



409A VALUATION REPORT OF BLACK UNICORN FACTORY, INC.

Valuation **Dec 31, 2025**

Signing Date **June 19, 2026**

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To Be Used For: IRC 409 A Tax Compliance Purposes



TRANSACTION CAPITAL LLC

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TABLE OF CONTENTS

1.	TRANSMITTAL LETTER	3
2.	BACKGROUND	5
3.	OVERVIEW OF VALUATION	9
4.	CORPORATE HISTORY AND CAPITAL STRUCTURE	10
5.	FINANCIAL STATEMENT	13
6.	NATIONAL ECONOMY	15
7.	INDUSTRY	16
8.	AN OVERVIEW OF BUSINESS VALUATION	17
9.	VALUATION ANALYSIS - MARKET APPROACH	20
10.	VALUATION ANALYSIS - INCOME APPROACH	22
11.	VALUATION ANALYSIS – ASSET APPROACH	25
12.	DISCOUNT FOR LACK OF MARKETABILITY	26
13.	DISCOUNT FOR LACK OF CONTROL (DLOC)	34
14.	SYNTHESIS OF VALUATION METHODS & CONCLUSION OF VALUE	36
15.	VALUATION CONCLUSION	38
16.	ASSUMPTIONS & LIMITING CONDITIONS	39
17.	APPRAISAL CERTIFICATION	41
18.	VALUER QUALIFICATIONS	42
19.	APPENDICES	43

1. TRANSMITTAL LETTER

June 19, 2026

To,
Board of Directors
Black Unicorn Factory, Inc.

Sub: Valuation Certificate – Determination of the Fair Market Value of Common Stock of Black Unicorn Factory, Inc. for Purposes of Section 409A of the Internal Revenue Code as of December 31, 2025

Dear Sir/Madam,

Transaction Capital LLC was engaged by Black Unicorn Factory, Inc. (the “Company” or “BUF/ Black Unicorn”) to determine the Fair Market Value (“FMV”) of the Company's common stock as of December 31, 2025, for purposes of compliance with Section 409A of the Internal Revenue Code.

Black Unicorn Factory, Inc. is an innovation platform and business accelerator focused on supporting entrepreneurs and early-stage companies through business development services, strategic partnerships, and technology-enabled commercialization initiatives. During 2025, the Company expanded its business activities through the deployment of proprietary network services, strategic barter and equity exchange transactions, and investments in long-term strategic assets. The Company also maintained a portfolio of investments, intellectual property, and other operating assets intended to support its long-term growth strategy.

As of the valuation date, the Company had completed its 2025 fiscal year with audited financial statements reflecting total stockholders' equity of approximately USD 7.01 billion. Management represented that the Company intended to continue operating as a going concern and provided financial projections supporting future earnings and cash flow expectations. The valuation considered the Company's audited financial position, projected operating performance, capital structure consisting solely of common stock, industry outlook, and other relevant economic and company-specific factors.

Based upon the analysis performed and subject to the assumptions and limiting conditions contained in the valuation report, including consideration of the Discounted Cash Flow Method, Guideline Public Company Method, Net Asset Value Method, and the application of an appropriate Discount for Lack of Marketability, it is our opinion that the Fair Market Value of the Company's common stock is: **USD \$292 per common share on a minority, non-marketable basis as of December 31, 2025.**

This valuation has been prepared on a going-concern premise and in accordance with AICPA Statement on Standards

for Valuation Services No. 1 (SSVS No. 1), the Uniform Standards of Professional Appraisal Practice (USPAP), IRS Revenue Ruling 59-60, and other generally accepted valuation principles. This conclusion is subject to the Assumptions and Limiting Conditions and Valuation Analyst's Representations contained in the valuation report. No obligation is assumed to update this valuation for events occurring after the valuation date

Safe Harbor Statement

This valuation is intended to qualify as a safe harbor valuation under Section 409A of the Internal Revenue Code and Treasury Regulation §1.409A-1(b)(5)(iv)(B). Accordingly, it is afforded a presumption of reasonableness for determining the fair market value of the Company's common stock for equity compensation purposes, unless shown to be grossly unreasonable.

Yours faithfully,

Dr. Gaurav B. ABV, CVA, ASA & MRICS

Founder

Transaction Capital LLC

Date- June 19, 2026

2. BACKGROUND

Pursuant to the Engagement Letter executed between Transaction Capital LLC and Black Unicorn Factory, Inc. (the “Company” or “BUF/ Black Unicorn”), we have performed an independent valuation of the Company's Common Stock as of December 31, 2025, to estimate its Fair Market Value (“FMV”) on a minority, non-marketable interest basis for purposes of compliance with Section 409A of the Internal Revenue Code.

Engagement Purpose and Scope

Transaction Capital LLC was engaged by Black Unicorn Factory, Inc. (the “Company” or “BUF”) to prepare an independent valuation report for the purpose of estimating the Fair Market Value (“FMV”) of the Company's Common Stock as of December 31, 2025. The valuation was performed to assist the Company in determining the fair market value of its Common Stock for stock-based compensation and equity compensation purposes in accordance with Section 409A of the Internal Revenue Code and the related Treasury Regulations.

Standard of Value

The Company was valued under the Fair Market Value standard as required for valuations performed pursuant to Section 409A of the Internal Revenue Code. Internal Revenue Service Revenue Ruling 59-60 defines Fair Market Value as:

the price at which the property would change hands between a willing buyer and a willing seller when the former is not under any compulsion to buy and the latter is not under any compulsion to sell, both parties having reasonable knowledge of relevant facts.

Tax court decisions added to the definition by clarifying that the hypothetical buyer and seller:

are assumed to be able, as well as willing, to trade and to be well informed about the property and concerning the market for such property.

Premise of Value

The Company's Common Stock has been valued on a minority (non-controlling) and non-marketable basis, consistent with the requirements of Section 409A and the characteristics of the subject interest.

For purposes of this valuation, a Going Concern premise of value has been adopted. Under this premise, Black Unicorn Factory, Inc. is assumed to continue operating as an ongoing business enterprise and not under conditions of liquidation, insolvency, or forced sale.

The Going Concern value reflects the Company's ability to generate future economic benefits from its existing operations, strategic initiatives, proprietary technology, intellectual property, investment portfolio, business relationships, workforce, management expertise, and other tangible and intangible assets. The valuation further considers the Company's audited financial position as of December 31, 2025, including its significant strategic

investments, proprietary assets, and projected future cash flows, together with management's expectation that the Company will continue operating and executing its long-term business strategy.

Date of Valuation

The Company was valued as of Dec 31, 2025 (the "Valuation Date").

Valuation procedures

RR 59-60 also outlines the following eight factors that should be considered when valuing privately held companies such as the Company:

1. The nature of the business and its history from inception
2. The economic outlook in general as well as the conditions and outlook of the subject company's industry
3. The book value of the stock and the financial condition of the
4. The earnings capacity of the company
5. The company's dividend paying capacity
6. The company's intangible assets, such as goodwill
7. The sales of the company's stock and the size of the block to be valued
8. The market price of stocks of corporations engaged in the same or a similar line of business having their stocks actively traded in a free and open market

Sources of Information

This valuation opinion is based upon information provided by the management of Black Unicorn Factory, Inc. (the "Company" or "BUF"), together with publicly available information and other data available as of the valuation date. Transaction Capital LLC has relied upon information and representations provided by management and has not independently audited or verified the completeness or accuracy of such information. Our review and analysis included, but were not necessarily limited to, the following:

- Review of the Company's 2025 audited financial statements, including the Independent Auditor's Report, Balance Sheet, Statement of Operations, Statement of Cash Flows, Statement of Stockholders' Equity, and Notes to the Financial Statements.
- Review of the Company's audited financial position as of December 31, 2025, including approximately USD 7.011 billion of total assets, USD 7.011 billion of stockholders' equity, approximately USD 1.100 billion of reported operating revenue, and USD 6.461 billion of reported net income.
- Review of the composition of the Company's assets, including approximately USD 1.100 billion of FanVestor network equity investments, USD 5.361 billion Roller Dex strategic investment, USD 249.4 million available-for-sale investments, USD 169.4 million Level 3 prepaid assets, barter-related assets, intellectual property, related-party receivables, and other operating assets.
- Review of management's capitalization information, share register, and outstanding Common Stock as of

the valuation date.

- Review of management's business plan and financial projections covering the period CY2026 through CY2030, including projected profitability, cash flows, capital expenditure requirements, and long-term operating assumptions used in the Discounted Cash Flow analysis.
- Discussions with management regarding the Company's business model, operating strategy, investment activities, commercialization plans, long-term growth objectives, anticipated public-market strategy, and expected future operating performance.
- Review of the Company's accounting policies and disclosures contained within the audited financial statements, including management's description of its business model, revenue recognition policies, fair value measurements, strategic investments, barter transactions, and other significant accounting matters.
- Review of management's representations that the Company's FanVestor network deployment activities, licensing arrangements, equity-based consideration, and strategic investment activities constitute recurring components of the Company's ordinary course of business and are expected to continue as part of its long-term operating model. Transaction Capital LLC has relied upon these management representations and the audited financial statement disclosures and has not independently verified the future recurrence or sustainability of such activities.
- Review of the audited disclosures relating to the Company's Level 3 fair value measurements prepared under ASC 820, revenue recognition under ASC 606, and non-cash exchange accounting under ASC 845, together with supporting valuation information, management models, transaction documentation, and other information provided by management.
- Consideration of the Company's historical operating performance, projected future cash flows, financial condition, capital structure, liquidity position, industry outlook, macroeconomic conditions, and company-specific risk factors affecting value.
- Review of publicly available financial and market information for selected guideline public companies operating in investment management, alternative asset management, merchant banking, investment banking, financial advisory, private capital, and related financial services sectors.
- Consideration of applicable valuation guidance, including Internal Revenue Code Section 409A, Treasury Regulations Section 1.409A-1(b)(5), IRS Revenue Ruling 59-60, AICPA Statement on Standards for Valuation Services No. 1 (SSVS No. 1), Uniform Standards of Professional Appraisal Practice (USPAP), and other generally accepted valuation principles.
- Evaluation of qualitative and quantitative factors affecting value, including the Company's operating history, financial performance, management team, business model, investment portfolio, liquidity characteristics, concentration risks, marketability of the Common Stock, industry outlook, execution risk, regulatory considerations, and other factors deemed relevant to the valuation.

Management Representations

The valuation analysis relies upon information, assumptions, forecasts, and representations provided by management.

Management has represented that:

- the audited financial statements fairly present the Company's financial position as of the valuation date;
- the financial projections for CY2026 through CY2030 represent management's best estimates based upon information available at the valuation date;
- the Company's business model includes recurring operating activities associated with the FanVestor platform, licensing arrangements, strategic equity participation, and related network deployment activities as described in the audited financial statements; and
- no material information has been intentionally omitted that would reasonably be expected to have a significant effect on the valuation conclusion.

Transaction Capital LLC has not independently audited, verified, or validated these representations, future projections, accounting conclusions, or the future recurrence of revenues, gains, or investment returns. Accordingly, the valuation opinion should not be construed as an audit, accounting opinion, legal opinion, tax opinion, or guarantee of future operating performance, financial results, or market value

3. OVERVIEW OF VALUATION

The objective of this valuation is to estimate the Fair Market Value ("FMV") of the Common Stock of Black Unicorn Factory, Inc. (the "Company" or "BUF") as of December 31, 2025, for purposes of compliance with Section 409A of the Internal Revenue Code.

Black Unicorn Factory, Inc. is a pre-IPO accelerator, business development platform, and equity crowdsourcing enterprise that assists emerging companies through strategic advisory, commercialization support, licensing arrangements, capital-access initiatives, and long-term strategic investments. Based on the Company's audited financial statements for the year ended December 31, 2025, management represented that the Company continues to operate through the FanVestor ecosystem and that its business model includes recurring activities relating to network deployment services, licensing arrangements, strategic equity participation, and other business development initiatives conducted in the ordinary course of business. The Company reported total assets of approximately USD 7.011 billion, stockholders' equity of approximately USD 7.011 billion, total operating revenue of approximately USD 1.100 billion, and net income of approximately USD 6.461 billion as of the valuation date.

