational purposes. It may not be reproduced or distributed in part without the prior written consent of the appraiser. Yavqo Corporation is responsible for the assumptions and projections on which the analysis is based.