Cover Page

Financial model

<u>ABC</u>

Date:

Deal team:

MNO PQR

ххх

DCF valuation:

ABC

Weighted cost of capital	Assumptions
Target debt : equity ratio	
Debt	0%
Equity	100%
Corporate tax rate	28%
<u>Cost of equity</u>	
Geared beta	1.27
Market premium	5.0%
Risk premium	6.3%
5 year swap rate	7.0%
Risk premium	6.3%
ke	13.3%
Cost of debt	
Ave weighted cost of debt (as per funding page)	0.0%
3 year swap rate	7.0%
Weighted ave cost of debt after tax	5.0%
Weighted average cost of capital (after tax)	13.3%

Geared beta calculation on target capital structure

Geared beta	1.26
Debt/equity ratio in geared beta input	0%
Debt	0%
Equity	100%
Ungeared beta	1.26

0.035

Discounted cash flow valuation					
R'000	Year 1	Year 2	Year 3	<u>Year 4</u>	Year 5
EBIT	189,027	204,950	222,145	237,696	251,957
Depreciation	10,000	10,000	10,000	10,700	11,342
EBITDA	199,027	214,950	232,145	248,396	263,299
Adjustments					
Taxation	(52,928)	(58,517)	(64,952)	(71,161)	(77,331)
Net cash income	146,100	156,433	167,194	177,234	185,968
Capex	(11,000)	(8,000)	(5,500)	(4,125)	(3,094)
Change in working capital	(61,677)	(47,258)	(51,038)	(48,231)	(44,235)
Net cash flow	73,422	101,175	110,656	124,878	138,640
Discount factor	1.133	1.283	1.454	1.647	1.866
Discounted cash flow	64,809	78,828	76,100	75,806	74,286

Valuation	R'000
Discounted annual cash flow	369,830
Terminal value	853,603
Discounted cash flow valuation	1,223,433

Terminal Value	
Exit multiple (NOPAT)	8.78

ABC Management base cas Company name	ABC		Model last updated	ххх				
UNDING STRUCTURE								
R ('000)								
quity split			Equity split	r			1	
lanagement YZ			75.0% 25.0%		Entry EBITDA multiple	6.0x		
			2010/0		FY2015 EBITDA	187,089		
					Enterprise value	1,122,531		
ntorprice volue			Enterprise value		Net Debt	12,411		
nterprise value				F	Equity Value	1,110,121		
quity valuation otal debt			1,110,121 5,121	į	XYZ 25%	277,530	J	
ransaction costs			1,000					
ess: (free cash)			7,289					
dd back: operating cash to remain on B/S								
nterprise value			1,123,531					
anagement invest: anagement should invest:			838,808 838,808					
lanagement gearing:			1.0					
otal external finance required			284,724					
xternal finance raised Shortfall) / surplus			284,724					
					Multiples	Entry	FYxx	
					EV / EBITDA	6.0x	EBITDA	187,0
enior Iezzanine (Finance Leases)	- 5,121	0.0x 0.0x			Equity / EBITDA Equity / EBIT	5.9x 6.3x	EBIT NOPAT	177,5
lezzannie (Finance Leases)	5,121	0.0x			Equity / NOPAT	6.3x 8.7x	NOPAT	127,8
et debt / EBITDA (historic)	0.0 x			L	1. 2.			
quity (all below included in IRR calc)			Management 75%	XYZ 25%	- 0%	- 0%	Margin	Tax deductible
unior Ioan A	-			- 23%	U /0 -	U /0 -	(over prime) 2.0%	Yes
unior Ioan B	-		-	-	-	-	3.0%	No
reference shares	-		-	-	-	-	1.20%	No
hareholder loans and equity	<u> </u>		838,808 838,808	279,603 279,603			-9.0%	No
	1,110,410		000,000	213,003			-	
otal financing	1,123,531		Entry price multiples		Historic	Forward		
•			EBITDA EBIT		6.0x 6.3x	5.6x 5.9x	6.1x 6.3x	
-					8.8x	5.9x 8.2x		
-			NOPAT (ungeared)					
			NOPAT (ungeared) Exit value NOPAT multiple			IB Returns net of		
			Exit value NOPAT multiple IRRs	<u>TMB</u>	IRRs	TMB	IRR's	
Vanagement Gearing			Exit value NOPAT multiple	<u>TMB</u> 1.7 2.0				

Funding

R ('000)

General	
Last complete financial year end	Year 0
1st yr end projected	Year 1

Goodwill calculation and take-on balances

Net asset value		
Land and buildings	1,347	
Other fixed assets (net)	36,390	
Equity Loans	-	
Investments unquoted	-	
Investment in associate	-	
Investment in subsidiary	-	
(Deferred tax liability)/ deferred tax asset	24,150	
Other long term assets	22,387	
Inventory	-	
Debtors	999,106	
Other current assets	32,303	
	502,365)	
	77,607)	
Cash / (short term debt)		
(Long-term liabilities)	(1,686)	
Adjustments to NAV		
Operating cash	-	
(Minority Interest)	-	
	-	
Total: goodwill		

ASSUMPTIONS:

Interest rates

RMB JIBAR/ swap curve	
PRIME	

Spread	
2.00% over PRIME	
3.00% over PRIME	
1.20% over PRIME	
-9.00% over PRIME	
-5.50% over PRIME	

Cash from B/S

Cash

Junior Ioan A Junior Ioan B Preference shares Shareholder Ioans and equity

Loan repayments
Junior Ioan A capital
Junior Ioan A % interest paid
Junior loan B capital
Junior loan B % interest paid
Shareholder loans and equity capital
Shareholder loans and equity % interest paid
Preference shares capital repaid
Preference shares % dividend paid

Taxation
raxation

Assessed loss brought forward Tax rate Dividend cover

Fixed Assets Disposals

Investments	
Equity Loans - growth	
Investments unquoted - growt	h
Investment in subsidiary - gro	wth
Investment in associate - grow	vth

Investment in associate - growth Other long term assets - growth

Long-term Liabilities

Decrease / (increase) in long-term liabilities Amortisation write off

Year 2 Year 3 Year 4 Year 5 Year 6 Year 7

r PRIME	-
PRIME	-
PRIME	-
PRIME 2	2.0%
PRIME 5	5.5%

Year 1

7

11

73,422	178,636	299,117	440,446	603,311	788,196	995,331
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
0%	0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%	0%

Year 1 Year 2 Year 3 Year 4 Year 5 Year 6 Year 7

0						
28.0%						
0.0	0.0	0.0	0.0	0.0	0.0	0.0
-	-	-	-			-
0%	0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%	0%
0%	0%	0%	0%	0%	0%	0%
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Scenarios

ABC Management base case

Scenario name

XYZ case

Management base case Historical average

Thistorical average

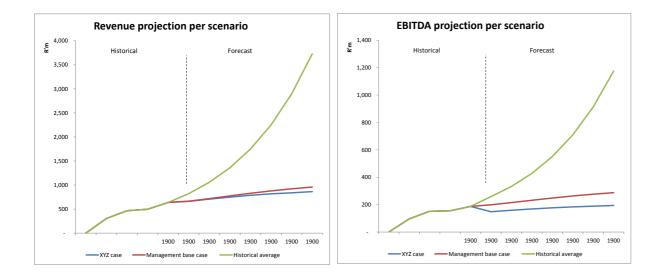
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
		XY	Z case					
Turnover - annual increase	28.7%	3.5%	7.0%	6.0%	5.0%	4.0%	2.5%	3.0%
EBITDA margin	29.3%	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%
Depreciation	9,551	9,885	10,577	11,211	11,772	12,243	12,549	12,925
Debtors	571.7	571.7	571.7	571.7	571.7	571.7	571.7	571.7
Creditors	287.4	287.4	287.4	287.4	287.4	287.4	287.4	287.4
Inventory	0.0	-	-	-	-	-	-	-
Net days	284.2	284.2	284.2	284.2	284.2	284.2	284.2	284.2
Capex - maintenance		11,000	8,000	5,500	4,125	3,094	2,320	1,740
Capex - expansion		-	-	-	-	<u> </u>	-	
		Ма	nagement bas	e case				
Turnover - annual increase	28.7%	4.0%	8.0%	8.0%	7.0%	6.0%	5.0%	4.0%
EBITDA margin	29.3%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%