Management further represented that the Company's financial projections for the period CY2026 through CY2030 reflect its best estimates of future operating performance based on information available as of the valuation date. Transaction Capital LLC has relied upon management's representations, the audited financial statements, and related disclosures and has not independently verified the future recurrence or sustainability of revenues, gains, investment returns, or projected financial performance.

In determining the Fair Market Value of the Company's Common Stock, consideration was given to the Company's historical financial performance, audited financial position, projected future cash flows, capital structure, investment portfolio, industry outlook, economic conditions, market participant assumptions, and other qualitative and quantitative factors affecting value. The valuation incorporated the Discounted Cash Flow Method, Guideline Public Company Method, and Net Asset Value Method, with appropriate professional judgment applied in determining the weighting assigned to each methodology.

The valuation methodologies resulted in the following indicated values:

Method	Value (USD Mn)	Weight	Weighted Value (USD Mn)
Discounted Cash Flow	43,683	50%	21,841
Guideline Public Company Method	34,418	45%	15,488
Net Asset Value	7,011	5%	351
Guideline Transaction Method	N/A	0%	—
Price of Recent Investment	N/A	0%	—
Indicated Equity Value (Pre-DLOM)	37,680	100%	37,680

A Discount for Lack of Marketability ("DLOM") of 40% was applied to the indicated equity value to reflect the absence of an active public market, transfer restrictions, liquidity limitations, and other characteristics associated with minority ownership interests in privately held companies.

Based upon the analyses performed and subject to the assumptions and limiting conditions contained in this report, the Fair Market Value of the Company's Common Stock is concluded to be: **USD \$292 per Common Share on a minority, non-marketable basis as of Dec 31, 2025.**

4. CORPORATE HISTORY AND CAPITAL STRUCTURE

Black Unicorn is a Arizona corporation operating as a pre-IPO accelerator, business development platform, and equity crowdsourcing enterprise. The Company provides strategic advisory services, commercialization support, licensing arrangements, capital-access solutions, and network deployment services to emerging businesses through the FanVestor ecosystem and related business initiatives. Management represented that the Company's objective is to assist participating companies in developing operational capabilities, expanding investor access, and pursuing long-term liquidity opportunities through public-market readiness initiatives.

The valuation analysis considered the Company's audited financial statements for the year ended December 31, 2025, which were audited by Elizabeth Atchison, CPA (Illinois CPA License No. 065.044834), who expressed an unmodified opinion that the financial statements present fairly, in all material respects, the financial position of the Company in conformity with U.S. Generally Accepted Accounting Principles (U.S. GAAP). Transaction Capital LLC has relied upon the audited financial statements and management representations and has not independently audited or verified the underlying accounting records or audit procedures.

Based on the audited financial statements, the Company reported approximately USD 7.011 billion of total assets, USD 7.011 billion of stockholders' equity, USD 1.100 billion of operating revenue, and USD 6.461 billion of net income as of December 31, 2025. The Company's assets primarily consist of strategic investments, FanVestor-related equity interests, long-term investments, available-for-sale investments, barter-related assets, intellectual property, and other operating assets supporting management's long-term business strategy.

Management represented that the Company's operating model includes recurring business activities associated with the FanVestor network, licensing arrangements, strategic equity participation, and related business development services. The audited financial statement notes further describe these activities as components of the Company's ordinary course of business and continuing operations. Transaction Capital LLC has relied upon these management representations and the audited financial statement disclosures and has not independently verified the future recurrence, sustainability, collectability, or ultimate economic realization of such revenues, gains, investment values, or business activities.

As of December 31, 2025, the Company had 77,368,436 Common Shares issued and outstanding. The Company had no preferred stock, stock options, warrants, convertible securities, or other classes of equity outstanding as of the valuation date. Accordingly, the Company's capital structure consists solely of Common Stock, and no complex capital allocation or option-pricing allocation methodology was required in determining the Fair Market Value of the Common Stock.

SWOT Analysis

Strength	Weakness
• Significant audited asset base and stockholders' equity. • Diversified business model combining pre-IPO acceleration, strategic investments, licensing, and network deployment services. • Strong balance sheet with minimal financial leverage. • Scalable platform supported by strategic investment portfolio and business ecosystem.	• Limited operating history relative to established public companies. • Significant reliance on management assumptions and Level 3 fair value estimates. • Private company with limited liquidity and no active market for its Common Stock.
Opportunity	Threats
• Expansion of the FanVestor ecosystem and strategic partnerships • Potential public listing or other liquidity events. • Growth in licensing, commercialization, and investment activities • Appreciation of strategic investment portfolio and recurring operating activities.	• Changes in capital market conditions and investor sentiment. • Regulatory, accounting, or tax changes affecting valuation assumptions. • Execution risk associated with achieving projected growth objectives. • Market volatility affecting the value of strategic investments and private company valuations.

Stage of development

The AICPA Valuation Practice Aid defines six stages of enterprise development, defined as follows:-

1. Enterprise has no product revenue to date and limited expense history, and, typically, an incomplete management team with an idea, plan, and possibly some initial product development. Typically, seed capital, or first-round financing is provided during this stage by friends and family, angels, or venture capital firms focusing on early-stage enterprises, and the securities issued to those investors are occasionally in the form of common stock but are more commonly in the form of preferred stock.
2. Enterprise has no product revenue but substantive expense history, because product development is under and business challenges are thought to be understood. Typically, a second or third round of financing occurs during this stage. Typical investors are venture capital firms, which may provide additional management or board of directors' expertise. The typical securities issued to those investors are in the form of preferred stock.
3. Enterprise has made significant progress in product development; key development milestones have been met (for example, hiring of a management team); and development is near completion (for example alpha and beta testing), but generally, there is no product revenue. Typically, later rounds of financing occur during this stage. Typical investors are venture capital firms and strategic business partners. The typical securities issued to those investors are in the form of preferred stock.
4. Enterprise has met additional development milestones (for example, customer orders or revenue shipments) and has some product revenue, but it is still operating at a loss. Typically, mezzanine-financing rounds occur during this stage. Also, it is in this stage that discussions would start with investment banks for an initial public offering (IPO).
5. Enterprise has product revenue and has recently achieved breakthrough measures of 'financial success, such as operating profitability or breakeven or positive cash flows. A liquidity event of some sort: such as an IPO or a sale of the enterprise could occur in this stage. The form of securities issued is typically all common stock, with any outstanding preferred converting to common upon an IPO (and perhaps also upon other liquidity events).
6. Enterprise has an established financial history of profitable operations or generation of positive cash flows. Some enterprises may remain private for a substantial period in this stage. An IPO could also occur during this stage

Based upon the information provided by management and the audited financial statements, Black Unicorn Factory, Inc. is considered to be in Stage 5 of development. As of the valuation date, the Company had established operating activities, reported operating revenue and profitability, maintained a substantial investment portfolio, and continued executing its long-term growth and business development strategy. Management also indicated that the Company is pursuing future liquidity opportunities through continued expansion of its business platform.

5. FINANCIAL STATEMENT

The valuation analysis considered the audited financial statements of Black Unicorn Factory, Inc. for the year ended December 31, 2025, together with management's projected financial information for the period CY2026 through CY2030. The audited financial statements were prepared in accordance with U.S. Generally Accepted Accounting Principles (U.S. GAAP) and were audited by Elizabeth Atchison, CPA, Certified Public Accountant, Illinois CPA License No. 065.044834, who expressed an unmodified opinion that the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025. Transaction Capital LLC has relied upon the audited financial statements as provided by management and has not independently audited or verified the underlying accounting records, supporting documentation, or audit procedures.

The Company's audited financial statements indicate a significant increase in operating activity during 2025, primarily attributable to the expansion of its business model, strategic investment activities, licensing arrangements, and FanVestor network deployment services. Management represented that these activities form part of the Company's ordinary course of business and continuing operations.

Summary Historical Financial Information

Balance Sheet (USD)

Particulars	December 31, 2025
Cash and Cash Equivalents	315,037
Total Current Assets	357,803
Total Non-Current Assets	7,010,960,331
Total Assets	7,011,318,134
Total Liabilities	26,551
Total Stockholders' Equity	7,011,291,583

Statement of Operations (USD)

Particulars	December 31, 2025
Operating Revenue	1,100,299,683
Operating Expenses	310,064
Operating Income	1,099,989,619
Other Income and Gains	5,360,843,002
Net Income	6,460,832,621

The valuation also considered management's projected operating results for CY2026 through CY2030, including projected revenue, profitability, capital expenditures, and free cash flows utilized in the Discounted Cash Flow Method. These projections represent management's estimates based upon assumptions believed by management to be reasonable as of the valuation date. Transaction Capital LLC has not independently verified these forecasts and expresses no opinion regarding their ultimate achievement.

Financial Statement Analysis

The audited financial statements indicate that the Company experienced a significant increase in both its asset base and reported operating results during the year ended December 31, 2025. Total assets increased from approximately USD 549.2 million as of December 31, 2024, to approximately USD 7.011 billion as of December 31, 2025, while stockholders' equity increased to approximately USD 7.011 billion. The increase was primarily attributable to strategic equity transactions, network deployment activities, and long-term investment assets recognized during the year in accordance with U.S. GAAP.

Revenue for 2025 totaled approximately USD 1.100 billion, comprising USD 1.100 billion of FanVestor Network deployment revenue, together with services revenue of approximately USD 221 thousand and treasury and financing income of approximately USD 49 thousand. In addition, the Company recognized approximately USD 5.361 billion of other income relating to strategic equity exchange transactions, resulting in reported net income of approximately USD 6.461 billion. According to management and the accompanying audited financial statement disclosures, the FanVestor network deployment revenue represents activities conducted in the Company's ordinary course of business and forms part of its continuing operating model, rather than isolated transactions. Management further represented that these activities involve ongoing licensing arrangements, participant engagement, network expansion, referral activities, profit-sharing opportunities, and strategic business relationships expected to continue in future periods.

The Company's balance sheet is primarily comprised of strategic investment assets, including approximately USD 5.361 billion of long-term investments, USD 1.100 billion of FanVestor-related equity interests, USD 249.4 million of available-for-sale investments, and USD 169.4 million of Level 3 prepaid assets. Total liabilities were nominal at approximately USD 26,551, resulting in a highly capitalized financial position with minimal financial leverage.

The audited financial statements include disclosures regarding the accounting treatment of revenue recognition under ASC 606, fair value measurements under ASC 820, and non-monetary exchange transactions under ASC 845. Transaction Capital LLC has relied upon the audited financial statements and management's representations regarding the nature of the Company's operations and revenue streams. We have not independently verified the accounting treatment, fair value measurements, future recurrence, collectability, or sustainability of the reported revenues, gains, investment values, or projected economic benefits. Accordingly, the valuation assumes that the audited financial statements and related management representations are materially accurate as presented.

Financial Statement Adjustments

Transaction Capital LLC reviewed the Company's audited financial statements and management representations to determine whether any material normalization or valuation adjustments were necessary for purposes of this valuation. The valuation primarily relied upon the audited financial statements as presented. However, for purposes of the earnings-based valuation analysis under the Guideline Public Company Method, certain non-recurring, non-operating, and fair value-related items were normalized to estimate the Company's sustainable operating earnings. No other material adjustments to the audited financial statements were considered necessary. The valuation otherwise relies upon management's accounting policies, audited financial statements, and related disclosures and does not constitute an independent audit, accounting opinion, or verification of the reported financial information..

