

**Valuation of the Common Stock
Of
Lendable, Inc.**



Valuation Date as of May 31, 2023

Report Date as of September 1, 2023

Prepared by:

Shareworks Valuation Services

Shareworks Valuation Services
LENDABLE, INC. - COMMON STOCK VALUATION AS OF MAY 31, 2023

September 1, 2023

Ciaran O. Dalaigh
COO
Lendable, Inc.
2005 Palmer Avenue #775,
Larchmont, NY 10538

Dear Mr. Dalaigh:

At your request, Solium Analytics LLC (“Shareworks Valuation Services” or “Shareworks VS”) has estimated the fair market value (“FMV”) and fair value (“FV”) of a minority, non-marketable common equity interest (the “Subject Interest”) in Lendable, Inc. (“Lendable Inc.” or the “Company”) as of May 31, 2023 (the “Valuation Date”) for tax compliance and financial reporting purposes.

Please note that this letter and the accompanying summary report (jointly, the “Valuation” or the “Opinion”) is intended to be used by the Board of Directors of Lendable Inc. for the exclusive purpose of compliance with the Internal Revenue Code (“IRC”) Section 409A (“409A”) and as an input for financial reporting purposes relating to Financial Accounting Standards Board (“FASB”) Accounting Standards Codification Topic 718 – Stock Compensation (“ASC 718”) (formerly known as Statement of Financial Accounting Standards (“SFAS”) No. 123R, Accounting for Share-Based Payment (“FAS 123R”)). Shareworks VS makes no representation as to the accuracy of this valuation if it is used for any other purpose without the written consent of Shareworks VS. This opinion should not be considered, in whole or in part, as investment advice by anyone. This valuation engagement was conducted in accordance with the Statement of Standards for Valuation Services No.1 of the American Institute of Certified Public Accountants (“AICPA”).

The definition of FMV is predicated on Internal Revenue Service (“IRS”) Revenue Ruling 59-60.

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Standard of Value

For income tax purposes, the appropriate standard of value is FMV, which is defined as:

The price, expressed in terms of cash equivalents, at which such property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arms' length in an open and unrestricted market, when neither is under compulsion to buy or to sell, and when both have reasonable knowledge of relevant facts.¹

For financial reporting purposes, the standard of value is FV, which is defined in ASC 718 as:

The amount at which an asset (or liability) could be bought (or incurred) or sold (or settled) in a current transaction between willing parties, that is, other than in a forced or liquidation sale.²

Scope of Engagement

Shareworks VS has based this Opinion on information provided and represented by the management of Lendable Inc. ("Management"). Where applicable, our valuation of the Subject Interest included an analysis of the Company's historical operating results, a review of the industry in which the Company operates, research of guideline public companies, and a review of the Company's pro forma forecast of future business operations. Consistent with Revenue Ruling 59-60 and standard practice, the following factors have also been analyzed and accorded due weight, where applicable:

- The nature and history of the entity's business;
- The general economic conditions and specific industry outlook;
- The book value of the entity and its financial condition;
- The earning capacity of the entity;
- The entity's distribution history and capacity;
- The existence of goodwill or other intangible value within the business;
- Review of prior valuation report;
- Prior interest sales and the size of the interests being valued; and
- The market price of companies engaged in the same or a similar line of business having their equity securities actively traded in a free and open market, either on an exchange or over-the-counter ("OTC").

¹ IRS Revenue Ruling 59-60.

² IFRS 2 Appendix A.

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We also considered appropriate adjustments to recognize the lack of marketability.

Revenue Ruling 59-60 is the definitive source outlining the standard of value, approach, methods, and factors to be considered in valuing shares of the stock of a closely held entity similar to the Company. Although initially presented for use in estate and gift tax calculations, Revenue Ruling 59-60 is regularly referenced and used in the valuation of closely-held businesses for other tax reporting and other purposes, and its principles are applicable in the valuation of most closely held businesses.

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Summary of Findings

Based upon the information and financial data provided, and representations made, by Management, as well as the analyses performed, it is our opinion that the FMV and FV of the Subject Interest on a minority, non-marketable basis is reasonably stated as follows:

SEVENTY-EIGHT CENTS PER SHARE
(\$0.78 / share)

The conclusions and opinions expressed in this letter and the accompanying summary report are contingent upon the qualifying factors set forth in the *Statement of Limiting Conditions* and throughout the completed summary report.

If you have any questions concerning this summary report, please contact us.

Sincerely,

SHAREWORKS VALUATION SERVICES

Appraisers

Steve Liu, ASA

Head of Shareworks Valuation Services

Sean Sutton

Manager

Kevin D. Lew

Associate