

## DCF Valuation Modeling

Strictly Confidential

### Table of Contents

---

[Outputs](#)

[Inputs](#)

[Model](#)

### Model Checks

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Incorrect Date Set for Valuation?	No
Incorrect Date Set for First Cash Flow?	No
Terminal Growth Rate Greater Than or Equal To WACC?	No
Model Exceeding Operational Capacity?	No
Unused Tax Losses Remaining? (Levered Schedule)	No
Unused Tax Losses Remaining? (Unlevered Schedule)	No
Two UFCF Methods Different?	No

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Model Drivers Set To

Base Case



All figures in USD thousands unless stated

## Main Outputs <sup>1</sup>

	Enterprise Value	Equity Value	Equity Per Share
Best Case	177,724	159,082	4.65
Base Case	128,313	109,671	3.21
Worst Case	102,223	83,581	2.44

## Selected Inputs

Terminal Growth Rate		2.0%
WACC		9.7%
Net Debt	(End of 2022)	18,642
Shares Outstanding	(FD 000)	34,200
Current Stock Price	(US\$/sh)	2.23

## Enterprise Value <sup>1</sup>

		Terminal Growth Rate				
		1.0%	1.5%	2.0%	2.5%	3.0%
WACC	7.7%	149,960	158,165	167,799	179,270	193,161
	8.7%	132,424	138,346	145,146	153,035	162,298
	9.7%	118,876	123,308	<b>128,313</b>	134,008	140,549
	10.7%	108,088	111,500	115,304	119,568	124,384
	11.7%	99,290	101,978	104,942	108,227	111,888

## Equity Value per Share

		Terminal Growth Rate				
		1.0%	1.5%	2.0%	2.5%	3.0%
WACC	7.7%	3.84	4.08	4.36	4.70	5.10
	8.7%	3.33	3.50	3.70	3.93	4.20
	9.7%	2.93	3.06	<b>3.21</b>	3.37	3.56
	10.7%	2.62	2.72	2.83	2.95	3.09
	11.7%	2.36	2.44	2.52	2.62	2.73

## Equity Value

		Terminal Growth Rate				
		1.0%	1.5%	2.0%	2.5%	3.0%
WACC	7.7%	131,318	139,523	149,157	160,628	174,519
	8.7%	113,782	119,704	126,504	134,393	143,656
	9.7%	100,234	104,666	<b>109,671</b>	115,366	121,907
	10.7%	89,446	92,858	96,662	100,926	105,742
	11.7%	80,648	83,336	86,300	89,585	93,246

## Premium (Discount) to Stock Price

		Terminal Growth Rate				
		1.0%	1.5%	2.0%	2.5%	3.0%
WACC	7.7%	72.2%	82.9%	95.6%	110.6%	128.8%
	8.7%	49.2%	57.0%	65.9%	76.2%	88.4%
	9.7%	31.4%	37.2%	<b>43.8%</b>	51.3%	59.8%
	10.7%	17.3%	21.8%	26.7%	32.3%	38.6%
	11.7%	5.7%	9.3%	13.2%	17.5%	22.3%

These tables require the workbook calculation to be set to automatic to update. <sup>(1)</sup>

Model Drivers Set To

Base Case



All figures in USD thousands unless stated

## Main Outputs <sup>1</sup>

	Enterprise Value	Equity Value	Equity Per Share
Best Case	167,151	148,509	4.34
Base Case	129,228	110,586	3.23
Worst Case	110,027	91,385	2.67

## Selected Inputs

Terminal Multiple		7.0x
WACC		9.7%
Net Debt	(End of 2022)	18,642
Shares Outstanding	(FD 000)	34,200
Current Stock Price	(US\$/sh)	2.23

## Enterprise Value <sup>1</sup>

		Terminal Multiple				
		6.0x	6.5x	7.0x	7.5x	8.0x
WACC	7.7%	127,862	134,024	140,186	146,348	152,510
	8.7%	122,863	128,706	134,549	140,392	146,234
	9.7%	118,141	123,685	<b>129,228</b>	134,771	140,314
	10.7%	113,680	118,941	124,203	129,464	134,725
	11.7%	109,462	114,458	119,454	124,450	129,446

## Equity Value per Share

		Terminal Multiple				
		6.0x	6.5x	7.0x	7.5x	8.0x
WACC	7.7%	3.19	3.37	3.55	3.73	3.91
	8.7%	3.05	3.22	3.39	3.56	3.73
	9.7%	2.91	3.07	<b>3.23</b>	3.40	3.56
	10.7%	2.78	2.93	3.09	3.24	3.39
	11.7%	2.66	2.80	2.95	3.09	3.24

## Equity Value

		Terminal Multiple				
		6.0x	6.5x	7.0x	7.5x	8.0x
WACC	7.7%	109,220	115,382	121,544	127,706	133,868
	8.7%	104,221	110,064	115,907	121,750	127,592
	9.7%	99,499	105,043	<b>110,586</b>	116,129	121,672
	10.7%	95,038	100,299	105,561	110,822	116,083
	11.7%	90,820	95,816	100,812	105,808	110,804

## Premium (Discount) to Stock Price

		Terminal Multiple				
		6.0x	6.5x	7.0x	7.5x	8.0x
WACC	7.7%	43.2%	51.3%	59.4%	67.4%	75.5%
	8.7%	36.7%	44.3%	52.0%	59.6%	67.3%
	9.7%	30.5%	37.7%	<b>45.0%</b>	52.3%	59.5%
	10.7%	24.6%	31.5%	38.4%	45.3%	52.2%
	11.7%	19.1%	25.6%	32.2%	38.7%	45.3%