6. NATIONAL ECONOMY

The United States economy remained resilient throughout 2025, supported by continued labor market strength, moderating inflation, and steady economic growth despite a prolonged period of relatively high interest rates. According to the U.S. Bureau of Economic Analysis (BEA), real Gross Domestic Product (GDP) increased by approximately 2.8% during 2025, reflecting continued expansion in consumer spending, private investment, and business activity. Economic growth was supported by resilient corporate earnings, improving productivity, and continued investment in technology and innovation sectors.¹

Inflation continued to moderate during 2025 as supply chain conditions normalized and monetary policy remained restrictive. According to the U.S. Bureau of Labor Statistics (BLS), the Consumer Price Index (CPI) increased by approximately 2.9% year-over-year during 2025, moving closer to the Federal Reserve's long-term inflation objective. The U.S. labor market also remained relatively strong, with the national unemployment rate averaging approximately 4.2%, indicating continued employment growth and stable household spending.²

Financial markets continued to operate under relatively elevated interest rates as the Federal Reserve maintained a cautious monetary policy to balance inflation control with sustainable economic growth. The yield on the 10-Year U.S. Treasury Note averaged approximately 4.3% during late 2025, while corporate financing costs remained above historical averages. Although higher interest rates generally increase discount rates and financing costs, investor demand for businesses demonstrating scalable operating models, strategic assets, and long-term growth opportunities remained relatively resilient, particularly within technology-enabled business services and alternative investment sectors.³

Overall, the macroeconomic environment as of the valuation date remained supportive of long-term business investment, although continued geopolitical uncertainty, capital market volatility, inflationary pressures, and changes in monetary policy continued to represent important risk factors. These broader economic conditions were considered together with company-specific operating characteristics, financial performance, and industry outlook in forming the valuation conclusions presented in this report.

¹ U.S. Bureau of Economic Analysis (BEA), *Gross Domestic Product, Fourth Quarter and Year 2025 (Third Estimate)*.

² U.S. Bureau of Labor Statistics (BLS), *Consumer Price Index Summary (2025)* and *Employment Situation Summary (2025)*.

³ Board of Governors of the Federal Reserve System, *Federal Open Market Committee Statements (2025)* and U.S. Department of the Treasury, *Daily Treasury Yield Curve Rates (2025)*.

7. INDUSTRY

Black Unicorn Factory, Inc. operates within the business accelerator, venture development, private capital, and alternative investment ecosystem, providing business development, strategic advisory, commercialization support, licensing, and capital-access solutions for emerging businesses. The U.S. venture capital industry remained active during 2025, with total venture investment exceeding USD 170 billion across approximately 15,000 completed financing transactions, demonstrating continued institutional interest in innovation-driven businesses despite a more disciplined investment environment.⁴

Private capital markets continue to expand globally. According to Preqin, global private capital assets under management exceeded USD 15 trillion in 2025 and are projected to surpass USD 20 trillion by 2030, driven by increasing institutional allocations to private equity, venture capital, private credit, and alternative investment strategies.⁵ This growth continues to support demand for business accelerators, venture development platforms, and strategic capital-access providers.

Business accelerators and venture development platforms have become increasingly important components of the entrepreneurial ecosystem by assisting companies with commercialization, investor readiness, governance, strategic partnerships, and access to public and private capital markets. According to Startup Genome, startup ecosystems supported the creation of more than USD 7 trillion in global ecosystem value during recent years, reflecting continued innovation, technology adoption, and entrepreneurial activity worldwide.⁶

Although higher interest rates and capital market volatility have resulted in increased investor selectivity, long-term industry fundamentals remain favorable. Companies with scalable operating platforms, diversified revenue streams, strong governance, strategic investment portfolios, and demonstrated execution capabilities are generally better positioned to capitalize on future growth opportunities within the private capital and venture ecosystem.

⁴ PitchBook-NVCA Venture Monitor 2025 – U.S. venture capital investment exceeded USD 170 billion across approximately 15,000 financings.

⁵ Preqin – Future of Alternatives 2025 – Global private capital assets under management exceeded USD 15 trillion, with forecasts exceeding USD 20 trillion by 2030.

⁶ Startup Genome – Global Startup Ecosystem Report 2025 – Global startup ecosystems generated more than USD 7 trillion in ecosystem value.

8. AN OVERVIEW OF BUSINESS VALUATION

Valuation Methodologies

The valuation of a privately held company, such as Black Unicorn, requires the consideration of the following general approaches and specific methodologies:

INCOME APPROACH - The underlying principle of the income approach is the value of a business is based on its ability to generate cash flow over time. Income approach methodologies establish value based on either historical or future cash flow. One of the two following two types of income approach methods should be used to determine value:

- **The Capitalization of Earnings (Cap Earnings) method**, which can only be used when historical financial performance of a company is normalized, and future financial performance is expected to be in line with historical. Normalized, historical earnings are then discounted by a capitalization rate that reflects the risk of the Subject Company and expected long-term growth.
- **The Discounted Cash Flow (DCF) method**, which must be employed when the future financial performance of the company is expected to vary from historical performance. Rather than using historical cash flow, future cash flow is projected until it reaches a normalized level of growth and profitability. Cash flow is then discounted at a rate that reflects the risk of an investment in the subject company

MARKET APPROACH – The market approach methodologies establish value by assessing public market information for comparable companies. There are three market approach methods that should be considered when performing a valuation:

- **The Subject Company Transaction (SCT) method** analyzes recent arms-length transactions involving the subject company's equity. Multiples as of the date of the transactions are then calculated and applied to the subject company's financial metrics as of the Valuation Date.
- **The Guideline Transaction (GLT) method** reviews acquisitions of similar companies and determines the implied valuation multiples from the acquisition price. Transaction multiples are then applied to the company's financial metrics as of the Valuation Date.
- **The Guideline Public Company (GPC) method** evaluates similar publicly traded companies and determines their multiples as of the Valuation Date, which are then analyzed and applied to the subject company as appropriate.

COST APPROACH - The Cost approach establishes value by marking a company's assets and liabilities to current fair market value. Equity value is calculated by netting the fair market value of assets by the liabilities. This approach is appropriate when the income stream generated by a company is minimal and does not generate a sufficient return on assets. It is rarely employed when assessing the value of a viable operating entity and is typically used to determine the value of holding companies and distressed companies that may be facing liquidation.

Selected & Excluded Methodologies

The Discounted Cash Flow Method ("DCF") under the Income Approach was selected as a primary valuation methodology because management provided financial projections covering the period CY2026 through CY2030, enabling an assessment of the Company's expected future cash-generating ability. The DCF Method captures the intrinsic value of the business by estimating the present value of projected future cash flows while incorporating the risks associated with achieving those projections through an appropriate discount rate. Transaction Capital LLC relied upon management's projections for valuation purposes but did not independently verify their ultimate achievement.

The Guideline Public Company Method ("GPCM") under the Market Approach was also selected as a primary valuation methodology. The Company operates within the business accelerator, private capital, investment management, and business development sectors. Accordingly, valuation multiples derived from selected publicly traded investment management, alternative asset management, merchant banking, and financial advisory companies were considered an appropriate market-based benchmark after giving due consideration to differences in size, profitability, growth prospects, capital structure, and operating risk.

The Net Asset Value ("NAV") Method was also considered appropriate because the Company maintains a significant portfolio of strategic investments and other investment-related assets reflected in its audited financial statements. While the Company's value is influenced primarily by its future earning capacity and operating platform, the substantial net asset position provided additional support for the valuation conclusion. Consequently, the DCF, GPCM, and NAV methods were assigned appropriate weightings in arriving at the final indication of value.

The Guideline Transaction Method and Price of Recent Investment Method were considered but not utilized because no sufficiently comparable arm's-length transactions or recent equity issuances involving the Company's Common Stock were identified that would provide a reliable indication of Fair Market Value as of the valuation date. Based upon the facts and circumstances existing as of December 31, 2025, the selected methodologies were considered the most appropriate for estimating the Fair Market Value of the Company's Common Stock in accordance with Section 409A of the Internal Revenue Code, IRS Revenue Ruling 59-60, USPAP, and AICPA SSVS No. 1.

Enterprise value, total Invested capital & Equity value

It is important to understand the difference between business enterprise value (BEV), total invested capital (TIC) and equity value. The valuation methods we employed produce an enterprise value conclusion, which is defined as the value of the Company's equity (common and preferred stock) plus interest-bearing debt, net of non-operating assets such as distributable cash, NOL's, surplus real estate, etc.

Valuation Discounts / Premia

Valuation methodologies produce value conclusions on either a marketable or non-marketable and controlling or non-controlling basis depending on the method and the inputs used in the analysis. The inputs used in each methodology should match the basis of the subject interest. If the inputs do not match, discounts or premia can be applied to convert the basis of value conclusions to the desired level.

Marketability

The application of most valuation methods produces a marketable value as the inputs include publicly-traded stock prices, or companies that have sold. If the subject company is privately-held with no immediate plans to liquidate via a sale or IPO it is considered non-marketable and a discount for lack of marketability should be applied to the value conclusion to convert the conclusion from a marketable value to non-marketable.

Control

The level of control in a value conclusion depends on the methodology and inputs used. For example, a GLT method that uses acquisitions of controlling interests as its input, produces a controlling value indication. Conversely, if the acquisitions used in the analysis involved minority equity positions, then the value conclusion is on a non-controlling, or minority interest basis.

The income method also can produce a minority or controlling value conclusion depending on the level of cash flow used in the analysis. If cash flows have been adjusted to account for discretionary or salary-based decisions that can only be made by a controlling shareholder, then the resulting value is also a controlling. Conversely, if the cash flows reflect what a minority shareholder would receive without any controlling adjustments, then the value conclusion is on a minority interest basis.

Discounts/Premia Used in the Valuation of Black Unicorn

The Fair Market Value of the Company's Common Stock was determined on a minority, non-marketable basis, consistent with the requirements of Section 409A of the Internal Revenue Code, IRS Revenue Ruling 59-60, and generally accepted valuation principles. The valuation considered the rights and characteristics associated with a hypothetical minority shareholder in a privately held company.

The Company's enterprise value was estimated using a combination of the Discounted Cash Flow Method, Guideline Public Company Method, and Net Asset Value Method. As the Company has only one class of Common Stock outstanding, no option allocation methodology or other capital structure allocation model was required in determining the Fair Market Value of the Common Stock.

A Discount for Lack of Marketability ("DLOM") of 40% was applied to the indicated minority value of the Common Stock to reflect the absence of an active public market, restrictions on transferability, limited liquidity, and the additional risks generally associated with ownership of securities in a privately held company. The selected discount was determined after considering the Company's operating characteristics, stage of development, expected holding period, market evidence, and other company-specific factors as of the valuation date.

No separate Discount for Lack of Control ("DLOC") or control premium was applied because the valuation was performed on a minority, non-controlling interest basis, and the selected valuation methodologies inherently reflect the characteristics of a non-controlling ownership interest. Accordingly, the concluded Fair Market Value reflects the application of a 40% Discount for Lack of Marketability to the indicated minority equity value of the Company's Common Stock as of December 31, 2025.

9. VALUATION ANALYSIS - MARKET APPROACH

Market Approach – Guideline Public Company Method

We reviewed publicly traded companies operating in the investment management, alternative asset management, merchant banking, investment banking, financial advisory, private capital, and asset management sectors. While no public company is directly comparable to Black Unicorn Factory, Inc. in terms of size, investment portfolio, operating model, or risk profile, the following companies were considered reasonably comparable based on their participation in investment management, capital markets, financial advisory, and alternative asset management activities.

Company Name	Ticker	Description
The Goldman Sachs Group Inc.	GS	Global investment banking and asset management
Blackstone Inc.	BX	Alternative asset management
KKR & Co. Inc.	KKR	Global investment and private equity firm
Apollo Global Management, Inc.	APO	Alternative asset management
Ares Management Corporation	ARES	Alternative investment manager
The Carlyle Group Inc.	CG	Private equity and investment management
Evercore Inc.	EVR	Independent investment banking advisory
TPG Inc.	TPG	Global alternative asset manager
Hamilton Lane Inc.	HLNE	Private markets investment manager
StepStone Group Inc.	STEP	Global private markets advisor
Lazard Inc.	LAZ	Financial advisory and asset management
Moelis & Company	MC	Independent investment banking
PJT Partners Inc.	PJT	Strategic advisory and restructuring
Oppenheimer Holdings Inc.	OPY	Investment banking and wealth management
Cohen & Company Inc.	COHN	Investment banking and asset management

The selected guideline public companies were used to develop valuation multiples under the Guideline Public Company Method. Appropriate adjustments and professional judgment were applied to reflect differences in size, profitability, growth prospects, business mix, capital structure, investment portfolio, liquidity, and risk characteristics between the guideline companies and Black Unicorn Factory, Inc. Financial and market information was obtained from Capital IQ, Morningstar, SEC filings, annual reports, and other publicly available sources as of or near the valuation date.

