

Cash Flow Control Projection

Beginning Reference Point:
April 15, 2017

Case Study 4 Project Calculation # e2d49fda-OK

Acquisition of ABC Corp

\$ 206,000,000

Value based on 100% of Company

Existing Company Purchases Target Company

Acquisition of ABC Corp

Includes Existing Company and Target Company

Sales-Accrual

% Growth Override (Total Sales)

Total General Sales Manual Override

Total General Sales

Annual Growth Result

Individually Scheduled Sales

Total Individually Scheduled Sales

See Information Browser for Yrs 1-3 Inputs
Years over 3 equal year 3 unless changed here

Beg Base Sales

\$ 161,000,000

Total All Sales

Cost of Goods Sold (COGS)

General COGS-% of General Sales Override

General Cost of Goods Sold

COGS % of Sales

Individually Scheduled COGS

Total Individually Scheduled COGS

Step 3 Inputs for Sales/EBITDA

See Information Browser for Yrs 1-3 Inputs
Years over 3 equal year 3 unless changed here

Total All COGS

Gross Margin

Operating & Overhead Expense

Direct Operating Expense Override - % of Sales

Operating Expense from Current Inputs

Additional Operating/Overhead Expenses

Total Operating/Overhead Expense

Operating/Overhead Expense % of Sales Result

Lease on Real Property Assets

Step 3 Inputs for Operating Expense
% of Total All Sales (Before Int & Deprec)

See Information Browser for Inputs

See Step 7

Total Operating/Overhead Expenses

Other (Income) Expense from AJE's

EBITDA-Accrual

EBITDA Override

Whole Number Override Input

Target Company % Increase Override of Prior Year

Existing Company % Increase Override of Prior Year
Can be Overridden by Whole Number Input
Requires Prior Year

Beg Base EBITDA

Total EBITDA-Accrual

\$ 72,000,000

Total EBITDA (a)

EBITDA - % of Sales

44.72%

% of Sales

% over Prior Year

Annual Cash Flow	Annual Cash Flow	Annual Cash Flow	Annual Cash Flow	Annual Cash Flow	Annual Cash Flow	Annual Cash Flow	Annual Cash Flow	Annual Cash Flow	Annual Cash Flow	Annual Cash Flow
118,720,538	56,128,851	35,845,585	44,562,889	(39,316,488)	89,203,340	89,119,471	61,291,171	78,978,671	85,605,633	
YE Cash Balance	YE Cash Balance	YE Cash Balance	YE Cash Balance	YE Cash Balance	YE Cash Balance	YE Cash Balance	YE Cash Balance	YE Cash Balance	YE Cash Balance	YE Cash Balance
123,995,538	180,124,389	215,969,975	260,532,864	221,216,376	310,419,716	399,539,187	460,830,358	539,809,029	625,414,662	
Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year
1	2	3	4	5	6	7	8	9	10	
	4.00%	3.00%	2.00%	3.00%						
170,000,000			190,000,000		200,000,000	205,000,000				
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
170,000,000	176,800,000	182,104,000	190,000,000	195,700,000	200,000,000	205,000,000	205,000,000	205,000,000	205,000,000	205,000,000
5.59%	4.00%	3.00%	4.34%	3.00%	2.20%	2.50%	0.00%	0.00%	0.00%	0.00%
-	-	-	-	-	-	-	-	-	-	-
7,481,150	756,000	1,220,000	1,220,000	1,220,000	1,220,000	1,220,000	1,220,000	1,220,000	1,220,000	1,220,000
7,481,150	756,000	1,220,000	1,220,000	1,220,000	1,220,000	1,220,000	1,220,000	1,220,000	1,220,000	1,220,000
177,481,150	177,556,000	183,324,000	191,220,000	196,920,000	201,220,000	206,220,000	206,220,000	206,220,000	206,220,000	206,220,000
30.00%										
	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
51,000,000	35,360,000	36,420,800	38,000,000	39,140,000	40,000,000	41,000,000	41,000,000	41,000,000	41,000,000	41,000,000
30.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
-	-	-	-	-	-	-	-	-	-	-
9,314,919	2,521,600	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
9,314,919	2,521,600	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
60,314,919	37,881,600	39,920,800	41,500,000	42,640,000	43,500,000	44,500,000	44,500,000	44,500,000	44,500,000	44,500,000
117,166,231	139,674,400	143,403,200	149,720,000	154,280,000	157,720,000	161,720,000	161,720,000	161,720,000	161,720,000	161,720,000
66.02%	78.66%	78.22%	78.30%	78.35%	78.38%	78.42%	78.42%	78.42%	78.42%	78.42%
		5.00%			2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
2.50%	0.75%		10.00%	10.00%						
0	0	0	0	0	0	0	0	0	0	0
4,437,029	1,331,670	9,166,200	19,122,000	19,692,000	5,030,500	5,155,500	5,155,500	5,155,500	5,155,500	5,155,500
182,000	287,000	204,000	305,000	262,000	154,000	163,000	52,000	52,000	52,000	52,000
4,619,029	1,618,670	9,370,200	19,427,000	19,954,000	5,184,500	5,318,500	5,207,500	5,207,500	5,207,500	5,207,500
2.60%	0.91%	5.11%	10.16%	10.13%	2.58%	2.58%	2.53%	2.53%	2.53%	2.53%
100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
4,719,029	1,718,670	9,470,200	19,527,000	20,054,000	5,284,500	5,418,500	5,307,500	5,307,500	5,307,500	5,307,500
0	0	0	0	0	0	0	0	0	0	0
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
112,447,202	137,955,730	133,933,000	130,193,000	134,226,000	152,435,500	156,301,500	156,412,500	156,412,500	156,412,500	156,412,500
63.36%	77.70%	73.06%	68.09%	68.16%	75.76%	75.79%	75.85%	75.85%	75.85%	75.85%
56.18%	22.68%	-2.92%	-2.79%	3.10%	13.57%	2.54%	0.07%	0.00%	0.00%	0.00%

