

ALDWORTH MBALATI ENTRY FORM - MONDAY, MAY 11, 2015 17:34:02

Application Details

Name	: Aldworth	Surname	: Mbalati
Designation	: Owner & CEO	Email Address	: aldworth@aie-plc.com
Cellphone	: 27826453376	Telephone	:
Birth Date	: Wednesday, September 15, 1982	Application Date	: Monday, May 11, 2015 17:34:02
Business Name	: Euphoria Golf & Hydo + All other related Oil & Gas	Registration No.	: 2004/023480/07
Tax No.	: 4530214677	BBEE Level	: 8
Type of Business	: Euphoria (Golfing, Spa, Banqueting, Real Estate),		
Industry	: Accounting and Auditing	Years in Operation	: 9
Physical Address	: No. 1 Euphoria Boulevard, Euphoria Golf Estate, Naboomspruit, 0560	Postal Address	: P O Box 3082, Witkoppen, 2068
Town / City	: Naboomspruit, Mookgophong, Limpopo, 560	Business Number	: 0147435000
Business Twitter	: N/a	Business Website	: www.euphoriaestate.co.za

Company People

Added	Name	Surname	Birth Date	Designation
Monday, May 11, 2015 17:34:04	Aldworth	Mbalati	1982-09-15	New Owner and CEO

Company Financials

Year	Gross Revenue	Gross Profit	Briefly Explain The Drivers of Y/Y Gross Profit Growth or Reduction in each year
2011 / 2012	R 0,00	R 0,00	Low occupancy on the hotel averaging 18% for the year.
2012 / 2013	R 10.700.000,00	R 1.000.000,00	Renegotiated valuable supplier contracts and substantially reduced overheads whilst maintaining the current occupant levels
2013 / 2014	R 10.500.000,00	R 4.000.000,00	Expenses substantially increase due to input inflation thus eroding the profit base and increased the net costs.

Company Employees

Year	Total Number of Employees	Average Employee Remuneration	Briefly Explain The Drivers of Y/Y Total Employee Growth or Reduction in each year
2011 / 2012	200	R 22.374,00	The staff complement consists of 40 Permanent workers and 160 casual workers who come in when the is peak demand
2012 / 2013	150	R 22.077,00	The staff complement consists of 40 Permanent workers and 90 casual workers who come in when the is peak demand
2013 / 2014	200	R 23.114,00	The staff complement consists of 40 Permanent workers and 160 casual workers who come in when the is peak demand

3 Select Categories

The Maverick Award for Blue Ocean Innovation Excellence

We have conquered an industry that was once dominated by Oil majors & Parastatals and given birth to a new African giant

The Maverick Award for Green Innovation Excellence

We have a unique way to get an Oil & Gas field into production at lower cost, shortest time, high flows and minimal environmental impact. We serve the community with the least impact

The Maverick Without Borders Award for Export Excellence

Only young African I know that has a reputable and influential foot print in more than 6 African countries on major capital projects.

Questionair

Business Overview

Business Existence Validation

Describe the problem(s) or challenge(s) that your business solves.

Euphoria The business offers a hospitality product of pure tranquility within a close proximity to Pretoria and Johannesburg (1h30hrs from PTA) without any inconveniences of travel. There is a landing site (1380 metre run way & helipad) plus direct access of the N1. The property has a Hydro Spa and world rated championship golf course Oil & Gas We have current projects in Gabon, Nigeria, Republic of Congo and South Africa. The focus is finding stranded gas, converting it into LNG, transporting it into self created markets where we develop gas to power projects thus delivering clean energy

Describe the extent/ magnitude to which this problem or challenge was not being addressed prior to your business entering the market.

Euphoria This is the true essence of affordable luxury to the South African and International Markets. This is a resort which caters for the most discerning families who value time and enjoyment with great value for money Oil & Gas South Africa has a shortage of 20000MW of power by 2018 (From Eskom 2010 annual report) We are currently investing in putting up a 5000 MW gas to power plant, where the process is well underway for a total project cost of USD 9 Bbn. Adjacent to the power site, feed in studies are being done for a 100 000 bbl a day GTL plant with a total project cost of USD 24Bn

Describe the size of the market that your business operates in.

Euphoria The Tourism industry in South Africa is growing and estimated to be at USD 20 Bn (2013/14) and set to significantly grow Oil & Gas The African Energy Market is in excess of USD 1 Trillion and our group of companies has in excess of 21 Gas projects totalling USD 54 Bn of planned capital investments

Products and Services Value Proposition

Describe the products or services that you offer through your business

Euphoria Golf, Hiking, Cycling, Spa Treatments, Weddings, Banqueting, Birding, Cable Car (One of 3 in SA) Mountain Biking, Hotel and Dining Oil & Gas Field Services (Only indigenous company in Africa that can drill their own oil or gas well for production) Gas to LNG (Terminals for Export) LNG to Gas (Terminals for Import : Partnered with Grindrod to import Gas into SA through Matola for our gas to power and GTL project) Gas to Power (21 Projects under development) Gas to GTL (One Project under development) Oil Exploration & Production (One field)

Describe your products or services unique selling proposition and competitive advantage.

Euphoria One of the most beautiful golf course properties in SA with close proximity to PTA and JHB geared for the family. Oil & Gas Own and control the entire value chain to ensure, consistently priced electricity not linked to international fluctuations of the dollar or other markets

Marketing and Distribution

Describe your client / customer base including at least 3 names of current customers.

