



Pro Screen Report

Target	Hartwell Mechanical Services, Inc. (composite sample)
Engagement	Pro (pre-LOI screen)
Date	October 23, 2026
Reviewer of record	Gray F. Smith

Pre-LOI screen of the seller's package and returns: the range the returns support, the ask against the market, and coverage at the standard.

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About this sample

This report is a sample. The target is a fictional composite built for demonstration: it is not any real company and has no single real-company source. Its financial statements, customer list, and seller add-back schedule were assembled from anonymized patterns observed across real small business acquisitions in the trades, and twelve findings were planted to demonstrate the procedures. Entity names, payees, and addresses are fictional. Every figure drawn from the seller's materials traces to the seller's documents; the databook carries the monthly P&L, add-backs, concentration and the earnings walk. What it does not do: tell a buyer whether to buy or a lender whether to lend. Workup reports describe findings and their implications; the decisions belong to the people whose capital is at risk. This is the Workup Pro form, the pre-LOI screen: Sections 1 to 9 (including 9b, Valuation context, and 9c, Financeability at the ask) plus 11 and 12, with a light databook. Valuation context: implied multiples at the asking price beside the DealStats quartiles, and the quality scorecard, which appears here computed; its interpretation and the comparable-company set are in the Diligence Report. Pro fees are credited in full toward a Quality of Earnings or Diligence engagement on the same deal within 60 days. Issued October 23, 2026. Reviewer of record: Gray F. Smith.

Section 1 - Engagement summary

Buyer-commissioned Pro (pre-LOI screen) engagement under the Professional Services Agreement Master Terms dated September 30, 2026. Target: HVAC service and installation contractor, Charlotte, NC (S corporation). Purchase price \$3,600,000: the proposed financing falls above the SOP 50 10 8.1 threshold of \$3,000,000 at which an independent quality of earnings report is required (SOP 50 10 8.1, effective October 1, 2026, Appendix 15, paragraph C.1, Financial Due Diligence). Section 9b appears here because this engagement is buyer-commissioned. Documents received: monthly and annual P&L FY2023 to FY2025, annual and monthly balance sheets FY2023 to FY2025, the federal returns as filed FY2023 to FY2025 (Form 1120-S with Schedules B, K, L, M-1 and M-2, Form 1125-A and Form 4562), Form 1120-S summaries FY2023 to FY2025, no bank records (Pro Screen basis), customer revenue schedule (FY2023 to FY2025), premises lease summary, market rent opinion (buyer-obtained), the seller's marketing summary (offering memorandum), seller add-back schedule, proposed deal structure. The documents requested and not provided are listed once in Section 12, the list of record. Analysis period: FY2023 to FY2025, the latest fiscal year being FY2025 (January 2025 to December 2025). Analysis, not an audit; based on materials provided; not investment, legal, or tax advice; prepared under the governing engagement agreement. Reviewer of record: Gray F. Smith. This report rests on the seller's package and tax returns; no bank records were reviewed.

Section 2 - Key findings summary

Figure	Value
Revenue (FY2025)	\$4,806,000; FY2023 to FY2025 CAGR (two periods) 6.9%, FY2025 growth 6.9%
Reported EBITDA (FY2025)	\$733,791 (15.3% margin)
SDE (FY2025)	\$785,791 (16.4% margin)
Normalized EBITDA (after market management cost)	\$630,476 to \$792,476 (13.1% to 16.5% margin)
Asking price	\$3,600,000
Implied multiple, ask / normalized EBITDA (low end)	5.7x; DealStats MVIC/EBITDA median 4.6x
Implied multiple, ask / normalized EBITDA (high end)	4.5x; DealStats MVIC/EBITDA median 4.6x
Implied multiple, ask / SDE	4.6x; DealStats MVIC/SDE median 3.1x
Coverage on the buyer's structure (Section 9c)	1.08x to 1.36x; Initial Acquisition standard 1.25x (SOP 50 10 8.1, Appendix 15)

Source: Company financial statements; DealStats; SOP 50 10 8.1; Workup analysis.

The earnings walk

Normalized EBITDA (after market management cost) is Workup's figure: reported EBITDA, plus the add-backs the returns support (the low end) or that need evidence (the high end), less the related-party rent normalized to market and a market management cost. A seller's adjusted EBITDA is the seller's own figure, built from the seller's add-backs. SDE is EBITDA plus officer compensation.

Item	Amount
Reported EBITDA (FY2025)	\$733,791
Supported by the returns: Owner salary (fully added back)	\$52,000
Needs evidence: Family member wages	\$0
Needs evidence: Legal settlement, one-time	\$0
Needs evidence: Personal travel & meals (100%)	\$0
Needs evidence: Country club dues	\$0
Needs evidence: Personal vehicle in fleet	\$0
Needs evidence: Family phone lines	\$0
Needs evidence: One-time rebrand project	\$0
Needs evidence: Owner health insurance	\$0
Related-party rent normalized to the market opinion obtained by the buyer	(\$31,200)
Market management cost	(\$124,116)
Normalized EBITDA, low end	\$630,476
Normalized EBITDA, high end (needs-evidence items credited)	\$792,476
SDE (EBITDA plus officer compensation, stated for reference)	\$785,791

Source: Company financial statements; Workup analysis.

Normalized EBITDA after market management cost for FY2025 is \$630,476, with SDE of \$785,791 per the earnings walk (EBITDA plus officer compensation), against reported EBITDA of \$733,791; the \$3,600,000 asking price implies 5.7x normalized. This work is on a Pro Screen basis: no bank records were obtained, so the earnings walk is preliminary, and no cash proof, payroll tie, or coverage test was performed. Section 9c carries the coverage arithmetic on the buyer's structure as filed, and the lender's test on verified

earnings sits with the Quality of Earnings engagement.

1. No bank records were reviewed on this Pro Screen basis, so owner distributions were not observed and no cash proof, payroll tie, or coverage test was performed, leaving the \$630,476 normalized EBITDA untested against cash movement and no figure in this report bank-verified.
2. Implied capex runs below half of depreciation, a gap of \$57,538 per year to depreciation parity (FY2024 to FY2025 average) per the fixed-asset movement, with an asset age proxy of roughly 8.1 years.
3. The top customer represents 21.7% of FY2025 revenue, placing \$137,121 of earnings at risk on that single relationship (customer revenue schedule).
4. The ask implies 5.7x the low end and 4.5x the high end of normalized EBITDA, against a DealStats MVIC/EBITDA median of 4.6x and upper quartile of 6.4x on 211 transactions. The 1.25x standard on the buyer's structure requires normalized EBITDA of \$730,174, which is \$99,699 above the low end; that amount is met if about 62% of the \$162,000 of needs-evidence items survives evidence, and the three largest items alone (family member wages, personal travel and meals, country club dues: \$102,600) would meet it.
5. The reconciliation schedule carries a FY2024 revenue variance of \$52,000 between the reported and return-basis figures.

Section 3 - Business overview

The target is an HVAC service and installation contractor based in Charlotte, NC, operating as an S corporation. FY2025 revenue divides between service at 65.9% and installation at 34.1% per the revenue mix schedule, with the three-year mix shown in the accompanying report table. Revenue follows a seasonal pattern: average monthly revenue peaks in July and troughs in February, with the peak month running 64.7% above the trough on a three-year average of the monthly P&L.

