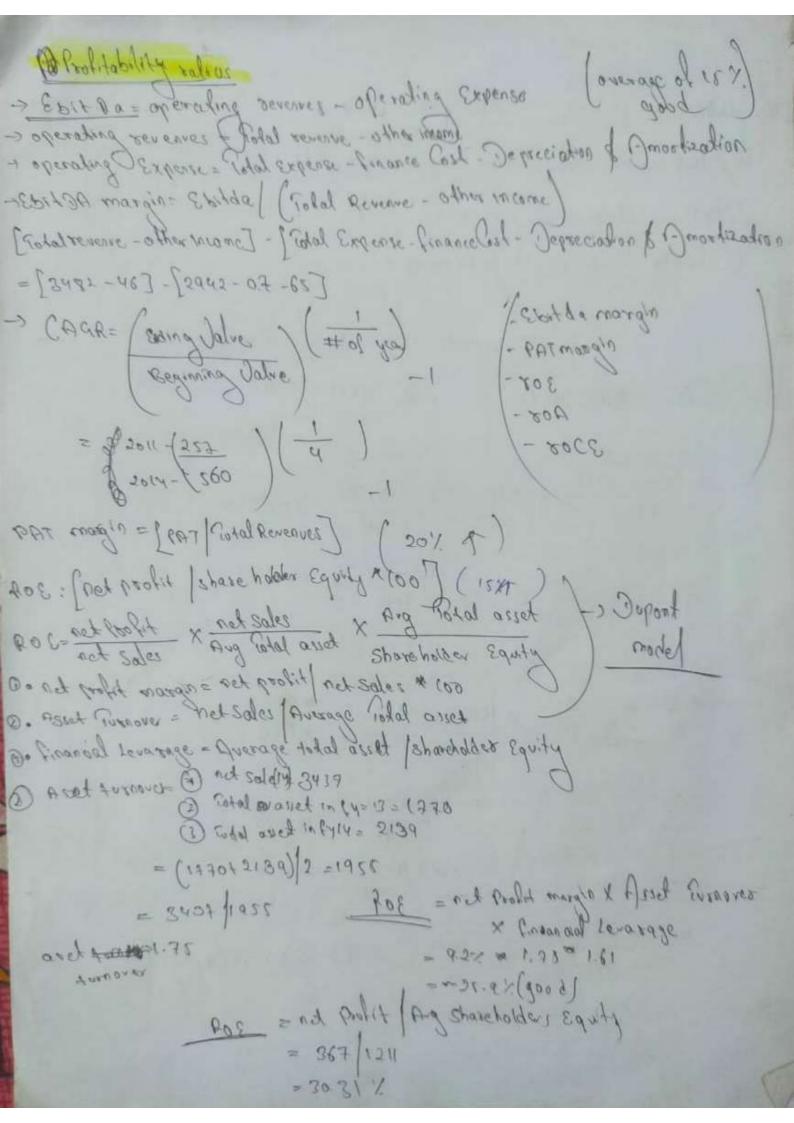
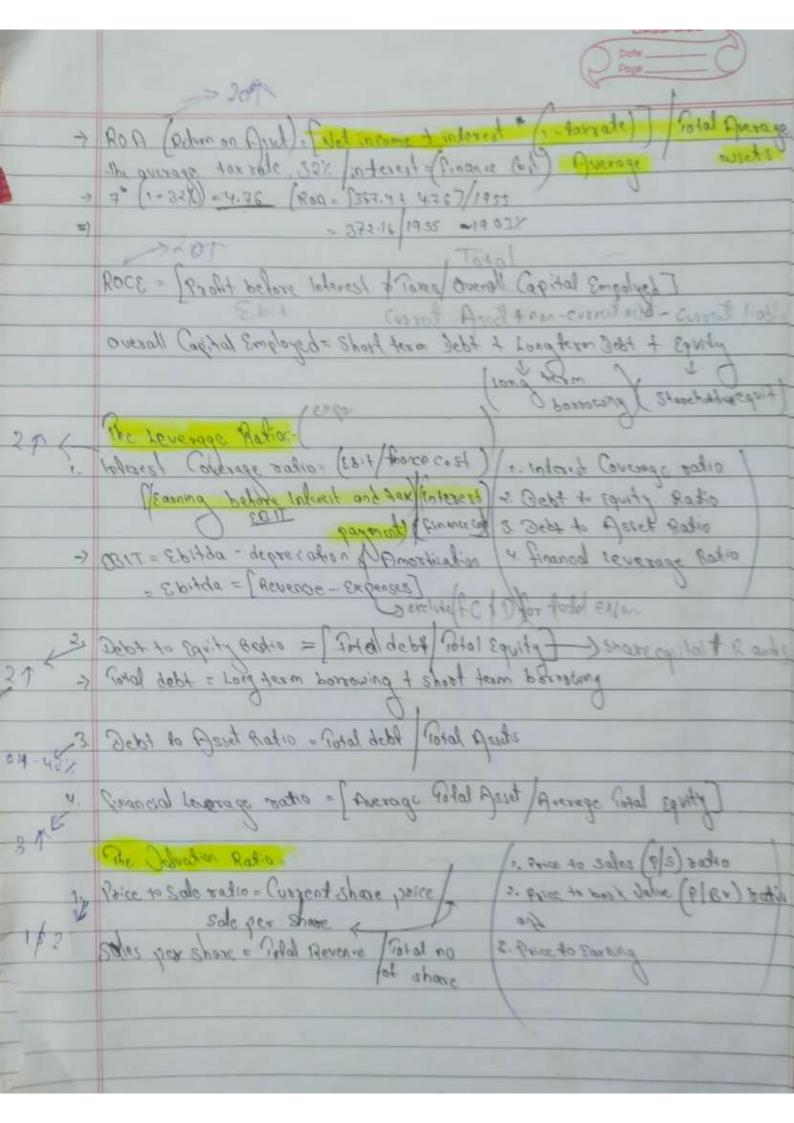
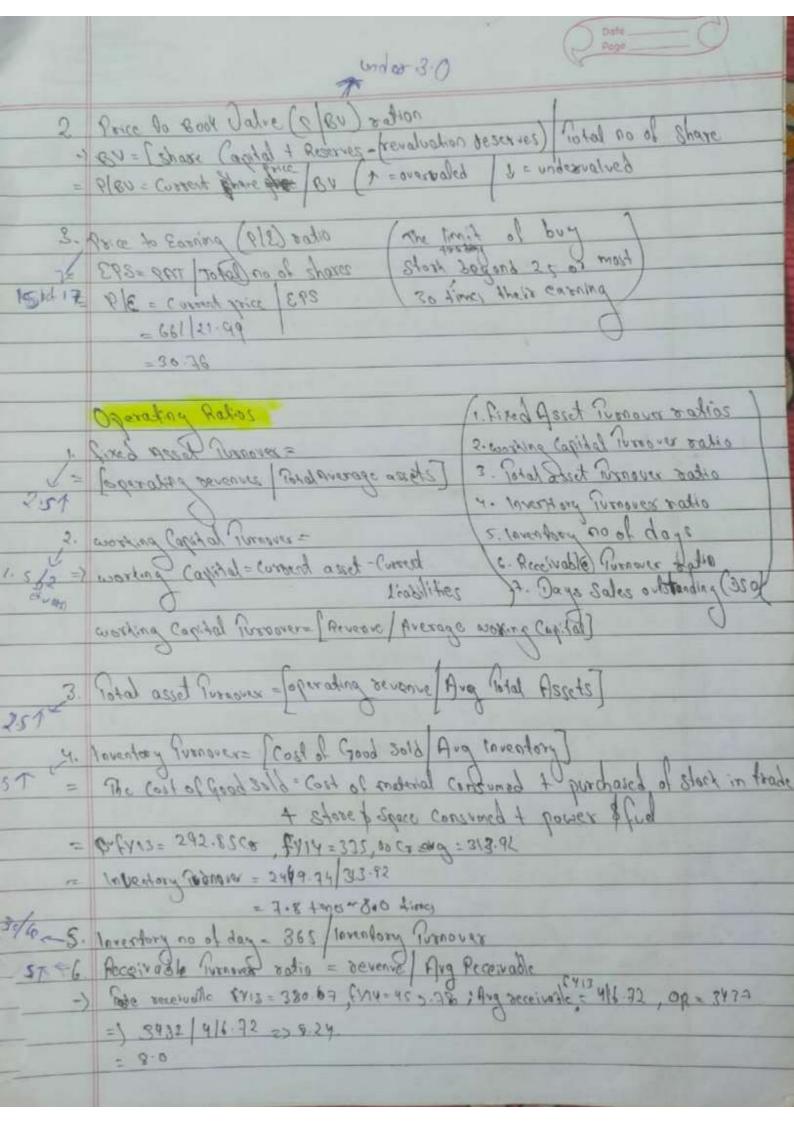
3063502 JH 0303502 SIJACA total operating severies the sale of t of product tother operating revenue -) athoral operator general (3436c) -> PBT = Total entrance - Total aparating Expenses (-) (il Entranding Rend -> PAT - PBT - apply and lakes (correct day) -> ENC- PAT Rodal number of orthordry ordinary shows 19,408-31 19,671-64 Dolonie Sheet -> Shawholder equity = Assels - Liabilites -> shore Capital = fue ou more of shore Ca= 12,986-10 - sumber of shores = shore Copital for - Gold Lability = share holder's funds + non Current Liabilities + current Liabilities -) Share holdering quity = share Capital, + Roserves + Surplus - Med Block - Gross Bod - Secumulated Depreciation - Accumulated impairment Texample Poerious years Dalso + Current years - teduction for depreciation the year and deprevaling Not block = 9 8091 block - Potal Total Greeks: Prob But + Corner Assol Arsel = share holders' funds + Liabilities - coch flow = Not can flow from GA) + not Cash flow from (A) + not can flow from (A) cost from