Valuation Analysis – GPC Method

Under the Guideline Public Company Method ("GPCM"), multiple valuation metrics were analyzed, including Price-to-Book Value (P/BV), Price-to-Earnings (P/E), EV/Revenue, EV/EBITDA, and other commonly used market multiples. Based on the Company's audited financial statements, operating characteristics, and investment-oriented business model, the P/BV and P/E multiples were considered the most meaningful valuation metrics.

The P/BV multiple was considered appropriate because a significant portion of the Company's value is supported by its substantial investment portfolio and strong stockholders' equity. Likewise, the P/E multiple was considered appropriate because the Company reported positive earnings during the year ended December 31, 2025, allowing earnings-based valuation metrics to provide a meaningful indication of value.

Conversely, EV/Revenue and EV/EBITDA multiples were not selected as primary valuation measures. Revenue-based

multiples were considered less representative because the Company's reported revenue includes significant strategic investment and non-cash operating activities, while EBITDA is not considered the principal performance measure for investment-oriented businesses where earnings are influenced by fair value adjustments and investment gains.

Selection of Valuation Multiples

A review of the selected guideline public companies indicated a broad range of valuation multiples. Due to differences in business models, profitability, leverage, growth expectations, and market capitalization among the selected companies, the median multiple was selected for both P/BV and P/E. The median provides a more representative measure of central tendency by reducing the influence of unusually high or low observations and is widely accepted in valuation practice. Based upon the analysis of the selected guideline public companies, a median Price-to-Book Value multiple of 6.1x and a median Price-to-Earnings multiple of 23.7x were selected.

Price-to-Book Value Method

Particulars	USD Mn
Net Worth – December 31, 2025	7,011
Selected P/BV Multiple	6.1x
Indicated Equity Value	42,804

Price-to-Earnings Method

Particulars	USD Mn
Normalized Profit – December 31, 2025	1,100
Selected P/E Multiple	23.7x
Indicated Equity Value	26,032

Selection of Normalized Earnings

The Company reported net income of approximately USD 6.461 billion for FY2025. However, for purposes of the Price-to-Earnings Method, earnings were normalized to approximately USD 1.100 billion by excluding significant non-recurring investment gains, fair value adjustments, and other non-operating items. The normalized earnings are considered more representative of the Company's sustainable operating earning capacity and ongoing business performance.

Conclusion of Value – GPC Method of the Market Approach

Applying the selected Price-to-Book Value multiple of 6.1x to the Company's audited stockholders' equity resulted in an indicated equity value of approximately USD 42.804 billion. Similarly, applying the selected Price-to-Earnings multiple of 23.7x to normalized earnings resulted in an indicated equity value of approximately USD 26.032 billion.

Considering that both the Company's balance sheet strength and earnings-generating capability are significant value drivers, equal weighting of 50% was assigned to the P/BV and P/E methods. This weighting reflects the complementary nature of the two valuation metrics and avoids undue reliance on either the Company's net asset position or current earnings performance.

Accordingly, the Guideline Public Company Method resulted in an indicated equity value of approximately USD 34.418

billion on a minority, marketable basis.

10. VALUATION ANALYSIS - INCOME APPROACH

The application of the Income Approach establishes value by estimating the future economic benefits expected to be generated by the Company and discounting those cash flows using an appropriate discount rate ("WACC") that reflects the risks associated with achieving the projected financial performance. The Discounted Cash Flow ("DCF") Method was utilized because management provided financial projections covering the period CY2026 through CY2030, and management represented that these projections reflect the Company's expected future operating performance based on information available as of the valuation date.

Discounted Cash flow Method of the Income Approach

The Discounted Cash Flow ("DCF") Method estimates Fair Market Value by determining the present value of future free cash flows expected to be generated by the Company. The principal components of the DCF analysis include:

- **Discrete Projection Period Cash Flows** – Annual free cash flows were projected for the period CY2026 through CY2030 based on management's business plan and financial forecasts.
- **Terminal Value** – The terminal value represents the present value of all cash flows expected beyond the discrete projection period and was estimated using the Gordon Growth Model, assuming a long-term sustainable growth rate of 1.50%.
- **Discount Rate (WACC)** – Projected cash flows and terminal value were discounted to present value using the Company's estimated Weighted Average Cost of Capital ("WACC"), reflecting the time value of money and the risks associated with the projected cash flows

Cash Flow Projections

Management provided projected income statements and cash flow forecasts for the period CY2026 through CY2030. We reviewed the projections for internal consistency and overall reasonableness in light of the Company's historical financial performance, audited financial statements, business plan, and discussions with management. However, the projections represent management's estimates and have not been independently audited or verified by Transaction Capital LLC.

Terminal Value

Once the cash flow projections reach a normalized state, a terminal value is calculated. The terminal value assumes that the subject company will generate steady cash flows and growth indefinitely.

Weighted Average Cost of Capital (WACC)

A discount rate, also known as the Weighted Average Cost of Capital (WACC), is applied to projected cash flows and the terminal value to account for the time value of money and the risk and opportunity cost of investing in the subject interest. It is typically determined based on factors such as the business's risk profile, industry benchmarks, and prevailing market rates.

The Company's WACC is based on the Company's cost of equity and cost of debt, which are weighted based on capital

structure. All WACC components are calculated as of the Valuation Date.

Cost of Equity Overview

There are two accepted methods to calculate cost of equity: 1) the build-up method; and 2) the capital asset pricing model ("CAPM").

The CAPM requires a beta input that is determined by analyzing betas of the comparable public companies. Therefore, the CAPM method can only be utilized if guideline public companies are identified.

Sources of information for the cost of equity are detailed on their respective exhibits and include TagniFi, the Cost of Capital Professional calculator, Damodaran Online; Ibbotson/Chen long-term supply side equity risk analysis, Pratt/Grabowski's "Cost of Capital – Applications and Examples," and "Cost of Capital – Updated for an Economy in Crisis" January 2009 as well as other sources and studies.

Subject Company Cost of Equity

We calculated the Company's cost of equity using the CAPM methods.

The company-specific risk premium is more subjective and was selected based on the qualitative assessment outlined below:

Company-specific negative attributes that INCREASE the company specific risk premium include:

- Dependence on management's projected financial performance.
- Private company liquidity limitations.
- Execution risk associated with achieving projected growth.
- Reliance on strategic investment activities and future business expansion.
- Uncertainty associated with future market conditions and investment realization.
- Concentration of significant assets in Level 3 investment valuations

Company-specific positive attributes that DECREASE the specific company risk premium include:

- Strong audited balance sheet with approximately USD 7.011 billion of stockholders' equity.
- Minimal financial leverage and no material interest-bearing debt.
- Reported profitability during the year ended December 31, 2025.
- Diversified strategic investment portfolio.
- Audited financial statements prepared in accordance with U.S. GAAP.
- Availability of management projections through CY2030

Cost of Debt

The Company had no material interest-bearing debt outstanding as of the valuation date. Accordingly, the after-tax cost of debt was estimated at 0.00%

Capital Structure

The Company maintained a capital structure consisting entirely of equity financing with no material interest-bearing debt. Accordingly, a capital structure of 100% equity and 0% debt was utilized in estimating the Weighted Average Cost of Capital.

Weighted Average cost of Capital – Conclusion

Based upon the assumptions discussed above and the calculations presented in the accompanying exhibits, the estimated Weighted Average Cost of Capital ("WACC") for Black Unicorn Factory, Inc. was determined to be 28.04% as of December 31, 2025.

Conclusion of Value - DCF Method of the Income Approach

Under the Discounted Cash Flow ("DCF") Method, management's projected free cash flows for CY2026 through CY2030, together with the terminal value, were discounted to present value using the estimated Weighted Average Cost of Capital ("WACC") of 28.04%. This analysis resulted in an indicated Enterprise Value of approximately USD 43.683 billion.

The indicated Enterprise Value was adjusted by adding cash and investments of approximately USD 0.32 million and deducting no material interest-bearing debt to arrive at an indicated Equity Value of approximately USD 43.683 billion. The DCF Method was considered appropriate because management provided long-term financial projections, and the analysis reflects management's expectations regarding future profitability, investment returns, capital expenditures, working capital requirements, and long-term growth.

The reliability of the DCF Method is dependent upon the reasonableness of management's projections and the assumptions used in estimating the discount rate and terminal growth rate. Accordingly, the DCF analysis was considered together with the Guideline Public Company Method and the Net Asset Value Method in arriving at the final conclusion of Fair Market Value.

11. VALUATION ANALYSIS – ASSET APPROACH

The Adjusted Net Asset Value ("ANAV") Method estimates the value of a business by determining the Fair Market Value of its assets less the Fair Market Value of its liabilities as of the valuation date. The Asset Approach is generally most appropriate for investment holding companies, asset-intensive businesses, and entities whose value is substantially supported by their underlying net assets.

For purposes of this valuation, the Company's audited balance sheet as of December 31, 2025 was reviewed to assess whether any material adjustments to the carrying values of the reported assets and liabilities were necessary. Based on the audited financial statements, management representations, and information available as of the valuation date, no material adjustments to the reported carrying values were considered necessary. Accordingly, the Company's reported stockholders' equity of approximately USD 7.011 billion was considered a reasonable proxy for its Adjusted Net Asset Value

The indicated equity value under the Adjusted Net Asset Value Method is summarized below.

Net Asset Value

Particulars	USD Mn
Total Assets	7,011
Less: Total Liabilities	(0.03)
Adjusted Net Asset Value (Equity Value)	7,011

The Adjusted Net Asset Value Method produced an indicated equity value of approximately USD 7.011 billion as of December 31, 2025.

Rationale for Use of the Adjusted Net Asset Value Method

The Asset Approach was considered appropriate because the Company maintains a substantial balance sheet consisting primarily of strategic investments, long-term investment holdings, available-for-sale investments, and other investment-related assets. The method provides an objective indication of value supported by the Company's underlying net assets and serves as a useful benchmark for assessing the reasonableness of the valuation conclusion.

However, the Asset Approach was assigned a 5% weighting in the reconciliation of value because it does not fully capture the Company's expected future earnings potential, operating platform, business development activities, licensing arrangements, strategic relationships, and other intangible factors that contribute to value as a going concern. Accordingly, greater reliance was placed on the Income Approach and Market Approach, which more appropriately reflect the Company's expected future economic benefits and prevailing market participant assumptions.

12. DISCOUNT FOR LACK OF MARKETABILITY

All else being equal, an investment in a public company that can be sold easily, quickly, and inexpensively is worth more than a privately held investment. Conversely, the value of privately held stock is diminished by its lack of marketability. The ability to sell public shares quickly and easily is termed "marketability" and the diminishment in value of privately held stock is referred to as the discount for lack of marketability (DLOM).

The benchmark for marketability for a valuation is cash in 3 business days.

Since 1966, there have been many studies dedicated to quantifying marketability discounts for privately held companies. These studies calculate DLOMs via one of two methods:

1. IPO DLOM Studies
2. Restricted Stock DLOM Studies

The methodologies used to value the Company produce a value conclusion on a marketable basis. Since the Company is privately held, a DLOM must be applied to the valuation indications from each methodology to determine value for the Subject Interest on the appropriate, non- marketable basis. We determined the appropriate DLOM for the Subject Interest based on the following analysis.

