

LBO Model

Table of Contents

- [Outputs](#)
- [Transaction](#)
- [Inputs](#)
- [Model](#)

Model Circularity

Model Circularity

On ▼

This model now has the circularity turned on. Please confirm the Excel settings below

- PC** File - Options - Formulas - Check the box on the top-right labeled 'Enable iterative calculation'.
- Mac** Excel - Preferences - Calculation - Check the box near the bottom labeled 'Use iterative calculation'.

Model Checks

Leverage Multiples > Entry Multiple?	No
Mandatory Repayment Entry > 100%?	No
Model Exceeding Operational Capacity?	Yes
Unused Tax Losses Remaining?	No
Does Ending Credit Line balance exceed Maximum?	No
Total Debt / EBITDA Covenant Tripped?	Yes
Debt Service Coverage Ratio Covenant Tripped?	No
Ending Equity ≠ Model?	No

Purchase Price

Equity Offer Value

Enterprise Value	183,795
Less: Debt	(58,000)
Plus: Cash Balance	20,000
Equity Offer Value	145,795

US\$/Share	14.58
Premium (Discount)	32.5%

Sources and Uses of Cash

Sources of Cash

Cash (Target)	15,000
Revolving Credit Line	4,595
Term Loan A	45,949
Term Loan B	36,759
Subordinated Debt	27,569
Management Kollover	4,314
Sponsor Equity	74,428
Total Sources of Cash	208,674

Uses of Cash

Cash Consideration	145,795
Refinance ST-Debt	1,000
Refinance LT-Debt	57,000
Other Closing Costs	4,879
Total Uses of Cash	208,674

