

REVISIONS

Rating/Target	Rev.	Prior
Rating	Spec. Buy	Spec. Buy
Target Price (C\$)	\$0.14	\$0.30
Revenue F2022E (M)	\$5.1	\$9.9
EBITDA F2022E (M)	-\$3.0	-\$2.0
EPS F2022 (M)	-\$0.02	-\$0.02

MARKET DATA

Date:	May 31, 2022
Current Price (C\$):	\$0.02
Target Price (C\$):	\$0.14
52-Week Range:	\$0.01 / \$0.10
Shares O/S (M):	162.0
Mkt Cap (C\$M):	\$3.2
EV (C\$M):	\$5.6
Avg. Weekly Vol. (M):	12.65

Website: www.datablcorp.com

FINANCIALS

(\$M)	F2021A	F2022E	F2023E
Revenue	\$3.5	\$5.1	\$7.9
EBITDA	-\$3.7	-\$3.0	-\$1.1
Adj. EBITDA	-\$3.6	-\$3.0	-\$1.1
EPS (S)	-\$0.03	-\$0.02	-\$0.01
Cash	\$1.24	\$0.94	\$0.02
Current Assets	\$2.25	\$1.74	\$1.03
Net Cash	-\$1.73	-\$2.06	-\$2.95
Total Assets	\$2.46	\$1.91	\$1.17
Debt	\$2.97	\$3.00	\$2.97
Total Liabilities	\$5.40	\$5.57	\$5.22
Fiscal Year End:	31-Dec		

Source: Company Reports, S&P Capital IQ, eResearch Corp.

Chris Thompson, CFA, MBA, P.Eng.
Director of Equity Research

Datable Technology Corporation

(TSXV: DAC | OTC: TTMZF)

Strong Revenue Growth in 2021 Continues into First Quarter

COMPANY DESCRIPTION:

Datable Technology Corporation ("Datable" or "the Company") is a Canadian-based software development and technology company operating in the consumer online advertising and marketing sectors. **Datable** offers a software as a service ("SaaS")-based Consumer Lifecycle and Data Management Platform called PLATFORM³ that enables consumer packaged goods ("CPG") companies and consumer brands to build and launch promotions, special offers, and loyalty programs on mobile phones, websites, and microsites. **Datable** focuses on the collection and data mining of first-party data, information collected directly from consumers, and allows companies to communicate & build relationships directly with the consumers.

INVESTMENT HIGHLIGHTS:

- **Strong Organic Revenue Growth Continues.** **Datable's** revenue increased by 90% Y/Y in Q4/2021 and 79% Y/Y for 2021. Q1/2022 revenue increased by 28% Y/Y and the Company already has nearly \$3.3 million in revenue under contract for 2022.
- **SaaS Platform Focuses on Consumer First-party Data for Fortune 500 Companies.** As governments update privacy laws and browser "cookies" are set to disappear, first-party data (opt-in) solutions become key for engaging with online consumers. **Datable** is currently working with 25 large CPG companies and 50 of the world's "top brands". In 2022, the Company expects to launch its consumer portal and data marketplace.
- **Low Valuation Multiple Compared to SaaS Peers.** **Datable** is currently trading at 1.1x our 2022E revenue estimate of \$5.1 million and well below Canadian comparable companies. **Datable's** low revenue multiple highlights the potential for its share appreciation.

FINANCIAL ANALYSIS & VALUATION:

- We estimate **Datable's** revenue as follows:
 - 2022E Revenue: \$5.1 million;
 - 2023E Revenue: \$7.9 million.
- Because of the current market conditions, we are now solely basing our Target Price on the Revenue Valuation as opposed to the equal-weighted price per share (Revenue Valuation and DCF) used in our previous report.
- We estimate a price target of \$0.14 based on a Revenue Multiple valuation of 5.0x and a One-Year Forward Revenue Estimate of \$6.7 million.
- **We are decreasing our one-year price target to \$0.14 from \$0.30 but maintaining our Speculative Buy rating.**

All figures in CAD unless otherwise stated.

eResearch Corporation

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www.eresearch.com

Company Summary

Datable (TSXV: DAC | OTC: TTMZF) is a Canadian-based software development and technology company operating in the consumer online advertising and marketing sectors. Based in Vancouver, British Columbia, Canada, the Company is a provider of promotion and loyalty solutions using digital and social media user engagement.



PLATFORM³

Datable offers a SaaS consumer marketing platform called PLATFORM³ that enables CPG companies and consumer brands to build and launch promotions, special offers, and loyalty programs on mobile phones, websites, and microsites.

Datable focuses on the collection of first-party data (also known as 1P data); this is information collected directly from consumers and allows companies to communicate and build relationships directly with consumers.

Part of **Datable's** competitive advantages derives from understanding brands' critical requirements, its focus on customer-centric innovation, and understanding market forces and business challenges. Over the years, **Datable** has extended and matured its proprietary platform into a complete suite of integrated functional modules with analytical tools and customer communication features.

Datable's customer base includes large consumer brands, especially CPG companies, that use its core platform, PLATFORM³, to directly connect with consumers and generate incremental revenues by promoting various offerings and increasing the purchase frequency. Brands also use PLATFORM³ to enhance loyalty via rewards and ongoing engagement. **Datable's** solutions and tools collect first-party opt-in data from consumers and allow customers to manage and monetize their consumer relationships.

We believe the Company has service offerings that are important in today's changing online consumer market and should benefit from accelerated top-line growth.

Review of Recent Financials

Q4/2021 and Full-Year 2021 Financial and Business Summary

The following is a summary of the Company's performance for the three months and twelve months ended December 31, 2021.

- **Revenue: Datable** recorded strong top-line revenue growth in Q4/2021 and full-year 2021. In Q4/2021, the Company's revenue surged 90% Y/Y and 67% Q/Q to reach \$1.4 million. Similarly, the Company recorded a solid 79% Y/Y jump in 2021 revenues to \$3.5 million compared to \$2.0 million in the prior year.
 - Revenue sharply rose due to an overall increase in average contract value, project deliveries, and transactional orders. In addition, during 2021, Datable signed 39 new agreements to provide PLATFORM³ to leading brands, which increased the total contracted revenue for 2021 to over \$5.8 million compared to approximately \$5.0 million in 2020.
 - US-based revenue increased to \$3.1 million or 87.0% compared to \$1.6 million or 81.5% of revenue in 2021.

- **Gross Margin:** The Company recorded Gross Profit of \$1.4 million in 2021, up 18% Y/Y, compared to \$1.2 million in the prior year. Consequently, Gross Margin contracted by 20% from 2020 to reach 39% in 2021. The decrease in Gross Margin was attributable to a 167% increase in 2021 sales costs due to an adverse product mix and an increase in delivery resources during the period.
 - In Q4/2021, the Company's Gross Profit came in at \$0.34 million versus \$0.33 million in Q4/2020, and \$0.36 million in Q3/2021. Although Gross Profit was higher in Q4/2021, Gross Margin shrank to 24% from 45% last year and 44% last quarter.
- **General & Administrative Expenses (G&A):** Datable's G&A expenses in 2021 climbed 25% to reach \$1.9 million compared to \$1.5 million in 2020. The increase was primarily due to increased corporate consultancy fees, professional fees, and consultant fees.
- **Sales & Marketing Expenses:** The Company's sales and marketing expenses in 2021 significantly increased by 72% to reach \$1.4 million compared to \$0.8 million in 2020. The increase was primarily due to increased staff resources and consultants paid in connection with advertising, sales, and marketing activities.
- **Net Income:** Datable recorded a Net Loss of \$1.3 million in Q4/2021, an increase of \$0.7 million Y/Y and \$0.1 million Q/Q. In 2021, the Company recorded a Net Loss of \$4.6 million, an increase of \$2.1 million Y/Y, compared to a loss of \$2.5 million in 2020.
 - Although the Company recorded robust top-line growth, the rising operating costs in the current inflationary environment played a factor and led to a widened loss in Q4/2021 and 2021.
- **Adjusted EBITDA:** For 2021, Adjusted EBITDA was \$3.7 million, an increase of \$1.6 million Y/Y compared to a loss of \$2.1 million in the prior year.
- **Cash:** As of December 31, 2021, Datable had \$1.2 million in cash compared to \$1.4 million as of December 31, 2020.