Cash Flow Control Projection

Beginning Reference Point:
April 15, 2017

Existing Company Purchases Target Company

Acquisition of ABC Corp

Includes Existing Company and Target Company

Case Study 4 Project Calculation # e2d49fda-OK

Acquisition of ABC Corp

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Value based on 100% of Company

Annual Cash Flow	Annual Cash Flow	Annual Cash Flow	Annual Cash Flow	Annual Cash Flow	Annual Cash Flow	Annual Cash Flow	Annual Cash Flow	Annual Cash Flow	Annual Cash Flow	Annual Cash Flow
118,720,538	56,128,851	35,845,585	44,562,889	(39,316,488)	89,203,340	89,119,471	61,291,171	78,978,671	85,605,633	
YE Cash Balance	YE Cash Balance	YE Cash Balance	YE Cash Balance	YE Cash Balance	YE Cash Balance	YE Cash Balance	YE Cash Balance	YE Cash Balance	YE Cash Balance	YE Cash Balance
123,995,538	180,124,389	215,969,975	260,532,864	221,216,376	310,419,716	399,539,187	460,830,358	539,809,029	625,414,662	
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	

Other Cash Flow Items

(Increase) Decrease in Cash

Accounts Receivable/Inventory Change

Other Current Asset Invested (Received)

Other Manual Investment (Pmts Received)

End of Year Balance \$

Beg Balance
245,700

(a)	8,421,233	27,953,177	(940,501)	(19,373,448)	8,374,908	113,165	2,737,593	3,524,669	3,606,916	3,536,507
(a)	0	0	0	0	0	0	0	0	0	0
(a)	0	0	0	0	0	0	0	0	0	0

Securities/Notes Receivable Invested (Received)

(a)	(8,101,510)	(9,576,495)	(800,500)	(800,500)	(800,500)	(800,500)	(1,002,100)	(800,500)	(1,304,500)	(800,500)
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Debt Payments

See Step 6 for Debt Inputs

Accounts Payable

A/P Change (Increase-Source), Decrease-Use of Funds \$
End of Year Balance

Beg Balance
305,590

(a)	(6,293,513)	5,246,245	801,826	(951,275)	(424,526)	409,581	(22,790)	(2,893)	940	8,810
(a)	6,599,103	1,352,858	551,031	1,502,306	1,926,832	1,517,250	1,540,040	1,542,933	1,541,993	1,533,183