Customer concentration in FY2025 is led by Merrowfield Property Group, a property management contract account, at 21.7% per the customer revenue schedule, followed by Thornfield Homes at 11.3% and Carolina Medical Plazas at 10.4%. Revenue billed without customer names (the residential card-processor aggregate and other commercial installs) represents 26.0%.

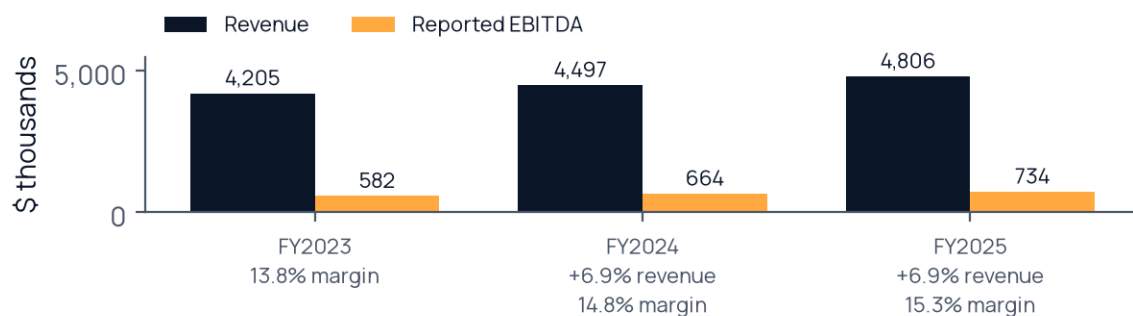
The materials furnished carry no headcount or staffing detail: no roster, no technician or field crew counts, and no breakdown of staffing by function, tenure or licensure. Industry and market context for the HVAC service and installation trade appears in the industry

context subsection of this report and is drawn from Workup analysis rather than from seller materials.

Measure	FY2023	FY2024	FY2025
Service revenue (recurring)	\$2,630,223	\$3,102,153	\$3,166,343
Installation revenue (project)	\$1,574,777	\$1,394,847	\$1,639,657
Service share	62.5%	69.0%	65.9%
Installation share	37.5%	31.0%	34.1%

Source: Company financial statements; Workup analysis.

Revenue grew each year; reported EBITDA followed



Source: Company financial statements; Workup analysis.

Industry context

Per the Workup industry brief for NAICS 238220 (as of October 14, 2026; every figure resolves to the brief's cited sources): Mecklenburg County, NC has 358 plumbing and HVAC contractor establishments with 7,418 employees at average annual pay of \$85,232, per BLS QCEW 2025 annual averages (NAICS 23822, the parent aggregate). SBA 7(a) approvals in the contractor code family ran 1,406 loans and \$626,746,900 of gross approvals in FY2025, per the SBA FOIA dataset as of June 30, 2026. As a public reference per the 10-K income statements on SEC EDGAR: Watsco reported gross margin 28.0% and operating margin 10.0% for calendar 2025, against 26.8% and 10.3% for 2024 (per its Form 10-K filed February 27, 2026, accession 0001193125-26-082486); Comfort Systems USA reported gross margin 24.1% and operating margin 14.4% for calendar 2025, against 21.0% and 10.7% for 2024 (per its Form 10-K filed February 19, 2026, accession 0001104659-26-017530). Findings only; no forecast is authored by Workup.

Section 4.1 - Reconciliation of books to tax returns

P&L revenue ties to Form 1120-S gross receipts within rounding in 2 of 3 years tested, per the returns as filed. Variances on this schedule: revenue varies by \$52,000 in FY2024. The FY2024 revenue variance of \$52,000 is material and is flagged in the risk register; revenue

differences on this schedule are reconciliation failures. Net income differences between the books and the return are the 50 percent meals and entertainment limitation (Schedule M-1 line 3b) in each year and, in FY2024, the \$52,000 recorded on the books and not on the return (Schedule M-1 line 5a). The preparer's reconciliation of the 2024 return to the books is the document request for this variance (Section 11).

Measure	FY2023	FY2024	FY2025
P&L revenue	\$4,205,000	\$4,497,000	\$4,806,000
Gross receipts	\$4,205,000	\$4,445,000	\$4,806,000
Revenue variance	\$0	\$52,000	\$0
P&L COGS	\$2,198,428	\$2,346,334	\$2,543,515
Tax COGS	\$2,198,428	\$2,346,334	\$2,543,515
COGS variance	\$0	\$0	\$0
Net income	\$450,490	\$542,289	\$620,972
Ordinary income	\$457,079	\$497,213	\$627,696

Source: Company financial statements; Workup analysis.

Accounting policies

Each policy as the returns as filed and the statements state it, with its source; a policy the materials do not state carries a numbered question.

Policy	Entry	Source
Basis of accounting	Accrual	Form 1120-S Schedule B line 1, returns as filed
Inventory method	Lower of cost or market (Form 1125-A) (cost-flow method not stated: question 23)	Form 1125-A, returns as filed
Depreciation method	MACRS; the books follow the return	Form 4562, returns as filed, against the P&L depreciation
Revenue recognition	Not stated in the materials (question 21)	The statements provided carry no policy note
Related-party items	Premises lease with Marbeck Holdings LLC, an owner-affiliated landlord	Premises lease summary
Owner pay	\$52,000 officer compensation, FY2025	Form 1120-S line 7, returns as filed

Source: Company financial statements; Workup analysis.

Section 4.3 - Add-back analysis

Each classification below was reviewed and signed by the reviewer of record. The market management cost charged in the walk is \$112,730, the median of record (BLS OEWS May 2025, general and operations managers; the full citation is on the rate of record), plus the 10.1% employer cost per the FY2025 P&L: \$124,116 annually. The figure sits in a corridor: the floor is the metro median loaded at the employer-cost rate, charged in the walk; the ceiling is the RMA officers' compensation median for the size band, 3.6% of FY2025 revenue (\$173,016), and at that ceiling normalized EBITDA is \$581,575 and the implied multiple 6.2x. A third reference, the BLS OEWS May 2025 construction-industry median for general and operations managers (\$112,230), sits beside the floor. The floor is charged because the manager cost is an outside figure, not a seller claim, and conservatism does

not extend to overstating outside figures. The \$124,116 management charge of annual earnings is about \$570,932 of purchase price at the DealStats MVIC/EBITDA median of 4.6x. The walk carries a related-party rent adjustment to the market figure cited in the rent opinion obtained by the buyer; Section 4.5 states both figures and their sources. The \$31,200 rent normalization of annual earnings is about \$143,520 of purchase price at the median multiple.

Item	Proposed amount	Credited amount	Treatment
Owner salary (fully added back)	\$52,000	\$52,000	Supported by the returns
Family member wages	\$54,600	\$0	Needs evidence
Legal settlement, one-time	\$16,800	\$0	Needs evidence
Personal travel & meals (100%)	\$28,800	\$0	Needs evidence
Country club dues	\$19,200	\$0	Needs evidence
Personal vehicle in fleet	\$9,600	\$0	Needs evidence
Family phone lines	\$5,400	\$0	Needs evidence
One-time rebrand project	\$12,000	\$0	Needs evidence
Owner health insurance	\$15,600	\$0	Needs evidence

Source: Company financial statements; Workup analysis.