EBITDA margin	29.3%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
Depreciation	9,551	10,000	10,000	10,000	10,700	11,342	11,909	12,385
Debtors	571.7	600.0	600.0	600.0	600.0	600.0	600.0	600.0
Creditors	287.4	275.0	275.0	275.0	275.0	275.0	275.0	275.0
Inventory	0.0	-	-	-	-	-	-	-
Net days	284.2	325.0	325.0	325.0	325.0	325.0	325.0	325.0
Capex - maintenance	24,120	11,000	8,000	5,500	4,125	3,094	2,320	1,740
Capex - expansion		-	-	-	-	-	-	-

Historical average								
Turnover - annual increase	28.7%	28.7%	28.7%	28.7%	28.7%	28.7%	28.7%	28.7%
EBITDA margin	29.3%	31.5%	31.5%	31.5%	31.5%	31.5%	31.5%	31.5%
Depreciation	9,551	12,291	15,816	20,354	26,193	33,708	43,378	55,823
Debtors	571.7	593.2	593.2	593.2	593.2	593.2	593.2	593.2
Creditors	287.4	269.8	269.8	269.8	269.8	269.8	269.8	269.8
Inventory	0.0	-	-	-	-	-	-	-
Working Capital uplift								
	284.2	323.4	323.4	323.4	323.4	323.4	323.4	323.4
Capex - maintenance		10,434	13,427	17,279	22,236	28,615	36,824	47,389
Capex - expansion								

	Currently used in model: Management base case Scenario						
Turnover - Annual increase	4.0%	8.0%	8.0%	7.0%	6.0%	5.0%	4.0%
EBITDA margin	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
Depreciation	10,000.00	10,000.00	10,000.00	10,700.00	11,342.00	11,909.10	12,385.46
Debtors	600.00	600.00	600.00	600.00	600.00	600.00	600.00
Creditors	275.00	275.00	275.00	275.00	275.00	275.00	275.00
Inventory	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capex - maintenance Capex - expansion	11,000 0	8,000 0	5,500 0	4,125 0	3,094 0	2,320 0	1,740 0

Scenario in use check box reference Scenario name 2 Management base case



INCOME STATEMENTS		шет	OPICAL (12 M	ONTHS ENDED	۰ <u> </u>
R ('000)		пы	ORIGAL (12 W	UNTHS ENDED)
	-Year 4	-Year 3	-Year 2	-Year 1	Year
Turnover (Net)		304,521	465,347	495,699	637,908
EBITDA		96,463	151,778	155,370	187,089
Depreciation & amortisation		5,212	6,689	7,456	9,551
EBIT	-	91,252	145,090	147,914	177,538
Non operating expense/(income)		-	-	-	
Investment Revenue		-	-	-	
Non cash item 2		-	-	-	-
Total interest (received) / paid	-	9,398	12,067	13,104	9,613
Long-term interest		288	863	1,102	
Short-term interest (received)/paid		9,110	11,204	12,002	9,613
Profit before tax	-	81,853	133,022	134,810	167,925
Taxation		22,844	38,450	38,145	45,652
Profit after tax	-	59,010	94,572	96,665	122,272
Other comprehensive items		8,314	(4,354)	(2,453)	
Minority interest (excl share of associates)					-
Ordinary and preference shareholders interest	-	50,696	98,926	99,119	122,272
Preference dividend paid		-	-	-	-
Ordinary dividends		17,892	44,400	83,018	81,200
Retained income for the year	-	32,804	54,526	16,101	41,072
					80.0%
Revenue					
Scenarios	-Year 4	-Year 3	-Year 2	-Year 1	Year
XYZ case	-	304,521	465,347	495,699	637,908
Management base case	-	304,521	465,347	495,699	637,908
Historical average	-	304,521	465,347	495,699	637,908
EBITDA	-Year 4	-Year 3	-Year 2	-Year 1	Year
XYZ case	-	96,463	151,778	155,370	187,089
Management base case	-	96,463	151,778	155,370	187,089
Historical average	-	96,463	151,778	155,370	187,089

Interest received				
av cash held	37,344	77,571	74,708	38,125
int rate	24.4%	0.0%	0.0%	0.0%
Investment Revenue				
Ave Investments held		0	0	0

PROJECTED										
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7				
663,424	716,498	773,818	827,985	877,665	921,548	958,410				
199,027	214,950	232,145	248,396	263,299	276,464	287,523				
10,000	10,000	10,000	10,700	11,342	11,909	12,385				
189,027	204,950	222,145	237,696	251,957	264,555	275,137				
22,368 22,368 (0)	18,777 22,816 (4,038)	13,447 23,272 (9,825)	7,286 23,737 (16,451)	(12) 24,212 (24,225)	(8,486) 24,696 (33,182)	(18,161) 25,190 (43,351				
166,659	186,172	208,699	230,410	251,970	273,041	293,298				
52,928	58,517	64,952	71,161	77,331	83,366	89,177				
113,731	127,656	143,747	159,249	174,639	189,675	204,121				
		-	-	-	-	-				
113,731	127,656	143,747	159,249	174,639	189,675	204,121				
-	-	-	-	-	-	-				
-	-	-	-	-	-	-				
113,731	127,656	143,747	159,249	174,639	189,675	204,121				

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
660,235	706,451	748,838	786,280	817,731	838,175	863,320
663,424	716,498	773,818	827,985	877,665	921,548	958,410
820,915	1,056,423	1,359,496	1,749,516	2,251,427	2,897,329	3,728,532
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
148,553	158,952	168,489	176,913	183,990	188,589	194,247
199,027	214,950	232,145	248,396	263,299	276,464	287,523
258,673	332,882	428,382	551,278	709,432	912,958	1,174,872

BALANCE SHEETS		ŀ	IISTORICAL				TAKE ON				PROJECTED			
R ('000)	-Year 4	-Year 3	-Year 2	-Year 1	Year 0		Year 1	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Shareholder loans and equity Junior loans		96,709	115,980	128,552 -	114,988 -		1,118,410 -	1,140,778 -	1,163,594 -	1,186,866 -	1,210,603	1,234,815 -	1,259,511 -	1,284,702 -
Preference shares Retained income		- 145,478	266,412	302,310	356,360		-	- 113,731	- 241,387	- 385,134	544,382	719,021	908,696	- 1,112,817
Total shareholders' funds	-	242,187	382,392	430,862	471,348		1,118,410	1,254,510	1,404,981	1,572,000	1,754,986	1,953,837	2,168,207	2,397,519
Senior loans Senior debt	-	-	-	-	-	Γ	-	-	-	-	-	-	-	-
Working capital							-		-	-	-	-	-	-
Finance Lease		5,247	10,660	8,275	5,121	_	5,121	5,121	5,121	5,121	5,121	5,121	5,121	5,121
Minority interest Deferred tax liability / (deferred tax asset) Short term debt / (cash)		(6,676) 74,689	(6,886) 80,454	(12,134) 68,961	- (24,150) 7,289		(24,150) (0)	(24,150) (73,422)	(24,150) (178,636)	- (24,150) (299,117)	- (24,150) (440,446)	- (24,150) (603,311)	- (24,150) (788,196)	(24,150) (995,331)
Capital employed	-	315,447	466,620	495,963	459,608		1,099,381	1,162,058	1,207,316	1,253,854	1,295,510	1,331,497	1,360,982	1,383,159
Land & buildings Other fixed assets (net)		1,140 12,991	1,213 21,626	1,283 19,487	1,347 36,390		1,347 36,390	1,347 37,390	1,347 35,390	1,347 30,890	1,347 24,315	1,347 16,067	1,347 6,478	1,347 (4,167)
Equity Loans Investments unquoted Investment in associate		10,530	17,077	22,400	-		-	-	-	-	-	-	-	-
Investment in subsidiary Goodwill		39,076	42,629	46,181	49,734		- 689,506	- 689,506	- 689,506	- 689,506	- 689,506	- 689,506	- 689,506	- 689,506
(Long-term liabilities) Other long term assets		(1,186) 40,884	(1,340) 20,816	(1,656) 15,405	(1,686) 22,387		(1,686) 22,387	(1,686) 22,387	(1,686) 22,387	(1,686) 22,387	(1,686) 22,387	(1,686) 22,387	(1,686) 22,387	(1,686) 22,387
Net working capital Inventory Debtors		212,012 - 529,404	364,598	392,863 834.833	351,436 999,106		351,436 - 999,106	413,113 - 1,090,561	460,371 - 1,177,805	511,409 - 1,272,030	559,640 - 1,361,072	603,875 - 1,442,736	642,949 - 1,514,873	675,771 - 1,575,468
Other current assets Current assets	-	85,852 615,255	110,035 820,226	106,254 941,087	32,303 1,031,408		32,303 1,031,408	1,090,561	1,177,805	1,272,030	1,361,072	1,442,736	1,514,873	1,575,468
(Trade creditors) (Other current liabilities)		(230,860) (172,383)	(259,226) (196,402)	(356,910) (191,315)	(502,365) (177,607)		(502,365)	(499,840)	(539,828)	(583,014)	(623,825)	(661,254)	(694,317)	(722,090)
Current liabilities	-	(403,244)	(455,628)	(548,224)	(679,973)		(679,973)	(677,448)	(717,435)	(760,621)	(801,432)	(838,862)	(871,924)	(899,697)
Employment of capital	<u> </u>	315,447	466,620	495,963	459,608		1,099,381	1,162,058	1,207,316	1,253,854	1,295,510	1,331,497	1,360,982	1,383,159
Balance?	Yes	Yes	- Yes	- Yes	0 Yes		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Cash Flow St.