Figure 1: Financial Summary

	2020A	Q121A	2021A	Q122A	Q122E	DIFF	2022E
Total Revenue	\$1,969,193	\$674,557	\$3,532,318	\$860,586	\$1,011,836	(151,250)	\$5,147,228
Gross Margin	59.1%	52.9%	39.0%	42.8%	45.0%	-2.2%	44.6%
Total Operating Expenses	\$3,723,416	\$1,238,836	\$5,710,030	\$1,510,768	\$1,330,152	180,616	\$5,891,196
Operating Income	(\$2,559,291)	(\$881,725)	(\$4,331,153)	(\$1,142,148)	(\$874,826)	(267,322)	(\$3,593,588)
EBITDA	(\$2,241,374)	(\$441,211)	(\$3,733,687)	(\$823,295)	(\$812,764)	(10,531)	(\$3,036,550)
Adj. EBITDA	(\$2,130,401)	(\$416,108)	(\$3,639,515)	(\$803,723)	(\$799,724)	(3,999)	(\$2,983,041)
Diluted EPS	(\$0.03)	(\$0.01)	(\$0.03)	(\$0.01)	(\$0.01)	-0.3%	(\$0.02)
Cash	\$1,374,100	\$2,844,608	\$1,242,680	\$707,252	\$380,989	326,263	\$940,716
Debt	\$86,135	\$1,472,586	\$3,014,094	\$3,005,215	\$2,939,679	65,536	\$2,981,403

Source: Company Reports; eResearch Corp.

Q1/2022 Financial and Business Summary

The following is a summary of the Company's performance for the three months ended March 31, 2022.

- **Q1/2022 Revenue:** Revenue in the quarter increased by 28% to \$0.86 million compared to \$0.67 million in the same period in 2021.
 - The gain was attributable to an increase in average contract value, project deliveries, and transactional revenues. The revenue was slightly below our estimate of \$1.0 million.

- Deferred revenue increased to \$1.9 million in Q1/2022 compared to \$1.6 million in Q4/2021.
- US-based revenue increased to \$0.8 million or 90% compared to \$0.6 million or 94% of revenue in Q1/2021.
- **Gross Margin:** Gross Margin as a percentage of revenue was 43% compared to 53% in Q1/2021 and slightly below our estimate of 45%.
 - Revenues from lower-margin services and rewards products continue to grow faster than higher-margin PLATFORM³ solutions, which continue to reduce the overall Gross Margin.
 - The Company continues to believe that its Gross Margin will improve in 2022 due to product mix and recent investments in technology automation. For the balance of 2022, we are assuming a Gross Margin of 45%.
 - Gross profit for Q1/2022 increased by 3% to \$0.37 million compared to \$0.36 million in Q1/2021.

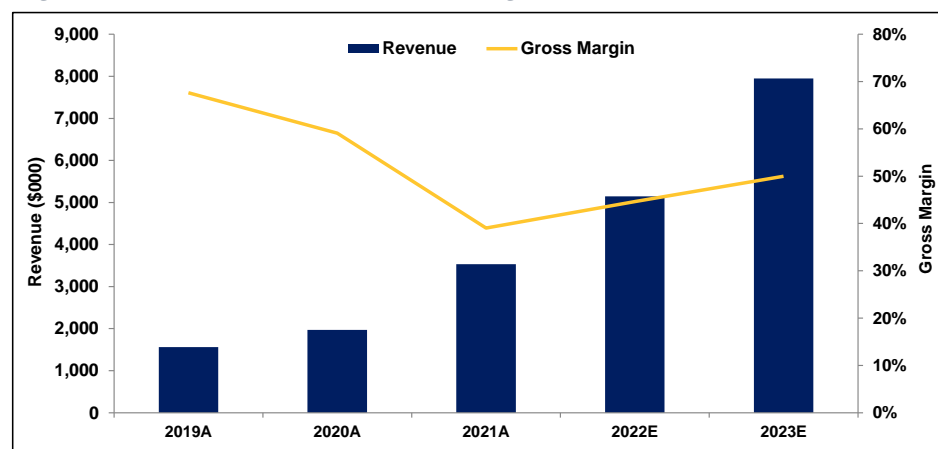
Figure 2: Revenue Breakdown by Geography

('000)	Dec 31/2020 2020A		Mar 31/21 Q1/21A	Jun 30/21 Q2/21A	Sep 30/21 Q3/21A	Dec 31/21 Q4/21A	Dec 31/2021 2021A		Mar 31/22 Q1/22A	
Revenue Streams										
Canada	\$364,068	18.5%	\$42,017	\$123,244	\$35,693	\$248,367	\$449,321	12.7%	\$89,726	10.4%
US	\$1,605,125	81.5%	\$632,541	\$522,458	\$791,590	\$1,136,408	\$3,082,997	87.3%	\$770,860	89.6%
Total	\$1,969,193	100%	\$674,558	\$645,702	\$827,283	\$1,384,775	\$3,532,318	100%	\$860,586	100%

Source: Company Reports; eResearch Corp.

- **G&A:** G&A expenses for the three months ended March 31, 2022, increased to \$0.40 million compared to \$0.30 million in Q1/2021. The increase was primarily due to higher corporate consultancy and admin fees.
- **Sales and Marketing Expenses:** Sales & Marketing Expenses increased to \$0.26 million in Q1/2022 from \$0.19 million in Q1/2021 primarily due to increased staff resources and consultancy paid in connection with advertising, sales, and marketing activities.
- **R&D:** R&D was \$0.53 million in the quarter compared to \$0.31 million in Q1/2021 with the increase related to the PLATFORM³ enhancements and the development of the *flexxi* Rewards Network.
- **Net Income:** The Net Loss in Q1/2022 was \$1.2 million compared to \$0.91 million in the same period in 2021.
- **Cash & Debt:** As of March 31, 2022, **Datable** reported \$0.71 million in cash, \$0.91 million in Trade Payables, and \$2.85 million in Convertible Debentures compared to \$2.84 million in cash, \$0.62 million in Trade Payables, and \$1.39 million in Convertible Debentures in Q1/2021.

Figure 3: Revenue and EBITDA Margins



Source: Company Reports; eResearch Corp.