1. Owner salary (fully added back): The return states whose pay this is: line 7 Compensation of officers is \$52,000 in 2023, \$52,000 in 2024, and \$52,000 in 2025, and the P&L line Officer compensation (owner) carries \$52,000 in 2023, \$52,000 in 2024, and \$52,000 in 2025. The credited figure is \$52,000, the lower of the seller's claimed \$52,000 and the booked P&L line of \$52,000. A full Quality of Earnings engagement would verify through the payroll register and W-2 detail that no replacement management compensation is required for the owner's operating role.

2. Family member wages: The amount is plausible within Indirect wages & office salaries of \$560,072 in 2023, \$601,482 in 2024, and \$630,496 in 2025, and within Payroll taxes & benefits of \$185,155 in 2023, \$202,681 in 2024, and \$215,926 in 2025. Neither the P&L nor return line 19 Other deductions (\$1,365,596 in 2023, \$1,427,814 in 2024, \$1,469,970 in 2025) identifies the individual, the rate of pay, or the function performed, so the claim that the role carries no replacement cost is unverified on the returns. A full Quality of Earnings engagement would verify the payroll register by employee, the job description, and the hours worked to establish whether a replacement hire is required.

3. Legal settlement, one-time: Legal & professional is booked at \$26,831 in 2023, \$27,693 in 2024, and \$27,679 in 2025, a flat line across the three years provided. A one-time \$16,800 settlement would present as an increment in a single year, and no such increment exists: 2025 sits \$848 above 2023 on a base of roughly \$27,000. The flat line does not by itself prove the claim false: a settlement could displace other legal spend inside a constant total. The item is credited at zero on the low end and at the claimed amount on the high end pending evidence. Documents requested: the settlement agreement and the general ledger detail for the legal and professional account.

4. Personal travel & meals (100%): Travel, meals & entertainment is booked at \$29,284 in 2023, \$30,775 in 2024, and \$29,884 in 2025, so the booked line exceeds the claim in each year and the credit is limited to the seller's claimed amount of \$28,800. Schedule M-1 line 3b shows the return taking the 50 percent meals and entertainment limitation on this line (\$6,724 in FY2025), so the seller's return deducted the spend as a business expense. The booked line proves the spend occurred; it does not establish that 100 percent of it is personal rather than customer and job-site travel in an installation and service business. A full Quality of Earnings engagement would verify receipts, expense reports, and card-level transaction detail to split personal from business use.

5. Country club dues: Dues & subscriptions (including Coppergate Golf Club) is booked at \$23,280 in 2023, \$23,280 in 2024, and \$23,280 in 2025, so the booked line exceeds the claim and the credit is limited to the seller's claimed amount of \$19,200. The caption names the club, which shows where the money went, not that the membership is personal rather than a business development cost, and the line recurs at an identical amount in all three years. A full Quality of Earnings engagement would verify the club invoices, the membership agreement, and usage records to establish the personal portion.

6. Personal vehicle in fleet: Vehicle & fuel is booked at \$140,582 in 2023, \$139,560 in 2024, and \$137,198 in 2025, ample to absorb the claimed \$9,600, and the credit is limited to the seller's claimed amount. The returns do not break the fleet out by vehicle, so neither the presence of a spouse SUV nor the \$9,600 annual cost assigned to it is visible in the documents provided. A full Quality of Earnings engagement would verify the fleet schedule, vehicle titles and registrations, the commercial auto insurance schedule, and fuel card detail by vehicle.

7. Family phone lines: Office, software & phones is booked at \$41,490 in 2023, \$41,304 in 2024, and \$41,025 in 2025, sufficient to absorb the claimed \$5,400, and the credit is limited to the seller's claimed amount. The line is a combined caption covering office costs, software, and telephony, so the number of lines and their users is not determinable from the returns. A full Quality of Earnings engagement would verify the carrier invoices by line and the assignment of each line to an employee or family member.

8. One-time rebrand project: Marketing & lead services is booked at \$109,963 in 2023, \$109,540 in 2024, and \$111,547 in 2025. A \$12,000 one-time 2025 project would present as a step up in that year, and 2025 runs only \$1,584 above 2023 on a base near \$110,000. The flat line does not by itself prove the claim false: a project could displace other marketing spend inside a constant total. The item is credited at zero on the low end and at the

claimed amount on the high end pending evidence. Documents requested: the rebrand invoices and the general ledger detail for the marketing and lead services account.

9. Owner health insurance: Insurance is booked at \$79,800 in 2023, \$79,800 in 2024, and \$79,800 in 2025, and Payroll taxes & benefits at \$185,155 in 2023, \$202,681 in 2024, and \$215,926 in 2025, either of which could carry the claimed \$15,600, and the credit is limited to the seller's claimed amount. Neither line identifies the covered individuals, and the returns do not show whether the owner's coverage sits inside a plan extended to staff, so the non-recurring character of the cost to a buyer is unproven. A full Quality of Earnings engagement would verify the carrier invoices, the benefit plan enrollment census, and the payroll records allocating premiums by participant.

Section 4.4 - Normalized EBITDA: year-over-year bridge

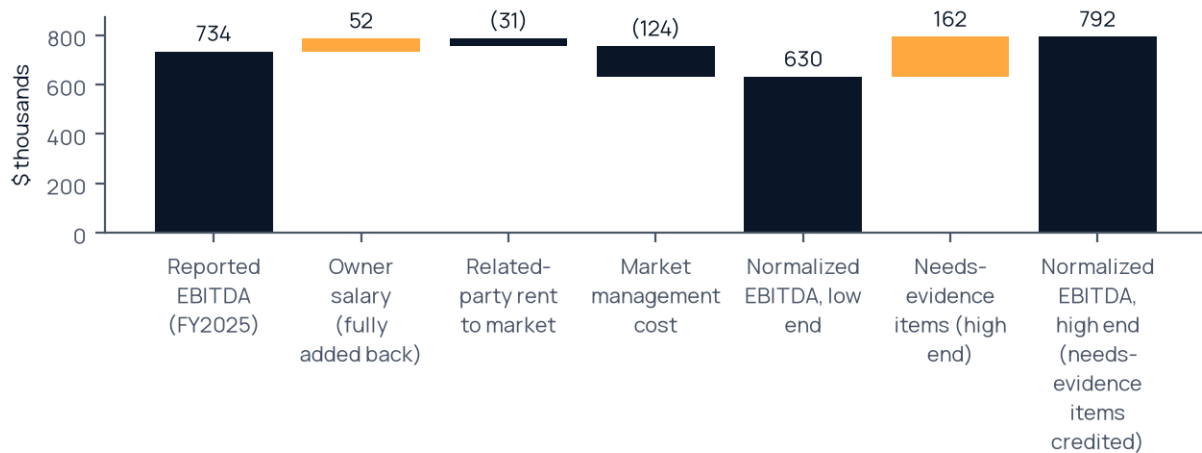
This is the Pro Screen's preliminary range, on the seller's package and tax returns only: the low end, \$630,476, counts only add-backs supported by the returns; the high end, \$792,476, adds the \$162,000 of items that need evidence. SDE is stated at \$785,791 and reported EBITDA at \$733,791. A full Quality of Earnings engagement verifies the open items per the Section 11 evidence list. Change in Normalized EBITDA (after market management cost) decomposed into revenue, gross-margin rate, operating-expense, and adjustment effects; the final year's end ties to the earnings walk (Section 2). A price and volume split is not derivable from the materials provided. The bridge foots in every period to the cent; printed rows may differ by \$1 from rounding.