ABC Management base case

CASH FLOW	Н	IISTORICAL						Р	ROJECTED			
R ('000)												
	-Year 3	-Year 2	-Year 1	Year 0		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Cash generated from operating activities EBITDA	96,463	151,778	155,370	187,089		199,027	214,950	232,145	248,396	263,299	276,464	287,523
Non operating expense/(income)	-	-	-	-		-	-	-	-	-	-	-
Tax on ungeared earnings	(25,550)	(40,625)	(41,416)	(49,711)		(52,928)	(57,386)	(62,201)	(66,555)	(70,548)	(74,075)	(77,038)
(Increase) / decrease in working capital	17,244	(152,587)	(28,264)	41,427		(61,677)	(47,258)	(51,038)	(48,231)	(44,235)	(39,074)	(32,822)
Capital expenditure - maintenance	(7,343)	(8,873)	(3,145)	(24,120)		(11,000)	(8,000)	(5,500)	(4,125)	(3,094)	(2,320)	(1,740)
Operating cash flow	80,814	(50,306)	82,545	154,685		73,422	102,306	113,406	129,485	145,423	160,994	175,922
Capital expenditure (net of disposals) - expansion						-	-	-	-	-	-	-
Investments		6,547	5,323	(22,400)		-	-	-	-	-	-	-
Investments in subsidiary		-		-		-	-	-	-	-	-	-
Change in other LT assets		20,067	5,411	(6,982)		-	-	-	-	-	-	-
Change in other LT liabilities		(55)	(4,933)	(11,986)		-	-	-	-	-	-	-
Free cash flow	80,814	(23,747)	88,346	113,316		73,422	102,306	113,406	129,485	145,423	160,994	175,922
Other												
Other comprehensive items	(8,314)	4,354	2,453	-		-	-	-	-	-	-	-
Non-cash adjustments							(1.10.1)	(0.75.1)	(1.000)	(0.700)	(0.00.1)	(10,100)
Tax shield	2,707	2,175	3,271	4,058		-	(1,131)	(2,751)	(4,606)	(6,783)	(9,291)	(12,138)
Cash available for debt service	75,207	(17,219)	94,071	117,375	_	73,422	101,175	110,656	124,878	138,640	151,703	163,784
Cash for debt providers												
Net interest paid	(9,398)	(12,067)	(13,104)	(9,613)		(22,368)	(18,777)	(13,447)	(7,286)	12	8,486	18,161
Accrued interest	(0,000)	(,, /	(,	(-,)		22,368	22,816	23,272	23,737	24,212	24,696	25,190
Change in long term debt									-	,	-	-
Debt service costs	(9,398)	(12,067)	(13,104)	(9,613)		0	4,038	9,825	16,451	24,225	33,182	43,351
Cash available for equity providers	65,809	(29,286)	80,967	107,761		73,422	105,214	120,480	141,330	162,864	184,886	207,135
Cash for equity providers												
Accrued pref dividends						-	-	-	-	-	-	-
Dividends paid (ordinary and preference)	(17,892)	(44,400)	(83,018)	(81,200)		-	-	-	-	-	-	-
Change in shareholders' loans, junior debt						0	0	-	-	(0)	0	(0)
Change in share capital (ord and pref) & minorities		-	-	-		-	-	-	-	-	-	-
	(17,892)	(44,400)	(83,018)	(81,200)		0	0	•	•	(0)	0	(0)
(Shortfall)/Surplus	47,917	(73,686)	(2,051)	26,561		73,422	105,214	120,480	141,330	162,864	184,886	207,135
Change in cash/(short term debt)	(74,689)	(5,765)	11,493	61,672		73,422	105,214	120,480	141,330	162,864	184,886	207,135
enange in oder (ener term deby	(14,000)	(0,700)	11,400	01,072		10,722	100,214	120,100	141,000	102,007	101,000	201,100
EBITDA	96,463	151,778	155,370	187,089		199,027	214,950	232,145	248,396	263,299	276,464	287,523
Free cash flow	80,814	(50,306)	82,545	154,685		73,422	102,306	113,406	129,485	145,423	160,994	175,922
Cash Conversion ratio	,	-33.1%	53.1%	82.7%		,	47.6%	48.9%	52.1%	55.2%	58.2%	61.2%

IRRs

	Year 1	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Profit & debt								
EBIT		189,027	204,950	222,145	237,696	251,957	264,555	275,137
Total debt		1,145,900	1,168,715	1,191,987	1,215,724	1,239,936	1,264,633	1,289,823
Senior loans			-	-				-
Finance Lease		5,121	5,121	5,121	5,121	5,121	5,121	5,121
Junior, shareholders loans, and prefs		1,140,778	1,163,594	1,186,866	1,210,603	1,234,815	1,259,511	1,284,702
Net cash/(short term debt)		73,422	178,636	299,117	440,446	603,311	788,196	995,331
RMB's equity stake	25%	25%	25%	25%	25%	25%	25%	25%

Cash flow excluding exit value	(279.603)	-	-	-	-	-	-	-
Interest received (s/h's loan & junior debt only)		-	-	-	-	-	-	-
Pref Dividends and capital received	-	-	-	-	-	-		-
Ordinary dividends		-	-	-	-	-		-
Shareholder loans and equity	(279,603)	-	-	-	-	-		-
Junior loans	-	-	-	-	-	-		-

Table of results									
	Exit NOPAT ratio	IRR 4 years	IRR 5 years	IRR 6 years	IRR 7 years	TMB 4 years	TMB 5 years	TMB 6 years	TMB 7 years
		14.7%	14.4%	14.0%	13.6%	1.73	1.96	2.20	2.44
	7.8	12.1%	12.4%	12.5%	12.4%	1.58	1.80	2.03	2.26
	8.3	13.4%	13.4%	13.3%	13.0%	1.66	1.88	2.11	2.35
	8.8	14.7%	14.4%	14.0%	13.6%	1.73	1.96	2.20	2.44
	9.3	16.0%	15.3%	14.7%	14.2%	1.81	2.04	2.28	2.53
	9.8	17.2%	16.2%	15.4%	14.7%	1.89	2.12	2.37	2.62
	10.3	18.4%	17.1%	16.1%	15.3%	1.96	2.20	2.45	2.71

Management returns							
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Enterprise value (incl. cash)	1,268,598	1,474,484	1,703,691	1,943,341	2,196,379	2,460,918	2,734,961
Less: total debt excl. junior & shareholders loans	5,121	5,121	5,121	5,121	5,121	5,121	5,121
Equity value	1,263,477	1,469,363	1,698,569	1,938,219	2,191,257	2,455,796	2,729,840
Equity value (net of junior loans)	122,699	305,769	511,704	727,616	956,442	1,196,285	1,445,138
RMB exit Value				484,555	547,814	613,949	682,460
Management exit value				1,384,520	1,556,139.27	1,736,021.26	1,922,661.12
Management times money back				1.7	1.9	2.1	2.3

4 year exit

Exit NOPAT	9				
Cash flows per above	(279,603)	0	0	0	0
Add exit value					484,555
	(279,603)	0	0	0	484,555
	Year 0	Year 1	Year 2	Year 3	Year 4
	14.74%				
Project exit value					1,502,894
Less: debt					1,215,724
Add short term cash					440,446
					727,616
RMB's equity share thereof					181,904
Add unpaid RMB loans					302,651
RMB's exit value					484,555

5 year exit

Exit NOPAT Cash flows per above	9 (279,603)	-		-	-	-
Add exit value						547,814
	(279,603)	-	-	-	-	547,814
	Year 1	Year 1	Year 2	Year 3	Year 4	Year 5
	14.40%					
Project exit value						1,593,068
Less: debt						1,239,936
Add short term cash						603,311
						956,442
RMB's equity share thereof						239,111
Add unpaid RMB loans						308,704
RMB's exit value						547,814