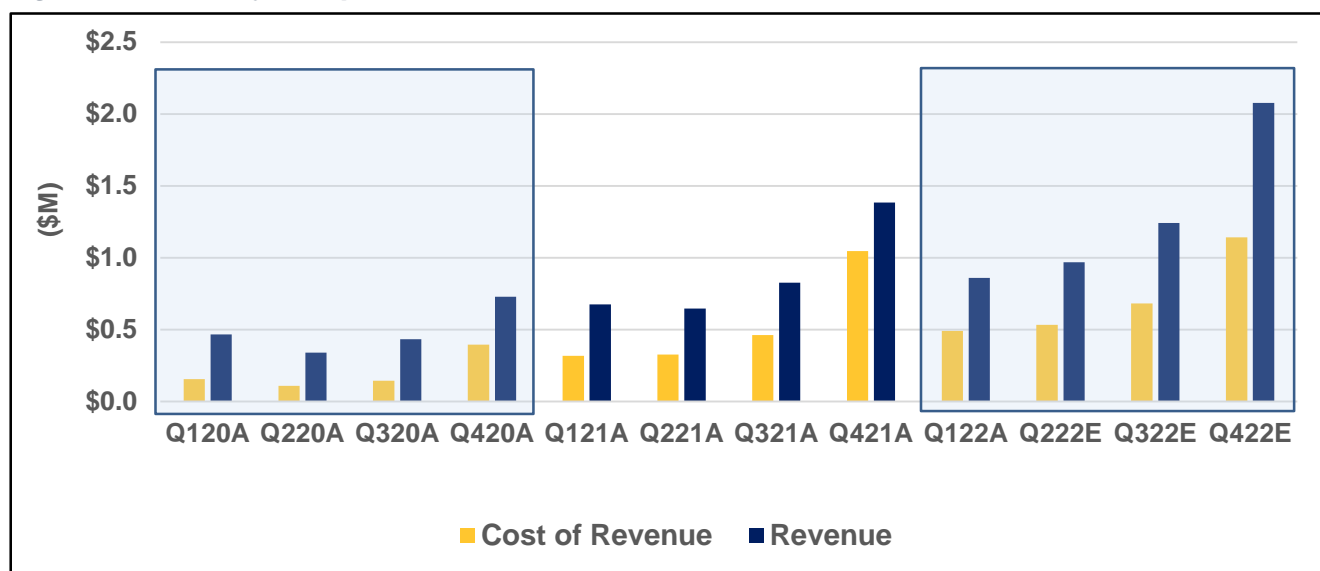
Recent Developments & 2022 Guidance

- On March 3, 2022, **Datable** announced that it elected not to proceed with the acquisition of **Adjoy Inc.** operating under **Dabbl**. **Datable** believed that to achieve meaningful milestones with the combined company, more than \$2.5 million in funding would be required, and a larger new financing would overly dilute the current **Datable** shareholders.
- In 2021, **Datable** started building the next generation of PLATFORM³ 6.0. This version was designed to incorporate new infrastructure, and back-end and front-end technologies that automate the integration, delivery, and testing of the Company's services. The objective of building this new version was to significantly reduce the Company's time to deploy new solutions for its clients.
- In 2022, **Datable** expects to launch its own consumer portal and data marketplace. The first version would leverage foundational technology from the Company's proprietary SaaS platform – PLATFORM³.
- The Company announced that up until April 29, 2022, it had signed 12 new agreements (3 more than the same period in 2021), which, paired with license agreements signed in prior periods, amount to nearly \$3.3 million in revenue under contract for 2022 and over \$3.0 million is expected to be recognized as revenue in 2022.
- In 2022, **Datable** anticipates Gross Margin to be 40% to 50%, depending on product mix and expected improvements in operational efficiency. In our model, we estimate that Gross Margin is 45% in 2022.
- Datable** expects its R&D expenses to increase as the Company seeks to expand and develop PLATFORM³, as well as to invest in creating new technology and products to generate additional revenues.

Recent News

- On February 17, 2022, **Datable** renewed its annual license agreement with a leading digital media and entertainment company. The company is the digital division of a leading global media and technology company, which owns and operates business units that provide cable, entertainment, and streaming services.
- On March 10, 2022, Datable announced that it signed a Master Services Agreement (MSA) with a leading bedding company. The bedding company is headquartered in the U.S. and sells its products under 4 major brands in about 150 countries. In 2020, the customer used PLATFORM³ for a trial program before allocating a larger budget in 2021.
- On April 21, 2022, **Datable** reported that it signed four agreements with both new and existing customers to complete marketing programs in 2022. The customers include one of the world’s largest digital advertising agencies, a leading Canadian bread brand, a global advertising agency, and a U.S.-based advertising agency.
- On May 16, 2022, Datable announced that it entered into a partnership with **GetintheLoop (GITL) Marketing** to share revenues resulting from **Datable’s** customers placing offers and activities into the GITL Network. GITL’s suite of digital tools makes it easier for brick & mortar businesses to attract nearby customers with easy-to-access exclusive offers, experiences, and rewards.

Figure 4: Quarterly Comparison of Revenue to Cost of Revenue



Source: Company Reports; eResearch Corp.

Capital Structure, Cash and Debt

Datable is authorized to issue an unlimited number of common shares.

As of March 31, 2022, the Company had almost 155.6 million common shares outstanding, 6.38 million options at an average strike price of \$0.07, 72.3 million warrants at an average strike price of \$0.11, 0.69 million Broker warrants at \$0.13, and 0.47 million Restricted Stock Units at \$0.10.

We are assuming that **Datable** will require a financing of at least \$2.5 million in Q2/2022 and another financing of at least \$1.0 million in Q1/2023.

Normally we use the Treasury Method to calculate share dilution for outstanding options and warrants. However, to finance the Company until it becomes Cash Flow positive, we allocated \$1.0 million of warrant exercises in 2023 to flow back into the Company's Treasury.

Figure 5: Share Capitalization Used in Multiples Valuation

Shares Outstanding - Valuation using Multiples ('000)	
Shares Outstanding: Basic - End of the Previous Quarter (Dec 31/21)	148,598,162
Shares Issued in the Quarter	6,975,000
Shares Outstanding: Basic - End of the Current Quarter (Mar 31/22)	155,573,162
Shares Issued after the Quarter End	6,424,274
Updated Share Count for Next Quarter	161,997,436
- Financing in 2022 (\$2.5M shares at \$0.04/share)	62,500,000
- Warrant Exercise for Financing in 2023 (\$1M shares at \$0.14/share)	7,142,857
- In the Money Options: Stock Price above Strike Price*	-
- In the Money Warrants: Stock Price above Strike Price*	-
- Restricted Stock Units	475,000
- Brokers' Warrants	691,921
Updated Shares Outstanding, Fully Diluted: After the Quarter End (Multiples)	232,807,214

* Number of shares has been adjusted by the Treasury Stock Method

Source: Company Reports; eResearch Corp.

Figure 6: Share Capitalization Used in DCF Valuation

Shares Outstanding - DCF Valuation ('000)	
Shares Outstanding: Basic - End of the Current Quarter (Mar 31/22)	155,573,162
Shares Issued after the Quarter End	6,424,274
Updated Share Count for Next Quarter	161,997,436
- Financing in 2022 (\$2.5M shares at \$0.04/share)	62,500,000
- Warrant Exercise for Financing in 2023 (\$1M shares at \$0.14/share)	7,142,857
- In the Money Options: Target Price above Strike Price*	3,000,000
- In the Money Warrants: Target Price above Strike Price*	31,523,171
- Restricted Stock Units	475,000
- Brokers' Warrants	691,921
- Convertible Debt	31,855,800
Updated Shares Outstanding, Fully Diluted: After the Quarter End (DCF)	299,186,186

* Number of shares has been adjusted by the Treasury Stock Method

Source: S&P Capital IQ; eResearch Corp.