Euphoria Vodacom (Golf Challenge) Euphoria HOA (Windpomp Fees) Juba, Music Band (Mothers Day Lunch Concert) Businesses, Families and International Tourists Oil & Gas Aggreko (Signed HOA to supply 28 Million GJ of Gas) Ghana Power Corp (PPA to supply 680 MW of Power) Arcelo Mittal (Gas Supply agreement for a 430 MW power plant)

Describe your sales strategy and distribution model.

Euphoria Customer experience is the best marketing tool plus being in the most significant or influential leisure and travel media Oil & Gas Direct engagement with the targeted customers or governments

Describe your marketing activity as well as customer attraction and retention strategies.

Euphoria Still underdevelopment Oil & Gas Develop and execute the projects within the agreed parameters and time. Constantly offer the service with minimal disruptions and variance

Describe how you anticipate your market/industry and customer needs will evolve in the future and your businesses plan to adapt accordingly in order to maintain an edge?

Euphoria Interest rates, Rand Value, Economic growth Rate and other related factors Oil & Gas Population Growth, Energy Constraints, Government Policy

Economics of the Business

Describe your business model

Euphoria High End Luxury sold at affordable prices Oil & Gas. Build it and they will come (Anticipate the economic growth prospect, invest in the feasibilities and be ready to close the transactions when the market is ready)

Describe your revenue model and the revenue drivers of your business.

Euphoria Best possible product and the lowest possible acquisition costs. Further keep staff overheads in order to give the best possible service at an economic price for both the customer and our selves. Oil & Gas Deliver long term gas sales at stable, low and local currency linked prices in order to give the lowest possible electricity or LNG prices. Stability is the main factor in successful electricity generating projects.

Would you describe your business as a low, medium or high sales margin business? Briefly explain and include figures.

Euphoria High Margins (Food & Beverage Over 50% GP, cost R18 to maintain guest room etc) Oil & Gas High Margins, High Volume (Projected to make USD 1,50 per GJ on at least 750 Million GJ per annum supply chain contracted for)

Would you describe your business as a low, medium or high sales volumes business? Briefly explain and include figures please.

Euphoria Low Sales (18% occupancy turns over 10 Million P.A, break even point is about 22%) It is projected that we will have 40% in the next financial year where by our profitability will be significantly be higher. Oil & Gas Low Sales (One customer contracting for 80 Million GJ, 225 Million GJ and 28 Million GJ respectively) How ever the volumes are quite high per client.

What is your projected revenue/turnover for the next 3 years?

Euphoria Property Sales R 1,2 Billion Hotel, Spa and Other R200 Million Oil & Gas LNG Supply USD 2,4 Billion Electricity Supply USD 5 Billion

What are the drivers/factors that support your projections?

Euphoria Current Properties owned in our books and marketing plans supported by Lew Geffen. Oil & Gas Heads of Agreements signed, Power Purchase Agreements and Gas Supply agreements

What are the three main challenges that the business faces in the next three years? Include how you intend on addressing these challenges.

Euphoria Competing Properties, our aim is to keep on marketing and giving unrivalled customer service. Oil & Gas Other suppliers, counter them by developing ahead of the market and offer a cost effective product

Sustainability and Scale-Up

Is your business sustainable? If so, please describe your sustainability drivers.

Euphoria Yes, Only internationally designed championship golf course in Africa by a world champion woman, Hot springs, mountain biking trails, 127 species of bird life in the property, easy access from N11, 2 hours at most from Johannesburg Oil & Gas Yes, Supply contracts entered for an average period of 20 years. Loss of revenue can be underwritten in order to ensure investment grade projects

Briefly describe your scalability and business growth strategy.

Euphoria Plan to grow the Euphoria Hotel brand in the African hospitality market Oil & Gas Each successfully banked project unlocks further capital to do bigger or more smaller projects at a rapid pace without having to rely on outside shareholder capital injection. This is possible on the fact that we own the entire value chain of what we do.

Business Achievements & Vision

What have your 3 main achievements been as a business over past three years?

Euphoria Only Black company to own a golf course on a singular basis other than Leopard Creek of Johan Rupert Oil & Gas Being the first company to sign a supply agreement to import LNG with two multinational customers (Aggreko & Arcelor Mittal)

Briefly outline the vision for the business over the next 5 years?

Euphoria To be the most recognised brand in affordable luxury Oil & Gas Be the biggest Independent Independent Gas power Producer in Africa Be the biggest African gas supplier in the world.

Impact

Corporate Social Responsibility

What is your corporate social responsibility focus area and why? (Education/HIV/Entrepreneurship/Early Childhood Development/Environment)

Starting the Aldworth Mbalati Energy Scholarship to take bright young minds to go specialise in energy studies

Describe your social responsibility practices and programs you have run over the past three years.

N/a

Outline the outcomes and impact generated from your CSI program.

N/a

Innovation

Innovation Culture

Is your business based on an innovation?

Yes

What type of innovation is it? (Product/Service/Process/Other)

We can drill an Oil well within a 99.9% accuracy factor of where the geological stress lie. The average Oil Major will only know after drilling their first few wells in the drilling programme

Briefly Describe your innovation

Designed by John Davidson, he determined a way of calculation ground stresses using mathematical models and geological data.

Why do you believe that your product/service/ process is an innovation?

Because it save cost, down time and increase Oil & Gas flow

What Intellectual Property Rights do you possess over your innovation? (Patent Pending/ Patent Granted/ Trademark/Copy Right)

We have been licensed through an Australian company called pre drill stress which we are currently negotiating to acquire