6 year exit							
Exit NOPAT	9						
Cash flows per above	(279,603)	0	0	0	0	0	0
Add exit value							613,949
	(279,603)	0	0	0	0	0	613,949
	Year 1	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
	14.01%						
Project exit value							1,672,721
Less: debt							1,264,633
Add short term cash							788,196
							1,196,285
RMB's equity share thereof							299,071
Add unpaid RMB loans							314,878
RMB's exit value							613,949
l l							

7 year exit								
Exit NOPAT	9							
Cash flows per above	(279,603)	0	0	0	0	0	0	0
Add exit value				0	0	0	0	682,460
	(279,603)	0	0	0	0	0	0	682,460
	Year 1	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
	13.60%							
Project exit value								1,739,630
Less: debt								1,289,823
Add short term cash								995,331
								1,445,138
RMB's equity share thereof								361,285
Add unpaid RMB loans								321,175
RMB's exit value								682,460

Exit 4	RMB	Other		Tot
Exit value (operating and other assets)				1,502,894
Senior loans			0	(
Excess available/amount repaid			0	1,502,894
Subordinated debt		0	5,121	5,12
Excess available/amount repaid		0	5,121	1,497,77
Shareholders loans & junior debt Excess available/amount repaid		,651 ,651	907,952 907,952	1,210,60 287,17
Exit 5	RMB	Other		Tot
Exit value (operating and other assets)				1,593,068
Senior loans			0	(
Excess available/amount repaid			0	1,593,068
Subordinated debt			5,121	5,12
Excess available/amount repaid			5,121	1,587,94
Shareholders loans & junior debt		,704	926,111	1,234,81
Excess available/amount repaid	308	,704	926,111	353,132
Exit 6	RMB	Other		Tot
Exit o Exit value (operating and other assets)	RIVID	Other		1,672,72
Senior loans			0	1,072,72
Excess available/amount repaid			õ	1,672,72
Subordinated debt			5,121	5,12
Excess available/amount repaid			5,121	1,667,600
Shareholders loans & junior debt	314	,878	944,634	1,259,51
Excess available/amount repaid	314	,878	944,634	408,089
Exit 7	RMB	Other		Tot
Exit value (operating and other assets) Senior loans			0	1,739,630
Excess available/amount repaid			0	1,739,63
Subordinated debt			5,121	5,12
Excess available/amount repaid			5,121	1,734,50
Shareholders loans & junior debt	201	,175	963.526	1,284,70
Excess available/amount repaid		,175	963,526	449,80
Encodo aranabio, amount ropula	021	,	000,020	440,00

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year
Driving interest rates	1900	1900	1900	1900	1900	1900	1900
IBAR							
unior loan A	-						
unior Ioan B	-						
hareholders' loans	2.00%						
reference shares	-						
lunior Ioan A							
pening balance	_		-	-	-	-	-
nterest charge	-	-	-	-	-	-	-
Capital repayment	-	-	-	-	-	-	-
nterest repayment	-	-	-	-	-	-	-
closing balance	-	-	-	-	-	-	-
lunior Ioan B							
pening balance	-	-	-	-	-	-	-
iterest charge	-	-	-	-	-	-	-
apital repayment	-	-	-	-	-	-	-
nterest repayment			-	-	-	-	-
losing balance			-	-	-	-	-
Shareholders' loans							
Opening balance	1,118,410	1,140,778	1,163,594	1,186,866	1,210,603	1,234,815	1,259,5
nterest charge	22,368	22,816	23,272	23,737	24,212	24,696	25,1
apital repayment hterest repayment	-	-	-	-	-	-	-
losing balance	1,140,778	1,163,594	1,186,866	1,210,603	1,234,815	1,259,511	1,284,7
reference shares							
pening balance	_	_	_	_	_	_	
ref dividend accrued	-	-	-	-	-	-	-
apital repayment	-	-	-	-	-	-	-
ividends paid	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
losing balance							
Closing balance ref div payable over year		-	-	-	-	-	-
	- 113,731 113,731	- 241,387 241,387	- 271,402 271,402	- 302,995 302,995	- 333,887 333,887	- 364,314 364,314	393,7 393,7

		Interest rate			Capital holiday			Rate over
Define Names	Balance (R'000)	(annual)	Term (years)	Debt type	(months)	Debt type	Ranking	JIBAR
Term Ioan A (amortising)	-	10.50%	5	Amortising equal payments	0	1	Senior	3.50%
Term Ioan B (bullet only)		11.00%	e	Bullet with interest	0	3	Senior	4.00%
Other (sculpted)		10.00%	5	Custom	0	4	Senior	3.00%
Mezzanine (bullet)	5,121	10.50%	6	Amortising equal payments	0	1	Mezzanine	3.50%
Debt 5		8.08%	e	Bullet only	0	0	Mezzanine	1.08%
Debt 6		8.08%	6	Bullet only	0	0	Mezzanine	1.08%
Debt 7		8.08%	6	Bullet with Interest	0	3	Mezzanine	1.08%
Debt 8		8.08%	6	Amortising equal payments	0	1	Mezzanine	1.08%
		Interest rate	Rate over					
Working capital facility	Balance (R'000)	(annual)	prime	Utilization				
Working capital facility	-	12.00%	1.00%	20%				

		Debt	table					
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	
Balance	5,121.2	5,121.2	5,121.2	5,121.2	5,121.2	5,121.2	5,121.2	All debt
Total long term interest charged	-	-	-	-	-	-	-	
Total interest paid	-	-	-	-	-	-	-	6,000.0
Total interest accrued	-	-	-	-	-	-	-	5,000.0 -
Capital payment		-	-	-	-	-	-	4,000.0 -
Final balance	5,121.2	5,121.2	5,121.2	5,121.2	5,121.2	5,121.2	5,121.2	
								3,000.0 -
Opening balances								2,000.0 -
Senior	-	-	-	-	-	-	-	1,000.0 -
Mezzanine	5,121.2	5,121.2	5,121.2	5,121.2	5,121.2	5,121.2	5,121.2	
Junior	· -	-	-	· -	-	-	-	Year 1 Year 2 Year 3 Year 4 Year 5 Year 6 Yea
Shareholder	-	-	-		-	-	-	icai 1 icai 2 ical 3 fedi 4 fedi 5 fedi 6 fed
Preference	-	-	-		-	-	-	Balance Interest payment Capital payment
Working capital		-	-		-	-	-	
Final balances								Senior
Senior	-	-	-	-	-	-	-	10
Mezzanine	5,121.2	5,121.2	5,121.2	5,121.2	5,121.2	5,121.2	5,121.2	1.0
Junior	-	-	-	-	-	-	-	0.8 -
Shareholder	-	-	-	-	-	-	-	
Preference	-	-	-	-	-	-	-	0.6 -
Working capital	-	-	-	-	-	-	-	0.4 -
Interest paid								
Senior	-	-	-	-	-		-	0.2 -
Mezzanine	-	-	-	-	-	-	-	_
Junior	-	-	-	-	-	-	-	Year 1 Year 2 Year 3 Year 4 Year 5 Year 6 Year
Shareholder	-	-	-	-	-		-	
Preference	-	-	-	-	-		-	Balance Interest payment Capital payment
Norking capital	-	-	-	-	-		-	
Interest capitalized								
Senior	-	-	-	-	-	-	-	Mezzanine
Vezzanine	-	-	-	-	-	-	-	
Junior	-	-	-	-	-	-	-	6,000.0
Shareholder							-	5,000.0
Preference	_			_			-	4,000.0 -
Vorking capital		-	-		-	-	-	
Capital repaid	•	-	-	•	-	-	-	3,000.0 -
Senior			-			-		2,000.0 -
Vezzanine	-	-	-	-	-	-		1,000.0 -
		-	-	-	-	-		2,000.0
Junior	-	-	-	-	-	-	-	
Shareholder	-	-	-	-	-	-	-	Year 1 Year 2 Year 3 Year 4 Year 5 Year 6 Yea
Preference	-	-	-		-	-	-	
Norking capital	-	-	-	-	-	-	-	Balance Interest payment Capital payment