VALUATION

Datable operates in the consumer Digital Advertising and Marketing sectors but is also a SaaS company. Average valuation multiples in the various sectors are as follows (see [Appendix C](#)).

1. Canadian Advertising, Marketing & Technology:
 - EV/Revenue (2022E): 0.5x-4.7x
 - EV/EBITDA (2022E): 3.3x-39.5x
2. Tech-Enabled Marketing Workflow:
 - EV/Revenue (2022E): 0.4x-9.5x
 - EV/EBITDA (2022E): 4.5x-76.0x
3. Canadian SaaS:
 - EV/Revenue (2022E): 1.9x-13.3x
 - EV/EBITDA (2022E): 10.5x-146.1x

After the acquisition with **Dabbl** did not close, we decreased our revenue estimates for **Datable** to \$5.1 million in 2022 from \$9.9 million, and \$7.9 million in 2023 from \$12.3 million.

Datable reported that it has signed agreements that amount to approximately \$3.3 million in revenue under contract for 2022, of which over \$3.0 million is expected to be recognized as revenue in 2022.

We believe **Datable's** revenue growth should come from increasing the average size of its existing customer engagements, from \$0.2 million (average) to over \$1.0 million (the "land and expand" business model), as well as closing the existing pipeline of larger companies that have sizeable annual marketing budgets.

We estimate **Datable's** 2022 revenue at \$5.1 million, therefore it is trading at 1.1x EV/Revenue. There is not a valuation multiple for EBITDA as we estimate negative EBITDA in 2022. At an EV/Revenue of 1.1x in 2022, the Company's revenue multiple is at the low end of the Canadian Advertising, Marketing & Technology comps and we believe it should be trading more in line with the Canadian SaaS comps with a Mean of 5.9x and a Median of 4.9x EV/Revenue. This discrepancy highlights the potential for **Datable's** share price appreciation.

Figure 7: Valuation Multiples Comparing the Model to Datable and the Sector Averages (2022E)

	Model (estimate)	DAC (currently)	Cdn AdTech & MktgTech	Tech-Enabled Marketing Workflow	Cdn SaaS
Revenue	5.0x	1.1x	0.5x-4.7x	0.4x-9.5x	1.9x-13.3x
EBITDA	13.0x	n/a	3.3x-39.5x	4.5x-76.0x	10.5x-146.1x

Source: See Appendix D; eResearch Corp.

In our model, between 2023 through 2026, we are estimating that revenue grows by 40% annually and Gross Margin improves from 45% in 2022 to 52% in 2026 as the Company derives more revenue through PLATFORM³ services and the *flexxi* platform to reduce costs. We estimate that the Company will be EBITDA positive by 2024. The revenue growth and Gross Margin assumptions we use in our model to reach our estimates are summarized in [Figure 8](#).

Figure 8: Model Assumptions

METRIC	RATE					
	2021 A	2022E	2023E	2024E	2025E	2026E
Revenue Growth	79%	46%	54%	45%	40%	35%
Gross Margins	39%	45%	50%	50%	50%	52%
EBITDA Margins	n/a	n/a	n/a	4%	16%	26%

Source: eResearch Corp.

Valuation Calculations

Method 1: Revenue Multiple (see [Figure 9](#))

Using a revenue multiple of 5.0x and a one-year forward Revenue estimate of \$6.7 million, the one-year target share price estimate is \$0.14 per share.

Method 2: Discounted Cash Flow (see [Figure 10](#))

Using a Weighted Average Cost of Capital (WACC) of 10% and a Terminal Multiple of 13.0x EBITDA in 2027, the one-year target share price estimate is \$0.28 per share.

Given the Company's current financial situation and the current stock market conditions, we are solely basing our Target Price on the Revenue Valuation (Method 1) as opposed to the equal-weighted price per share (the average of Method 1 and Method 2) that was used in our previous report.

We are decreasing our one-year price target to \$0.14 from \$0.30 per share but maintaining our Speculative Buy rating.

**We are decreasing our one-year price target to \$0.14 from \$0.30
but maintaining our Speculative Buy rating.**

Figure 9: Target Price (1 Year) Calculation

			ENT. VALUE	NET DEBT Q2/2022	MARKET CAP	SHARES	TARGET
Method 1: Revenue Multiple	5.0x	1 Year Fwd Revenue (Est.): \$6.7M	\$33.5M	\$1.8M	\$31.7M	232.8M	\$0.14
						SHARES	TARGET
Method 2: DCF (5-year)	WACC:10%	Terminal Multiple: 13.0x EBITDA	See DCF calculation.			299.2M	\$0.28

Source: eResearch Corp.

Figure 10: DCF Analysis

Datable Technology Corporation FYE (December 31)							
DCF Analysis (C\$)	2021A	2022E	2023E	2024E	2025E	2026E	2027E
Revenue (\$M)	3.5	5.1	7.9	11.5	16.1	21.8	28.3
Revenue Growth	79.4%	45.7%	54.4%	45.0%	40.0%	35.0%	30.0%
EBITDA (\$M)	(3.7)	(3.0)	(1.1)	0.5	2.5	5.5	8.7
EBITDA Growth	n/a	n/a	n/a	n/a	453.9%	122.6%	56.6%
EBITDA Margin	n/a	n/a	n/a	3.9%	15.5%	25.5%	30.7%
Depreciation and Amortization	0.1	0.0	0.0	0.0	0.0	0.0	0.0
EBIT (\$M)	(3.8)	(3.1)	(1.2)	0.4	2.5	5.5	8.7
NOPAT (\$M)	(4.3)	(3.6)	(1.4)	0.2	2.3	5.4	8.5
Plus Amortization (\$M)	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Less Capital Expenditures (\$M)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Net Working Capital Changes (\$M)	0.2	0.4	(0.5)	(0.2)	2.1	1.2	1.1
EPS (Continuing)	(0.03)	(0.02)	(0.01)	(0.00)	0.01	0.02	0.04
Unlevered Free Cash Flow (\$M)	(4.0)	(3.1)	(1.9)	0.1	4.4	6.6	9.5
PV of Unlevered FCFs (\$M)	(4.2)	(3.0)	(1.6)	0.1	3.1	4.2	5.6

Valuation Assumptions:			
Discount Rate	10.0%		
Terminal Multiple	13.0x		
Valuation Analysis:			
	Current	1-Yr Target	2-Yr Target
Total PV of FCFs (\$M)	8.4	12.5	15.8
Terminal Value (\$M)	113.0	113.0	113.0
PV of Terminal Value (\$M)	66.3	72.9	80.2
Net (debt) cash position	(2.3)	(1.8)	(2.8)
Total Value (\$M)	72.4	83.7	93.2
DCF Value/Share (C\$)	C\$0.24	C\$0.28	C\$0.31
DCF Value/Share (US\$)	US\$0.19	US\$0.22	US\$0.25
FD Shares O/S (M)*	299.2	299.2	299.2
*Using the Treasury Method			

Source: Company Reports; eResearch Corp.

Figure 11: Sensitivity Chart – Discount Rate and Terminal EV/EBITDA Multiple

		Terminal EV/EBITDA Multiplier						
		10.00	11.00	12.00	13.00	14.00	15.00	16.00
Discount Rate	6.0%	0.27	0.29	0.31	0.33	0.35	0.38	0.40
	8.0%	0.24	0.26	0.28	0.30	0.32	0.35	0.37
	10.0%	0.22	0.24	0.26	0.28	0.30	0.32	0.34
	12.0%	0.21	0.22	0.24	0.26	0.27	0.29	0.31
	14.0%	0.19	0.21	0.22	0.24	0.25	0.27	0.28
	16.0%	0.17	0.19	0.20	0.22	0.23	0.25	0.26

Source: Company Reports; eResearch Corp.