Period	Normalized EBITDA start	Revenue effect	Margin effect	Expense effect	Adjustment effect	Normalized EBITDA end
FY2023 to FY2024	\$479,071	\$139,339	\$4,755	(\$62,553)	\$0	\$560,611
FY2024 to FY2025	\$560,611	\$147,778	(\$35,958)	(\$41,955)	\$0	\$630,476

Source: Company financial statements; Workup analysis.

Basis by year: FY2023, FY2024, FY2025 normalized EBITDA are each at the low end of the range (reported EBITDA plus the add-backs the returns support, less the related-party rent normalized to market and the market management cost); no finding adjustment applies on the Pro.

Adjustments take reported EBITDA of \$734k to a range of \$630k to \$792k



Source: Company financial statements; Workup analysis.

Recast income statement

The three fiscal years restated at the low end of the range, line by line, with one row adding the add-backs that need evidence to reach the high end; the same figures as the earnings walk (Section 2).

Line	FY2023	FY2024	FY2025
Revenue	\$4,205,000	\$4,497,000	\$4,806,000
Cost of goods sold	(\$2,198,428)	(\$2,346,334)	(\$2,543,515)
Gross profit	\$2,006,572	\$2,150,666	\$2,262,485
Operating expenses excluding depreciation	(\$1,424,185)	(\$1,486,738)	(\$1,528,693)
Reported EBITDA	\$582,386	\$663,927	\$733,791
Add-back supported by the returns: Owner salary (fully added back)	\$52,000	\$52,000	\$52,000
Related-party rent normalized to market	(\$31,200)	(\$31,200)	(\$31,200)
Market management cost	(\$124,116)	(\$124,116)	(\$124,116)
Normalized EBITDA (after market management cost), low end	\$479,071	\$560,611	\$630,476
Add-backs that need evidence	not derivable (question 25)	not derivable (question 25)	\$162,000
Normalized EBITDA (after market management cost), high end	not derivable (question 25)	not derivable (question 25)	\$792,476

Source: Company financial statements; Workup analysis.

The seller's add-back schedule states one annual amount for each claim, and the seller's marketing summary applies the schedule to FY2025; the high end is shown for FY2025.

Section 4.5 - Related-party items

Every transaction with the owner, the owner's family or an owner-affiliated entity identified from the statements, the returns, each stated at the arm's-length figure where one can be supported or flagged with the document that would settle it. Arm's-length adjustments flow into the earnings walk (Section 2). A signed related-party declaration (question 17) was not provided; family members on payroll and undisclosed affiliated entities are untested. Pro Screen basis: items visible in the package and the returns are listed with the question for the seller; no arm's-length adjustment is made without evidence.

Counterparty	Nature	Reported amount	Arm's-length	Source	Treatment
The selling owner	Officer compensation	\$52,000	\$124,116	P&L	Charged in the walk (Section 2)
Owner-affiliated landlord	Premises rent	\$86,400	\$117,600	Premises lease summary	Normalized in the walk (Section 2)

Source: Company financial statements; Workup analysis.

1. The selling owner: The market management cost is per the BLS OEWS May 2025 median of record, as of October 13, 2026, loaded at the FY2025 employer-cost rate; it is charged in the earnings walk (Section 2).

2. Owner-affiliated landlord: The landlord is identified per the lease and the P&L rent line. The market figure is per the rent opinion obtained by the buyer (not an appraisal).

Section 5 - Revenue quality

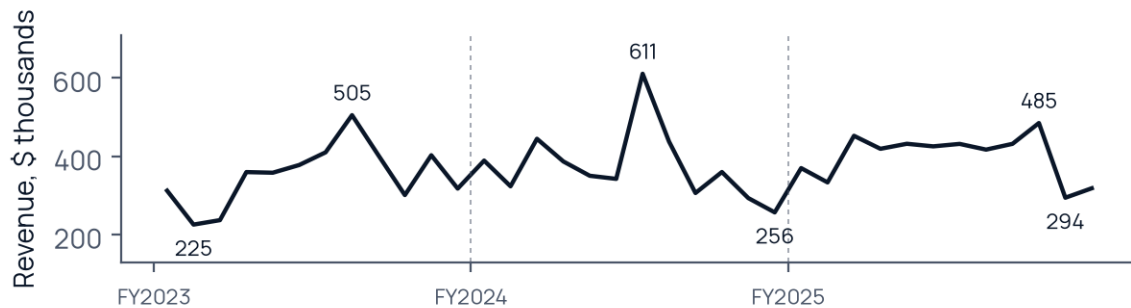
Concentration is measured over named customers only (aggregate rows excluded from ranking). The largest named customer, Merrowfield Property Group, is 21.7% of FY2025 revenue (\$1,045,246; earnings at risk \$137,121, the top share of normalized EBITDA); contract continuity and assignability are open items for the buyer.

Rank	Customer	FY2023 revenue	FY2024 revenue	FY2025 revenue	Share of revenue	Contract term
1	Merrowfield Property Group	\$921,626	\$976,326	\$1,045,246	21.7%	not provided
2	Thornfield Homes	\$302,428	\$174,829	\$543,202	11.3%	not provided
3	Carolina Medical Plazas	\$198,058	\$232,509	\$498,034	10.4%	not provided
4	Ashmore Builders	\$277,559	\$324,147	\$345,694	7.2%	not provided
5	Stonebrier Facilities Group	\$190,830	\$221,581	\$218,420	4.5%	not provided
6	Kestrel Logistics Park	\$394,307	\$497,691	\$162,939	3.4%	not provided
7	South End Restaurant Group	\$116,934	\$135,102	\$133,048	2.8%	not provided
8	Barton Mill Lofts HOA	\$66,972	\$77,627	\$78,228	1.6%	not provided
9	Firwood Assisted Living	\$59,796	\$69,607	\$68,764	1.4%	not provided
10	Ravenwood Church Campus	\$54,840	\$63,432	\$63,217	1.3%	not provided
11	Tuckaseegee Fitness Clubs	\$49,691	\$57,746	\$58,137	1.2%	not provided
12	Quarry Bend Brewing Co	\$43,489	\$51,087	\$52,199	1.1%	not provided
13	Delaney Office Suites	\$39,414	\$46,569	\$48,074	1.0%	not provided

Rank	Customer	FY2023 revenue	FY2024 revenue	FY2025 revenue	Share of revenue	Contract term
14	Weldon Avenue Dental Partners	\$37,736	\$44,913	\$43,355	0.9%	not provided
15	Northyard Workshops	\$34,448	\$40,225	\$41,397	0.9%	not provided
16	Yorkmont Auto Plaza	\$34,895	\$40,457	\$41,040	0.9%	not provided
17	Old Dowd Self-Storage	\$31,360	\$35,335	\$34,757	0.7%	not provided
18	Marlbank Veterinary Group	\$27,100	\$31,233	\$31,143	0.6%	not provided
19	Mint Hill Produce Market	\$23,419	\$26,669	\$25,988	0.5%	not provided
20	Croft Mill Event Hall	\$19,331	\$22,198	\$21,904	0.5%	not provided
-	Residential service, aggregate (card processor)	\$891,587	\$1,047,790	\$1,066,973	22.2%	n/a
-	Other commercial installs	\$389,179	\$279,928	\$184,240	3.8%	n/a

Source: Company financial statements; Workup analysis.