								Term Ioan A (amortising)
an repayments - Amortising equal payments	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	1.0
rm Ioan A (amortising) lance								
erest accrued		-	-	-	-	-	-	0.8 -
erest payment		-	-	-	-	-	-	0.6 -
stom interest payment								0.4 -
ayment of interest	0%	0%	0%	0%	0%	0%	0%	
ital payment	-	-	-		-	-		0.2 -
om capital payment ayment of capital	0%	0%	0%	0%	0%	0%	0%	
ayment of original capital	NA	NA	NA	NA	NA	NA	NA	Year 1 Year 2 Year 3 Year 4 Year 5 Year 6 Year 7
ital & interest payment	-	-	-	-	-	-	-	Balance Interest payment Capital payment
I balance		-	-	-	-	-	-	
								Term loan B (bullet only)
repayments - Bullet with interest	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	
loan B (bullet only)								1.0
nce	-	-	-		-	-	-	0.8 -
est accrued	-	-	-	-	-	-	-	
est payment		-	-	-	-	-	-	0.6 -
om interest payment								0.4 -
yment of interest	0%	0%	0%	0%	0%	0%	0%	
al payment	-	-	-	-	-	-	-	0.2 -
om capital payment ayment of capital	0%	0%	0%	0%	0%	0%	0%	
yment of capital yment of original capital	0% NA	0% NA	0% NA	U% NA	0% NA	0% NA	0% NA	Year 1 Year 2 Year 3 Year 4 Year 5 Year 6 Year 7
al & interest payment	-	-	-	- -	-	-	-	
balance	-	-	-	-	-	-	-	Balance Interest payment Capital payment
	Vacat	V	V2	Veed	Veer5	Veec	V	Other (sculpted)
repayments - Custom r (sculpted)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	1.0]
nce								
est accrued		-	-		-	-	-	0.8 -
est payment	-	-	-		-	-	-	0.6 -
om interest payment						-		0.4 -
yment of interest	0%	0%	0%	0%	0%	0%	0%	0.4 -
tal payment	-	-	-	-	-	-	-	0.2 -
om capital payment					-			_
ayment of capital	0%	0%	0%	0%	0%	0%	0%	Year 1 Year 2 Year 3 Year 4 Year 5 Year 6 Year 7
ayment of original capital	NA	NA	NA	NA	NA	NA	NA	
ital & interest payment I balance			-				<u> </u>	Balance Interest payment Capital payment
n repayments - Amortising equal payments	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Mezzanine (bullet)
zanine (bullet)	feari	real 2	rears	redi 4	real o	rearo	red <i>r</i>	6,000.0
nce	5,121.2	5,121.2	5,121.2	5,121.2	5,121.2	5,121.2	5,121.2	5,000.0 -
				0,121.2	J, 121.2			
	-	-	-		-	-	-	
est payment		-	-	- - -	-	-	-	4,000.0 -
est payment om interest payment	-	-	-	-	-	-	-	4,000.0 - 3,000.0 -
est payment om interest payment yment of interest	- - 0%	- - 0%	- - 0%	- - - 0%	- 0%	- - 0%	- - 0%	4,000.0 - 3,000.0 - 2,000.0 -
est payment om interest payment nyment of interest ral payment	- - - -	- - 0% -	- - 0% -	-	-	-	-	4,000.0 - 3,000.0 -
est payment om interest payment hyment of interest ial payment om capital payment	-	-		- - 0% -	- - 0% -	- - 0% -	- - 0% -	4,000.0 - 3,000.0 - 2,000.0 -
ast payment om interest payment yment of interest al payment om capital payment yment of capital	- 0%	- 0%	- 0%	- - - - 0%	- - 0% -	- - 0% -	- - 0% - 0%	4,000.0 - 3,000.0 - 2,000.0 -
est accrued est payment om interest payment ayment of interest tal payment om capital payment ayment of capital yment of original capital tal & interest payment	-	- 0% 0% -		- - 0% -	- - 0% -	- - 0% -	- - 0% -	4,000.0 - 3,000.0 - 2,000.0 - 1,000.0 - Year 1 Year 2 Year 3 Year 4 Year 5 Year 6 Year 7
ast payment om interest payment yment of interest ial payment om capital payment yment of capital yment of original capital	- 0%	- 0%	- 0%	- - - - 0%	- - 0% -	- - 0% -	- - 0% - 0%	4,000.0 - 3,000.0 - 2,000.0 - 1,000.0 -
sst payment om interest payment yment of interest al payment om capital payment yment of capital yment of original capital al & interest payment	0% 	- 0% 0% -	- 0% 0% -	- 0% - 0%	- - - 0% 0%	- - - 0% - 0% -	- - - - - - - - - - - -	4,000.0 3,000.0 2,000.0 1,000.0 Vear 1 Year 2 Year 3 Year 4 Year 5 Year 6 Year 7 Balance Interest payment Capital payment
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ist payment m interest payment yment of interest al payment im capital payment yment of capital yment of original capital al & interest payment balance repayments - Bullet only	0% 0% 	- 0% 0% - 5,121.2	- 0% - 5,121.2	- 0% - 0%	- 0% - 0% 5,121.2	- 0% - 0% 0% 5,121.2	- - - - - - - - - - - - - - - - - - -	4,000.0 3,000.0 2,000.0 1,000.0 Vear 1 Year 2 Year 3 Year 4 Year 5 Year 6 Year 7 Balance Interest payment Capital payment
st payment m interest payment yment of interest al payment m capital payment yment of original capital al & interest payment balance repayments - Bullet only 5 ce	0% 0% 	- 0% 0% - 5,121.2	- 0% - 5,121.2	- 0% - 0%	- 0% - 0% 5,121.2	- 0% - 0% 0% 5,121.2	- - - - - - - - - - - - - - - - - - -	4,000.0 3,000.0 2,000.0 1,000.0 Vear 1 Year 2 Year 3 Year 4 Year 5 Year 6 Year 7 Balance Interest payment Capital payment Debt 5 1.0
st payment m interest payment yment of interest al payment m capital payment yment of capital ark interest payment balance repayments - Bullet only 5 ce st accrued	0% 0% 	- 0% 0% - 5,121.2	- 0% - 5,121.2	- 0% - 0%	- 0% - 0% 5,121.2	- 0% - 0% 0% 5,121.2	- - - - - - - - - - - - - - - - - - -	4,000.0 3,000.0 2,000.0 1,000.0 Vear 1 Year 2 Year 3 Year 4 Year 5 Year 6 Year 7 Balance Interest payment Capital payment Debt 5 1.0 0.8 -
ist payment im interest payment yment of interest al payment yment of capital yment of original capital al & interest payment balance repayments - Bullet only 5 sice ist accrued st payment	0% 0% 	- 0% 0% - 5,121.2	- 0% - 5,121.2	- 0% - 0%	- 0% - 0% 5,121.2	- 0% - 0% 0% 5,121.2	- - - - - - - - - - - - - - - - - - -	4,000.0 3,000.0 2,000.0 1,000.0 Vear 1 Year 2 Year 3 Year 4 Year 5 Year 6 Year 7 Balance Interest payment Capital payment Debt 5 1.0
st payment m interest payment m noterest al payment m capital payment mrent of capital a & interest payment balance repayments - Bullet only 5 ce st accrued st payment m interest payment	0% 0% 5,121.2 Year 1	0% 0% 5,121.2 Year 2	- 0% 0% 5,121.2 Year 3 - -	- 0% 0% 5,121.2 Year 4	- 0% - 5,121.2 Year 5 - -	- 0% - 0% 5,121.2 Year 6	- 0% - 0% 5,121.2 Year 7 - -	4,000.0 3,000.0 2,000.0 1,000.0 • • • • • • • • • • • • •
st payment minterest payment yment of interest al payment yment of capital yment of capital yment of original capital al & interest payment balance repayments - Bullet only 5 cce st accrued ist payment minterest payment yment of interest	0% 0% 	- 0% 0% - 5,121.2	- 0% - 5,121.2	- 0% - 0%	- 0% 0% 5,121.2 Year 5 - - - 0%	- 0% - 0% 0% 5,121.2	- 0% - 0% 5,121.2 Year 7 - - - - 0%	4,000.0 3,000.0 2,000.0 1,000.0 • • • • • • • • • • • • •
st payment m interest payment yment of interest al payment ment of original capital al & interest payment balance repayments - Bullet only 5 5 6 5 7 8 t accrued st payment m interest payment m interest payment	0% 0% 5,121.2 Year 1	0% 0% 5,121.2 Year 2	- 0% 0% 5,121.2 Year 3 - -	- 0% 0% 5,121.2 Year 4	- 0% - 5,121.2 Year 5 - -	- 0% - 0% <u>5,121.2</u> Year 6	- 0% - 0% 5,121.2 Year 7 - -	4,000.0 3,000.0 2,000.0 1,000.0 • • • • • • • • • • • • •
sst payment om interest payment yment of interest al payment yment of capital yment of capital al & interest payment balance repayments - Bullet only 5 toe sst accrued sst payment om interest payment m capital payment	0% 0% 5,121.2 Year 1	- 0% 0% 5,121.2 Year 2 - - - 0%	- 0% 0% - 5,121.2 Year 3 - - - - 0%	0% 0% 5,121.2 Year 4	- 0% 0% 5,121.2 Year 5 - - - 0%	- 0% - 0% 5,121.2 Year 6 - - - - - - - - - - - - - - - - - - -	- 0% - - 5,121.2 Year 7 - - - - - - - - - - - - - - - - - - -	4,000.0 3,000.0 2,000.0 1,000.0 • • • • • • • • • • • • •
ist payment im interest payment yment of interest al payment yment of capital yment of original capital al & interest balance repayments - Bullet only 5 st accrued ist payment mi interest payment yment of interest al payment mi capital payment yment of capital	0% 0% 5,121.2 Year 1	- 0% 0% 5,121.2 Year 2 - - - - 0%	- 0% 0% <u>5,121.2</u> Year 3 - - - - - - - - - - - - - - - - - - -		- 0% 0% 5,121.2 Year 5 - - - 0%	- 0% 0% 5,121.2 Year 6 - - - 0%	- 0% - - 5,121.2 Year 7 - - - - - - - - - - - - - - - - - - -	4,000.0 3,000.0 2,000.0 1,000.0 • Year 1 Year 2 Year 3 Year 4 Year 5 Year 6 Year 7 • Balance • Interest payment • Capital payment Debt 5 1.0 0.8 - 0.6 - 0.4 - 0.2 - - - - - - - - - - - - -
ast payment om interest payment al payment om capital payment om capital payment yment of capital yment of original capital al & interest payment	0% 0% 5,121.2 Year 1	- 0% 0% 5,121.2 Year 2 - - - 0%	- 0% 0% - 5,121.2 Year 3 - - - - 0%	0% 0% 5,121.2 Year 4	- 0% 0% 5,121.2 Year 5 - - - 0%	- 0% - 0% 5,121.2 Year 6 - - - - - - - - - - - - - - - - - - -	- 0% - - 5,121.2 Year 7 - - - - - - - - - - - - - - - - - - -	4,000.0 3,000.0 2,000.0 1,000.0 • • • • • • • • • • • • •