All figures in USD thousands

Forecast Financial Performance

Model Running: Base Case Drivers

Sponsor Investment

\$74.4mm

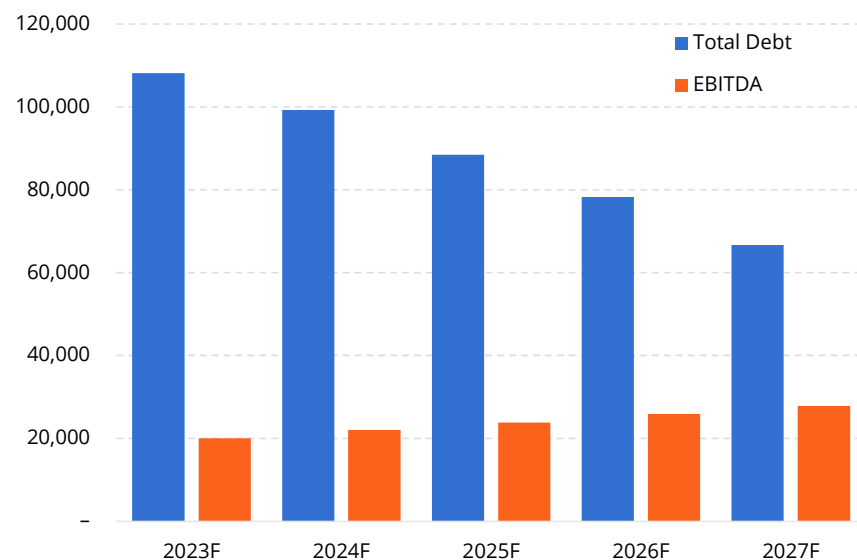
Sponsor Equity IRR ¹

22.4%

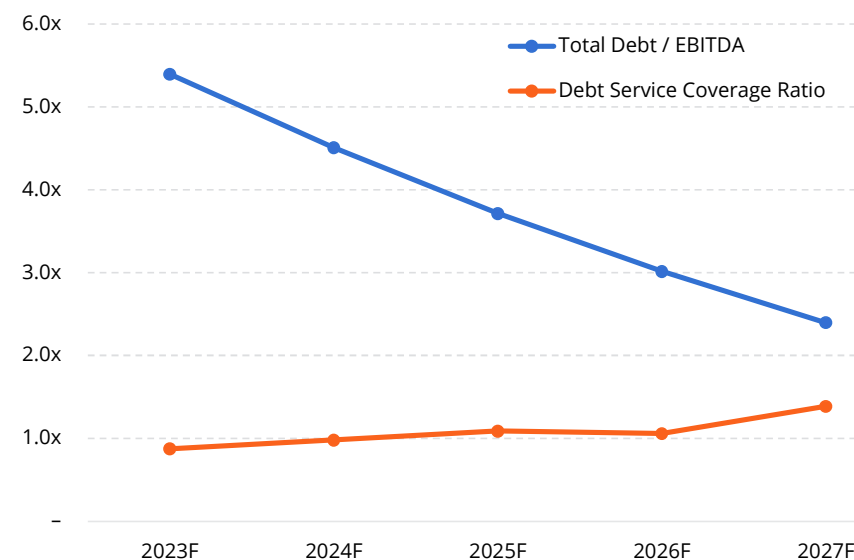
Sponsor Cash-on-Cash ¹

2.7x

EBITDA Growth & Debt Paydown



Credit Metrics & Debt Covenants

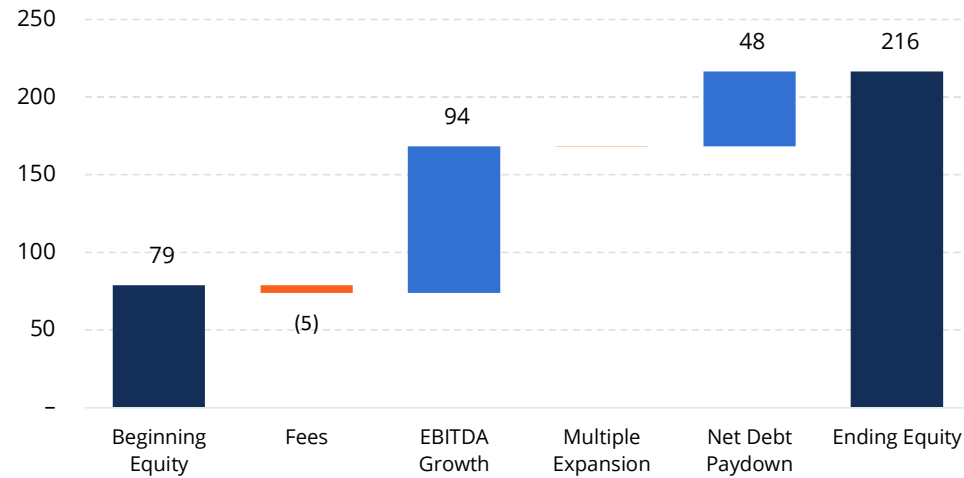


IRR and Cash-on-Cash returns assume a 5-year horizon. ⁽¹⁾

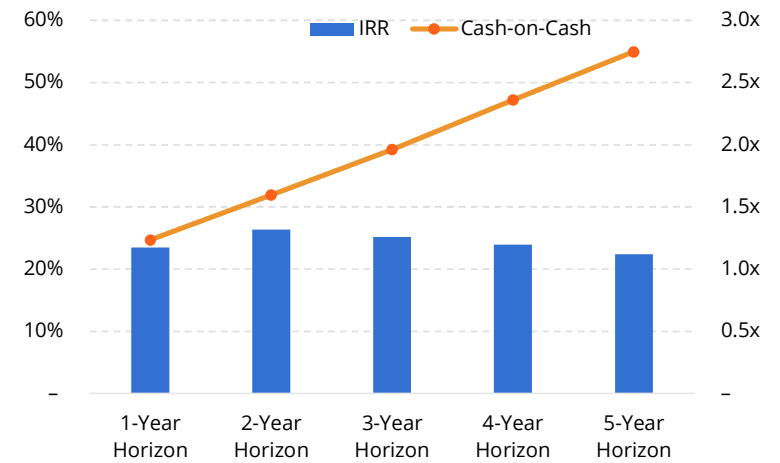
Returns Analysis

Model Running: Base Case Drivers

Return Attribution (\$ millions)



Equity Investor Returns by Investment Horizon



Sensitivity Analysis

Sponsor IRR (Entry vs Exit Multiple)

		Exit EV / EBITDA				
Entry EV / EBITDA		9.0x	9.5x	10.0x	10.5x	11.0x
	9.0x	25.6%	27.4%	29.1%	30.7%	32.2%
	9.5x	22.1%	23.8%	25.5%	27.0%	28.5%
	10.0x	19.1%	20.8%	22.4%	23.9%	25.4%
	10.5x	16.5%	18.1%	19.7%	21.2%	22.6%
	11.0x	14.2%	15.8%	17.4%	18.8%	20.2%

Sponsor Cash-on-Cash (Entry vs Exit Multiple)

		Exit EV / EBITDA				
Entry EV / EBITDA		9.0x	9.5x	10.0x	10.5x	11.0x
	9.0x	3.1x	3.4x	3.6x	3.8x	4.0x
	9.5x	2.7x	2.9x	3.1x	3.3x	3.5x
	10.0x	2.4x	2.6x	2.7x	2.9x	3.1x
	10.5x	2.1x	2.3x	2.5x	2.6x	2.8x
	11.0x	1.9x	2.1x	2.2x	2.4x	2.5x

Sponsor IRR (Senior Debt / EBITDA)

		Debt / EBITDA (Term Loan B)				
Debt / EBITDA (Term Loan A)		1.50x	1.75x	2.00x	2.25x	2.50x
	2.00x	19.9%	20.4%	21.0%	21.6%	22.3%
	2.25x	20.5%	21.0%	21.7%	22.3%	23.1%
	2.50x	21.1%	21.7%	22.4%	23.1%	24.0%
	2.75x	21.7%	22.4%	23.2%	24.0%	24.9%
	3.00x	22.5%	23.3%	24.1%	25.0%	26.0%

Sponsor Cash-on-Cash (Senior Debt / EBITDA)

		Debt / EBITDA (Term Loan B)				
Debt / EBITDA (Term Loan A)		1.50x	1.75x	2.00x	2.25x	2.50x
	2.00x	2.5x	2.5x	2.6x	2.7x	2.7x
	2.25x	2.5x	2.6x	2.7x	2.7x	2.8x
	2.50x	2.6x	2.7x	2.7x	2.8x	2.9x
	2.75x	2.7x	2.8x	2.8x	2.9x	3.0x
	3.00x	2.8x	2.8x	2.9x	3.1x	3.2x

Purchase Price

All figures in USD thousands unless stated

EBITDA Multiples

Entry EV/EBITDA	10.0x
Exit EV/EBITDA	10.0x

Enterprise Value

Entry EV/EBITDA	10.0x
2022 EBITDA for Valuation	18,380
Enterprise Value	183,795

Equity Offer Value

Enterprise Value	183,795
Less: Short-term Debt	(1,000)
Less: Long-term Debt	(57,000)
Plus: Cash Balance	20,000
Equity Offer Value	145,795

FD Shares Outstanding (000s)	10,000
US\$/Share	14.58

Premium (Discount)

Share Price	11.00
Premium (Discount)	32.5%

Sources & Uses

Sources of Cash

	Multiple	Amount
Cash (Target)	0.82x	15,000
Revolving Credit Line	0.25x	4,595
Term Loan A	2.50x	45,949
Term Loan B	2.00x	36,759
Subordinated Debt	1.50x	27,569
Management Rollover ¹	3.0%	4,374
Sponsor Equity	4.05x	74,428
Total Sources	11.35x	208,674

Uses of Cash

	Amount
Equity Offer Value	145,795
Refinance ST-Debt	1,000
Refinance LT-Debt	57,000
Total Fees	4,879
Total Uses	208,674

Leverage Multiples > Entry Multiple?