IPO studies calculate DLOMs by comparing a private company's stock price to the same company's stock price after an IPO with the premise that all factors are the same other than the ability to sell the stock easily, quickly, and inexpensively. Therefore, the difference in the pre-and post-IPO stock price represents the DLOM. As summarized here, three companies have published IPO DLOM studies:

- Robert W. Baird & Co. (Emory), which studied IPOs between 1980 and 2000
- Willamette Management Advisors, which studied IPOs between 1975 and 2000
- Valuation Advisors (Brian Pearson) which performed annual studies for IPOs between 1999 and 2003 and segregated the results by the holding period as shown below

IPO DLOM STUDIES

Robert W. Baird (Emory) IPO DLOM Studies			
Period of Study	# of Transactions	Average Discount	Median Discount
Jan 1980 - Jun 1981	13	59.0%	68.0%
Jan 1985 - Jun 1986	21	43.0%	43.0%
Aug 1987 - Jan 1989	27	38.0%	43.0%
Feb 1989 - Jul 1990	23	46.0%	40.0%
Aug 1990 - Jan 1992	35	34.0%	33.0%
Feb 1992 - Jul 1993	54	45.0%	43.0%
Jan 1994 - Jun 1995	46	45.0%	47.0%
Nov 1995 - Apr 1997	91	43.0%	41.0%
May 1997 - Mar 2000	53	50.0%	52.0%
Median Emory DLOM - all years		45.0%	43.0%
Average Emory DLOM - all years		46.9%	46.6%

The average DLOM for all the IPO studies ranged from 6% to 75% with an average of 45%. Interestingly, the lowest DLOM involved companies with an expected holding period of 1-90 days while the high end of the range involved companies with longer holding periods.

Willamette IPO DLOM Studies

Period of Study	# of Transactions	Average Discount	Median Discount
1975-1978	31	55.0%	52.50%
1979	17	62.7%	62.70%
1980-1982	113	56.5%	56.50%
1983	214	60.7%	60.70%
1984	33	74.0%	73.10%
1985	25	42.6%	42.60%
1986	74	47.4%	47.40%
1987	40	43.8%	43.80%
1988	19	51.8%	51.80%
1989	19	50.3%	50.30%
1990	23	48.5%	48.50%
1991	34	31.8%	31.80%
1992	75	51.7%	51.70%
1993	110	53.3%	53.30%
1994	48	42.0%	42.00%
1995	66	58.7%	58.70%
1996	22	44.3%	44.30%
1997	44	35.2%	35.20%
1998	21	49.4%	49.40%
1999	28	27.7%	27.70%
2000	15	31.9%	31.90%
Average Willamette DLOM		48.54%	48.38%
Median Willamette DLOM		49.40%	49.40%

Pre-IPO Study Criticism

IPO DLOM studies have faced criticism in recent years. The studies assume that everything else remains constant between pre- and post-IPO, other than improved marketability. However, the IPO itself challenges this assumption as the requirements of being a public company and the infusion of capital that follows often alters a company's strategy, risk profile, and/or growth aspirations. Further, if the IPO was expected, preIPO stock prices include some element of marketability. Finally, the IPO approach is subject to selection bias as the studies do not include DLOMs for companies that filed for IPO but were unsuccessful.

These factors make it challenging to infer a supportable DLOM from the IPO studies. While we did not use the IPO studies to determine the Subject Interest's DLOM, the studies provide useful insight on the DLOM as well as a sanity

check for our DLOM conclusion.

Valuation Advisors (Brian Pearson) IPO DLOM Study

Period Covered	1-90 Days	91-180 Days	181 - 270 Days	271 - 365 Days	1 -2 Years
1999	33.4%	53.8%	64.2%	69.2%	74.8%
2000	23.5%	33.3%	43.2%	52.6%	55.0%
2001	14.7%	29.9%	54.8%	54.6%	50.9%
2002	6.6%	17.1%	35.3%	39.6%	53.4%
2003	29.6%	22.9%	37.9%	53.8%	59.3%
Median	23.5%	29.9%	43.2%	53.8%	55.0%
Average	21.6%	31.4%	47.1%	54.0%	58.7%

Restricted stock DLOM Studies

Restricted stock studies are widely referenced when determining a company is DLOM. These studies analyzed stock prices for publicly traded companies that also have publicly traded restricted stock. The difference in the freely traded and restricted stock price quantifies the DLOM. Unlike the IPO studies, restricted stock studies eliminate the timing and transformation variables that limit their use.

It should be noted that the SEC's Rule 144, which regulates public sales of restricted securities, was amended in 1997 and again in 2008, to reduce the required holding period of restricted stock to 1 year and 6 months, respectively. As shown in the studies, there was a corresponding reduction in the studies' DLOMs in the years after, providing useful insight into the relationship between the holding period (i.e., time to

Summary of Restricted Stock DLOM Studies				
DLOM Restricted Stock Study	Period Covered	# of Transactions	Concluded DLOM Average (1)	Median
SEC Overall Studies	1966 - 1969	398	25.8%	n/a
SEC Nonreporting OTC Companies	1966 - 1969		32.6%	n/a
Milton Gelman	1968 - 1970	89	33.0%	33.0%
Robert R. Trout	1968 - 1972	60	33.5%	n/a
Robert E. Moroney	1969 - 1972	146	35.6%	33.0%
Michael J. Maher	1969 - 1973	343	35.4%	33.3%
Standard Research Consultants	1978 - 1982	28	NA	45.0%
Willamette Management Associates	1981 - 1984	33	NA	31.2%
William L. Silber	1981 - 1988	69	33.8%	n/a
FMV Opinions (Hall/Pollack)	1980 - 1992	100+	23.0%	n/a
Bruce Johnson	1991 - 1995	72	20.0%	20.0%
Management Planning, Inc.	1980 - 2000	49	27.4%	28.8%
Columbia Financial Advisors	1996 - Feb 1997	23	21.0%	14.0%
Columbia Financial Advisors	May 1997 - 1998	15	13.0%	9.0%
FMV Opinions	1997-2003	187	22.5%	
LiquiStat	2005 - 2006	n/a	32.8%	34.6%
Trugman Valuation Advisors, Inc.	2007 - 2008	80	18.1%	n/a
Business Valuation Resources	Post-1997	187	23.8%	21.0%
Stout	1980 - 2022	772	20.5%	15.7%
ALL:				
Low DLOM =			13.0%	9.0%
High DLOM =			35.6%	45.0%
Avg DLOM for All Studies =			26.6%	26.6%

liquidity) and the size of the DLOM. Overall, the average and median DLOM for the restricted stock studies ranges from 13% to 36% and 9%-45% as shown.

DLOM Studies - Trends & Observations

Most of the DLOM studies involve small samples of transactions or provide little detail about how the discount varies around the average. However, several provide sufficient detail to facilitate further analysis of the factors that influence the magnitude of the DLOM. Our observations are summarized in the section below. Expected Holding Period (Time to Liquidity) & Volatility

Several studies provide empirical evidence

Summary of Restricted Stock Studies - Lance Hall					
(\$ in \$000s, except per share)					
ONE-YEAR HOLDING PERIOD ⁽¹⁾					
Quintile	1	2	3	4	5
Discount	7.70%	15.30%	25.90%	35.50%	60.10%
Market Value	139,326	157,177	68,217	89,217	35,012
Volatility	86.00%	85.70%	93.80%	112.20%	144.10%
Total Assets	41,459	30,997	14,631	10,451	5,496
Revenue	12,139	11,895	4,966	3,292	1,444
Price Per Share	\$9.25	\$10.13	\$4.75	\$7.50	\$2.75
TWO-YEAR HOLDING PERIOD ⁽¹⁾					
Quintile	1	2	3	4	5
Discount	5.00%	13.40%	21.30%	31.20%	43.40%
Market Value	104,477	67,353	61,714	44,260	24,030
Volatility	59.80%	57.50%	68.40%	77.70%	93.70%
Total Assets	40,949	23,794	16,625	10,890	5,994
Revenue	14,850	25,368	11,136	10,352	5,450
Price Per Share	\$8.38	\$7.63	\$5.93	\$4.25	\$3.27

¹¹ Excludes all transactions sold at a premium over the market price

that the expected holding period has a material impact on the magnitude of the marketability discount. While there were only a few studies that covered transactions after 1997 when the Rule 144 holding period decreased from 2 years to 1, they provide valuable information. The summary table shows the Columbia Financial Advisors and Business Valuation Resources studies, which provide clear evidence of the decrease in DLOMs after 1997.

Additionally, Lance Hall conducted a study that analyzed 182 restricted stock transactions that closed between 1997 and 2002 and had a one-year holding period. These transactions were then compared to pre-1997 restricted stock studies that had two-year holding periods. The

table to the left. As shown, Mr. Hall's studies validated the correlation between the DLOM and the holding period. As shown, Mr. Hall's study also identified the impact of volatility and the size of the company on the DLOM.

Size of the Block of Stock

Several studies such as Management Planning's (MPI) and Valuation Advisors' (Brian Pearson) examined volume restrictions of Rule 144, and the impact it had on the holding period. The volume restrictions mandate that, following the expiration of the initial holding period, restricted stock can only be sold, or "dribbled out," in limited volumes. Because larger blocks of stock take longer to liquidate, their holding period increases, and the studies show a correlating increase in the DLOM for large blocks of stock.

MPI Study: Analysis of Discounts by Expected Holding Period				
	Estimated "Dribble-Out" Period			
	< 1 year	1 to 5 years	5+ years	Overall
Number of transactions	12	29	8	49
Median estimated quarters to dribble out	2	10	40	9
Median discount	17.50%	26.00%	33.50%	28.80%
Average discount	23.20%	26.80%	37.60%	27.70%

FMV Study: Analysis of Discounts by Expected Holding Period				
	Percentage Shares Placed		Discount	
	Range	Mean	Median	Mean
Top Decile	Above 25.0%	32.10%	35.30%	33.70%
Top Quintile	Above 18.4%	26.70%	25.60%	28.80%
Bottom Quintile	Below 5.0%	2.90%	17.80%	19.50%

The MPI Study estimated the number of quarters required to dribble out the entire block of restricted stock and correlated that holding period with the DLOM.

The FMV study compared DLOMs of large and small blocks. Their analysis confirmed that DLOMs increase as the holding period increases.

Volatility

Several companies have analyzed the impact of volatility on the DLOM including Stout's analysis of the DLOM on various classes of stock with different volatility assumptions:

The Lance Hall studies also present a compelling analysis to support the impact of volatility on the DLOM as shown in the table above.

Volatility Assumptions	Preferred Units	Common Units	Options @\$1.00
20.0%	1.1%	19.1%	26.1%
30.0%	3.3%	23.8%	27.8%
40.0%	5.9%	26.7%	29.1%
50.0%	8.5%	28.7%	30.1%
60.0%	11.1%	30.0%	30.9%

Quality and Availability of Company Information

The SEC Study noted a correlation between the trading market for a company's securities and the size of the discount associated with the company's sale of restricted stock. Companies whose securities were traded on major exchanges such as the NYSE and the AMEX (which are subject to strict disclosure requirements, have more extensive analyst coverage, and have substantial trading volume) incurred a lower discount on the sale of restricted stock than their counterparts on less regulated (i.e., over-the-counter) exchanges. An analysis of discounts by trading market observed in the SEC Study is as follows

SEC Institutional Investor Study: Analysis of Discounts By Trading Market												
Size of Discount	NYSE		AMEX		OTC (reporting)		OTC (nonreporting)		Unknown		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
-15.0% to 0.0%	7	14%	2	4%	11	6%	5	4%	1	14%	26	7%
0.1% to 10.0%	13	25%	4	8%	39	22%	9	8%	2	29%	67	17%
10.1% to 20.0%	13	25%	11	22%	35	20%	18	16%	1	14%	78	20%
20.1% to 30.0%	10	20%	20	41%	30	17%	17	15%	0	0%	77	19%
30.1% to 40.0%	3	6%	7	14%	30	17%	25	22%	2	29%	67	17%
40.1% to 50.0%	1	2%	1	2%	13	7%	20	18%	0	0%	35	9%
50.1% to 80.0%	4	8%	4	8%	21	12%	18	16%	1	14%	48	12%
	51	100%	49	100%	179	100%	112	100%	7	100%	398	100%

Dividend Policy & History

Consistent and substantial dividends give investors partial marketability, albeit not complete liquidity. In the FMV study, they determined that DLOMs for non-dividend-paying companies were nearly double those of the dividend-paying counterparts. However, it should be noted that empirical data to support this correlation is limited. The FMV Study included a limited number of restricted stocks that paid dividends, and other restricted stock studies do not provide sufficient detail to effectively analyze discounts based on dividends.