Appendix A: Investment Thesis – Why Invest in Datable

First-party Data Key to Consumers as Governments Update Privacy Laws and Cookies Set to Disappear

With governments enacting stricter consumer privacy laws and technology companies phasing out online tracking “cookies” and adding options to restrict consumer tracking, first-party data (opt-in) solutions become key for engaging with online consumers. **Datable’s** solutions focus on the collection of first-party data; this is information collected directly from consumers as they opt-in to receive promotions or join loyalty/reward programs and allows companies to build relationships directly with consumers.

Strong Organic Revenue Growth and Renewal Rates

Datable is in the early stage of an accelerated growth phase and its near-term focus is expanding services to its existing customer base and closing deals in its sales pipeline. In 2021, revenue increased by 79%. Due to the current growth profile, we model **Datable’s** revenue growing annually by 40% over the next three years. **Datable** recently announced it closed \$3.3 million in contracted revenue for 2022 and is expected to book almost \$3.0 million as revenue in 2022. **Datable** also reported that it has a 90% license renewal rate.

Large and Growing Market and Ripe for Partnerships and Consolidation

Datable operates in the broader consumer Digital Advertising and Marketing sectors, which are expected to reach US\$786.2 billion by 2026, growing at an annual rate of 13.9%. The CPG Digital Marketing Market, a more focused subset, is expected to reach US\$60.6 billion by 2027, growing annually at 7.8%. **Datable** has demonstrated the ability to grow revenue organically through product development.

Strong Fortune 500 Customer Base

Datable’s customer base includes large consumer brands and currently works with 23 Fortune 500 companies and 50 of the world’s “top brands” including **Henkel**, **Kimberly Clark**, **NBCUniversal** (a division of **Comcast**), **Proctor & Gamble**, and **Toro**.

Experienced Management Team

Datable has over 10 years of experience in the online advertising and marketing sectors and has been successful in developing proven practices and effective strategies to build over 200 opt-in consumer databases and programs. To achieve this success, **Datable** has established a highly experienced team of professionals in the fields of consumer acquisition & development, data analytics, digital marketing & communications, and website development.

Low Valuation – The Revenue Multiple has Room to Grow

Datable is currently trading at 1.1x our 2022 revenue estimate of \$5.1 million, well below the Canadian AdTech and Marketing Tech providers (see [Comps](#)), which trade at 2.0x 2022E revenue, and Canadian SaaS comparable companies that trade at 5.92x 2022E revenue. **Datable’s** low revenue multiple highlights the potential for its share appreciation. For our valuation (see [Valuation](#) section), we use a Revenue Multiple of 5.0x in the Revenue Multiple valuation calculation and a Terminal Multiple of 13.0x EBITDA in the Discount Cash Flow (DFC) valuation calculation.

Appendix B: Financial Statements

Figure 12: Income Statement

Datable Technology Corporation Income Statement - FYE (December 31)	2020A	2021A	Q122A	Q222E	Q322E	Q422E	2022E	2023E	2024E
Total Revenue	1,969,193	3,532,318	860,586	968,553	1,240,925	2,077,164	5,147,228	7,947,716	11,524,187
Total Cost of Sales	805,068	2,153,441	491,966	532,704	682,508	1,142,440	2,849,619	3,973,858	5,762,094
Gross Profit	1,164,125	1,378,877	368,620	435,849	558,416	934,724	2,297,609	3,973,858	5,762,094
Sales & Marketing	836,879	1,443,503	261,279	338,994	496,370	477,748	1,574,390	1,827,975	2,074,354
General and Administrative	1,549,012	1,928,978	402,792	513,333	521,188	540,063	1,977,376	2,066,406	2,074,354
Research & Development	1,019,608	1,740,083	527,844	435,849	409,505	394,661	1,767,859	1,192,157	1,152,419
Stock Based Compensation	193,450	488,588	297,290	48,428	62,046	103,858	511,622	238,431	201,673
Depreciation of Property & Equipment	124,467	108,878	21,563	13,559	12,756	12,071	59,949	42,498	34,045
Total Operating Expenses	3,723,416	5,710,030	1,510,768	1,350,162	1,501,866	1,528,401	5,891,196	5,367,468	5,536,844
Operating Income	(2,559,291)	(4,331,153)	(1,142,148)	(914,313)	(943,449)	(593,677)	(3,593,588)	(1,393,610)	225,249
Other Income (Expenses):									
Foreign Exchange Gain (Loss)	18,267	(22,063)	12,424	-	-	-	12,424	-	-
Interest and Other Income	-	(285,253)	(96,021)	(57,053)	(57,053)	(57,053)	(267,181)	(228,213)	(228,213)
Other	84,038	50,757	-	-	-	-	-	-	-
Total Other Income	102,305	(256,559)	(83,597)	(57,053)	(57,053)	(57,053)	(254,757)	(228,213)	(228,213)
EBT	(2,456,986)	(4,587,712)	(1,225,745)	(971,366)	(1,000,503)	(650,730)	(3,848,345)	(1,621,823)	(2,964)
Income Taxes	-	-	-	-	-	-	-	-	-
Net Income (Loss)	(2,456,986)	(4,587,712)	(1,225,745)	(971,366)	(1,000,503)	(650,730)	(3,848,345)	(1,621,823)	(2,964)
EPS									
Basic EPS	(0.03)	(0.03)	(0.01)	(0.00)	(0.00)	(0.00)	(0.02)	(0.01)	(0.00)
Diluted EPS	(0.03)	(0.03)	(0.01)	(0.00)	(0.00)	(0.00)	(0.02)	(0.01)	(0.00)
Shares Outstanding									
Shares Outstanding, Basic (Weighted)	91,532,036	137,720,541	143,081,217	224,497,436	224,497,436	224,497,436	224,497,436	224,497,436	224,497,436
Shares Outstanding, Diluted (Weighted)	91,532,036	137,720,541	143,081,217	224,497,436	224,497,436	224,497,436	224,497,436	224,497,436	224,497,436
Shares Outstanding, Basic (End of Quarter)	-	148,598,162	155,573,162	-	-	-	-	-	-

Source: Company Reports; eResearch Corp.