No

Other Inputs

General Inputs

First Forecast Fiscal Year ²	(YY-MM-DD)	23/12/31
Transaction Close Date ³	(YY-MM-DD)	22/12/31
First Year of Forecast ⁴	(Year)	2023
Days in Period	(Days)	365
Tax Rate		25.0%
Minimum Cash Balance		5,000
Interest Rate on Deposits		1.5%

Total Fees

Debt Financing Fees ⁵	1,879
Equity Financing Fees	N/A
Restructuring Fees ⁶	2,000
Other Closing & Advisory Costs	1,000
Total Fees	4,879

Fixed Assets

First Year Accounting Depreciation	50%
End of 2022 Book Basis for PP&E	65,014
Useful Life: Existing Assets	(Years) 16.00
Useful Life: New Assets	(Years) 20.00
Plant Capacity	(Units/Day) 1,550

Income Tax Assets

First Year Tax Depreciation	50%
End of 2022 Tax Basis for PP&E	39,211
End of 2022 Tax Losses	24,128
Blended Tax Depreciation Rate	15.0%

Management rollover is a percentage of equity offer value. ⁽¹⁾

Cash flows assumed to be received at the end of the fiscal year. ⁽²⁾

All IRR and NPV analyses will be calculated to this date. ⁽³⁾

This year drives the headings on the financial statements. ⁽⁴⁾

Debt financing fees are amortized over the life of the debt; for the purposes of this model, we are not including that amortization. ⁽⁵⁾

Restructuring and severance fees as well as target debt prepayment fees. ⁽⁶⁾

Financing Assumptions

All figures in USD thousands

Type	Amount	Percent	Limit	Issuance Fee %	Issuance Fee	Standby Fee	Floating Coupon	Fixed Coupon
Cash (Target)	15,000	7.2%	N/A	N/A	N/A	N/A	N/A	N/A
Revolving Credit Line ¹	4,595	2.2%	15,000	1.5%	225	0.50%	B+300bps	N/A
Term Loan A	45,949	22.0%	N/A	1.5%	689	N/A	B+500bps	N/A
Term Loan B	36,759	17.6%	N/A	1.5%	551	N/A	B+700bps	N/A
Subordinated Debt	27,569	13.2%	N/A	1.5%	414	N/A	N/A	12.0%
Sponsor + Mgmt. Equity ²	78,802	37.8%	N/A	N/A	N/A	N/A	N/A	N/A
Total	208,674	100.0%						

Type	PIK Rate ³	Excess Cash Flow Sweep ⁴	Mandatory Principal Repayment					Check
			Year 1	Year 2	Year 3	Year 4	Year 5	
Cash (Target)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Revolving Credit Line	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Term Loan A	N/A	100.0%	20.0%	20.0%	20.0%	20.0%	20.0%	No
Term Loan B	N/A	100.0%	1.0%	1.0%	1.0%	1.0%	1.0%	No
Subordinated Debt	60.0%	N/A	-	-	-	-	-	No
Sponsor + Mgmt. Equity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Mandatory Repayment > 100%?
Mandatory Repayment > 100%?
Mandatory Repayment > 100%?

Debt Covenants

Targeted Year ⁵	Year 3
Max. Total Debt / EBITDA	4.00x
Total Debt / EBITDA Reduction ⁶	0.50x
Min. Debt Service Coverage	1.00x
Debt Service Coverage Increase ⁶	0.10x

Revolving credit line fees based on maximum availability. ⁽¹⁾

Financing fees related to the sponsor equity are nil, as this capital is assumed to have been raised prior and committed by the sponsor. ⁽²⁾

Represents the percentage of the Subordinated Debt Coupon that is paid-in-kind. ⁽³⁾

The Excess Cash Flow sweep represents the percentage of excess cash that can be allocated to discretionary debt paydowns;

The discretionary paydown of each debt tranche must be net of the 'higher' tranche's discretionary paydown;

For example, the Term Loan B discretionary paydown must take into account the Term Loan A discretionary paydown. ⁽⁴⁾

The targeted year represents the years until the targeted threshold is expected to apply. ⁽⁵⁾

The step factor represents the annual tightening of the covenant until the targeted threshold is reached. ⁽⁶⁾

Main Model Drivers

All figures in USD thousands unless stated

Driver Switch

Base Case

▼

2023F	2024F	2025F	2026F	2027F
-------	-------	-------	-------	-------

Sales Volume Growth

2.0%	2.0%	2.0%	2.0%	2.0%
------	------	------	------	------

Best Case	<div><div></div><div></div><div></div><div></div><div></div></div>
Base Case	<div><div></div><div></div><div></div><div></div><div></div></div>
Worst Case	<div><div></div><div></div><div></div><div></div><div></div></div>

4.0%	3.5%	3.5%	3.5%	3.0%
2.0%	2.0%	2.0%	2.0%	2.0%
1.5%	1.5%	1.5%	1.0%	0.5%

Pricing Increases

3.5%	3.5%	3.0%	3.0%	2.5%
------	------	------	------	------

Best Case	<div><div></div><div></div><div></div><div></div><div></div></div>
Base Case	<div><div></div><div></div><div></div><div></div><div></div></div>
Worst Case	<div><div></div><div></div><div></div><div></div><div></div></div>

2.5%	2.5%	2.0%	2.0%	2.0%
3.5%	3.5%	3.0%	3.0%	2.5%
4.5%	4.5%	3.5%	3.5%	3.0%

Inflation Rate

3.5%	3.0%	3.0%	2.5%	2.5%
------	------	------	------	------

Best Case	<div><div></div><div></div><div></div><div></div><div></div></div>
Base Case	<div><div></div><div></div><div></div><div></div><div></div></div>
Worst Case	<div><div></div><div></div><div></div><div></div><div></div></div>