Loan Triggers-Check to Use A/R Loan each Year

End of Year A/R Debt Balance

	5,282,295	17,350,745	0	23,285,449	24,349,956	26,293,833	25,962,394	25,882,089	25,862,632	25,857,917
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Loan Triggers-Check to Use Inventory Loan each Year

Inventory Debt

End of Year Inv Debt Balance
A/R and Inventory Interest Paid

	50,651,998	0	11,940,410	4,062,324	0	3,127,216	3,086,538	2,841,422	2,575,535	2,118,852
(a)	3,490,350	854,077	1,113,740	1,367,389	1,217,498	1,471,052	1,452,447	1,436,176	1,421,908	1,398,838

Other Current Debt Scheduled Payments

Manual Additional Debt Pymt's (Draws)

End of Year Debt Balance \$

Beg Balance
200,500

(a)	200,500	0	0	0	0	0	0	0	0	0
(a)	0	0	0	0	0	0	0	0	0	0

Equipment Debt Scheduled Payments

Manual Additional Debt Pymt's (Draws)

End of Year Debt Balance \$

Beg Balance
9,073,938

(a)	3,664,150	10,720,893	797,666	787,073	771,048	1,275,024	1,235,069	1,195,047	1,155,195	1,115,237
(a)	0	(1,000,000)	0	100	(2,000,000)	0	0	0	0	0

Building and Imp Debt Scheduled Payments

Manual Additional Debt Pymt's (Draws)

End of Year Debt Balance \$

Beg Balance
4,771,152

(a)	2,394,328	281,551	586,525	714,125	441,487	531,741	514,686	518,677	482,065	483,491
(a)	0	3,280	3,040	(1,000,000)	0	0	0	0	0	(20,000)

Real Estate Debt Scheduled Payments

Manual Additional Debt Pymt's (Draws)

End of Year Debt Balance \$

Beg Balance
14,849,801

(a)	2,517,648	4,910,414	2,140,687	2,072,572	1,994,540	2,459,699	233,431	233,431	233,431	233,431
(a)	0	1,000,000	0	100,000	(500,000)	1,000	0	0	0	0

Other Transaction Debt Scheduled Payments

Manual Additional Debt Pymt's (Draws)

End of Year Debt Balance \$
End of Year Accrued Interest

Beg Balance
375,000

(a)	220,500	(35,000)	15,000	45,000	95,500	95,322	100,322	103,322	108,322	464,755
(a)	0	0	(100,000)	(10,000)	3,567	(100,000)	0	(100,000)	0	0

Other Long Term Debt Scheduled Payments

Manual Additional Debt Pymt's

End of Year Debt Balance \$

Beg Balance
2,300,000

(a)	354,692	554,192	554,192	11,358,192	35,375	4,167	8,767	8,767	8,767	8,767
(a)	0	0	0	550,000	0	(100,000)	0	0	0	0

Subordinated Debt Scheduled Payments

Manual Additional Debt Pymt's (Draws)

End of Year Debt Balance \$
End of Year Accrued Regular Interest
End of Year Accrued PIK Interest

Beg Balance
30,000,000

(a)	9,049,636	5,755,886	7,207,136	8,097,847	4,048,386	3,798,386	150,000	270,000	270,000	6,270,000
(a)	0	0	0	0	0	0	(1,000,000)	0	0	0

Pre-Payment Penalty

Reg Sched PIK Payment

Warrants Paid

Possible Sub Debt Availability

Rate = 3.00%

Max Senior & Sub Debt
EBITDA Multiple 3.00

(a)	0	0	0	0	0	0	0	0	0	0
(a)	0	105,000	705,000	1,800,030	0	2,296,772	2,296,772	2,296,772	0	0
(a)	0	0	34,411,401	40,216,162	111,428,431	0	0	0	0	0