Monthly revenue shows the seasonal pattern



Source: Company financial statements; Workup analysis.

Customer concentration by year

Shares of reported revenue over named customers for each year the customer data covers.

Measure	FY2023	FY2024	FY2025
Top 1 share	21.9%	21.7%	21.7%
Top 5 share	49.8%	50.1%	55.2%
Top 10 share	61.4%	61.7%	65.7%
Named customers	20	20	20

Source: Company financial statements; Workup analysis.

Revenue recognition and work in progress

The business carries project or contract revenue. The recognition method in use is not stated in the materials provided. Job-level work in progress is not derivable from the materials provided; the balance sheet carries billings in excess of costs with no job schedule behind it. The WIP schedule and the open-contract list as of the balance sheet date are the document request. Until they arrive, period earnings carry the recognition-timing caution for project revenue.

Customer movement, year over year

Every customer whose revenue moved by more than the revenue materiality threshold of record between the two latest years, with the dollar and percent change, from the customer revenue schedule. Arithmetic only; no forecast is made.

Customer	FY2024 revenue	FY2025 revenue	Change	Change (%)
Merrowfield Property Group	\$976,326	\$1,045,246	\$68,920	7.1%
Thornfield Homes	\$174,829	\$543,202	\$368,373	210.7%
Carolina Medical Plazas	\$232,509	\$498,034	\$265,524	114.2%
Kestrel Logistics Park	\$497,691	\$162,939	(\$334,752)	(67.3%)
Other commercial installs	\$279,928	\$184,240	(\$95,688)	(34.2%)

Source: Company financial statements; Workup analysis.

Section 5b - Margin and cost structure

Reported EBITDA margin ran 13.8% (FY2023) to 15.3% (FY2025); the normalized margin runs 13.1% at the low end to 16.5% at the high end of the range (FY2025) on Normalized EBITDA (after market management cost). Owner-linked cost lines are flagged in the operating expense composition schedule.

Measure	FY2023	FY2024	FY2025
Revenue	\$4,205,000	\$4,497,000	\$4,806,000
Service share	62.5%	69.0%	65.9%
Installation share	37.5%	31.0%	34.1%
Gross margin	47.7%	47.8%	47.1%
Direct labor, % of revenue	29.0%	30.1%	30.3%
Materials, % of revenue	23.2%	22.1%	22.6%
Operating expense excluding depreciation, % of revenue	33.9%	33.1%	31.8%
EBITDA margin (reported)	13.8%	14.8%	15.3%
Normalized (FY2025)	-	-	13.1% to 16.5%

Source: Company financial statements; Workup analysis.

Operating expense composition, FY2023 to FY2025; % of FY2025 revenue

Expense line	FY2023	FY2024	FY2025	% of revenue	Change (%)	Owner-linked
Indirect wages & office salaries	\$560,072	\$601,482	\$630,496	13.1%	12.6%	-
Payroll taxes & benefits	\$185,155	\$202,681	\$215,926	4.5%	16.6%	-
Vehicle & fuel	\$140,582	\$139,560	\$137,198	2.9%	(2.4%)	Owner-linked
Marketing & lead services	\$109,963	\$109,540	\$111,547	2.3%	1.4%	-
Depreciation	\$103,200	\$99,000	\$94,800	2.0%	(8.1%)	-
Rent, 2140 Thrift Road (Marbeck Holdings LLC)	\$86,400	\$86,400	\$86,400	1.8%	0.0%	-
Insurance	\$79,800	\$79,800	\$79,800	1.7%	0.0%	-
Repairs & shop supplies	\$50,887	\$53,193	\$54,892	1.1%	7.9%	-
Officer compensation (owner)	\$52,000	\$52,000	\$52,000	1.1%	0.0%	Owner-linked

Expense line	FY2023	FY2024	FY2025	% of revenue	Change (%)	Owner-linked
Office, software & phones	\$41,490	\$41,304	\$41,025	0.9%	(1.1%)	-
Travel, meals & entertainment	\$29,284	\$30,775	\$29,884	0.6%	2.0%	Owner-linked
Utilities	\$28,981	\$29,051	\$29,136	0.6%	0.5%	-
Legal & professional	\$26,831	\$27,693	\$27,679	0.6%	3.2%	-
Dues & subscriptions (including Coppergate Golf Club)	\$23,280	\$23,280	\$23,280	0.5%	0.0%	Owner-linked
Bad debt & adjustments	\$9,460	\$9,980	\$9,430	0.2%	(0.3%)	-

Source: Company financial statements; Workup analysis.

Section 6 - Working capital

Year-end working capital for the three years provided, with the trend (per the working capital schedule). NWC fell in FY2024 and rose in FY2025, which does not indicate the seller has managed working capital down before sale. No working capital peg is computed on the Pro Screen; the peg and the day-one cash view belong to the full Quality of Earnings engagement. NWC runs 5.7% of revenue, which means about \$5,745 of funding for each \$100,000 of revenue growth.

Year	Accounts receivable	Inventory	Accounts payable	Accrued	NWC	NWC, % of revenue
FY2023	\$332,080	\$79,498	\$97,638	\$40,080	\$273,860	6.5%
FY2024	\$278,290	\$83,472	\$66,197	\$48,559	\$247,006	5.5%
FY2025	\$326,844	\$87,646	\$86,025	\$52,372	\$276,093	5.7%

Source: Company financial statements; Workup analysis.

Section 6b - Inventory

Inventory at December 31, 2025 is \$87,646. Pro Screen basis: the returns as filed state the valuation basis (lower of cost or market, Form 1125-A); the request is the inventory cost-flow method (first-in first-out, average or specific identification) and the age of the stock. No count, no aging.

Section 7 - Capital expenditure and asset condition

No capex schedule was provided; capex is implied from the fixed-asset movement. Three references frame the question; Workup authors no point estimate. First, depreciation parity: implied capex averages \$39,362 per year against depreciation of \$96,900 per year (FY2024 to FY2025 average), a gap of \$57,538 per year. Second, the RMA depreciation-to-sales median for the size band is 2.5% of revenue (about \$120,150 on FY2025 revenue) against this business's 2.0%. Third, accumulated depreciation of \$765,000 against current-year depreciation implies an average asset age of roughly 8.1 years. A fleet and equipment list with ages is the document request. The \$57,538 parity gap of annual

earnings is about \$264,673 of purchase price at the DealStats MVIC/EBITDA median of 4.6x.

Year	Fixed assets gross	Accumulated depreciation	Depreciation expense	Capex implied	Capex to depreciation
FY2023	\$980,790	\$571,200	\$103,200	-	-
FY2024	\$1,015,429	\$670,200	\$99,000	\$34,638	0.35x
FY2025	\$1,059,515	\$765,000	\$94,800	\$44,086	0.47x

Source: Company financial statements; Workup analysis.

Section 8 - Balance sheet and debt review

What the buyer assumes or replaces at close, from the balance sheets provided.