2.5%	2.0%	2.0%	1.5%	1.5%
3.5%	3.0%	3.0%	2.5%	2.5%
4.5%	4.0%	3.5%	3.0%	3.0%

Capital Expenditure

4,100	4,300	4,400	4,600	4,800
-------	-------	-------	-------	-------

Best Case	<div><div></div><div></div><div></div><div></div><div></div></div>
Base Case	<div><div></div><div></div><div></div><div></div><div></div></div>
Worst Case	<div><div></div><div></div><div></div><div></div><div></div></div>

3,500	3,900	4,100	4,300	4,500
4,100	4,300	4,400	4,600	4,800
4,500	4,700	4,700	4,900	5,100

Working Capital Drivers

All figures in USD thousands unless stated

2023F	2024F	2025F	2026F	2027F
-------	-------	-------	-------	-------

Driver Switch

Base Case

▼

Accounts Receivable	(Days)		45.0	45.0	45.0	45.0	45.0
Best Case	(Days)		40.0	35.0	35.0	30.0	30.0
Base Case	(Days)		45.0	45.0	45.0	45.0	45.0
Worst Case	(Days)		60.0	60.0	60.0	60.0	60.0
Inventory	(Days)		25.0	25.0	25.0	25.0	25.0
Best Case	(Days)		20.0	17.5	17.5	15.0	15.0
Base Case	(Days)		25.0	25.0	25.0	25.0	25.0
Worst Case	(Days)		30.0	30.0	30.0	30.0	30.0
Accounts Payable	(Days)		40.0	40.0	40.0	40.0	40.0
Best Case	(Days)		45.0	50.0	50.0	55.0	55.0
Base Case	(Days)		40.0	40.0	40.0	40.0	40.0
Worst Case	(Days)		30.0	30.0	30.0	30.0	30.0

Financing & Investing Drivers

All figures in USD thousands unless stated

2023F	2024F	2025F	2026F	2027F
-------	-------	-------	-------	-------

Driver Switch

Base Case ▼

Floating-Rate Benchmark	(bps)					
		55	75	95	115	135
Best Case	(bps)	35	55	75	95	115
Base Case	(bps)	55	75	95	115	135
Worst Case	(bps)	75	95	115	135	155

Cash Flows for Dividends		-	-	-	-	-
Best Case	Enter as Negative	-	-	-	-	-
Base Case	Enter as Negative	-	-	-	-	-
Worst Case	Enter as Negative	-	-	-	-	-

Cash from Issuance of Equity		-	-	-	-	-
Best Case	Enter as Positive	-	-	-	-	-
Base Case	Enter as Positive	-	-	-	-	-
Worst Case	Enter as Positive	-	-	-	-	-

Cash Used to Repurchase Equity		-	-	-	-	-
Best Case	Enter as Negative	-	-	-	-	-
Base Case	Enter as Negative	-	-	-	-	-
Worst Case	Enter as Negative	-	-	-	-	-

Revenue Schedule

All figures in USD thousands unless stated
Model Running: Base Case Drivers

Days in Period	365
Plant Capacity	1,550

2020A	2021A	2022F	2023F	2024F	2025F	2026F	2027F
365	365	365	365	365	365	365	365

OPERATIONS

Sales Volume Growth		2.0%	2.1%	2.0%	2.0%	2.0%	2.0%	2.0%
Sales Volume	(Units/Day)	1,374	1,401	1,430	1,459	1,488	1,518	1,579
Plant Capacity	(Units/Day)	1,550	1,550	1,550	1,550	1,550	1,550	1,550
Operational Efficiency		88.6%	90.4%	92.3%	94.1%	96.0%	97.9%	101.9%

VOLUME

Days in Period		365	365	365	365	365	365	365
Sales Volume	(Units/Day)	1,374	1,401	1,430	1,459	1,488	1,518	1,579
Sales Volume	(Units)	501,510	511,365	521,950	532,389	543,037	553,898	576,275

PRICING

Pricing Increases		1.7%	2.1%	3.5%	3.5%	3.0%	3.0%	2.5%
Unit Price	(USD/Unit)	102.86	104.61	106.81	110.55	114.42	117.85	124.42

REVENUE

Sales Volume	(Units)	501,510	511,365	521,950	532,389	543,037	553,898	576,275
Sales Price	(USD/Unit)	102.86	104.61	106.81	110.55	114.42	117.85	124.42
Revenue		51,585	53,494	55,749	58,855	62,133	65,277	71,700

Operational Capacity Exceeded?	No	No	No	No	No	No	No	Yes
--------------------------------	----	----	----	----	----	----	----	-----

Cost Schedule

All figures in USD thousands unless stated

Model Running: Base Case Drivers

	2020A	2021A	2022F	2023F	2024F	2025F	2026F	2027F
Sales Volume	501,510	511,365	521,950	532,389	543,037	553,898	564,975	576,275
Inflation	2.4%	2.2%	2.3%	3.5%	3.0%	3.0%	2.5%	2.5%

VARIABLE COSTS

Materials	(USD/Unit)	9.51	9.72	9.91	10.26	10.56	10.88	11.15	11.43
Packaging	(USD/Unit)	0.82	0.84	0.86	0.89	0.92	0.94	0.97	0.99
Transportation	(USD/Unit)	1.54	1.58	1.62	1.68	1.73	1.78	1.82	1.87
Subtotal		11.87	12.14	12.39	12.82	13.21	13.60	13.94	14.29
Materials		4,769	4,970	5,173	5,461	5,737	6,027	6,301	6,588
Packaging		411	430	449	474	498	523	547	572
Transportation		772	808	846	893	938	985	1,030	1,077
Subtotal		5,953	6,208	6,467	6,827	7,173	7,536	7,878	8,237