OTHER FACTORS THAT INFLUENCE MARKETABILITY

Mandelbaum Factors & Qualitative Assessment

In *Bernard Mandelbaum et al v. Commissioner* (T.C. Memo 1995-255), the Tax Court opined that a qualitative analysis should be a part of the DLOM determination. The court's findings substantiate the observations from the DLOM studies and provides guidance on a few additional items:

- Financial performance and reliability and accessibility of financial information
- Dividend policy and history - Investors prefer distributions as they provide elements of capital recovery and capital gain
- Company's nature, history, industry position, and size, and the outlook for the economy and respective industry - Investors gravitate to positive results and shy away from risk
- Management depth & tenure - Intangibles such as management contribute to operational and financial success and help to ensure favourable returns
- Amount of control including swing vote characteristics – Ability to control reduces risk
- Stock transfer restrictions – right of first refusal or transfer limitation provisions are onerous as they impair marketability by discouraging third party offers
- Expected holding period of the stock- the time it takes to liquidate a privately held interest can be lengthy and expensive with and fraught with risk
- Company's redemption policy and history (right of first refusal or limitations on transfer- Put rights or expectations of near-term monetization events reduce the risk to an investor
- Costs and time associated with achieving marketability either via an IPO or sale

Our qualitative review of the Mandelbaum and other qualitative factors as summarized below:

Qualitative factors that increase the Company's marketability and DECREASE the DLOM	Qualitative factors that decrease the Company's marketability and INCREASE the DLOM
• The Company is a strong industry player with a recognizable brand	• Shareholders do not have the same access to data that public company shareholders possess
• Low leverage and strong access to capital	• Time and expenses to sell the company or go public
• Audited financial statements	• Financial information is not as accessible as public companies
• Tenured senior management	• High volatility
	• No immediate plans to sell or go public
	• The Company does not distribute profits

Put Option Pricing Models (POPMS) as a proxy for the DLOM

We also considered put option pricing models (POPMS to determine the DLOM for the Subject Interest. A put option provides the ability to sell stock at an agreed upon price on or before a particular date. Several studies using the put option pricing models (POPMS) to estimate DLOMs have been published including Longstaff, Finnerty, Ghaidarov, and Chaffe. DLOMs using each POPM and assuming a 6-month holding period are shown to the left. As with the Lance Hall studies, the POPMS illustrate the magnitude of volatility on the DLOM.

POPMS are one of the only proven quantitative techniques to determine a DLOM. Over time, the Ghaidarov and Modified Finnerty models have held up to scrutiny with one caveat – Finnerty has a mathematical limit of 32.3% for the volatility, which can understate the DLOM at higher volatilities.

The following tables summarize calculated DLOMs using the Finnerty and Ghaidarov models at various levels of volatility and holding period:

Holding Period (T, Years)	Volatility (σ)								
	20%	50%	75%	100%	125%	150%	200%	250%	300%
0.25	2.3%	5.7%	8.5%	11.2%	13.9%	16.3%	20.9%	24.6%	27.5%
0.50	3.3%	8.0%	11.9%	15.5%	18.8%	21.8%	26.6%	29.7%	31.4%
0.75	4.0%	9.8%	14.4%	18.5%	22.2%	25.3%	29.5%	31.5%	32.1%
1.00	4.6%	11.2%	16.3%	20.9%	24.6%	27.5%	30.9%	32.1%	32.3%
2.00	6.5%	15.5%	21.8%	26.6%	29.7%	31.4%	32.2%	32.3%	32.3%
3.00	7.9%	18.5%	25.3%	29.5%	31.5%	32.1%	32.3%	32.3%	32.3%
4.00	9.1%	20.9%	27.5%	30.9%	32.1%	32.3%	32.3%	32.3%	32.3%

Assumptions: $S = X$, $q = 0\%$

Holding Period (T, Years)	Volatility (σ)								
	20%	50%	75%	100%	125%	150%	200%	250%	300%
0.25	2.3%	5.8%	8.7%	11.6%	14.6%	17.5%	23.7%	30.0%	36.5%
0.50	3.3%	8.2%	12.3%	16.5%	20.8%	25.2%	34.2%	43.7%	53.4%
0.75	4.0%	10.0%	15.1%	20.4%	25.7%	31.2%	42.7%	54.5%	65.8%
1.00	4.6%	11.6%	17.5%	23.7%	30.0%	36.5%	50.1%	63.4%	75.0%
2.00	6.5%	16.5%	25.2%	34.2%	43.7%	53.4%	71.3%	84.6%	92.8%
3.00	8.0%	20.4%	31.2%	42.7%	54.5%	65.8%	83.5%	93.5%	97.8%
4.00	9.3%	23.7%	36.5%	50.1%	63.4%	75.0%	90.5%	97.2%	99.3%

Assumptions: $S = X$, $q = 0\%$

We calculated POPM's for the Subject Interest using reasonable volatilities and holding periods as shown below. While there are limitations to the POPM DLOM methodology, we use the POPM analysis as a test of reasonableness for other DLOM conclusions.

Stout DLOM Calculator - Restricted Stock Comparative Analysis Approach

The Stout DLOM Calculator is an interactive tool that analyzes more than 750 restricted stock transactions since 1980 with a goal of quantifying the percentage impact of qualitative factors on the DLOM. It allows for a more granular comparison between a subject company and the restricted stock companies by assessing size, profitability, and volatility. The Stout Calculator can also select individual comparable restricted stock companies and evaluate their discounts.

Discount for Lack of Marketability

Implied DLOM - Put Option									
Grant Date	Stock Price	Exercise Price	Estimated Date Of Liquidity Event (1)	Term (In Years)	Estimate of Volatility (2)	Risk-Free Rate (3)	Dividend Yield (4)	Value of Put Option	
Dec 31, '22	\$ 1.00	\$ 1.00	Dec 30, '24	2.00	50.0%	4.00%	0.0%	\$	0.23
Implied DLOM									<u>20.0%</u>

Grant Date	Stock Price	Exercise Price	Estimated Date Of Liquidity Event (1)	Term (In Years)	Estimate of Volatility (2)	Risk-Free Rate (3)	Dividend Yield (4)	Value of Put Option	
Dec 31, '22	\$ 1.00	\$ 1.00	Dec 31, '27	5.00	80.0%	4.00%	0.0%	\$	0.48
Implied DLOM									<u>50.0%</u>

Notes:

(1) Used two reasonable hypothetical exit dates based on the facts and circumstances of the subject company

(2) Based on daily volatility analysis for the GPCs

(3) Risk-free rate derived from U.S. government securities with the same term as the option, as of the Valuation Date.

(4) Dividends are assumed to be accrued and paid continuously.

DLOM Conclusion for BLACK UNICORN

The Fair Market Value of the Company's Common Stock has been determined on a minority, non-marketable basis, consistent with the requirements of Section 409A of the Internal Revenue Code and generally accepted valuation principles.

A Discount for Lack of Marketability ("DLOM") was estimated using the Protective Put Model ("PPM"), which measures the theoretical cost of a hypothetical put option required to protect an investor against the illiquidity associated with ownership of a privately held security. Based on a risk-free rate of 4.24%, an expected holding period of five years, and an implied volatility of 39.00%, the Protective Put Model indicated a marketability discount of approximately 25.0%.

In addition to the quantitative results of the PPM, qualitative factors were also considered, including the absence of an active public market for the Company's Common Stock, transfer restrictions, limited liquidity associated with a privately held company, concentration of investment assets, reliance on management projections, and the uncertainty associated with the realization of future operating performance and investment values. These qualitative factors support a marketability discount above the model-derived indication.

After considering both the quantitative results of the Protective Put Model and the qualitative characteristics of the Company, a 40% Discount for Lack of Marketability was considered reasonable and appropriate. Accordingly, a 40% DLOM was applied to the indicated minority value of the Company's Common Stock in arriving at the concluded Fair Market Value as of December 31, 2025.

13. DISCOUNT FOR LACK OF CONTROL (DLOC)

DLOC Overview

Owning a controlling block of stock gives a shareholder advantageous and valuable rights such as the ability to:

- Appoint key management
- Determine management compensation and perquisites
- Set policy and change the course of business
- Acquire or liquidate assets
- Select people with whom to do business and award contracts
- Change the articles of incorporation
- Pursue divestitures
- Liquidate, sell, or recapitalize the company
- Sell or acquire Treasury shares
- Register the company's stock for a public offering ☐ Declare and pay dividends
- Determine executive compensation
- Block any of the above act

Conversely, ownership of a non-controlling (or minority interest) block of stock often decreases the value of a block of stock below its pro rata value. The difference between the diminished value and the pro rata value of a minority interest is referred to as a "discount for lack of control" (DLOC), which is also referred to as a "minority interest discount."

The concept of a DLOC can be observed in the following scenarios:

- Minority shares that sell at discounted prices from the proportionate share of the value of the underlying business entity;
- Control premiums (over the trading price of minority holdings) that are often paid to gain control of a company; and
- Findings by the Tax Court that a minority interest's value is lower than its proportionate share of the company's value.

The application of a DLOC should also be considered when the combined interests held by the members of the same family would indicate family control. In Revenue Ruling 93-12, the IRS ruled that:

"If a donor transfers shares in a corporation to each of the donor's children, the factor of corporate control in the family is not considered in valuing each transferred interest for purposes of Section 2512 of the Code."

In the section below, we explain when a DLOC should be applied and summarize the rationale for the selection of the DLOC for the Subject Interest.

Application of the DLOC to Valuation Methodologies

The Company's Common Stock was valued on a minority, non-controlling basis, consistent with the requirements of Section 409A of the Internal Revenue Code and IRS Revenue Ruling 59-60.

No separate Discount for Lack of Control ("DLOC") was applied in this valuation. The selected valuation methodologies, including the Discounted Cash Flow Method, Guideline Public Company Method, and Net Asset Value Method, were applied on a minority basis and therefore inherently reflect the value of a non-controlling ownership interest. The valuation does not assume the ability to influence management decisions, declare dividends, control operations, or direct the strategic affairs of the Company.

Accordingly, the concluded Fair Market Value represents the value of a minority, non-controlling, non-marketable interest in Black Unicorn Factory, Inc. as of December 31, 2025.

Published data on control premiums & DLOCs

The Mergerstat Review publishes transaction statistics, including control premiums paid, for publicly announced mergers, acquisitions, investments, and divestitures. Mergerstat calculates control premiums by comparing a seller's closing stock price five business days before the acquisition announcement to the price the day after announcement.

According to Mergerstat, median DLOCs and minority interest discounts ranged from a low of 19% in 2020 to a high of 27.3% in 2012. It is important to note that the Mergerstat studies exclude acquisitions that occurred at a discount, so care must be taken not to overstate the DLOC using the Mergerstat data.

Conclusion of the DLOC for Black Unicorn .

No separate Discount for Lack of Control ("DLOC") was applied in this valuation. The Guideline Public Company Method utilizes valuation multiples derived from publicly traded minority interests, while the Discounted Cash Flow Method and Net Asset Value Method were performed on a minority, non-controlling basis. Accordingly, the selected valuation methodologies inherently reflect the economic characteristics of a minority ownership interest and do not incorporate control attributes.

Therefore, the concluded Fair Market Value of the Company's Common Stock already reflects the value of a minority, non-controlling interest, and no additional Discount for Lack of Control was considered necessary as of December 31, 2025.

14. SYNTHESIS OF VALUATION METHODS & CONCLUSION OF VALUE

Valuation Methodology Weightings

The Valuer considered the Income Approach, Market Approach, and Asset Approach in accordance with IRS Revenue Ruling 59-60, Treasury Regulation Section 409A, USPAP, AICPA SSVS No. 1, and other generally accepted valuation principles. Each valuation methodology was evaluated based on the Company's operating characteristics, audited financial statements, management projections, quality of available information, and the extent to which the methodology reflects the assumptions of a hypothetical market participant.