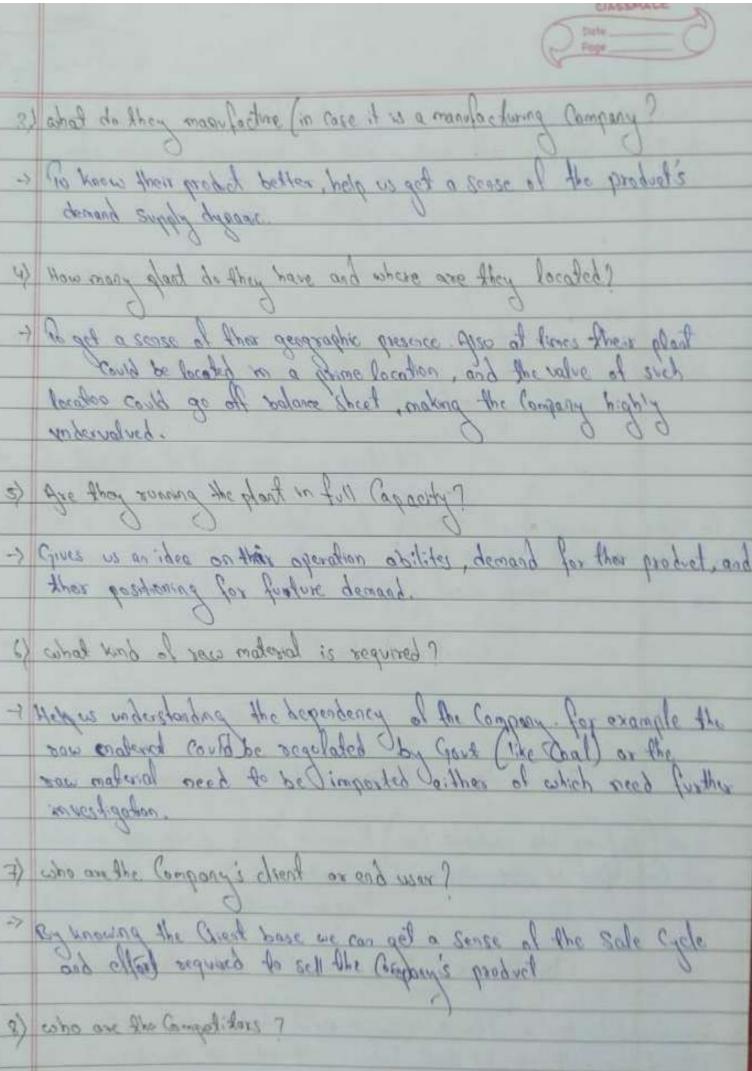
2) Day Salos outstanding (DSO) Ang Calledin prood Day Sales in other revenued allovisish 228 = 026 c= B) Dre Diligence:

Ounderstanding the business require reading the annual report

Officialise of the checklist (3) Salvator to estimate the intrinsic value of the business - Stage I: mediag unberstanding the business : about premery is the Compare invalued in) -> stage 2: Applying the Checkful . variable Comment 1. Gross proli 220% Higher the margin, higher is the evidence of margin (Coppe) a sustainable most 2. Agreence Growth to tree with the Revenue growth should be in line with 3. 888 Andrews and blunds 293 If a Company is diluting its equity. the it is not good for its shoulder The Company shouldnot be highly leveraged 4. 364 level high dobt man the Company is operating on high leverage . place the flored cost day away the Applicable for manyaching A glowing sportory along with a greater is a good sign allowy check the inventory

Les that the Commons

6.	Sales us Sales baded & This signifies that the Company is
	Acceivable remindle is not a just probing its probing its
	Receivable remarks and a just pushing its probage its of
4.	Cosh flow from Has to be If the Company is not generaling costs
	aperation of some aperation of it indicated aperating street.
	the grant of
8.	Reduce on Equity 725% Higher the ROE better it is for the
	d medor however, make Sure you check
	the debt tend along with this
	and the second state of th
9.	Aveness Diversity 1 or 2 Single Avoid Companies that have multiple
	Stranger of 1 or 2 Segments
10.	Subsidiery Not many Il there are too many Sidisdiere, it
	O Genie 2180 the comband administrated
	money be contain while investing
	to Surganos due as
-	as a last distributed the being
	Stage 1: (Question): - Sunderstanding the business)
1.	what does the Company do ?
->	To get a basic condenstanding of the business
	soho are its premoter? what are their backgrouds?
-	To know the needle behind the business. A Sanity about to aliminate
	To know the people behind the business of Sanity about to aliminate amount background, intense political affiliation etc.



Charlyps is largeton was to bust ladio (3

8) coho are the Compatitors ?