Figure 13: Balance Sheet

Datable Technology Corporation Balance Sheet - FYE (December 31)	2020A	2021A	Q122A	Q222E	Q322E	Q422E	2022E	2023E	2024E
Current Assets									
Cash	1,374,100	1,242,680	707,252	2,440,322	1,535,230	940,716	940,716	18,485	37,988
Account Receivables	257,733	260,167	181,171	318,210	407,696	454,957	454,957	511,827	494,766
Prepaid Expenses & Other Assets	351,265	361,911	873,385	168,023	187,844	196,038	196,038	350,724	449,034
Inventory	0	0	0	0	0	0	0	0	0
Total Current Assets	1,983,098	2,249,332	1,915,017	3,079,764	2,283,979	1,744,921	1,744,921	1,034,244	1,134,997
Non-Current Assets									
Property and Equipment	32,456	24,460	21,281	20,318	19,472	18,664	18,664	15,408	12,718
Right-of Use and Other	54,483	181,527	163,143	156,250	149,862	143,740	143,740	121,652	102,958
Total Assets	2,070,037	2,455,319	2,099,441	3,256,332	2,453,312	1,907,324	1,907,324	1,171,304	1,250,673
Current Liabilities									
Accounts Payables/Accrued Liabilities	637,740	823,524	914,510	920,043	1,028,578	1,073,447	1,073,447	960,229	983,510
Lease Liability	60,415	64,375	64,375	125,912	161,320	270,031	270,031	405,047	587,318
Current Portion of Debt/Promissory Notes	0	0	0	0	0	0	0	0	0
Provisions	0	0	0	-500	-1,000	-1,500	-1,500	-4,000	-6,500
Deferred Revenue - Current	1,568,508	1,583,940	1,868,637	1,452,830	1,489,109	1,454,015	1,454,015	1,246,298	1,129,458
Total Current Liabilities	2,266,663	2,491,839	2,867,522	2,518,284	2,698,008	2,815,993	2,815,993	2,627,574	2,713,786
Non-Current Liabilities									
Term Loan/Promissory Notes	0	0	0	0	0	0	0	0	0
Credit Facilities	25,720	27,778	0	0	0	0	0	0	0
Lease Liability	0	121,916	106,451	35,519	-8,768	-125,870	-125,870	-290,079	-495,632
Deferred Income Tax Liabilities	0	0	0	0	0	0	0	0	0
Provision/Loan Payable/Benefits Payable	0	0	0	0	0	0	0	0	0
Other	0	0	28,310	28,310	28,310	28,310	28,310	28,310	28,310
Total Liabilities	2,292,383	5,402,369	5,854,946	5,434,776	5,570,213	5,571,096	5,571,096	5,218,468	5,099,127
Shareholders Equity									
Capital Stock	15,583,394	17,243,898	17,637,648	20,137,648	20,137,648	20,137,648	20,137,648	21,137,648	21,137,648
Contributed Surplus	0	0	0	48,428	110,474	214,332	214,332	452,764	654,437
Deficit	(20,825,718)	(25,413,430)	(26,639,175)	(27,610,541)	(28,611,044)	(29,261,775)	(29,261,775)	(30,883,597)	(30,886,561)
Total Shareholders Equity	-222,346	-2,947,050	-3,755,505	-2,178,444	-3,116,900	-3,663,772	-3,663,772	-4,047,164	-3,848,454
Total Liabilities & Shareholders Equity	2,070,037	2,455,319	2,099,441	3,256,332	2,453,312	1,907,324	1,907,324	1,171,304	1,250,673

Source: Company Reports; eResearch Corp.

Figure 14: Cash Flow Statement

Datable Technology Corporation Cash Flow Statement - FYE (December 31)	2020A	2021A	Q122A	Q222E	Q322E	Q422E	2022E	2023E	2024E
Cash Provided By Operating Activities									
Net Income (Loss)	(2,456,986)	(4,587,712)	(1,225,745)	(971,366)	(1,000,503)	(650,730)	(3,848,345)	(1,621,823)	(2,964)
Depreciation of Property & Equipment	124,467	108,878	21,563	1,601	1,456	1,393	26,013	5,343	4,414
Depreciation of Right-of-Use Assets	-	-	-	6,893	6,388	6,122	19,403	22,088	18,694
Interest Expense on Lease Liabilities	9,369	287,495	96,468	2,562	2,421	2,288	103,740	7,962	6,350
Stock Based Compensation Expense	193,450	488,588	297,290	48,428	62,046	103,858	511,622	238,431	201,673
Other	(50,076)	(50,757)	-	-	-	-	-	-	-
Changes in Non-Cash Working Capital									
Account & Other Receivables	(191,112)	(2,434)	78,996	(137,039)	(89,486)	(47,261)	(194,790)	(56,870)	17,061
Inventory	-	-	-	-	-	-	-	-	-
Prepaid Expenses & Other Current Assets	(216,078)	(10,646)	(511,474)	705,362	(19,821)	(8,194)	165,873	(154,685)	(98,310)
Accounts Payable & Other Payables	(129,420)	236,541	90,984	5,533	108,535	44,868	249,921	(113,218)	23,281
Other	-	-	320,000	-	-	-	320,000	-	-
Provisions	-	-	-	(500)	(500)	(500)	(1,500)	(2,500)	(2,500)
Deferred (Unbilled) Revenue	1,062,325	15,432	284,697	(415,808)	36,280	(35,095)	(129,925)	(207,716)	(116,840)
Total Cash Provided By Operating Activities	(1,654,061)	(3,514,615)	(547,221)	(754,334)	(893,183)	(583,251)	(2,777,988)	(1,882,989)	50,858
Investing Activities									
Purchase of Property & Equipment	(6,642)	(17,120)	-	(638)	(610)	(584)	(1,832)	(2,087)	(1,723)
Total Cash From Investing Activities	(6,642)	(81,694)	(88,635)	(638)	(610)	(584)	(90,467)	(2,087)	(1,723)
Financing Activities									
Proceeds from Loan/Promissory Notes	-	2,702,300	-	-	-	-	-	-	-
Repayment of Loan/Promissory Notes	-	-	-	-	-	-	-	-	-
Operating Line/Credit Facility (Repayment)	40,000	20,000	-	-	-	-	-	-	-
Transaction Costs	(94,895)	(16,983)	-	-	-	-	-	-	-
Lease Payments	(104,162)	(94,172)	(19,572)	(11,958)	(11,300)	(10,679)	(53,509)	(37,156)	(29,631)
Proceeds from exercise of Stock Options and Warrants	-	-	-	-	-	-	-	1,000,000	-
Issue/Repurchase of Equity	2,732,670	853,744	120,000	2,500,000	-	-	2,620,000	-	-
Total Cash From Financing Activities	2,573,613	3,464,889	100,428	2,488,042	(11,300)	(10,679)	2,566,491	962,844	(29,631)
Net Increase in Cash	912,910	(131,420)	(535,428)	1,733,070	(905,092)	(594,513)	(301,964)	(922,232)	19,503
Beginning Cash	461,190	1,374,100	1,242,680	707,252	2,440,322	1,535,230	1,242,680	940,716	18,485
Ending Cash	1,374,100	1,242,680	707,252	2,440,322	1,535,230	940,716	940,716	18,485	37,988

Source: Company Reports; eResearch Corp.