The Discounted Cash Flow Method was assigned the highest weighting (50%) because management provided detailed financial projections for CY2026 through CY2030, and the Company is expected to derive a significant portion of its value from future cash generation rather than solely from its historical financial performance. Although the DCF Method is dependent upon management's projections, it directly measures the Company's expected future economic benefits and therefore provides a meaningful indication of intrinsic value.

The Guideline Public Company Method was assigned a 45% weighting because it incorporates observable market evidence derived from publicly traded companies operating in similar industries. The method reflects prevailing market participant pricing and serves as an important reasonableness check against the Income Approach. However, a slightly lower weighting was assigned because no guideline company is directly comparable to the Company in terms of size, investment portfolio, business model, operating characteristics, and financial profile, requiring the exercise of professional judgment in selecting comparable companies and valuation multiples.

The Adjusted Net Asset Value Method was assigned a 5% weighting because the Company maintains a substantial strategic investment portfolio and strong stockholders' equity. While the Asset Approach provides support for the minimum value attributable to the Company's underlying net assets, it does not fully capture the Company's future earning capacity, operating platform, business development activities, strategic relationships, licensing arrangements, and other intangible factors expected to contribute to value as a going concern. Accordingly, only limited reliance was placed on this methodology.

The Guideline Transaction Method was considered but not utilized because no sufficiently comparable arm's-length transactions involving companies with similar business models, financial characteristics, and strategic investment profiles were identified as of the valuation date. Similarly, the Price of Recent Investment Method was not applied because no recent arm's-length equity financing involving the Company's Common Stock was available that would provide a reliable indication of Fair Market Value as of the valuation date.

Methods	Value (USD Mn)	Weight	Weighted Value (USD Mn)
Discounted Cash Flow Method	43,683	50%	21,841
Guideline Public Company Method	34,418	45%	15,488
Adjusted Net Asset Value Method	7,011	5%	351
Guideline Transaction Method	NA	0%	0
Price of Recent Investment	NA	0%	0
Fair Market Value of the Company (Pre-DLOM)		100%	37,680

A 40% Discount for Lack of Marketability ("DLOM") was subsequently applied to reflect the absence of an active public market, transfer restrictions, and the limited liquidity associated with the Company's Common Stock. No separate Discount for Lack of Control ("DLOC") was applied because the valuation was performed on a minority, non-controlling basis and the selected methodologies inherently reflect minority ownership characteristics.

Based upon the analysis performed and subject to the assumptions and limiting conditions contained in this report, it is our opinion that the Fair Market Value of the Common Stock of Black Unicorn Factory, Inc. is: **USD 292 per Common Share on a minority, non-marketable basis as of December 31, 2025.**

15. VALUATION CONCLUSION

Based upon the analysis performed, the valuation methodologies applied, the assumptions and limiting conditions described in this Report, and the facts and circumstances known and existing as of December 31, 2025, it is the opinion of the Valuer that the Fair Market Value ("FMV") of the Common Stock of Black Unicorn Factory, Inc., on a minority, non-marketable basis for purposes of Section 409A of the Internal Revenue Code, is as follows:

Input	Conclusion
Primary Valuation Methodologies	Discounted Cash Flow (50%), Guideline Public Company Method (45%), Adjusted Net Asset Value (5%)
Indicated Equity Value – DCF	USD 43.683 Billion
Indicated Equity Value – GPCM	USD 34.418 Billion
Indicated Equity Value – ANAV	USD 7.011 Billion
Fair Market Value of Company (Pre-DLOM)	USD 37.680 Billion
Less: Discount for Lack of Marketability	40.0%
Fair Market Value of Company (Post-DLOM)	USD 22.608 Billion
Common Shares Outstanding	77,368,436 Shares
Fair Market Value per Common Share	USD 292

Accordingly, it is our opinion that the Fair Market Value of the Common Stock of Black Unicorn Factory, Inc. is USD 292 per Common Share, on a minority, non-marketable basis, as of December 31, 2025, subject to the assumptions, limiting conditions, and qualifications contained in this Report.

16. ASSUMPTIONS & LIMITING CONDITIONS

We performed our analysis and arrived at the conclusions, based on the following assumptions and limitations:

1. This valuation has been prepared solely for the purpose stated in this Report and is valid only as of the stated valuation date. Subsequent events or changes in economic, market, regulatory, financial, or business conditions may materially affect the conclusions herein.
2. Transaction Capital LLC relied upon financial statements, projections, business information, capitalization information, legal documents, and other information provided by management or obtained from third-party sources believed to be reliable. Except as expressly stated herein, no independent audit, review, compilation, verification, or forensic examination of such information was performed.
3. The valuation relied upon the audited financial statements for the year ended December 31, 2025, audited by the Company's independent auditor. Transaction Capital LLC has not independently verified the underlying accounting records, audit procedures, accounting policies, or conclusions reached by the independent auditor and expresses no audit opinion or other assurance thereon.
4. Public, industry, economic, financial market, and comparable company information utilized in this valuation was obtained from sources believed to be reliable. However, no representation or warranty is made regarding the completeness, accuracy, or continued validity of such information.
5. The valuation assumes that the Company will continue as a going concern and that management will continue to operate the business in a prudent and commercially reasonable manner.
6. The valuation assumes that the Company will continue to have adequate financial resources, personnel, and operational capabilities necessary to execute its business strategy and achieve its projected operating performance.
7. Management's financial projections represent estimates of future operating performance. Transaction Capital LLC has not independently verified these projections and expresses no opinion regarding the likelihood that projected revenues, earnings, cash flows, investment returns, or other financial results will be achieved.
8. The valuation relies upon management's representations regarding the Company's business operations, strategic investments, licensing arrangements, equity holdings, contractual rights, business relationships, and future plans. No independent verification of such representations was performed unless specifically stated in this Report.
9. Certain revenues, gains, assets, and investment values reflected in the audited financial statements include strategic equity transactions, non-cash consideration, fair value measurements, and Level 3 valuation inputs. Transaction Capital LLC has relied upon management's representations and the audited financial statements regarding the accounting treatment and valuation of such items and has not independently determined their

legal enforceability, economic realization, future recurrence, sustainability, or fair value.

10. No independent investigation was performed regarding legal ownership, title, existence, transferability, enforceability, collectability, impairment, or marketability of the Company's assets, investments, contracts, licenses, intellectual property, software, databases, strategic investments, or other property interests.
11. This valuation does not constitute an audit, review, compilation, legal opinion, tax opinion, fairness opinion, solvency opinion, investment recommendation, or any other assurance engagement.
12. The valuation reflects facts and circumstances known or reasonably knowable as of the valuation date. Transaction Capital LLC assumes no obligation to update this Report for events, transactions, accounting changes, litigation, regulatory developments, financing events, or other circumstances occurring after the valuation date.
13. The concluded value reflects a minority, non-controlling, non-marketable ownership interest and should not be interpreted as the value obtainable in an actual sale, financing, merger, acquisition, liquidation, public offering, or other transaction.
14. This Report and any portion thereof is being permitted to be reproduced, distributed, quoted, published, or referenced with consent of Transaction Capital LLC, for tax, accounting, legal, audit, financing, or regulatory purposes directly related to the intended use of this valuation.
15. Transaction Capital LLC shall not be required to provide testimony, litigation support, arbitration services, regulatory assistance, or additional consulting services relating to this engagement unless separately retained under a written agreement.
16. Actual transaction values may differ, materially or otherwise, from the concluded Fair Market Value due to changes in market conditions, financing terms, investor expectations, strategic considerations, negotiation dynamics, regulatory developments, or other factors not known as of the valuation date.
17. To the fullest extent permitted by applicable law, the aggregate liability of Transaction Capital LLC, its members, officers, employees, affiliates, subcontractors, and agents arising from this engagement, whether in contract, tort, negligence, statute, or otherwise, shall not exceed the professional fees paid for this engagement. In no event shall Transaction Capital LLC be liable for any indirect, incidental, consequential, punitive, exemplary, special, or lost-profit damages.
18. Users of this Report remain responsible for obtaining independent legal, accounting, tax, regulatory, and investment advice regarding the matters addressed herein. Reliance on this Report for purposes other than those specifically stated is solely at the user's own risk.

17. APPRAISAL CERTIFICATION

We hereby certify the following statements regarding this valuation:

- The statements of fact contained in this Report are true and correct to the best of my knowledge and are based upon information provided by management and other sources believed to be reliable.
- The reported analyses, opinions, and conclusions are limited only by the assumptions and limiting conditions contained in this Report and represent my independent, impartial, and unbiased professional judgment.
- I have no present or prospective interest in the subject Company or its securities and no personal interest or bias with respect to the parties involved in this engagement.
- My compensation is not contingent upon the reporting of a predetermined value, the direction of value, the attainment of a stipulated result, or the occurrence of any subsequent event.
- This valuation assignment was performed independently and in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP), the AICPA Statement on Standards for Valuation Services No. 1 (SSVS No. 1), the ASA Business Valuation Standards, the International Valuation Standards (IVS), and the valuation principles set forth in IRS Revenue Ruling 59-60 and Section 409A of the Internal Revenue Code, as applicable.
- The analyses, opinions, and conclusions expressed herein are based upon the information available as of the valuation date and are subject to the assumptions and limiting conditions contained in this Report.
- I have not performed any prior services for the subject Company during the three-year period immediately preceding this engagement that would impair my independence, objectivity, or professional judgment.
- No person provided significant professional assistance in the preparation of this Report unless specifically identified herein.
- The undersigned personally directed, supervised, and accepts full professional responsibility for the analyses, conclusions, and preparation of this valuation report

Transaction Capital LLC

Dr. Gaurav B.
CVA, ASA, ABV & MRICS

Date: - June 19, 2026

18. VALUER QUALIFICATIONS

This report has been prepared by Dr. Gaurav B., ABV, CVA, ASA & MRICS.

About the Transaction Capital LLC

Transaction Capital LLC, a Delaware-registered firm, is your “One-Stop Solution” for specialized valuation services essential for Tax Compliance and Financial Reporting. We deliver certified, IRS-compliant valuations, with a strong focus on Real Estate valuations certified by MRICS, as well as other critical tax and financial reporting needs. Our services include 409A Valuations, SBA 7a Valuations, Purchase Price Allocation, ASC 718, Intangible Asset Valuations, Option and Convertible Valuations, and Litigation Support Valuations. We pride ourselves on providing accurate, audit ready valuations that meet the highest IRS standards.

About the Valuer

Dr. Gaurav B. is a Certified Valuation Analyst specializing in 409A valuations, dedicated to assisting both startups and established companies in determining accurate equity compensation values in line with IRS regulations. He holds numerous qualifications, including the ABV® from AICPA, Accredited Senior Appraiser (ASA), MRICS from RICS, and CVA® from NACVA, supported by an MBA and a Ph.D. in Finance. With over 15 years of experience as an Investment Banker and Venture Capitalist, Dr. Gaurav has successfully conducted around 1,500 business valuations and facilitated 30 mergers and acquisitions across various industries. His expertise in 409A, ASC 718, financial modeling, and equity research enables him to provide precise and defensible valuations for his clients.

Beyond his technical skills, Dr. Gaurav is passionate about integrating sustainability and ESG principles into business valuations. He is also a GRI Certified Sustainability Professional, reflecting his commitment to responsible and sustainable business practices.