Help in knowing the Compellistons. Too many Compenhag Companies

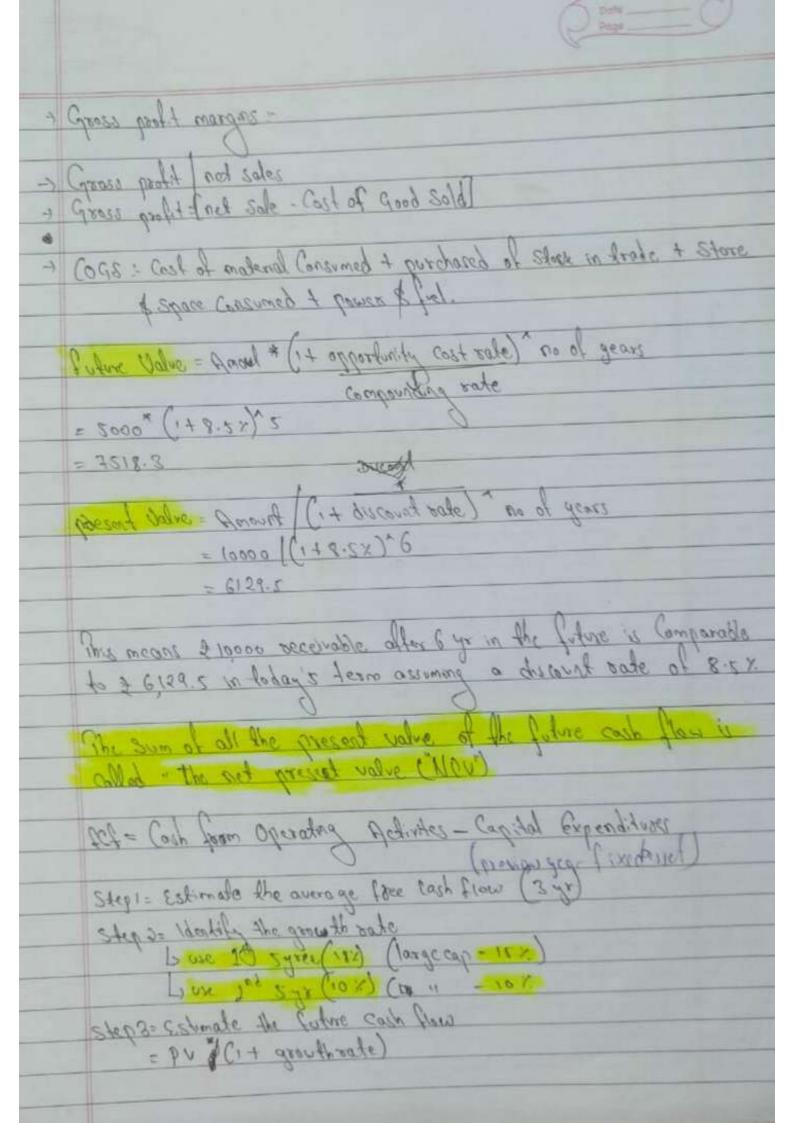
mean margin pressure in Such a case the Company has to do

Something Innavation margin are higher it the Company aperates
in-monopoly, dispoly or o'the poly market structure 9. who are the major shoreholders of the Company? Beside the grown of grown software group it help to know who also owns the shares of the Company I a highly successful investor hold the shares in the Company that I (out to a good Sign 10 To they plan to lanch any new product? -> Give a serve on how ambitous and mnovative the Company is while at the Sanc time a Company lauching product outside their Johnson raise Some sed flags - It the Company losing focus? 11. Do they planto expand to different (contries) -> Same rational or above 12. what is the severe mix? which product sell the most? -> Help us understand which segment and therefore the product is Contributing the most to reverse This in the help us understand the driver for future severce growth. 13. Do they operate under a heavy regulary environment? -> This is both good and bad - Good because it acts a natural barrier from new Competition to enter the market, bad because they are limited

with choice when it comes to being innovation in the industry



14) who are that bank auditor? + Good to know, and to rule out the possibility of the Companies 15 How many employee do have they have I does the Company have labor olso, if the Company require a lot of people with nicke shill set Also this could be another red flag 16) what are the entry barrier for new participants to enter the industry -> Help us understand how carry or deficill it is for new Companies to enter the market and earl away the margins. 17) Is the Company manufacturing product that can be easily sophicated to garners are company maybe sitting on a time board - think about companies manufacturing companie compiter barduare, mable bandent garners are 18) Does the Comptex have too many subsidiaries? to Siphon of Junds? Is it a way for the Company



Terminal Jalve = fcf "(+ Terminal Growth rate) (Discount rate -The role of which the fet grow beyond to yo (2024 orward) The ferninal growth rate & considered to be less than 5% The prof confilent Mar of future free each flow + 120 of terminal valve (The present valve) sexample in 2010-16 deceive= 7 19599, At a 9 % discount rate the present value - 195 29 (1+91) 2 (1404) 1964 NPV = Terminal value (2+ discount rate) no al gr (10) Met debt = Correct year total debt - Cost & Cash balance > Potal pu of fet = Pu of conflows - net gold share grees lotal po of fee To to no of whore Jowen introgec value = 368 (1-10x) = 733)