Appendix C: Company Comparables by Industry

Figure 15: U.S. and Canadian Comparables – Canadian AdTech & Marketing Tech, and Marketing Workflow Tech

Name	May 30 Close (C\$)	Mkt Cap (C\$ M)	EV (C\$ M)	REVENUE (C\$ M)			EBITDA (C\$ M)			EV/Revenue			EV/EBITDA		
				2020A	2021A	2022E	2020A	2021A	2022E	2020A	2021A	2022E	2020A	2021A	2022E
Datable Technology Corporation	\$0.02	\$3.2	\$5.6	\$2.0	\$3.5	\$5.1	-\$2.5	-\$3.6	-\$2.0	2.8x	1.6x	1.1x			
Canadian Advertising, Marketing & Technology Comps															
AcuityAds Holdings Inc.	\$3.21	\$195.6	\$106.1	\$104.9	\$122.0	\$141.6	\$9.4	\$20.8	\$18.0	1.0x	0.9x	0.7x	11.3x	5.1x	5.9x
Adcore Inc.	\$0.27	\$17.2	\$8.8	\$17.0	\$28.0		\$1.3			0.5x	0.3x		6.9x		
Aquarius AI Inc.	\$0.06	\$6.7	\$7.9	\$0.0	\$0.0		-\$1.3								
ARHT Media Inc.	\$0.20	\$36.7	\$26.5	\$2.2	\$4.8		-\$3.5			5.6x	5.6x				
DATA Communications Management	\$1.28	\$56.4	\$127.8	\$259.3	\$235.3	\$246.1	\$21.6	\$32.9	\$23.9	0.5x	0.5x	0.5x	5.9x	3.9x	5.3x
DeepMarket Corp.	\$0.09	\$15.3	\$14.8	\$0.0	\$0.0		-\$0.3			2533.5x	4923.9x				
EQ Inc.	\$1.25	\$86.8	\$79.3	\$10.4	\$12.1	\$17.0	-\$2.2	-\$3.2	-\$1.0	7.6x	6.6x	4.7x			
Fobi AI Inc.	\$0.58	\$85.7	\$80.9	\$0.0	\$1.7		-\$7.6			48.7x	48.7x				
Gatekeeper Systems Inc.	\$0.36	\$32.4	\$32.2	\$21.9	\$15.0		\$2.8			2.1x	2.1x		11.7x		
Reklaim Ltd.	\$0.09	\$5.8	\$6.7	\$0.2	\$1.0		-\$4.5			37.8x	6.7x				
Snipp Interactive Inc.	\$0.15	\$42.2	\$39.5	\$8.7	\$15.3	\$24.6	-\$1.0	\$1.9	\$1.0	4.5x	2.6x	1.6x		21.1x	39.5x
YANGAROO Inc.	\$0.10	\$6.2	\$9.0	\$7.9	\$9.7		\$0.7			1.1x	0.9x		13.8x		
Yellow Pages Limited	\$14.20	\$383.3	\$316.6	\$333.5	\$287.6	\$261.7	\$109.0	\$102.5	\$94.5	0.9x	1.1x	1.2x	2.9x	3.1x	3.3x
Zoomd Technologies Ltd.	\$0.46	\$43.5	\$41.0	\$25.4	\$52.6		-\$3.4			1.6x	0.8x				
Mean (EV/Rev <20; EV/EBITDA <100)										2.7x	2.7x	2.0x	8.3x	9.3x	16.1x
Median										3.3x	2.4x	1.4x	6.9x	3.9x	5.3x

Name	May 30 Close (\$)	Mkt Cap (\$M)	EV (\$M)	REVENUE (\$M)			EBITDA (\$M)			EV/Revenue			EV/EBITDA		
				2020A	2021A	2022E	2020A	2021A	2022E	2020A	2021A	2022E	2020A	2021A	2022E
Tech-Enabled Marketing Providers															
Cimpress plc	US\$45.82	US\$1,196.2	US\$2,875.2	US\$2,481.4	US\$2,592.5	US\$2,848.9	US\$268.2	US\$236.4	US\$313.2	1.2x	1.1x	1.0x	10.7x	12.2x	9.2x
Deluxe Corporation	US\$24.41	US\$1,049.4	US\$2,765.4	US\$1,790.8	US\$2,022.2	US\$2,203.2	US\$296.6	US\$325.4	US\$438.4	1.5x	1.4x	1.3x	9.3x	8.5x	6.3x
dotdigital Group Plc	£0.84	£249.3	£212.3	£47.4	£58.1	£62.8	£14.7	£15.2	£21.1	4.5x	3.7x	3.4x	14.5x	13.9x	10.0x
Galaxy Digital Holdings Ltd.	\$8.65	\$969	\$966	\$0	\$0	\$1,035	\$0	\$0	\$0			0.9x			
Harte Hanks, Inc.	US\$8.59	US\$60.3	US\$88.9	US\$176.9	US\$194.6	US\$199.0	-\$US1.2	US\$15.2	US\$19.9	0.5x	0.5x	0.4x		5.8x	4.5x
HubSpot, Inc.	US\$352.44	US\$16,835.7	US\$16,382.0	US\$883.0	US\$1,300.7	US\$1,727.5	-\$US29.8	-\$US32.6	US\$215.5	18.6x	12.6x	9.5x			76.0x
Publicis Groupe S.A.	€ 52.12	€ 13,210.46	€ 15,350.93	€ 10,788.00	€ 11,738.00	€ 11,496.78	€ 1,938.00	€ 1,934.00	€ 2,579.41	1.4x	1.3x	1.3x	7.9x	7.9x	6.0x
Quadient S.A.	€ 19.86	€ 681.25	€ 1,194.58	€ 1,142.70	€ 1,029.40	€ 1,019.66	€ 202.60	€ 193.60	€ 250.98	1.0x	1.2x	1.2x	5.9x	6.2x	4.8x
Startek, Inc.	US\$3.63	US\$146.3	US\$396.2	US\$640.2	US\$703.6	US\$678.7	US\$55.7	US\$71.1	US\$57.5	0.6x	0.6x	0.6x	7.1x	5.6x	6.9x
Teleperformance SE	€ 317.10	€ 18,625.60	€ 21,291.60	€ 5,732.00	€ 7,115.00	€ 8,012.04	€ 858.20	€ 1,156.90	€ 1,629.94	3.7x	3.0x	2.7x	24.8x	18.4x	13.1x
TTEC Holdings, Inc.	US\$68.41	US\$3,217.7	US\$4,050.6	US\$1,949.2	US\$2,273.1	US\$2,589.9	US\$296.9	US\$330.3	US\$384.1	2.1x	1.8x	1.6x	13.6x	12.3x	10.5x
Zeta Global Holdings Corp.	US\$8.26	US\$1,676.2	US\$1,758.6	US\$368.1	US\$458.3	US\$559.0	US\$39.5	-\$US198.6	US\$84.8	4.8x	3.8x	3.1x	44.5x		20.7x
Mean (EV/Rev <20; EV/EBITDA <100)										3.6x	2.8x	2.2x	15.4x	10.1x	15.3x
Median										1.4x	1.3x	1.2x	9.3x	8.2x	6.3x

Source: S&P Capital IQ; eResearch Corp.

