

## Compact DCF Model

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### Table of Contents

[Model](#)

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# Unlevered Free Cash Flow Schedule

All figures in USD thousands unless stated

	2020A	2021A	2022A	2023F	2024F	2025F	2026F	2027F	Term
<b>PROFIT METRICS</b>									
EBITDA Growth		5.4%	7.3%	7.5%	7.0%	6.0%	5.0%	4.0%	2.5%
EBITDA	16,247	17,128	18,379	19,757	21,140	22,409	23,529	24,470	25,082
Tax Depreciation	2,960	3,196	3,452	3,700	3,700	3,700	3,700	3,700	3,700
Operating Profit	13,287	13,932	14,927	16,057	17,440	18,709	19,829	20,770	21,382
Tax Rate	18%	16%	16%	17%	17%	17%	17%	17%	17%
Current Tax	2,458	2,270	2,358	2,730	2,965	3,181	3,371	3,531	3,635

## UNLEVERED FREE CASH FLOW

EBITDA	19,757	21,140	22,409	23,529	24,470	25,082
Current Taxes	(2,730)	(2,965)	(3,181)	(3,371)	(3,531)	(3,635)
Capital Expenditure <sup>1</sup>	(3,700)	(3,700)	(3,700)	(3,700)	(3,700)	(3,700)
Cash from Working Capital	(100)	(100)	(100)	(100)	(100)	(100)
Unlevered Free Cash Flow	13,228	14,376	15,428	16,358	17,140	17,647

Capital expenditure has been set equal to tax depreciation. <sup>(1)</sup>

# Discounted Cash Flow Schedule

All figures in USD thousands unless stated

Valuation	Discrete Forecast					Term
(YY-MM-DD)	(YY-MM-DD)	(YY-MM-DD)	(YY-MM-DD)	(YY-MM-DD)	(YY-MM-DD)	(YY-MM-DD)
23-01-01	23-12-31	24-12-31	25-12-31	26-12-31	27-12-31	28-12-31

## UNLEVERED FREE CASH FLOW

13,228	14,376	15,428	16,358	17,140	17,647
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## ASSUMPTIONS

First Year of Forecast	2023
Terminal Growth Rate	2.0%
WACC <sup>1</sup>	13.5%

Discrete Forecast  
Terminal Value <sup>2</sup>  
Total Cash Flow

## CASH FLOW PROFILES

13,228	14,376	15,428	16,358	17,140
–	–	–	–	153,454
13,228	14,376	15,428	16,358	170,594

## ENTERPRISE VALUE

PV of Discrete	52,322	39%
PV of Terminal	81,470	61%
Enterprise Value	133,793	100%

## EQUITY VALUE PER SHARE

Equity Value	115,151
Shares Outstanding (FD 000)	34,200
Equity Value (USD/sh)	3.37

## EQUITY VALUE

Enterprise Value	133,793
Less: Net Debt	(18,642)
Equity Value	115,151

## PREMIUM (DISCOUNT)

Equity Value (USD/sh)	3.37
Current Price (USD/sh)	2.71
Premium (Discount)	24.2%

WACC = Weighted Average Cost of Capital. <sup>(1)</sup>

The growing perpetuity method was used to calculate the terminal value. <sup>(2)</sup>

# Sensitivity Analysis

All figures in USD thousands unless stated

Terminal Growth Rate	2.0%
WACC <sup>1</sup>	13.5%
Enterprise Value	133,793
Net Debt	18,642

Shares Outstanding	(FD 000)	34,200
Current Price	(\$/sh)	2.71

## ENTERPRISE VALUE <sup>2</sup>

		Terminal Growth Rate				
		1.0%	1.5%	2.0%	2.5%	3.0%
WACC	11.5%	152,610	157,486	162,876	168,864	175,557
	12.5%	138,832	142,703	146,942	151,606	156,760
	13.5%	127,275	130,398	133,793	137,496	141,552
	14.5%	117,445	119,999	122,758	125,747	128,996
	15.5%	108,983	111,098	113,369	115,815	118,457

## EQUITY VALUE PER SHARE

		Terminal Growth Rate				
		1.0%	1.5%	2.0%	2.5%	3.0%
WACC	11.5%	3.92	4.06	4.22	4.39	4.59
	12.5%	3.51	3.63	3.75	3.89	4.04
	13.5%	3.18	3.27	3.37	3.48	3.59
	14.5%	2.89	2.96	3.04	3.13	3.23
	15.5%	2.64	2.70	2.77	2.84	2.92

## EQUITY VALUE

		Terminal Growth Rate				
		1.0%	1.5%	2.0%	2.5%	3.0%
WACC	11.5%	133,968	138,844	144,234	150,222	156,915
	12.5%	120,190	124,061	128,300	132,964	138,118
	13.5%	108,633	111,756	115,151	118,854	122,910
	14.5%	98,803	101,357	104,116	107,105	110,354
	15.5%	90,341	92,456	94,727	97,173	99,815

## PREMIUM (DISCOUNT) TO CURRENT PRICE

		Terminal Growth Rate				
		1.0%	1.5%	2.0%	2.5%	3.0%
WACC	11.5%	44.5%	49.8%	55.6%	62.1%	69.3%
	12.5%	29.7%	33.9%	38.4%	43.5%	49.0%
	13.5%	17.2%	20.6%	24.2%	28.2%	32.6%
	14.5%	6.6%	9.4%	12.3%	15.6%	19.1%
	15.5%	(2.5%)	(0.2%)	2.2%	4.8%	7.7%

WACC = Weighted Average Cost of Capital. <sup>(1)</sup>

This table requires the workbook calculation to be set to automatic to update. <sup>(2)</sup>