Balance-sheet debt at each year end is the term loan, the vehicle notes and the line of credit (table below); the term loan amortizes steadily (principal reduction of \$41,108 in FY2024 and \$44,190 in FY2025 per the balance movement). Payoff at close is a seller obligation to be confirmed against a lender payoff letter. Net debt at December 31, 2025, per the balance sheet: operating and payroll cash of \$935,065, less the term loan of \$182,425 and the vehicle notes of \$44,545 (line of credit \$0), is net cash of \$708,094, computed from the unrounded balances. Cash on hand (undeposited) is \$92,601 at December 31, 2025, against \$7,206 at December 31, 2023 and \$8,601 at December 31, 2024. It is shown beside net debt and not netted, pending evidence that it exists (Section 11). Not provided: the executed premises lease (question 24) and a schedule of any off-balance-sheet obligations (question 4). Outside scope: lien position, established by the buyer's own UCC search. Balance sheet observations only on this screen: the debt-like items schedule, the bank-to-book cash tie and the equity roll-forward belong to the full Quality of Earnings engagement.

Item	FY2023	FY2024	FY2025
Term loan	\$267,723	\$226,615	\$182,425
Vehicle notes	\$96,805	\$71,442	\$44,545
Line of credit	\$0	\$0	\$0
Total debt	\$364,528	\$298,056	\$226,970
Cash on hand (undeposited), not netted	\$7,206	\$8,601	\$92,601

Source: Company financial statements; Workup analysis.

Section 9 - Benchmarking

This business's ratios, in RMA's own vocabulary and computed on the latest fiscal year, beside the industry lower quartile, median, and upper quartile (RMA's Client Comparison layout). RMA eStatement Studies 2025-26, NAICS 238220, \$3 million to \$5 million sales band, 67 statements (819 total), National, All Regions, data period April 1, 2024 to March 31, 2025. Ratios marked n/a are not computed: Debt Service P&I Coverage and Interest

Coverage (Operating Cash) are cash-flow measures on the seller's existing debt, which this engagement replaces; proposed-structure coverage is in Section 9c.

RMA ratio	This business	Lower quartile	Median	Upper quartile
Current	3.8	0.9	1.7	4.7
Quick	3.5	0.8	1.4	3.5
Sales / Receivables	14.7	9.2	24.8	n/a
Cost of Sales / Inventory	29.0	15.3	n/a	n/a
Cost of Sales / Payables	29.6	10.7	33.3	n/a
Sales / Working Capital	4.5	(128.1)	13.6	7.1
EBIT / Interest	35.5	0.5	4.1	19.0
Fixed / Worth	0.3	7.8	0.8	0.3
Debt / Worth	0.5	(20.1)	2.0	0.8
% Profit before Taxes / Tangible Net Worth	55.1%	20.7%	46.2%	120.4%
% Profit before Taxes / Total Assets	35.8%	0.6%	12.1%	26.0%
EBITDA/Sales	15.3%	3.0%	8.0%	13.6%
Sales / Net Fixed Assets	16.3	9.1	16.7	38.6
Sales / Total Assets	2.8	2.2	3.1	4.9
% Depr, Depl, Amort / Sales	2.0%	4.0%	2.5%	0.9%
% Officers', Directors', Owners' Comp / Sales	1.1%	5.8%	3.6%	2.2%
Debt Service P&I Coverage	n/a	1.7	6.7	14.6
Interest Coverage (Operating Cash)	n/a	2.7	9.0	24.7
Funded Debt Leverage	0.3	3.9	1.3	0.4
Δ Net Sales	6.9%	(1.3%)	7.9%	24.5%

Source: RMA eStatement Studies, NAICS 238220, \$3 to 5 million; Workup analysis.

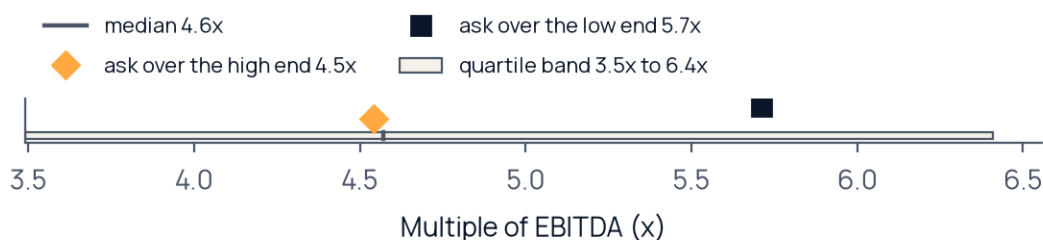
Section 9b - Valuation context

Implied multiples are stated against the purchase price of \$3,600,000 per the deal structure provided. The numbers imply; nothing here is a recommendation, valuation, appraisal, or fairness opinion. Transaction context: Source: DealStats (Business Valuation Resources); NAICS 238220; per-deal size band \$1,201,500 to \$12,015,000 Net Sales (0.25x to 2.5x of target revenue); n after the band filter 295 for MVIC/Net Sales, 211 for MVIC/EBITDA and 284 for MVIC/SDE (347 transactions before the band filter); transactions closed October 2021 through July 2026. Quartiles computed by the Workup engine from the combined transaction-level exports. DealStats SDE and EBITDA figures are contributor-submitted and often recast by the reporting broker; the quartiles are read with that in mind. The subject's implied multiples at the purchase price appear in the table below, each beside the DealStats quartiles for its measure.

Earnings measure	Amount	Implied multiple	Lower quartile	DealStats median	Upper quartile
Net Sales (FY2025)	\$4,806,000	0.75x	0.38x	0.58x	0.88x
Reported EBITDA (FY2025)	\$733,791	4.9x	3.5x	4.6x	6.4x
Normalized EBITDA (after market management cost), low end (FY2025)	\$630,476	5.7x	3.5x	4.6x	6.4x
Normalized EBITDA (after market management cost), high end (FY2025)	\$792,476	4.5x	3.5x	4.6x	6.4x
SDE (FY2025)	\$785,791	4.6x	2.5x	3.1x	4.0x

Source: DealStats (Business Valuation Resources), NAICS 238220, transactions closed October 2021 through July 2026, per-deal band \$1,201,500 to \$12,015,000 net sales, n after the band filter: 295 (MVIC/Net Sales), 211 (MVIC/EBITDA), 284 (MVIC/SDE); Workup analysis.

The ask sits above the DealStats median at the low end and below it at the high end



Source: DealStats (Business Valuation Resources), MVIC/EBITDA, n=211; Workup analysis.

Quality scorecard

Characteristic	This business
Revenue growth, FY2023 to FY2025 CAGR (two periods)	6.9% (\$4,205,000 to \$4,806,000)
Gross margin level and stability	47.1% in FY2025; three-year range 0.75 percentage points
EBITDA margin (reported, latest year)	15.3%
Normalized EBITDA margin (after market management cost)	13.1% at the low end to 16.5% at the high end (FY2025)
Customer concentration (largest named)	Merrowfield Property Group at 21.7% of FY2025 revenue
Revenue mix	Service 65.9% and installation 34.1%
Books-to-tax reconciliation quality	Revenue ties to the filed return in 2 of 3 years; \$52,000 variance in FY2024
Cash Proof deposit coverage	Not performed: no bank records (Pro Screen basis)
Working capital intensity	NWC 5.7% of revenue (FY2025)
Capex and asset condition	Implied capex 0.41x depreciation; asset age proxy roughly 8.1 years
Owner dependency and related parties	Single owner; customer and supplier relationships run through the owner; related-party lease with owner-affiliated landlord
Debt service coverage (proposed structure)	Arithmetic on the buyer's structure in Section 9c; the lender's test on verified earnings belongs to the Quality of Earnings engagement

Source: Company financial statements; Workup analysis.