Figure 16: Canadian SaaS Comparables

Name	May 30 Close (C\$)	Mkt Cap (C\$ M)	EV (C\$ M)	REVENUE (C\$ M)			EBITDA (C\$ M)			EV/Revenue			EV/EBITDA		
				2020A	2021A	2022E	2020A	2021A	2022E	2020A	2021A	2022E	2020A	2021A	2022E
Datable Technology Corporation	\$0.02	\$3.2	\$5.6	\$2.0	\$3.5	\$5.1	-\$2.5	-\$3.6	-\$2.0	2.8x	1.6x	1.1x			
Canadian SaaS Comps															
Absolute Software Corporation	\$11.98	\$610.7	\$819.9	\$111.6	\$155.2	\$217.1	\$18.2	\$7.9	\$51.7	7.3x	5.3x	3.8x	45.0x	103.8x	15.8x
Constellation Software Inc.	\$2,007.58	\$42,543.7	\$43,331.7	\$3,969.0	\$5,107.0	\$6,456.0	\$863.0	\$1,113.0	\$1,761.2	10.9x	8.5x	6.7x	50.2x	38.9x	24.6x
The Descartes Systems Group Inc.	\$77.50	\$6,570.6	\$6,368.5	\$348.7	\$424.7	\$478.6	\$135.4	\$174.1	\$209.9	15.0x	15.0x	13.3x	47.0x	36.6x	30.3x
Docebo Inc.	\$45.09	\$1,482.7	\$1,274.6	\$62.9	\$104.2	\$147.7	-\$5.4	-\$11.9	-\$2.4	20.3x	12.2x	8.6x			
Enghouse Systems Limited	\$34.25	\$1,904.1	\$1,713.3	\$512.2	\$459.2	\$474.7	\$149.0	\$133.9	\$163.6	3.3x	3.7x	3.6x	11.5x	12.8x	10.5x
Kinaxis Inc.	\$138.65	\$3,825.5	\$3,634.2	\$224.2	\$250.7	\$351.7	\$31.8	\$13.0	\$67.3	16.2x	14.5x	10.3x	114.1x	280.6x	54.0x
Lightspeed Commerce Inc.	\$34.25	\$5,100.2	\$4,208.7	\$175.6	\$484.2	\$701.9	-\$71.3	-\$127.2	-\$50.2	24.0x	8.7x	6.0x			
mCloud Technologies Corp.	\$3.66	\$59.1	\$105.8	\$26.9	\$25.6	\$34.9	-\$23.9	-\$30.7	-\$20.3	3.9x	4.1x	3.0x			
Nuvei Corporation	\$67.68	\$9,569.4	\$9,359.9	\$376.2	\$724.5	\$960.0	\$142.6	\$247.5	\$415.0	24.9x	12.9x	9.7x	65.6x	37.8x	22.6x
Open Text Corporation	US\$39.64	US\$10,611.9	US\$13,455.0	US\$3,300.9	US\$3,435.6	US\$3,585.0	US\$1,002.0	US\$1,010.1	US\$1,266.6	3.9x	3.9x	3.8x	13.4x	13.3x	10.6x
Q4 Inc.	\$4.72	\$187.0	\$133.0	\$40.4	\$55.4	\$67.7	-\$8.5	-\$16.9	-\$23.8	3.3x	2.4x	2.0x			
Shopify Inc.	US\$369.04	US\$46,551.3	US\$40,500.1	US\$2,929.5	US\$4,611.9	US\$5,819.3	US\$182.8	US\$363.5	US\$277.2	13.8x	8.8x	7.0x	221.5x	111.4x	146.1x
Tecsys Inc.	\$31.55	\$459.5	\$439.7	\$118.1	\$135.1	\$150.7	\$10.6	\$8.0	\$11.6	3.7x	3.3x	2.9x	41.6x	55.0x	37.9x
Thinkific Labs Inc.	\$2.73	\$211.5	\$98.9	\$21.1	\$38.1	\$52.4	-\$1.4	-\$24.0	-\$32.0	4.7x	2.6x	1.9x			
AnalytixInsight Inc.	\$0.44	\$42.4	\$36.4	\$3.2	\$3.0	\$0.0	-\$2.1	-\$3.2	\$0.0	11.5x	12.1x				
Mean (EV/Rev <100; EV/EBITDA <1000)										11.1x	7.9x	5.9x	67.8x	76.7x	39.2x
Median										10.9x	8.5x	4.9x	47.0x	38.9x	24.6x

Source: S&P Capital IQ; eResearch Corp.

Appendix D: Risks

Datable operates in a quickly changing technology industry, which inherently brings high levels of risk and uncertainty. **Datable** operates in a very competitive landscape and needs to sell its solutions to large media and CPG companies. Other risks include the following.

Business and Operating Risks:

- The COVID-19 pandemic health crisis is affecting the business environment in many ways including changes in customer needs and new purchasing behaviours, and supply chain and distribution delays. Due to COVID-19-related issues, some of **Datable's** customers have shifted rewards budgets to 2022 and this pattern could continue if the health crisis does not abate soon.
- Due to the nature of the consumer online advertising and marketing industries, **Datable** will face strong competition from solution providers and in-house sales and marketing departments.
- The market for data-driven products and services is constantly changing as technology evolves, therefore **Datable** must continue to innovate as new proprietary technologies are developed.
- **Datable's** operational success largely depends on key officers, consultants, and employees, which could be detrimental to future operations if any of them unexpectedly depart.
- **Datable's** principal strategy component is organic growth. This growth depends on the ability to successfully gain market share, identify and develop new markets, and establish and maintain favourable relationships with customers.

Financial Risks:

- **Datable** has a limited operating history and is in the early stage of development, which is subject to high losses and uncertainty of revenues, under-capitalization, and cash shortages.
- **Datable** will need to refinance its existing credit facilities or other debt obligations in the future and may require additional financing for future growth such as investments in digital innovation and potential acquisitions. Capital costs could increase and its availability could be negatively impacted by disruptions and high volatility in the capital markets. This refinancing event could have a material negative effect on its business and overall financial condition.
- **Datable** has a history of Net Losses on an annual basis for the past decade between 2011 and 2021, with an accumulating deficit of \$26.6 million as of March 31, 2022, which may continue in the future due to losses on operations and investments, and the impairment of intangible assets such as goodwill.

Currency Risks:

- **Datable's** functional and reporting currency is the Canadian dollar and has exposure to U.S. dollar risk as some of the Company's revenues and expenses are in U.S. dollars. If there is an appreciation of the Canadian dollar versus the U.S. dollar, its investments and earnings in the United States could be negatively affected, and vice versa.

Sales and Marketing Risks:

- **Datable** operates in an evolving and increasingly competitive industry with large competitors that may have advantages over the Company, including longer operating histories and market presence, greater name recognition, access to larger customer bases, economies of scale and cost structure advantages, greater sales and marketing, manufacturing, distribution, technical, and financial resources, and government support.
- **Datable** operates through its proprietary software, which has the risk of becoming ineffective if there are changes in customer demands, habits, and standards.

Legal and Regulatory Risks:

- **Datable** can be involved in litigation matters, including lawsuits based on product liability, personal injury, breach of contract, indemnification claims, and lost profits or other consequential damage claims. The outcome of litigations is difficult to predict and raises the risk of an unfavourable impact on its business, results of operations, liquidity, and financial condition.
- Technology companies dealing directly with consumer data have the risk of a security or privacy breach involving unauthorized access to sensitive information, which may reduce demand for the Company's products and/or may result in significant fines or regulatory compliance issues.
- Laws and regulations regarding technology are constantly changing with previous laws being adjusted and new laws being formed, which may negatively affect **Datable's** business operations and cash flows due to unexpected compliance costs and unexpected regulations impeding the growth of the internet.

Technology Risks:

- **Datable's** products are highly technical and may contain undetected errors, defects, or security vulnerabilities, which could result in loss of revenue, delayed revenue recognition, loss of customers, or increased service costs.
- **Datable** relies on its proprietary products to maintain its reputation and competitive position. Segregation and protection of its information, including security over employee information, financial records, and operational data, or Confidential Information are required. Any failure to do so could harm **Datable's** reputation or competitive advantage.
- Cyber threats might defeat **Datable's** security measures or those of its third-party service providers. Moreover, employee error or malfeasance, faulty password management or other irregularities may result in a breach of security measures adopted by **Datable** or its third-party service providers, leading to a breach of Confidential Information.

Appendix E: eResearch Disclosure

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ANALYST ACCREDITATION

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Analyst Affirmation: I, Chris Thompson, hereby state that, at the time of issuance of this research report, I do not own common shares, share options, or share warrants of **Datable Technology Corporation (TSXV: DAC)**.

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