Debt Profiles

Year _oan repayments - Bullet only	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7		Debt 6	
ebt 6			Teal 5		- Tear 5	Teal 0	real r	1.0 -		
alance		-	-		-	-	-			
erest accrued	-	-	-	-	-	-	-	0.8 -		
terest payment	-	-	-	-	-	-	-	0.6 -		
ustom interest payment										
Payment of interest	0%	0%	0%	(0% 0%	6 0%	0%	0.4 -		
apital payment		-	-	-	-	-	-	0.2 -		
ustom capital payment										
Payment of capital	0% NA	0% NA	0% NA		0% 0% NA NA		0% NA		Year 1 Year 2 Year 3 Year 4 Ye	Near C Veer
payment of original capital apital & interest payment	NA	NA	INA	r	NA INA	NA NA	NA		fear fear 2 fear 3 fear 4 fe	edio fedio fedi
nal balance									Balance Interest payment	Capital payment
	,									
ar an repayments - Bullet with Interest	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7		Debt 7	
bt 7	Tedil	redi z	real o	Tedi 4	real 5	real 0	real r	1.0 7		
lance	_				_					
erest accrued	-	-			-	-	-	0.8 -		
erest payment		-				-	-	0.6 -		
stom interest payment										
Payment of interest	0%	0%	0%	(0% 0%	6 0%	0%	0.4 -		
pital payment	-	-	-	-	-	-	-	0.2 -		
istom capital payment										
Payment of capital	0%	0%	0%		0% 0%		0%		Vent 1 Vent 2 Vent 2 Vent 4 Ve	ANTE VANTE VANT
payment of original capital	NA	NA	NA	١	NA NA		NA		Year 1 Year 2 Year 3 Year 4 Ye	edio tedio tedi
apital & interest payment		<u> </u>							Balance Interest payment	Capital payment
nal balance	<u> </u>	-								
ear									Debt 8	
ban repayments - Amortising equal payments	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	1.0		
ebt 8										
alance terest accrued	-	-	-	-	-	-	-	0.8 -		
erest accrued	-	-	-	-	-	-	-	0.6		
ustom interest payment	-	-	-	-	-	-	-			
Payment of interest	0%	0%	0%	(0% 0%	6 0%	0%	0.4 -		
apital payment	-	-	-	-	-	-	-	0.2 -		
ustom capital payment										
Payment of capital	0%	0%	0%	(0% 0%	6 0%	0%	- +	V V	
payment of original capital	NA	NA	NA	N	NA NA	NA NA	NA		Year 1 Year 2 Year 3 Year 4 Ye	ear 5 Year 6 Year
pital & interest payment	-	-	-	-	-	-	-		Balance Interest payment	Capital payment
nal balance	-	-	-	-	-	-	-		. ,	
									Working Capit	al
orking capital facility								1 7		
orking capital facility								1		
		-	-	-	-	-	-	1 -		
bening balance	:	-	:	-	:	-	:			
ening balance erest charge	- -	:	-	-	-	:	-	1 -		
ening balance arest charge pital repayment rest repayment		- -	- -	-	- -	-	- -	1 - 1 - 0 -		
ening balance arest charge pital repayment rest repayment	- - 	- - -	-	-	-	- - -	- - -	1 - 1 -	6 F	
eening balance erest charge pital repayment erest repayment		- - -	- - -		- - -	-	- - -	1 - 1 - 0 - 0 -		
eening balance erest charge pital repayment erest repayment ssing balance					- - - - - - - - - - - - - - - - - - -	- - - - -	- - - 25,190	1 - 1 - 0 - 0 -		ar 5 Year 6 Year
orking capital facility pening balance erest charge tal repayment rest repayment ssing balance tal long term interest charged tal interest accrued	- - - 22,368 22,368	- - - 22,816 22,816	- - - 23,272 23,272	- - - 23,77 23,7				1 - 1 - 0 - 0 -	Year 1 Year 2 Year 3 Year 4 Yea	

					t Ratios		
			TED - PER MO				
YEAR	Year 1 1	Year 2 2	Year 3 3	Year 4 4	Year 5 5	Year 6 6	Year 7 7
		2	3	4	3	U	1
Calculation of EBITDA and cash flow available for debt service							
R ' 000							
interest received	0	4,038	9,825	16,451	24,225	33,182	43,351
EBITDA incl. interest received	199,027	218,988	241,970	264,847	287,524	309,646	330,874
Free cash flow	73,422	102,306	113,406	129,485	145,423	160,994	175,922
Tax shield	-	(1,131)	(2,751)	(4,606)	(6,783)	(9,291)	(12,138)
Add interest received / (less paid)	- 0	4,038	9,825	16,451	24,225	33,182	43,351
Cash flow generated for debt service	73,422	105,214	120,480	141,330	162,864	184,886	207,135
Total cash available for debt service	73,422	178,636	299,117	440,446	603,311	788,196	995,331
	10,422	110,000	200,117	440,440	000,011	100,100	000,001
Interest paid and capitalised							
Interest paid	-	-	-	-	-	-	-
Senior loans	-	-	-	-	-	-	-
Repayments and capital outstanding							
Senior loans	-	-	-	-	-	-	-
Equity loans	-	-	-	-	-	-	-
Capital and interest repaid on	-	-	-	-	-	-	-
Senior facilities	-	-	-	-	-	-	-
Subordinated Debt	-	-	-	-	-	-	-
Equity loans	-	-	-	-	-	-	-
Debt - ratio analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
	1	2	3	4	5	6	
Interest cover analysis							
EBITDA interest cover (times)							
EBITDA / senior (incl OD) debt interest paid	-	-	-	-	-	-	-
Covenant							
EBITDA/ senior & subordinated interest paid	-	-	-	-	-	-	-
EBITDA / total interest paid	NA	NA	NA	NA	NA	NA	NA
Covenant							
EBIT interest cover (times)							
EBIT (incl int rec'd) / interest paid on:							
Senior facilities	-	-	-	-	-	-	-
Senior & subordinated facilities	-	-	-	-	-	-	-
Total interest	-	-	-	-	-	-	-