Section 9c - Financeability at the ask

Arithmetic on the buyer's structure as filed: an SBA 7(a) loan of \$3,035,000 at 10.75% (the buyer's proposed rate, not a figure of record) over 10 years, and a seller note of \$360,000 at 8.00% over 5 years, not on standby. Annual debt service is \$584,139. Coverage at the low end of the normalized EBITDA range is 1.08x; at the high end, 1.36x. The 1.25x standard on the buyer's structure requires normalized EBITDA of \$730,174, which is \$99,699 above the low end; that amount is met if about 62% of the \$162,000 of needs-evidence items survives evidence, and the three largest items alone (family member wages, personal travel and meals, country club dues: \$102,600) would meet it. At standard terms: the \$3,035,000 SBA 7(a) loan amortized over 10 years at 10.00%, the SBA maximum variable rate for a 7(a) loan above \$350,000 (Prime plus 3.0%, 13 CFR 120.214(d)), on Prime of 7.00% per the Federal Reserve H.15 release as of October 13, 2026; the seller note is unchanged. Annual debt service at those terms is \$568,887, and coverage runs 1.11x at the low end to 1.39x at the high end. The buyer's structure states the SBA loan at 10.75% and does not state whether it is fixed or variable; the SBA maximum for a variable 7(a) loan above \$350,000 is Prime plus 3.0%, 10.00% at Prime of 7.00%. Whether the SBA loan rate is fixed or variable: not stated by the buyer. The applicable lender coverage standard for an Initial Acquisition is 1.25x (SOP 50 10 8.1, effective October 1, 2026, Appendix 15, Lender's Credit Analysis); the general underwriting standard is 1.15x (Credit Standards, Underwriting Standard 7(a) Loans). This is arithmetic on the asking price and the normalized EBITDA range, not a lender's test and not a statement that any lender would lend.

Section 11 - Risk register and seller question list

Ranked by the impact estimate printed under each risk: earnings at risk, or the earnings effect not already in the walk, where one exists; otherwise the balance at close.

Unquantified rows follow by severity. Severity is Workup's rule: an impact of 10.0% of normalized EBITDA at the low end of the range or more is High, 3.0% to under 10.0% Medium, under 3.0% Low; any books-to-return reconciliation failure is High regardless of amount; an unquantified item takes the severity of its nearest quantified analogue.

Owner-dependency subsection included.

Risk	Severity	Resolves
Customer concentration	High	Customer contract and assignment consent
Impact estimate: \$137,121 earnings at risk		
Owner-related spend block	High	Payee-level evidence
Impact estimate: \$133,200 claimed add-backs		
Undeposited cash	High	Cash count or confirmation
Impact estimate: \$84,000 lower FY2025 normalized EBITDA if the cash never existed; \$92,601 booked cash on hand unverified		

Risk	Severity	Resolves
Capital underinvestment	Medium	Fleet list and replacement quotes
Impact estimate: \$57,538 per year gap to depreciation parity		
Books-to-return variance (FY2024)	High	Preparer's reconciliation of the 2024 return to the books
Impact estimate: \$52,000 of FY2024 revenue above the filed return		
Related-party rent	Medium	Executed lease and assignment
Impact estimate: \$31,200 annual earnings reduction		
Kestrel revenue decline	Medium	Customer status and the loss reason
Impact estimate: \$21,375 earnings at risk (FY2025 revenue \$162,939; revenue fell 67.3% year over year)		
Aggregate revenue rows	High (unquantified)	Merchant processor statements
Impact estimate: 26.0% of revenue in aggregate rows; earnings impact unquantified		
Owner-dependency	High (unquantified)	Key-relationship map and qualifiers
Impact estimate: Unquantified		
Lease expiry June 2027	Medium (unquantified)	Landlord renewal terms
Impact estimate: Unquantified; renewal and repricing risk		

Source: Company financial statements; Workup analysis.

1. Customer concentration. Merrowfield Property Group is 21.7% of FY2025 revenue. Earnings at risk are 21.7% of revenue at the normalized margin. The contract, its assignability and its survival on change of ownership, and the relationship interview are the open items.
2. Owner-related spend block. \$133,200 of claimed personal and family items pending evidence. The block is 21.1% of normalized EBITDA at the low end. Payee-level evidence for each item (invoices, statements and the general ledger detail identifying the payee and the personal or family portion) is the resolution.
3. Undeposited cash. The books carry \$92,601 of cash on hand (undeposited) at December 31, 2025, which no bank record on this screen supports. A count of the cash the seller says is on hand, or confirmation that it never existed, is the resolution.
4. Capital underinvestment. Implied capex averages \$39,362 per year against depreciation \$96,900 per year (FY2024 to FY2025 average); asset age proxy roughly 8.1 years. Three references frame the question (Section 7), namely the gap to depreciation parity per the fixed-asset movement, the RMA depreciation-to-sales median for the size band, and the asset age proxy. The capex and fleet schedules with ages, and quotes for near-term replacements, are the document request.
5. Books-to-return variance (FY2024). P&L revenue exceeds Form 1120-S gross receipts by \$52,000 in FY2024. Schedule M-1 line 5a of the 2024 return shows \$52,000 recorded on the books and not on the return. The preparer's reconciliation of the 2024 return to the books is the document request.
6. Related-party rent. Related-party rent (Marbeck Holdings LLC), normalized to market in the earnings walk (Section 2). The adjustment is per the premises lease summary and

the market rent opinion obtained by the buyer. The executed lease and its assignment provisions are the document request; the market reference is the opinion already obtained by the buyer (not an appraisal).

7. Kestrel revenue decline. Kestrel Logistics Park revenue fell from \$497,691 to \$162,939 year over year. The earnings at risk are the remaining FY2025 revenue at the FY2025 normalized margin at the low end of the range. The decline is arithmetic from the customer revenue schedule (the Section 5 movement table); whether the relationship is lost, paused or rebid is the question. No forecast is made.

8. Aggregate revenue rows. 22.2% of FY2025 revenue is aggregate billing through a card processor and 3.8% is other aggregate billing, all without customer names. The aggregate rows carry no customer names, so retention and concentration inside that revenue cannot be tested. The merchant processor statements and customer-level detail for the aggregate rows are the document request.

9. Owner-dependency. Raymond Hartwell holds the customer and supplier relationships; licensing or qualifier status unverified. The exposure is key-person risk. The key-relationship map, the licensing or qualifier status and the transition services terms are the document request.

10. Lease expiry June 2027. Lease expiry June 2027 with a related-party landlord. The premises lease runs through June 2027 with an owner-affiliated landlord, so renewal and repricing sit with a related party. The landlord's renewal terms and the intended rent are the document request.

The evidence list: what a full Quality of Earnings engagement would verify

Each test this screen could not perform, with the documents it requires, in Document Request List order. The Pro fee credits in full toward the Quality of Earnings or Diligence engagement on this deal within 60 days.