FIXED COSTS

Labour	(USD/Unit)	31.17	31.24	31.31	31.77	32.08	32.39	32.55	32.71
Utilities	(USD/Unit)	7.28	7.30	7.31	7.42	7.49	7.57	7.60	7.64
Insurance	(USD/Unit)	4.91	4.92	4.93	5.01	5.06	5.10	5.13	5.15
Subtotal		43.36	43.45	43.55	44.19	44.63	45.07	45.29	45.51
Labour		15,630	15,973	16,341	16,913	17,420	17,943	18,392	18,851
Utilities		3,651	3,731	3,817	3,951	4,069	4,191	4,296	4,403
Insurance		2,463	2,517	2,575	2,665	2,745	2,827	2,898	2,971
Subtotal		21,744	22,221	22,733	23,529	24,235	24,962	25,586	26,225

SUMMARY

Variable Costs	(USD/Unit)	11.87	12.14	12.39	12.82	13.21	13.60	13.94	14.29
Fixed Costs	(USD/Unit)	43.36	43.45	43.55	44.19	44.63	45.07	45.29	45.51
Total Costs	(USD/Unit)	55.23	55.59	55.94	57.02	57.84	58.67	59.23	59.80
Variable Costs		5,953	6,208	6,467	6,827	7,173	7,536	7,878	8,237
Fixed Costs		21,744	22,221	22,733	23,529	24,235	24,962	25,586	26,225
Total Costs		27,697	28,429	29,200	30,356	31,407	32,497	33,464	34,462

Income Statement

All figures in USD thousands unless stated

Model Running: Base Case Drivers

	2020A	2021A	2022F	2023F	2024F	2025F	2026F	2027F
Inflation	2.4%	2.2%	2.3%	3.5%	3.0%	3.0%	2.5%	2.5%
Revenue	51,585	53,494	55,749	58,855	62,133	65,277	68,580	71,700
COGS	27,697	28,429	29,200	30,356	31,407	32,497	33,464	34,462
Gross Profit	23,888	25,065	26,550	28,499	30,726	32,780	35,116	37,238
SG&A	5,877	6,006	6,144	6,359	6,550	6,746	6,915	7,088
Other	1,764	1,931	2,026	2,097	2,160	2,225	2,280	2,337
EBITDA	16,247	17,128	18,380	20,043	22,016	23,809	25,921	27,813
Depreciation	2,960	3,196	3,452	4,166	4,376	4,593	4,818	5,053
EBIT	13,287	13,932	14,928	15,877	17,640	19,215	21,102	22,760
Cash Net Interest Expense	1,488	2,580	2,448	6,581	6,280	5,871	5,352	4,633
PIK Interest Expense	–	–	–	2,059	2,213	2,378	2,556	2,747
Total Interest Expense	1,488	2,580	2,448	8,640	8,493	8,250	7,908	7,379
EBT	11,799	11,352	12,480	7,237	9,147	10,966	13,194	15,380
Current Tax	–	–	–	–	–	0	2,786	3,766
Deferred Tax	3,155	2,861	3,012	1,809	2,287	2,741	512	79
Total Tax	3,155	2,861	3,012	1,809	2,287	2,741	3,299	3,845
Net Income	8,644	8,491	9,468	5,428	6,860	8,224	9,896	11,535

Cash Flow Statement

All figures in USD thousands unless stated

Model Running: Base Case Drivers

CASH FROM OPERATIONS

	2023F	2024F	2025F	2026F	2027F
Net Income	5,428	6,860	8,224	9,896	11,535
Plus: Depreciation & Amortization	4,166	4,376	4,593	4,818	5,053
Plus: PIK Interest	2,059	2,213	2,378	2,556	2,747
Plus: Deferred Tax	1,809	2,287	2,741	512	79
Less: Change in Net Working Capital	(565)	(361)	(343)	(367)	(344)
Subtotal	12,897	15,375	17,595	17,415	19,070

CASH FROM INVESTING

Investments in Property Plant & Equipment	(4,100)	(4,300)	(4,400)	(4,600)	(4,800)
Subtotal	(4,100)	(4,300)	(4,400)	(4,600)	(4,800)

CASH FROM FINANCING

Revolving Credit Line Issuance / (Repayment)	760	(1,518)	(3,637)	(200)	-
Term Loan A Issuance / (Repayment)	(9,190)	(9,190)	(9,190)	(12,247)	(6,132)
Term Loan B Issuance / (Repayment)	(368)	(368)	(368)	(368)	(8,138)
Subordinated Debt Issuance / (Repayment)	-	-	-	-	-
Equity Issuance / (Repurchase)	-	-	-	-	-
Payment of Dividends	-	-	-	-	-
Subtotal	(8,797)	(11,075)	(13,195)	(12,815)	(14,270)

CASH BALANCE

Beginning	5,000	5,000	5,000	5,000	5,000
Change in Cash	-	0	(0)	(0)	(0)
Ending	5,000	5,000	5,000	5,000	5,000

Working Capital Schedule

All figures in USD thousands unless stated

Model Running: Base Case Drivers

	2020A	2021A	2022F	2023F	2024F	2025F	2026F	2027F
Days in Period	365	365	365	365	365	365	365	365
Revenue	51,585	53,494	55,749	58,855	62,133	65,277	68,580	71,700
COGS	27,697	28,429	29,200	30,356	31,407	32,497	33,464	34,462

AMOUNTS PER DAY

Accounts Receivable	(Days)	40	43	44	45	45	45	45
Inventory	(Days)	24	25	25	25	25	25	25
Accounts Payable	(Days)	40	41	41	40	40	40	40

TOTAL AMOUNTS

Accounts Receivable	5,708	6,333	6,774	7,256	7,660	8,048	8,455	8,840
Inventory	1,792	1,923	1,989	2,079	2,151	2,226	2,292	2,360
Accounts Payable	3,024	3,205	3,319	3,327	3,442	3,561	3,667	3,777

NET WORKING CAPITAL

Current Assets	7,500	8,256	8,763	9,335	9,811	10,274	10,747	11,200
Current Liabilities	3,024	3,205	3,319	3,327	3,442	3,561	3,667	3,777
Net Working Capital	4,476	5,051	5,444	6,009	6,370	6,712	7,080	7,424

