The Case for Omega Server's Early-Stage Evaluation

Omega Server (OS) is an early-stage high technology company with a strong Intellectual Property (IP) position in the Artificial Intelligence development and production markets. OS is foundational in the sense that it is basic to the present and foreseeable growth (actually scaling is more accurate) of the AI market.

Comparables:
NVIDIA – AI Sales (50% of $27B in 2021=$13.5B); currently has a valuation of $600B (50%=$300B) at 22x 2021 sales. OS – in 2025, based on uninterrupted 7%/month per share appreciation a valuation of $566M ie 2x 2025 sales. LYFT – (2007-2015) sustained a >8%/month throughout its first 5 years during which 4 of those years it had <$1M revenue, yet had a valuation of $360M. The data is compiled from financial filings with Delaware. LYFT's early financings for $0.3M and $1.2M yielded investors 3.2% and 5.4% respectively, comparable to OS (as %).

Analytics:
The case for OS achieving a valuation of $566M is quite conservative (1/10 of NVIDIA's valuation as a multiple of sales, 22x versus OS's 2x). Now, doing a Net Present Value of OS valuation (taking into account the dilution effect of every financing), yields a Present Value of $32 million using 7% compounded monthly (or 125% compounded annually) discount rate. The real substantive uncertainty for current investors is "can OS achieve $198 million in 2025". If that is foregone, than all the other issues fade away.

Provided a spreadsheet
detailing the complete history of LYFT's (that's LYFT the car hailing company sold to Toyota in April 2021 for a mere $550M). LYFT faded in value as its technology (ride hailing) became commoditized and didn't catch on with the public as expected (lots of city cab companies introduced rules to cripple them). UBER Technologies is currently valued at $68B (3.8x Sales), however I don't have hard data on UBER's early financings.

The net is the following:
"OS is valued at financial market rates for high technology, high growth companies with commanding IP". The market supports these pricings; they are not "bubble based". The key is and will be that OS holds its IP strength and achieves its revenue targets (with gross margin likelihoods).

Series	Date Announced	Funds Raised	Capitalization Post-investment	Dilution	Per Share	CMGR	Rides per month	Net Revenue Annualized
F	2015.12	$ 1,000	$5,500	22.2%	$ 14.539	1.822%	10,645,023	$ 405
E2	2015.05	$ 150	$3,966	3.9%	$ 12.812	1.822%	2,827,056	$ 93
E1	2015.03	$ 530	$3,275	19.3%	$ 12.358	1.822%	1,935,605	$ 21
D	2014.04	$ 250	$2,250	12.5%	$ 10.132	8.224%	240,973	$ 5.0
C	2013.05	$ 60.0	$360	20.0%	$ 4.247	8.224%	30,000	$ 1.1
B	2013.01	$ 15.0	$141	11.9%	$ 3.096	8.224%	6,912	$ 0.3
A	2011.09	$ 6.0	$58.7	11.4%	$ 0.874	8.224%	0	$ 0.0
Seed2	2010.08	$ 1.2	$23.3	5.4%	$ 0.313	8.224%	0	$ 0.0
Seed1	2009.06	$ 0.3	$9.6	3.2%	$ 0.103	8.224%	0	$ 0.0
Founders	2007.04 est.	$0.10	$0.1	100.0 % est.	$ 0.013	8.224%	0	$ 0.0
		$ 2,013 = Total Capital Raised					20.85% CMGR	doubles in 3.7 mo

Color Keys: **Dollar amounts, except Per Share, are in millions**

= Data is Good		= Data is consistent and useful; Public data is inconsistent