Test a full QoE performs	Documents required
Cash Proof (deposits reconstructed and tied to reported revenue, TTM and two fiscal years)	Bank statements for every operating account, per the Document Request List
Payroll tie-out against P&L labor lines	Bank statements; payroll register
Owner distribution and transfer isolation	Bank statements for every account
Bank-to-book cash tie at each fiscal year end	Bank statements; year-end reconciliations
Equity roll-forward with reconciling items	Bank statements; equity detail
Named-customer deposit tie	Bank statements; AR ledger or remittance detail
Working capital peg on the monthly view	Monthly balance sheets (provided)
Debt service coverage test at the lender's standard with sensitivities	Verified earnings (the items above) and the proposed structure
Add-back verification against bank payee evidence	Bank statements; receipts for personal items

Source: Company financial statements; Workup analysis.

Questions generated from open items

Each numbered question names the document that closes an open item in this report; the list is deduplicated against the Section 12 list of record. The lien position is established by the buyer's own UCC search and is not a seller question.

Number	Question
1	Provide the per-unit price and volume data.
2	Provide the customer contracts (term, expiry, assignment consent and survival on change of ownership).
3	Provide the WIP schedule and the open-contract list as of the balance sheet date.
4	Provide a schedule of any off-balance-sheet obligations (leases, guarantees, purchase commitments).
5	Provide the capex and fleet schedules with asset ages, and quotes for near-term replacements.
6	Provide the payroll tax filings.
7	Provide the sales tax filings.
8	Provide the merchant processor statements and customer-level detail for the aggregate revenue rows.
9	Provide receipt-level expense substantiation and payee-level general ledger detail for each personal and family add-back.
10	Provide the customer-level recurring-revenue continuity and churn detail.
11	Provide the backlog or pipeline detail.
12	Provide the headcount and a staffing roster by function, tenure and licensure.
13	Provide the settlement agreement behind the legal settlement add-back and the general ledger detail for the legal and professional account.
14	Provide the agency invoices for the rebrand project and the general ledger detail for the marketing and lead services account.
15	Provide Kestrel Logistics Park's status as a customer and the reason for the decline.
16	Provide the preparer's reconciliation of the 2024 return to the books.
17	Provide the related-party declaration.
18	Provide the landlord's renewal terms and intended rent.

Number	Question
19	Provide the key-relationship map with the licensing or qualifier status and the transition services terms.
20	Provide a count of the cash on hand (undeposited) or confirmation that it does not exist.
21	Provide the seller's statement of the revenue recognition method in use.
22	Provide a lender payoff letter at close.
23	Provide the inventory cost-flow method (first-in first-out, average or specific identification) and the age of the stock.
24	Provide the executed premises lease.
25	Provide the add-back amounts the seller claims for FY2023 and FY2024.

Source: Company financial statements; Workup analysis.

Section 12 - Scope, procedures, limitations, and independence

Tests not performed on this Pro Screen, and why: no bank records were reviewed, so no Cash Proof, no payroll tie-out, no bank-to-book cash tie, no equity roll-forward, no working capital peg, and no debt service coverage test; the preliminary earnings range rests on the returns and statements alone. Documents received and reviewed: monthly and annual P&L (FY2023 to FY2025), annual and monthly balance sheets FY2023 to FY2025, the federal returns as filed (FY2023 to FY2025), Form 1120-S summaries (FY2023 to FY2025), no bank records (Pro Screen basis), customer revenue schedule (FY2023 to FY2025), the premises lease summary, the market rent opinion obtained by the buyer, the seller's marketing summary (offering memorandum), seller add-back schedule, and the proposed deal structure. Requested and not provided (the list of record, referenced from Section 1): capex and fleet schedules with asset ages and quotes for near-term replacements, customer contracts (term, expiry, assignment consent and survival on change of ownership), payroll tax filings, sales tax filings, merchant processor statements and customer-level detail for the aggregate revenue rows, receipt-level expense substantiation and payee-level general ledger detail for each personal and family add-back, per-unit price and volume data, customer-level recurring-revenue continuity and churn detail (for the retention rate), backlog or pipeline detail, headcount and a staffing roster by function, tenure and licensure, the settlement agreement behind the legal settlement add-back and the general ledger detail for the legal and professional account, the agency invoices for the rebrand project and the general ledger detail for the marketing and lead services account, Kestrel Logistics Park's status as a customer and the reason for the decline, the preparer's reconciliation of the 2024 return to the books, the related-party declaration, the landlord's renewal terms and intended rent, the key-relationship map with the licensing or qualifier status and the transition services terms, a count of the cash on hand (undeposited) or confirmation that it does not exist, the seller's statement of the revenue recognition method in use, a lender payoff letter at close, the inventory cost-flow method (first-in first-out, average or specific identification) and the age of the stock, the WIP schedule and the open-contract list as of

the balance sheet date, the executed premises lease, a schedule of any off-balance-sheet obligations (leases, guarantees, purchase commitments), and the add-back amounts the seller claims for FY2023 and FY2024. A UCC lien search is outside the engagement scope; the lien position is established by the buyer's own UCC search, not by a seller request. Analysis methods: the standardized Pro procedures, executed by the Workup analysis engine with add-back classifications reviewed and signed by the reviewer of record. This is an analysis, not an audit; it is based on the materials provided and is not investment, legal, or tax advice; it is prepared under the Professional Services Agreement Master Terms dated September 30, 2026. Independence statement: Workup holds no interest in the transaction, receives no contingent compensation, and does not broker or finance. Tax exposure (sales and use tax, payroll tax filings, contractor classification) was not tested on the Pro Screen. Reviewer of record: Gray F. Smith, Founder, Workup AI, Inc. Reviewed and signed October 23, 2026. Fee basis: fixed fee, not contingent on findings or on closing. Materiality thresholds applied in this report: a revenue variance is material above 0.5% of revenue or \$25,000, whichever is lower; an earnings item is material above 1.0% of normalized EBITDA. Every use of the word material in this report refers to these thresholds.

Appendix B - Deliverable package

Produced for this Pro Screen engagement: this report and the light databook (monthly P&L, add-backs, concentration and earnings walk tabs, with the depreciation parity, net debt and customer movement schedules). Pro fees are credited in full toward the Quality of Earnings or Diligence engagement on the same deal within 60 days; those deliverables add the Cash Proof, the full databook, the debt service view, Appendix A procedures, and the executive summary deck.

Appendix R - Reproducibility

Run record: engine v2.3.0; model claude-opus-5; pin fingerprint cf03b615a8badeecb7b8fd0d; inputs hash c347482cbf148628; overrides hash 4f53cda18c2baa0c. Regenerable byte-identically from the frozen deal folder for the 90-day retention window. Prepared October 23, 2026 (the date of record; the report is dated by its sign-off); classification mode: pinned (deterministic; pin signed October 23, 2026 at 00:17 UTC). This record is provided so the engagement file can evidence exactly which analysis produced the figures relied upon. Formatting convention of record: multiples print at one decimal; multiples under 1.0x print at two decimals (Formatting Standard). UND in the source data renders as n/a. Engine time for this run: about 2 seconds to this record. Tables print rounded figures and may not foot by \$1.