Cash Flow Control Projection

Beginning Reference Point:
April 15, 2017

Case Study 4 Project Calculation # e2d49fda-OK

Acquisition of ABC Corp

\$ 206,000,000

Value based on 100% of Company

EBITDA Multiple

Seller Debt Scheduled Payments

Additional Payment due to Earn Out
Manual Additional Debt Pymt's (Draws)

Beg Balance

End of Year Purchase Note Balance \$
Performance Note End of Year Balance
End of Year Accrued Interest

40,000,000

Equity Debt Scheduled Payments

Manual Additional Debt Pymt's (Draws)

Beg Balance

End of Year Debt Balance \$
End of Year Accrued Interest

5,100,000

CapEx, Taxes and Other Items

Capital Expenditures (Sales)

See Step 7

Income Taxes

Other Interest & General Indiv Sched Int Paid

See Other Interest Paid

AJE entries-(Excludes items listed separately)

See Step 7

Non expense Cash Draws (Contributions)

See Step 7

Cash Flow

Annual Cash Flow
Ending Cash Balance

Beg Cash Balance
\$5,275,000

(a) Items that equal Cash Flow calculation
Annual Cash Flow = EBITDA less (a)

UnHappy with Cash. See Help-Cash
Weekly/Monthly Cash Flow -See Information Graphs

Existing Company Purchases Target Company

Acquisition of ABC Corp

Includes Existing Company and Target Company

	Annual Cash Flow 118,720,538	Annual Cash Flow 56,128,851	Annual Cash Flow 35,845,585	Annual Cash Flow 44,562,889	Annual Cash Flow (39,316,488)	Annual Cash Flow 89,203,340	Annual Cash Flow 89,119,471	Annual Cash Flow 61,291,171	Annual Cash Flow 78,978,671	Annual Cash Flow 85,605,633
	YE Cash Balance 123,995,538	YE Cash Balance 180,124,389	YE Cash Balance 215,969,975	YE Cash Balance 260,532,864	YE Cash Balance 221,216,376	YE Cash Balance 310,419,716	YE Cash Balance 399,539,187	YE Cash Balance 460,830,358	YE Cash Balance 539,809,029	YE Cash Balance 625,414,662
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
(a)	(1,150,000)	0	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	38,500,000	11,000,000	0
(a)	0	0	0	0	0	0	0	0	0	0
(a)	0	1,000,000	0	0	0	0	0	(10,000,000)	0	0
	40,000,000	40,000,000	39,300,000	39,300,000	39,300,000	39,300,000	39,300,000	14,300,000	4,300,000	4,300,000
	300,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
	3,700,000	6,268,000	6,098,000	6,214,000	6,674,000	7,179,000	7,684,000	8,189,000	8,694,000	9,199,000
(a)	1,369,500	229,506	292,500	274,500	274,500	274,500	270,000	270,000	270,000	135,054
(a)	0	(1,000,010)	0	0	0	0	0	0	3,000,000	0
	5,100,000	6,100,010	6,100,010	6,100,010	6,100,010	6,000,010	6,000,010	6,000,010	3,000,010	3,150,010
	(1,150,000)	(1,150,006)	(1,180,006)	(1,180,006)	(1,180,006)	(1,180,006)	(1,180,006)	(1,180,006)	(1,180,006)	(1,180,060)
(a)	232,400	250,880	254,240	255,920	257,600	259,280	260,960	262,640	264,320	234,080
(a)	0	34,949,278	48,296,463	47,351,424	45,302,675	47,328,971	56,373,873	56,893,223	56,904,465	57,964,402
(a)	(197,250)	(300,000)	0	150,000	0	0	0	0	0	0
(a)	(22,590,000)	685,005	(1,915,000)	(1,000,000)	(700,000)	300,000	(50,000)	500,000	0	(250,006)
(a)	144,000	239,000	164,000	(9,875,000)	222,000	114,000	123,000	12,000	12,000	24,000
(a)	118,720,538	56,128,851	35,845,585	44,562,889	(39,316,488)	89,203,340	89,119,471	61,291,171	78,978,671	85,605,633
	123,995,538	180,124,389	215,969,975	260,532,864	221,216,376	310,419,716	399,539,187	460,830,358	539,809,029	625,414,662