Cash from Working Capital Items

(565)	(361)	(343)	(367)	(344)
-------	-------	-------	-------	-------

Depreciation Schedule

All figures in USD thousands unless stated

Model Running: Base Case Drivers

	2020A	2021A	2022F	2023F	2024F	2025F	2026F	2027F
Capital Expenditure	4,982	5,199	4,400	4,100	4,300	4,400	4,600	4,800

EXISTING ASSET DEPRECIATION ¹

	Years
Useful Life: Existing Assets	16.00
PP&E at End of 2022	65,014

	Percent of Full Year				
	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
	100%	100%	100%	100%	100%

NEW ASSET DEPRECIATION ¹

	Years
Useful Life: New Assets	20.00
First Year Accounting Depreciation	50%

	Percent of Full Year				
	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
	50%	100%	100%	100%	100%

Year	Life	Percent of Full Year				
		2023F	2024F	2025F	2026F	2027F
2023F	20.00	50.0%	100.0%	100.0%	100.0%	100.0%
2024F	20.00	-	50.0%	100.0%	100.0%	100.0%
2025F	20.00	-	-	50.0%	100.0%	100.0%
2026F	20.00	-	-	-	50.0%	100.0%
2027F	20.00	-	-	-	-	50.0%

Year	Capex	Per Yr	Amounts for Depreciation				
			2023F	2024F	2025F	2026F	2027F
2023F	4,100	205	103	205	205	205	205
2024F	4,300	215	-	108	215	215	215
2025F	4,400	220	-	-	110	220	220
2026F	4,600	230	-	-	-	115	230
2027F	4,800	240	-	-	-	-	120

TOTAL ASSET DEPRECIATION ²

Existing Assets	4,063	4,063	4,063	4,063	4,063
New Assets	103	313	530	755	990
Total Depreciation	4,166	4,376	4,593	4,818	5,053

All PP&E and capital expenditure is assumed depreciable (i.e. no land balance). ⁽¹⁾

This schedule calculates depreciation on a straight-line basis. ⁽²⁾

Asset Schedule

All figures in USD thousands unless stated

Model Running: Base Case Drivers

Capital Expenditure

First Year Tax Depreciation	50%
Blended Tax Depreciation Rate	15.0%

2022F	2023F	2024F	2025F	2026F	2027F
4,400	4,100	4,300	4,400	4,600	4,800

PROPERTY PLANT & EQUIPMENT ¹

Beginning	65,014	64,948	64,872	64,679	64,461
Capital Expenditure	4,100	4,300	4,400	4,600	4,800
Accounting Depreciation	(4,166)	(4,376)	(4,593)	(4,818)	(5,053)
Ending	65,014	64,948	64,872	64,679	64,207

TAX BASIS ¹

Beginning	39,211	37,122	35,531	34,271	33,386
Capital Expenditure	4,100	4,300	4,400	4,600	4,800
Tax Depreciation ²	(6,189)	(5,891)	(5,660)	(5,486)	(5,368)
Ending	39,211	37,122	35,531	34,271	32,818

Model assumes no dispositions that would impact the PP&E or the Tax Basis. ⁽¹⁾
 Model assumes that tax depreciation cannot be used to create or increase a loss. ⁽²⁾

Income Tax Schedule

All figures in USD thousands unless stated

Model Running: Base Case Drivers

Earnings Before Tax (EBT)

Profitable Before Taxes?

Tax Rate	25.0%
Unused Tax Losses Remaining?	No

2022F	2023F	2024F	2025F	2026F	2027F
	7,237	9,147	10,966	13,194	15,380
	Yes	Yes	Yes	Yes	Yes

ADJUSTMENT FOR DEPRECIATION

EBT	7,237	9,147	10,966	13,194	15,380
Add: Accounting Depreciation	4,166	4,376	4,593	4,818	5,053
Less: Tax Depreciation ¹	(6,189)	(5,891)	(5,660)	(5,486)	(5,368)
EBT After Adjustment	5,214	7,632	9,900	12,527	15,066

ADJUSTMENT FOR TAX LOSSES ²

EBT After Adjustment	5,214	7,632	9,900	12,527	15,066
Less: Use of Tax Losses ³	(5,214)	(7,632)	(9,900)	(1,382)	-
Taxable Income	-	-	-	11,144	15,066

TAX LOSSES

Beginning	24,128	18,914	11,282	1,382	-
Add: New Losses	-	-	-	-	-
Less: Use of Tax Losses	(5,214)	(7,632)	(9,900)	(1,382)	-
Ending	24,128	18,914	11,282	1,382	-

TAXES

Current Taxes	-	-	-	2,786	3,766
Deferred Taxes	1,809	2,287	2,741	512	79
Total Taxes	1,809	2,287	2,741	3,299	3,845

Model assumes that tax depreciation cannot be used to create or increase a loss. ⁽¹⁾

This schedule assumes that tax losses can be carried forward indefinitely into the future. ⁽²⁾

This schedule assumes losses do not carry back to previous periods to reduce taxable income. ⁽³⁾

Debt Schedule: Part 1

All figures in USD thousands unless stated

Model Running: Base Case Drivers

Floating-Rate Benchmark

(bps)

Close	2023F	2024F	2025F	2026F	2027F
-------	-------	-------	-------	-------	-------

55	75	95	115	135
----	----	----	-----	-----

REVOLVING CREDIT LINE

Opening Cash Balance

Cash from Operations

Cash from Investing

Mandatory Debt Issuance / (Repayment)

Equity Issuance / (Repurchase)

Payment of Dividends

Less: Minimum Cash Balance

Cash Available / (Required) For Revolving Credit Line

**Minimum
Cash Balance**

5,000

5,000	5,000	5,000	5,000	5,000
12,897	15,375	17,595	17,415	19,070
(4,100)	(4,300)	(4,400)	(4,600)	(4,800)
(9,557)	(9,557)	(9,557)	(9,557)	(6,500)
-	-	-	-	-
-	-	-	-	-
(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
(760)	1,518	3,637	3,257	7,770

