



Gold  
Microsoft Partner



# LANTERIA

**Confidential Acquisition Review**

All-in-one Human Capital  
software for medium and  
large businesses based on  
MS SharePoint and Office  
365

# EXECUTIVE SUMMARY

- » **2022 Revenue:** \$1.55M
- » **TTM Revenue:** \$2.1 M
- » **ARR:** \$1.31 million
- » **LTV:** \$39,418
- » **Target MOIC:** 3-5x
- » **Target IRR:** 35%
- » **Employees:** 16
- » **Investment:** \$ 1 million
- » **Valuation:** \$4.5 Million pre money

We acquired Lanteria in 2022 from the previous owners in Ukraine. The company came with significant risk as the team was mostly Ukraine based.

We have derisked, spreading the team across various geographies. We have also grown revenue 35% since the acquisition.

We hired a new CTO with experience leading SaaS teams, and Microsoft experience.

We will use the funding to hire sales and technical talent. We will also invest into our growing partner program.

We believe growth from \$2 million to \$10 million is possible over the next five years with the newly created team.



# Investment Thesis

“Price is my due diligence.”  
-Warren Buffet-

- » **Rising tides:** Microsoft 365 user base up 100% in 2021, doubling again in 2022
  - » **Low valuation**
    - ◇ Comparable companies selling at 3-4x Sales right now
  - » **Sticky SaaS:** 7.2% TTM revenue churn
  - » **Platform opportunity:** Bolt on acquisitions in the HR, and Microsoft space.
  - » **Professionalize sales:** Current sales team needs to be replaced by hunters.
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# PRODUCT

- » Core HR
- » Time and Attendance
- » Recruiting
- » Performance
- » Learning
- » Employee Self Service
- » Report Builder
- » Built on Sharepoint



Preferred

Microsoft 365  
Business Applications



# MARKET AND CUSTOMERS

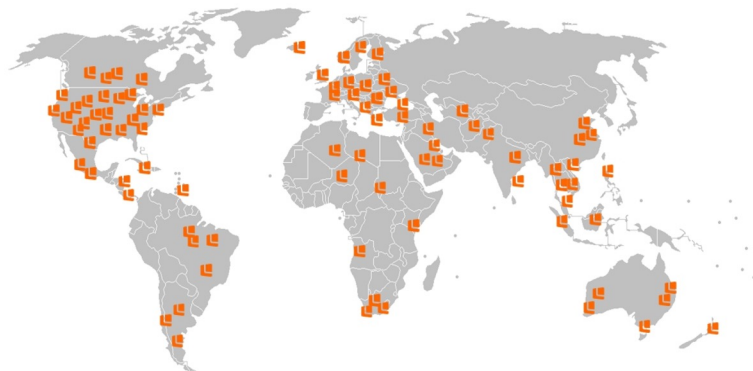
- » 132 active clients
- » Mid-sized and enterprises (100 – 5000 employees)
- » 40+ countries (USA, Canada, Australia, UK etc)



FirstCaribbean  
International Bank



Lufthansa



# Team

## » **Andrew Swiler: CEO**

- ◇ 12 years startup entrepreneur
- ◇ Experienced in private equity and venture capital
- ◇ M&A specialist

## » **Chris Kozlowski : CTO**

- ◇ Led multimillion dollar product budgets.
- ◇ Built remote technical teams across US.
- ◇ 2x exited

# Product Roadmap

- ◇ Build hooks into Microsoft Teams and Viva
  - ◇ Our customer base is demanding more integration with the O365 suite.
- ◇ Modernize the current platform with UI/UX experts involved.
- ◇ Lean into employee engagement, this is one of our strongest areas with best in class standards.
- ◇ Make onboarding easier.
  - ◇ We need an onboarding process that takes under 50 hours to implement.
- ◇ Modern HR tools: 360 reviews, checkins, OKRs, clockin/clockout
- ◇ Add better payroll integrations
- ◇ Decouple frontend/backend to allow for easier integrations and API Layer.

# Growth Playbook

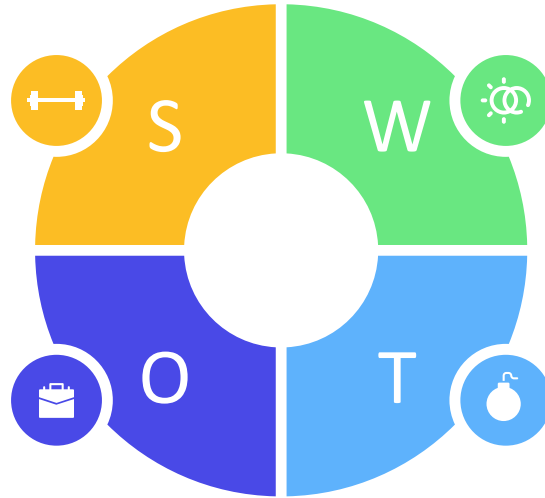
- ◇ Continue SEO and content investment. Build HR “Authority”
  - ◇ We have been investing heavily, where previous owners did zero
- ◇ Top funnel Outbound campaigns to MS users. Hiring 2 SDRs to call following 3x open rate.
- ◇ Add 5 new channel partners
  - ◇ Leverage our successful partnership in Australia to bring on more HR and Microsoft partners in key markets: UAE, Singapore, LATAM.
- ◇ **Microsoft Channel:** Nurture relationship with AE’s at Microsoft to always be top of mind when new client is added.
- ◇ Implement new pricing structure
  - ◇ Increase subscription price, decrease implementation costs



# SWOT Analysis

## Strengths

Security, knowledge of banking industry, deep Microsoft Integration,



## Weaknesses

Slow onboarding, long sales cycles, focus only on Microsoft market, unclear pricing model.

## Opportunities

Shorten onboarding, improve product UX, start outbound campaigns,

## Threats

Crowded market, well funded competitors, Some customer concentration (Top 5 clients 30%)  
Products needs rebuild

# Cashflow Projections

	Dec-20	Dec-21	Dec-22	2023	2024	2025	2026	2027
	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast
<b>Sales</b>								
Total Sales	1,981.0	1,529.0	1,523.0	2,113.0	2,615	3,859	5,378	8,214
EBITDA	544.0	378.0	120.0	-165.0	-187	-142	487	874

- » Year 5 EBITDA: \$1 million
- » ARR year 5: \$7 million
- » Target Exit: \$25 million

# Exit Scenarios

Exit Value			
Multiple	3x	4x	5x
Exit year	5	5	5
<b>Exit</b>	\$ 24,900,000	\$ 33,198,000	\$ 41,322,000

» Projected exit multiples based on current market rate ARR.

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# Join Us

We have been running Lanteria for 12 months. We have grown revenue from \$1.55 to almost \$2 million and increased ARR.

We have minimized risks, and expanded our team to several new geographies.

We are investing heavily in building a world class product, and sales team.

We are focusing on building strong channel partnerships that will pay long term dividends.

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