	Debt Ratios									
		PROJEC	TED - PER MO	DEL						
YEAR	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7			
	1	2	3	4	5	6	7			
Debt service ratios Senior facilities	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7			
Current year cash flow / capital + interest payment	-	-	-		-	-	-			
Covenant	1.30	1.30	1.30	1.30	1.30	1.30	1.30			
Accumulated cash flow / capital + interest payment	-	-	-	-	-	-	-			
Covenant	1.15	1.30	1.30	1.30	1.30	1.30	1.30			
Senior plus subordinated facilities										
Current year cash flow / capital + interest payment Covenant	-	-	-	-	-	-	-			
Accumulated year cash flow / capital + interest payment			-	-	-		-			
Covenant	1.15	1.30	1.30	1.30	1.30	1.30	1.30			
Total debt service										
Current year cash flow / capital + interest payment	-	-	-	-	-	-	-			
Covenant	1.15	1.30	1.30	1.30	1.30	1.30	1.30			
Accumulated cash flow / capital + interest payment		-	-	-	-	-				
Covenant	1.15	1.10	1.10	1.10	1.10	1.10	1.10			
Gearing ratios										
Total debt / total shareholders funds	0.4%	0.4%	0.3%	0.3%	0.3%	0.2%	0.2%			
Total debt / total debt plus equity	0.4%	0.4%	0.3%	0.3%	0.3%	0.2%	0.2%			
Senior debt / EBITDA	0.0x	0.0x	0.0x	0.0x	0.0x	0.0x	0.0x			
(Net senior debt + mezz) /EBITDA	-0.4x	-0.8x	-1.2x	-1.7x	-2.1x	-2.5x	-3.0x			
Total debt (excl equity loans) /EBITDA	0.0x	0.0x	0.0x	0.0x	0.0x	0.0x	0.0x			
Total net debt (excl equity loans) /EBITDA Covenant	-0.3x	-0.8x	-1.2x	-1.6x	-2.1x	-2.5x	-3.0x			
Cash flow reconciliation	70.400									
Cash flow generated for debt service	73,422	105,214	120,480	141,330	162,864	184,886	207,135			
Transaction costs	-									
Generated from other financing Utilised for senior debt repayments					_	-				
Cash flow available after senior debt service	73,422	105,214	120,480	141,330	162,864	184,886	207,135			
Subordinated debt service	13,422	103,214	120,400	-	-	-	207,135			
Cash flow available after mezzanine debt service	73,422	105,214	120.480	141,330	162.864	184,886	207,135			
Shareholders loans, junior debt	-	-	-	-	-	-	201,100			
Preference and ordinary dividends paid	-	-	-	-	-	-	-			
Preference share capital repaid	-	-	-	-	-	-	-			
Cash flow available after subordinated debt service	73.422	105.214	120,480	141.330	162.864	184.886	207.135			
	- /	,	.,	,		. ,	- ,			
Opening cash / (overdraft)	0	73,422	178,636	299.117	440.446	603.311	788.196			
Closing cash / (overdraft)	73,422	178,636	299,117	440,446	603,311	788,196	995,331			
Cash utilised / (generated)	(73,422)	(105,214)	(120,480)	(141,330)	(162,864)	(184,886)	(207,135)			
Difference	0	-	-	(0)	-	-	-			

RATIO ANALYSIS

			Histor	ical					Projected					
	-Year 4	-Year 3	-Year 2	-Year 1	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	CAGR Year -3 to Year 0	CAGR Year 0 to Year 7
Key financial information														
- Turnover	-	304.521	465.347	495,699	637,908	663.424	716.498	773,818	827,985	877.665	921,548	958.410	#DIV/0!	6.0%
- EBITDA	-	96.463	151.778	155,370	187,089	199,027	214,950	232,145	248,396	263,299	276,464	287,523	#DIV/0!	6.3%
- EBIT	-	91.252	145.090	147.914	177,538	189,027	204,950	222,145	237,696	251,957	264,555	275,137	#DIV/0!	6.5%
- Ungeared NOPAT	-	65,701	104,465	106,498	127,827	136,100	147,564	159,945	171,141	181,409	190,480	198,099	#DIV/0!	6.5%
- Capital employed (excl. goodwill)	-	276,371	423,991	449,782	409,875	472,552	517,809	564,348	606,004	641,990	671,476	693,653		
- Net working capital	-	212,012	364,598	392,863	351,436	413,113	460,371	511,409	559,640	603,875	642,949	675,771		
													Average	Average
Income statement ratios													Year -3 to Year 0	Year 0 to Year 7
-Turnover growth		-	52.8%	6.5%	28.7%	4.0%	8.0%	8.0%	7.0%	6.0%	5.0%	4.0%	29.3%	6.0%
-EBITDA growth		#DIV/0!	57.3%	2.4%	20.4%	6.4%	8.0%	8.0%	7.0%	6.0%	5.0%	4.0%	#DIV/0!	6.3%
-EBITDA margin	-	31.7%	32.6%	31.3%	29.3%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	31.2%	30.0%
-EBIT margin	N/A	30.0%	31.2%	29.8%	27.8%	28.5%	28.6%	28.7%	28.7%	28.7%	28.7%	28.7%	29.7%	28.7%
-Ungeared NOPAT / turnover	N/A	21.6%	22.4%	21.5%	20.0%	20.5%	20.6%	20.7%	20.7%	20.7%	20.7%	20.7%	21.4%	20.6%
-Depreciation / turnover	-	1.7%	1.4%	1.5%	1.5%	1.5%	1.4%	1.3%	1.3%	1.3%	1.3%	1.3%	1.5%	1.3%
 Interest cover (including pref div) 					18	8.45	10.91	16.52	32.62	(20,183.48)	(31.18)	(15.15)		(2,880.19)
-EBITDA interest cover (incl pref div)					1946.2%	8.90	11.45	17.26	34.09	(21,092.05)	(32.58)	(15.83)		(3,009.82)
-Effective tax rate	N/A	27.9%	28.9%	28.3%	27.2%	31.8%	31.4%	31.1%	30.9%	30.7%	30.5%	30.4%	28.1%	31.0%
Balance sheet ratios														
- Return on capital	#DIV/0!	23.8%	24.6%	23.7%	31.2%	28.8%	28.5%	28.3%	28.2%	28.3%	28.4%	28.6%	25.8%	28.4%
-Net interest bearing debt / EV	N/A	24.8%	19.2%	15.2%	2.6%	-5.8%	-14.1%	-23.0%	-33.0%	-44.1%	-56.5%	-70.4%		-35.3%
-Debtor's days	N/A	634.5	557.0	614.7	571.7	600.0	600.0	600.0	600.0	600.0	600.0	600.0	594.5	600.0
-Creditor's days	N/A	276.7	203.3	262.8	287.4	275.0	275.0	275.0	275.0	275.0	275.0	275.0	257.6	275.0
-Stock	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-
-Net working capital - days	-	357.8	353.7	351.9	284.2	325.0	325.0	325.0	325.0	325.0	325.0	325.0	336.9	325.0

Taxation

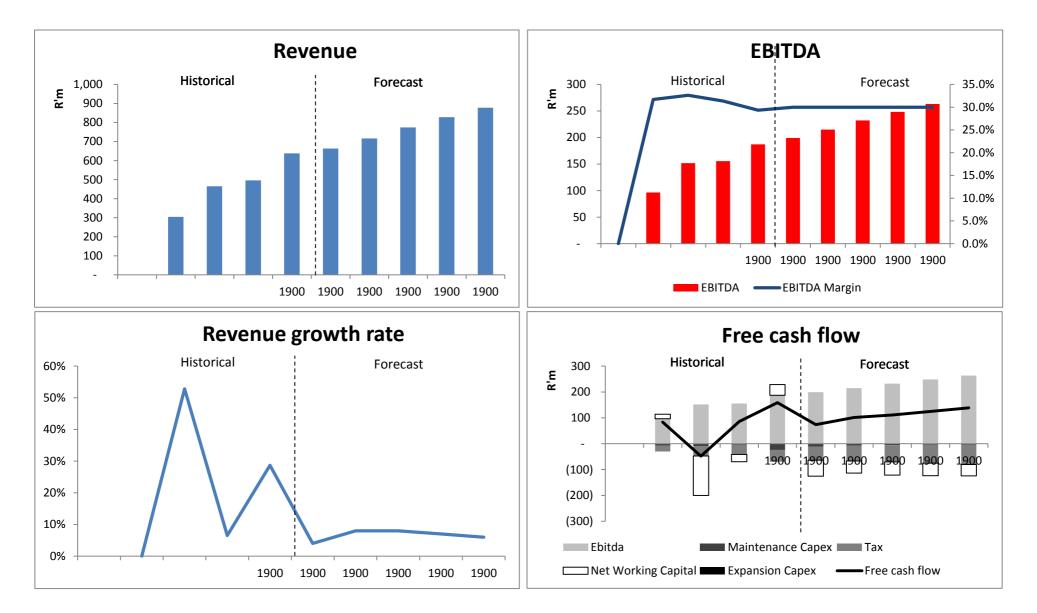
ABC Management base case

TAXATION

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Normal tax rate Dividend cover	28% 0.0						
PBT	166,659	186,172	208,699	230,410	251,970	273,041	293,298
Add back: shareholders & junior interest	22,368	22,816	23,272	23,737	24,212	24,696	25,190
Taxable income	189,027	208,988	231,970	254,147	276,182	297,737	318,488
Normal tax payable	52,928	58,517	64,952	71,161	77,331	83,366	89,177
Profit after tax	113,731	127,656	143,747	159,249	174,639	189,675	204,121
(Assessed loss)	-	-	-	-	-	-	-