REVOLVING CREDIT LINE (DRAWN)

Beginning

Additions (Repayments)

Ending

4,595	5,355	3,837	200	-
760	(1,518)	(3,637)	(200)	-
4,595	5,355	3,837	200	-

Interest Rate Spread

Interest Rate

Interest Expense

Circularity

On

3.00%	3.00%	3.00%	3.00%	3.00%
3.55%	3.75%	3.95%	4.15%	4.35%
177	172	80	4	-

REVOLVING CREDIT LINE (UNDRAWN)

Beginning

(Additions) Repayments

Ending

Maximum

15,000

10,405	9,645	11,163	14,800	15,000
(760)	1,518	3,637	200	-
10,405	9,645	11,163	14,800	15,000

Revolving Credit Line Standby Fee Rate

Revolving Credit Line Standby Fees

Circularity

On

0.50%	0.50%	0.50%	0.50%	0.50%
50	52	65	75	75

Does Ending Revolving Credit Line balance exceed Maximum?

No	No	No	No	No
----	----	----	----	----

Cash Available After Revolving Credit Line Pay Down

-	-	-	3,058	7,770
---	---	---	-------	-------

Debt Schedule: Part 2

All figures in USD thousands unless stated

Model Running: Base Case Drivers

Floating-Rate Benchmark

(bps)

Close	2023F	2024F	2025F	2026F	2027F
	55	75	95	115	135

TERM LOAN A

Loan Amortization

Cash Available After Revolving Credit Line Pay Down

Cash Available For Discretionary Payments?

20%	20%	20%	20%	20%
-	-	-	3,058	7,770
No	No	No	Yes	Yes

Beginning

Less: Required Repayments

Less: Discretionary Repayments

Ending

Cash Sweep

100.0%

45,949	36,759	27,569	18,380	6,132
(9,190)	(9,190)	(9,190)	(9,190)	(6,132)
-	-	-	(3,058)	-
45,949	36,759	27,569	18,380	6,132
-	-	-	-	-

Interest Rate Spread

Interest Rate

Interest Expense

Circularity

On

5.00%	5.00%	5.00%	5.00%	5.00%
5.55%	5.75%	5.95%	6.15%	6.35%
2,295	1,849	1,367	754	195

TERM LOAN B

Loan Amortization

Cash Available After Discretionary Term Loan A Pay Down

Cash Available For Discretionary Payments?

1%	1%	1%	1%	1%
-	-	-	-	7,770
No	No	No	No	Yes

Beginning

Less: Required Repayments

Less: Discretionary Repayments

Ending

Cash Sweep

100.0%

36,759	36,391	36,024	35,656	35,289
(368)	(368)	(368)	(368)	(368)
-	-	-	-	(7,770)
36,759	36,391	36,024	35,656	35,289
27,151				

Interest Rate Spread

Interest Rate

Interest Expense

Circularity

On

7.00%	7.00%	7.00%	7.00%	7.00%
7.55%	7.75%	7.95%	8.15%	8.35%
2,761	2,806	2,849	2,891	2,607

Debt Schedule: Part 3

All figures in USD thousands unless stated

Model Running: Base Case Drivers

SUBORDINATED DEBT

Loan Amortization

Close	2023F	2024F	2025F	2026F	2027F
	-	-	-	-	-
Beginning	27,569	29,628	31,841	34,219	36,775
Less: Required Repayments	-	-	-	-	-
Plus: PIK Accrual	2,059	2,213	2,378	2,556	2,747
Ending	27,569	29,628	31,841	34,219	36,775

Interest Rate

12.0%	12.0%	12.0%	12.0%	12.0%
-------	-------	-------	-------	-------

Cash Percent

40.0%	40.0%	40.0%	40.0%	40.0%
-------	-------	-------	-------	-------

PIK Percent

60.0%	60.0%	60.0%	60.0%	60.0%
-------	-------	-------	-------	-------

Total Percent

100.0%	100.0%	100.0%	100.0%	100.0%
--------	--------	--------	--------	--------

Cash Amount

Circularity

1,373	1,475	1,585	1,704	1,831
-------	-------	-------	-------	-------

PIK Amount

On

2,059	2,213	2,378	2,556	2,747
-------	-------	-------	-------	-------

Total Interest Expense

3,432	3,688	3,964	4,260	4,578
-------	-------	-------	-------	-------

CASH DEPOSITS

Beginning

5,000	5,000	5,000	5,000	5,000
-------	-------	-------	-------	-------

Change in Cash

-	0	(0)	(0)	(0)
---	---	-----	-----	-----

Ending

5,000	5,000	5,000	5,000	5,000
-------	-------	-------	-------	-------

Interest Rate

Circularity

1.5%	1.5%	1.5%	1.5%	1.5%
------	------	------	------	------

Interest Income

On

75	75	75	75	75
----	----	----	----	----

Debt Schedule: Summary

All figures in USD thousands unless stated

Model Running: Base Case Drivers

PRINCIPAL REPAYMENTS

Revolving Credit Line
Term Loan A
Term Loan B
Subordinated Debt
Total Principal Repayments

	2023F	2024F	2025F	2026F	2027F
Revolving Credit Line	760	(1,518)	(3,637)	(200)	-
Term Loan A	(9,190)	(9,190)	(9,190)	(12,247)	(6,132)
Term Loan B	(368)	(368)	(368)	(368)	(8,138)
Subordinated Debt	-	-	-	-	-
Total Principal Repayments	(8,797)	(11,075)	(13,195)	(12,815)	(14,270)

ENDING BALANCES

Revolving Credit Line
Term Loan A
Term Loan B
Subordinated Debt
Total Ending Balance

Revolving Credit Line	5,355	3,837	200	-	-
Term Loan A	36,759	27,569	18,380	6,132	-
Term Loan B	36,391	36,024	35,656	35,289	27,151
Subordinated Debt	29,628	31,841	34,219	36,775	39,522
Total Ending Balance	108,134	99,272	88,455	78,196	66,673