Disclosure of Interest

I have no present or planned future interest in Black Unicorn and its group companies and the fee for this Valuation analysis is not contingent upon the values reported herein. The Valuation Analysis contained herein is not intended to represent the value at any time other than the date that is specifically stated in this Report

19. APPENDICES

Exhibit 1

Discounted Cash Flow Valuation Summary

Particulars	USD Mn
Weighted Average Cost of Capital (WACC)	28.04%
Terminal Growth Rate	1.50%
Present Value of Projected Free Cash Flows (CY2026–CY2030)	27,023
Present Value of Terminal Value	16,660
Enterprise Value	43,683
Add: Cash & Investments	0.32
Less: Interest-Bearing Debt	0.00
Indicated Equity Value	43,683

Assumption	Value
Projection Period	CY2026–CY2030
Terminal Growth Rate	1.50%
WACC	28.04%
Valuation Method	Discounted Cash Flow (DCF)
Terminal Value Method	Gordon Growth Model

Notes:

- Management of Black Unicorn Factory, Inc. provided the financial projections used in the Discounted Cash Flow ("DCF") analysis.
- The terminal growth rate of 1.50% reflects long-term expectations for inflation, economic growth, and the Company's sustainable long-term growth prospects.
- A combined Federal and State statutory income tax rate of 21.0% was applied where appropriate.
- The Weighted Average Cost of Capital ("WACC") was estimated using the Capital Asset Pricing Model ("CAPM").
- Enterprise Value represents the sum of the present value of projected free cash flows during the discrete forecast period and the present value of the terminal value.
- Cash and investments were based on the Company's audited balance sheet as of December 31, 2025.
- The Company had no material interest-bearing debt as of the valuation date.
- The Terminal Value was estimated using the Gordon Growth Model: $FCF \div (WACC - g)$.
- Management projections were utilized without adjustment for control premiums or controlling shareholder benefits. Accordingly, the DCF analysis reflects the value of a minority interest, consistent with the standard of value applicable under Section 409A.

Exhibit 2

Weighted Average Cost of Capital Calculation - CAPM:

Particulars	Value
Selected Unlevered Beta	1.57
Subject Company Debt-to-Equity Ratio	0.00
Effective Tax Rate	21.00%
Relevered Beta	1.57
Equity Risk Premium (ERP)	4.30%
Beta-Adjusted Equity Risk Premium	6.80%
Risk-Free Rate	4.20%
Size Premium	7.00%
Company-Specific Risk Premium (CSRP)	10.00%
Cost of Equity (Ke)	28.04%

Particulars	Value
Pre-Tax Cost of Debt	0.00%
Effective Tax Rate	21.00%
After-Tax Cost of Debt (Kd)	0.00%

Particulars	Equity (Ke)	Debt (Kd)
Cost of Capital	28.04%	0.00%
Capital Structure Weight	100.00%	0.00%
Weighted Contribution	28.04%	0.00%
Weighted Average Cost of Capital (WACC)	28.04%	

Notes

- *Beta – The relevered beta was derived from the selected guideline public companies and adjusted to reflect the Company's operating risk, business profile, and capital structure as of the valuation date.*
- *Tax Rate – A combined Federal statutory corporate income tax rate of 21.0% was applied where appropriate in estimating the after-tax cost of debt.*
- *Equity Risk Premium (ERP) – Represents the long-term incremental return expected by equity investors over the risk-free rate, based on recognized market studies as of the valuation date.*
- *Risk-Free Rate – Based on the yield of the 20-Year U.S. Treasury Constant Maturity as of the valuation date.*
- *Size Premium – Reflects the additional return required by investors for companies of similar size and market characteristics relative to larger publicly traded companies.*
- *Company-Specific Risk Premium (CSRP) – Reflects risks unique to the Company, including the concentration of investment assets, reliance on management projections, execution risk, liquidity considerations, and uncertainty regarding future operating performance.*
- *Cost of Debt – The Company had no material interest-bearing debt as of the valuation date; accordingly, the*

after-tax cost of debt was estimated at 0.00%.

- *Capital Structure – A capital structure of 100% equity and 0% debt was utilized, consistent with the Company's financial position as of December 31, 2025.*
- *Terminal Growth Rate – The long-term growth rate of 1.50% reflects expected long-term inflation, economic conditions, and the Company's sustainable long-term growth prospects.*

Exhibit 3

Market Approach: Guideline Public Company Method - Selection of Multiples

Company	Symbol	Market Cap (\$M)	Enterprise Value (\$M)	Sales (TTM) (\$M)	Current Ratio	Quick Ratio
The Goldman Sachs Group Inc	GS	\$243,200	\$465,043	\$58,698	0.0x	0.0x
Blackstone Inc	BX	\$113,182	\$136,609	\$11,376	0.0x	0.0x
KKR & Co Inc	KKR	\$108,914	\$77,472	\$16,723	4.2x	4.2x
Apollo Asset Management, Inc.	APO	\$76,262	-\$139,013	\$27,468	0.8x	0.8x
Ares Management Corp	ARES	\$35,147	\$51,966	\$5,356	1.5x	1.5x
The Carlyle Group Inc	CG	\$19,487	\$30,114	\$2,989	0.0x	0.0x
Evercore Inc	EVR	\$12,267	\$12,687	\$3,543	0.0x	0.0x
TPG Inc	TPG	\$8,894	\$12,840	\$2,919	0.0x	0.0x
Hamilton Lane Inc	HLNE	\$5,353	\$5,720	\$733	1.6x	1.6x
StepStone Group Inc	STEP	\$4,885	\$6,358	\$1,535	1.2x	1.2x
Lazard Inc	LAZ	\$4,825	\$5,750	\$3,053	5.5x	5.5x
Moelis & Co	MC	\$4,723	\$4,793	\$1,103	0.6x	0.6x
PJT Partners Inc	PJT	\$4,046	\$4,761	\$1,656	9.9x	9.9x
Oppenheimer Holdings Inc	OPY	\$708	\$1,393	\$1,541	5.2x	5.2x
Cohen & Co Inc	COHN	\$34	\$10	\$191	11.8x	11.8x

Company	Cash Ratio	Interest Coverage	Debt-to-Equity	Cash-to-Debt	ROCE %	ROE %
The Goldman Sachs Group Inc	0.0x	N/A	3.0x	0.5x	0.00	13.53
Blackstone Inc	0.0x	N/A	1.5x	0.2x	0.00	33.90
KKR & Co Inc	2.3x	0.1x	1.8x	2.5x	2.91	8.82
Apollo Asset Management, Inc.	0.8x	23.3x	0.6x	19.5x	6.14	22.47
Ares Management Corp	0.3x	1.1x	2.8x	0.1x	10.87	17.20
The Carlyle Group Inc	0.0x	N/A	2.3x	0.3x	0.00	11.72
Evercore Inc	0.0x	N/A	0.6x	0.9x	0.00	32.08
TPG Inc	0.0x	N/A	2.1x	0.5x	0.00	13.49
Hamilton Lane Inc	1.0x	20.6x	0.4x	0.9x	28.70	32.06
StepStone Group Inc	0.2x	0.0x	(1.6x)	1.0x	-36.16	-434.92
Lazard Inc	3.5x	4.5x	2.6x	0.6x	10.73	39.64
Moelis & Co	0.5x	N/A	0.5x	1.1x	28.55	41.17
PJT Partners Inc	5.1x	N/A	1.8x	1.0x	24.02	99.92
Oppenheimer Holdings Inc	0.1x	3.8x	0.8x	0.1x	6.87	9.68
Cohen & Co Inc	1.2x	4.1x	1.1x	1.1x	1.61	10.01

Company	PS Ratio	PE Ratio (TTM)	Forward PE Ratio	PEG Ratio	PB Ratio	EV-to-EBIT
The Goldman Sachs Group Inc	4.4x	16.5x	14.7x	1.8x	2.2x	0.0x
Blackstone Inc	10.0x	41.8x	22.7x	0.0x	13.7x	0.0x
KKR & Co Inc	6.9x	51.8x	18.0x	0.0x	4.0x	8.3x
Apollo Asset Management, Inc.	2.9x	19.2x	14.2x	0.0x	3.5x	(19.9x)
Ares Management Corp	6.3x	68.5x	24.7x	0.0x	11.7x	22.5x
The Carlyle Group Inc	6.7x	30.2x	11.4x	0.7x	3.5x	0.0x
Evercore Inc	3.8x	25.3x	17.9x	1.8x	6.8x	0.0x
TPG Inc	7.4x	645.2x	19.2x	0.0x	7.8x	0.0x
Hamilton Lane Inc	8.5x	22.1x	19.6x	2.9x	6.5x	14.1x
StepStone Group Inc	3.1x		24.5x			(6.3x)
Lazard Inc	1.8x	20.1x	13.0x	0.0x	5.7x	13.2x
Moelis & Co	4.6x	21.4x	19.2x	0.0x	8.8x	22.1x
PJT Partners Inc	3.9x	25.6x	22.6x	7.5x	17.7x	13.4x
Oppenheimer Holdings Inc	0.5x	9.0x	0.0x	2.0x	0.8x	6.6x
Cohen & Co Inc	0.5x	7.0x	0.0x	0.0x	0.7x	0.7x

Company	EV-to-Forward-EBIT	EV-to-EBITDA	EV-to-Forward-EBITDA	EV-to-Revenue	EV-to-Forward-Revenue	Gross Margin %	Net Margin %
The Goldman Sachs Group Inc	3.2x	0.0x	0.0x	7.9x	4.6x	0.00	28.40
Blackstone Inc	15.8x	0.0x	15.6x	12.0x	7.8x	0.00	23.80
KKR & Co Inc	2.5x	8.3x	2.5x	4.6x	1.4x	19.52	14.05
Apollo Asset Management,	0.0x	(16.7x)	0.0x	(5.1x)	6.7x	95.19	15.63
Ares Management Corp	0.0x	22.5x	27.3x	9.7x	9.2x	54.74	12.15
The Carlyle Group Inc	23.5x	0.0x	20.7x	10.1x	10.4x	0.00	22.14
Evercore Inc	27.5x	0.0x	25.2x	3.6x	3.5x	0.00	14.92
TPG Inc	0.0x	0.0x	0.0x	4.4x	3.8x	0.00	4.13
Hamilton Lane Inc	0.0x	13.7x	0.0x	7.8x	7.3x	70.86	31.12
StepStone Group Inc	0.0x	(6.6x)	0.0x	4.1x	4.2x	46.48	-40.06
Lazard Inc	11.7x	12.2x	10.8x	1.9x	1.6x	35.08	8.95
Moelis & Co	0.0x	21.3x	37.1x	4.4x	2.7x	34.30	17.51
PJT Partners Inc	0.0x	12.3x	7.0x	2.9x	2.1x	31.92	10.75
Oppenheimer Holdings Inc	0.0x	5.6x	0.0x	0.9x	0.0x	32.35	5.50
Cohen & Co Inc	0.0x	0.6x	0.0x	0.1x	0.0x	30.70	2.29

Exhibit 4

Volatility Calculation

Company	Beta	1-Year Volatility %	3-Year Volatility %	5-Year Volatility %
The Goldman Sachs Group Inc	1.47	28.09	26.32	28.06
Blackstone Inc	1.98	30.94	36.86	37.65
KKR & Co Inc	2.12	35.88	38.23	39.32
Apollo Asset Management, Inc.	1.42	21.87	30.30	36.42
Ares Management Corp	1.28	30.93	27.65	32.98
The Carlyle Group Inc	2.00	42.55	42.53	42.31
Evercore Inc	1.87	41.75	34.80	35.83
TPG Inc	1.67	32.61	38.50	
Hamilton Lane Inc	1.47	33.98	34.58	35.08
StepStone Group Inc	1.37	31.44	35.23	42.44
Lazard Inc	1.62	34.59	35.20	33.75
Moelis & Co	2.11	32.05	36.32	37.91
PJT Partners Inc	1.19	24.58	29.82	27.12
Oppenheimer Holdings Inc	1.02	24.99	24.81	31.91
Cohen & Co Inc	0.98	74.39	94.68	85.17

Exhibit 5

Discount for Lack of Marketability (DLOM) – Protective Put Model (PPM)

Assumption	Value
Strike Price	1.00
Spot Price	1.00
Time to Maturity (Years)	5.00
Dividend Yield	0.00%
Risk-Free Rate	4.24%
Implied Volatility	39.00%
d_1	0.68
d_2	(0.19)
Indicated DLOM (Put Value)	25.00%

Particulars	Value
Protective Put Model (PPM) Indication	25.00%
Qualitative Adjustment	Yes
Selected Discount for Lack of Marketability (DLOM)	40.00%