R ('000)	-Year 4 Actual	-Year 3 Actual	-Year 2 Actual	-Year 1 Actual	Year 0 Actual	Year 1 Forecast	Year 2 Forecast	Year 3 Forecast	Year 4 Forecast	Year 5 Forecast
Revenues	_	304,521	465,347	495,699	637,908	663,424	716,498	773,818	827,985	877,665
Growth		-	53%	7%	29%	4%	8%	8%	7%	6%
EBITDA	-	96,463	151,778	155,370	187,089	199,027	214,950	232,145	248,396	263,299
Margin	#DIV/0!	31.7%	32.6%	31.3%	29.3%	30.0%	30.0%	30.0%	30.0%	30.0%
EBIT	-	91,252	145,090	147,914	177,538	189,027	204,950	222,145	237,696	251,957
Margin	#DIV/0!	30.0%	31.2%	29.8%	27.8%	28.5%		28.7%	28.7%	
Key Balance Sheet Figu	res									
Fixed Assets	-	65,545	60,733	58,575	60,125	61,125	59,125	54,625	48,050	39,802
Net Working Capital	-	212,012	364,598	392,863	351,436	413,113	460,371	511,409	559,640	603,875
Non Interest Bearing Lt L	-	1,186	1,340	1,656	1,686	1,686	1,686	1,686	1,686	1,686
Senior Debt	-	-	-	-	-	-	-	-	-	-
Mezzanine Debt	-	5,247	10,660	8,275	5,121	5,121	5,121	5,121	5,121	5,121
Shareholders Funds	-	242,187	382,392	430,862	471,348	1,254,510	1,404,981	1,572,000	1,754,986	1,953,837
Cash	-	(74,689)	(80,454)	(68,961)	(7,289)	73,422	178,636	299,117	440,446	603,311
Enterprise Value	-	322,123	473,506	508,097	483,758	1,186,209	1,231,466	1,278,004	1,319,661	1,355,647
Cash Flow										
Ebitda		96,463	151,778	155,370	187,089	199,027	214,950	232,145	248,396	263,299
Tax		(22,844)	(38,450)	(38,145)	(45,652)	(52,928)			(71,161)	
Net Working Capital		17,244	(152,587)	(28,264)	41,427	(61,677)	· · · · · ·	,	(48,231)	· · · · · ·
Maintenance Capex		(7,343)	(8,873)	(3,145)	(24,120)	(11,000)	· · · ·	,	(4,125)	(3,094)
Operating Cash Flow		83,521	(48,131)	85,816	158,743	73,422	101,175	110,656	124,878	138,640
Expansion Capex		-	-	_	-	_	-	_	-	-
Cash Flow		83,521	(48,131)	85,816	158,743	73,422	101,175	110,656	124,878	138,640
Average Over 4 Yrs			· · ·		69,987	67,463	104,789	110,999	102,533	118,837
Financial Ratios										
Return On Capital	#DIV/0!	23.8%	24.6%	23.7%	31.2%	28.8%	28.5%	28.3%	28.2%	28.3%
Nwc Days	#DIV/0!	254.1	286.0	289.3	201.1	227.3	234.5	241.2	246.7	251.1
Net Debt/Ebitda			0.5x	0.4x	0.0x	-0.4x	-0.8x	-1.3x	-1.8x	-2.3x
Total Debt/Ebitda			-	-	-	-	-	-	-	-
Total Debt Service Cover						-	-	-	-	-
Total Debt Service Cover						-	-	-	-	-

Report Template



Report Template

	-Year 4 Actual	-Year 3 Actual	-Year 2 Actual	-Year 1 Actual	Year 0 Pro-forma	Year 1 Forecast	Year 2 Forecast	Year 3 Forecast	Year 4 Forecast	Year 5 Forecast
Abridged income stater	nent									
Revenues	-	304,521	465,347	495,699	637,908	663,424	716,498	773,818	827,985	877,665
Growth		0 0%	53%	7%	29%	4%	8%	8%	7%	6%
EBITDA	-	96,463	151,778	155,370	187,089	199,027	214,950	232,145	248,396	263,299
Margin	#DIV/0!	31.7%	32.6%	31.3%	29.3%	30.0%	30.0%	30.0%	30.0%	
EBIT	-	91,252	145,090	147,914	177,538	189,027	204,950	222,145	237,696	251,957
Margin	#DIV/0!	30.0%	31.2%	29.8%	27.8%	28.5%	28.6%	28.7%	28.7%	28.7%
Key balance sheet figur	es									
Fixed assets		65,545	60,733	58,575	60,125	61,125	59,125	54,625	48,050	39,802
Net working capital		212,012	364,598	392,863	351,436	413,113	460,371	511,409	559,640	603,875
Non interest bearing LT li	abilities	1,186	1,340	1,656	1,686	1,686	1,686	1,686	1,686	1,686
Senior debt		-	-	-	-	-	-	-	-	-
Mezzanine debt		5,247	10,660	8,275	5,121	5,121	5,121	5,121	5,121	5,121
Shareholders funds		242,187	382,392	430,862	471,348	1,254,510	1,404,981	1,572,000	1,754,986	1,953,837
Cash		(74,689)	(80,454)	(68,961)	(7,289)	73,422	178,636	299,117	440,446	603,311
Enterprise value		322,123	473,506	508,097	483,758	1,186,209	1,231,466	1,278,004	1,319,661	1,355,647
Cash flow										
EBITDA		96,463	151,778	155,370	187,089	199,027	214,950	232,145	248,396	263,299
Tax		(22,844)	(38,450)	(38,145)	(45,652)	(52,928)	(58,517)	(64,952)	(71,161)	(77,331)
Net working capital		17,244	(152,587)	(28,264)	41,427	(61,677)	(47,258)	(51,038)	(48,231)	(44,235
Maintenance capex		(7,343)	(8,873)	(3,145)	(24,120)	(11,000)	(8,000)	(5,500)	(4,125)	(3,094
Operating cash flow		83,521	(48,131)	85,816	158,743	73,422	101,175	110,656	124,878	138,640
Expansion capex		-	-	-	-	-	-	-	-	-
Cash flow		83,521	(48,131)	85,816	158,743	73,422	101,175	110,656	124,878	138,640
Average over 4 yrs		-	-	-	69,987	67,463	104,789	110,999	102,533	118,837
Financial ratios										
Return on capital		23.8%	24.6%	23.7%	31.2%	28.8%	28.5%	28.3%	28.2%	28.3%
NWC days		254.1	286.0	289.3	201.1	227.3	234.5	241.2	246.7	251.1
Net debt/EBITDA						-0.4x	-0.8x	-1.3x	-1.8x	-2.3x
Total debt/EBITDA						-	-	-	-	-
Total debt service cover						-	-	-	-	-

Enterprise Value

Equity valuation	1,110,121		Management	XYZ	-	-	Margin
Total debt	5,121		75%	25%	0%	0%	(over prime)
Transaction costs	1,000	Junior Ioan A	-	-	-	-	2.0%
Less: (free cash)	7,289	Junior Ioan B	-	-	-	-	3.0%
Add back: operating cash to remain on B/S	-	Preference shar	-	-	-	-	1.2%
Enterprise Value	1,123,531	Shareholder loa	838,808	279,603	-	-	-9.0%
			838,808	279,603	-	-	_

Funding

Debt	
Senior	-
Mezzanine	5,121
Equity	
Junior loans	-
Preference shares	-
Shareholder loans and equity	1,118,410
Total	1,123,531

Entry price mul	tiples	Historic
EBITDA		6.0x
EBIT		6.3x
NOPAT (ungear	ed)	8.8x
Exit value NOPAT multiple		8.8×
IRRs	TMB	IRRs
4-year exit	1.7	14.7%
5-year exit	2.0	14.4%
6-year exit	2.2	14.0%