CASH INTEREST EXPENSE

Revolving Credit Line (Including Standby Fees)
Term Loan A
Term Loan B
Subordinated Debt
Interest Expense

Revolving Credit Line (Including Standby Fees)	227	224	145	79	75
Term Loan A	2,295	1,849	1,367	754	195
Term Loan B	2,761	2,806	2,849	2,891	2,607
Subordinated Debt	1,373	1,475	1,585	1,704	1,831
Interest Expense	6,656	6,355	5,946	5,427	4,708

Less: Interest Income
Cash Net Interest Expense

Less: Interest Income	(75)	(75)	(75)	(75)	(75)
Cash Net Interest Expense	6,581	6,280	5,871	5,352	4,633

TOTAL INTEREST EXPENSE

Cash Net Interest Expense
PIK Interest Expense
Total Interest Expense

Cash Net Interest Expense	6,581	6,280	5,871	5,352	4,633
PIK Interest Expense	2,059	2,213	2,378	2,556	2,747
Total Interest Expense	8,640	8,493	8,250	7,908	7,379

Equity Schedule

All figures in USD thousands unless stated
Model Running: Base Case Drivers

EQUITY CAPITAL

	Close	2023F	2024F	2025F	2026F	2027F
Beginning		78,802	78,802	78,802	78,802	78,802
Plus: Issuance of Equity		-	-	-	-	-
Less: Repurchase of Equity		-	-	-	-	-
Ending	78,802	78,802	78,802	78,802	78,802	78,802

RETAINED EARNINGS

Beginning		(4,879)	549	7,409	15,633	25,529
Plus: Net Income		5,428	6,860	8,224	9,896	11,535
Less: Dividends		-	-	-	-	-
Ending	(4,879)	549	7,409	15,633	25,529	37,064

Credit Metrics Schedule

All figures in USD thousands unless stated

Model Running: Base Case Drivers

FINANCIAL METRICS

EBITDA
Current Tax
Capex
Total Interest Expense
Mandatory Principal Repayments
Total Debt

2023F Year 1	2024F Year 2	2025F Year 3	2026F Year 4	2027F Year 5
20,043	22,016	23,809	25,921	27,813
-	-	0	2,786	3,766
4,100	4,300	4,400	4,600	4,800
8,640	8,493	8,250	7,908	7,379
9,557	9,557	9,557	9,557	6,500
108,134	99,272	88,455	78,196	66,673

TOTAL DEBT / EBITDA

Within Target Period?

Yes	Yes	Yes	No	No
-----	-----	-----	----	----

Target Year
Target Covenant
Covenant Reduction
First Year Covenant

Year 3
4.00x
0.50x
5.00x

Total Debt / EBITDA Reduction
Covenant
Total Debt / EBITDA

-	0.50x	0.50x	-	-
5.00x	4.50x	4.00x	4.00x	4.00x
5.40x	4.51x	3.72x	3.02x	2.40x

EBITDA Cushion
EBITDA Cushion

(Nominal)
(Percent)

(1,584)	(44)	1,695	6,372	11,145
(8%)	(0%)	7%	25%	40%

DEBT SERVICE COVERAGE RATIO

Within Target Period?

Yes	Yes	Yes	No	No
-----	-----	-----	----	----

Target Year
Target Covenant
Covenant Increase
First Year Covenant

Year 3
1.00x
0.10x
0.80x

Debt Service Coverage Increase
Covenant
Debt Service Coverage ¹

-	0.10x	0.10x	-	-
0.80x	0.90x	1.00x	1.00x	1.00x
0.88x	0.98x	1.09x	1.06x	1.39x

EBITDA Cushion
EBITDA Cushion

(Nominal)
(Percent)

1,385	1,471	1,602	1,069	5,367
7%	7%	7%	4%	19%

Debt Service Coverage Ratio = (EBITDA - Current Tax - Capex) / (Total Interest + Mandatory Principal Paydown) ⁽¹⁾

Equity Returns Schedule

All figures in USD thousands unless stated
Model Running: Base Case Drivers

Transaction Date	First Cash Flow
(YY-MM-DD)	(YY-MM-DD)
22/12/31	23/12/31

Close	2023F	2024F	2025F	2026F	2027F
(YY-MM-DD)	(YY-MM-DD)	(YY-MM-DD)	(YY-MM-DD)	(YY-MM-DD)	(YY-MM-DD)
22/12/31	23/12/31	24/12/31	25/12/31	26/12/31	27/12/31

ENTERPRISE VALUE

EBITDA	20,043	22,016	23,809	25,921	27,813
Exit Multiple	10.0x	10.0x	10.0x	10.0x	10.0x
Enterprise Value	200,430	220,162	238,088	259,207	278,131

NET DEBT

Total Debt	108,134	99,272	88,455	78,196	66,673
Less: Cash	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
Total Net Debt	103,134	94,272	83,455	73,196	61,673

EQUITY VALUE

Enterprise Value	200,430	220,162	238,088	259,207	278,131
Less: Net Debt	(103,134)	(94,272)	(83,455)	(73,196)	(61,673)
Equity Value	97,296	125,890	154,633	186,010	216,458

Dividends to Equity Investors	-	-	-	-	-
-------------------------------	---	---	---	---	---

Equity Investor	IRR	Cash-on-Cash
5-Year Horizon	22.4%	2.7x
4-Year Horizon	23.9%	2.4x
3-Year Horizon	25.2%	2.0x
2-Year Horizon	26.4%	1.6x
1-Year Horizon	23.5%	1.2x

Net Cash Flow Summary					
Close	Year 1	Year 2	Year 3	Year 4	Year 5
(78,802)	-	-	-	-	216,458
(78,802)	-	-	-	186,010	
(78,802)	-	-	154,633		
(78,802)	-	125,890			
(78,802)	97,296				