These tables require the workbook calculation to be set to automatic to update. <sup>(1)</sup>

## Drivers

All figures in USD thousands unless stated

### Driver Switch

Base Case



### Sales Volume Growth

	2023F	2024F	2025F	2026F	2027F	Term
	2.0%	1.0%	1.0%	0.5%	0.5%	0.5%
Best Case	3.0%	2.0%	2.0%	1.5%	1.5%	1.0%
Base Case	2.0%	1.0%	1.0%	0.5%	0.5%	0.5%
Worst Case	1.0%	1.0%	0.5%	0.5%	0.5%	0.5%

### Pricing Increases

	3.0%	1.0%	1.0%	1.0%	0.5%	0.5%
Best Case	3.5%	2.0%	2.0%	2.0%	1.5%	0.8%
Base Case	3.0%	1.0%	1.0%	1.0%	0.5%	0.5%
Worst Case	1.0%	1.0%	0.5%	0.5%	0.5%	0.5%

### Capital Expenditure

	4,550	4,700	4,850	5,000	5,125	5,300
Best Case	4,000	4,300	4,400	4,600	4,800	4,900
Base Case	4,550	4,700	4,850	5,000	5,125	5,300
Worst Case	5,000	5,200	5,400	5,500	5,600	5,800

### Inflation Rate

	3.5%	3.0%	3.0%	2.5%	2.5%	1.5%
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### Working Capital <sup>1</sup>

Accounts Receivable	(Days)	45	45	45	45	45
Inventory	(Days)	25	25	25	25	25
Accounts Payable	(Days)	40	40	40	40	40

We have assumed working capital amounts per day in terminal year are equal to the previous year. <sup>(1)</sup>

## Weighted Average Cost of Capital

All figures in USD thousands unless stated

Name	Region	Debt	Equity	Average Tax Rate <sup>1</sup>	Debt/Equity	Debt/Capital	Levered Beta <sup>2</sup>	Unlevered Beta <sup>3</sup>
Surge Batteries Inc.	Europe	63,702	375,499	31.5%	17.0%	14.5%	0.85	0.76
Future Energy Co.	Europe	43,422	311,425	32.2%	13.9%	12.2%	1.01	0.92
Clean Green Ltd.	Europe	26,211	131,996	31.9%	19.9%	16.6%	1.34	1.18
Full Power Solutions Ltd.	Europe	15,109	95,746	33.0%	15.8%	13.6%	0.99	0.90
Earthcor Power Inc.	Europe	95,234	666,541	30.2%	14.3%	12.5%	0.88	0.80
<b>Average</b>				31.8%	16.2%	13.9%	1.01	0.91
<b>Median</b>				31.9%	15.8%	13.6%	0.99	0.90

### Risk Premium for Equity

Market Risk Premium	4.7%
Average Unlevered Beta	0.91
Levered Beta <sup>4</sup>	1.03
Equity Risk Premium	4.8%

### Cost of Equity

Risk Free Rate	2.4%
Equity Risk Premium	4.8%
Country Risk Premium	3.6%
Cost of Equity	10.8%

### Capital Structure

		Current	Target
Total Debt	19,102	13.2%	15.0%
Market Capitalization	126,120	86.8%	85.0%
Total Capitalization	145,222	100.0%	100.0%

Debt / Equity 15.1% 17.6%

### Cost of Debt

Pre-Tax Cost of Debt	5.2%
Tax Rate	30.0%
After-Tax Cost of Debt	3.6%

### Weighted Average Cost of Capital

	Weight	Cost
Debt Capital	15.0%	3.6%
Equity Capital	85.0%	10.8%
Weighted Average Cost of Capital		9.7%

Tax Rate is a 5-Year Average. <sup>(1)</sup>

Levered beta is based on 5-year monthly data. <sup>(2)</sup>

Unlevered Beta = Levered Beta / (1 + (1 - Tax Rate) × Debt-to-Equity) <sup>(3)</sup>

Levered Beta = Unlevered Beta × (1 + (1 - Tax rate) × (Debt-to-Equity)) <sup>(4)</sup>

## Other Inputs

All figures in USD thousands unless stated

### Dates

Valuation Date	(YY-MM-DD)	2023/03/31
First Expected Cash Flow	(YY-MM-DD)	2023/06/30
First Fiscal Year End for Forecast	(YY-MM-DD)	2023/12/31
First Year of Forecast	(YYYY)	2023
Incorrect Date Set for Valuation?		No
Incorrect Date Set for First Cash Flow?		No
Days in Period		365

### Valuation

Shares Outstanding	(FD 000)	34,200
Current Stock Price	(US\$/sh)	2.23
Terminal Growth Rate		2.0%
Terminal EBITDA Multiple <sup>1</sup>		7.0x
Weighted Average Cost of Capital (WACC)		9.7%
Terminal Growth Greater Than or Equal To WACC?		No

### End of 2022 Balances

Net Debt	18,642
Property Plant & Equipment	65,014
Tax Basis for PP&E	39,211
Tax Losses	24,128

### Other Inputs

Plant Capacity	(Units/Day)	1,600
Projected Interest Expense		2,520
First Year Tax Depreciation		50%
Blended Tax Depreciation Rate		15.0%
First Year Accounting Depreciation		50%
Useful Life: Existing Assets	(Years)	16.00
Useful Life: New Assets	(Years)	20.00

The Terminal EBITDA multiple should reflect a 'steady-state' industry multiple. <sup>(1)</sup>

## Revenue Schedule

All figures in USD thousands unless stated

Model Running: Base Case Drivers

Days in Period	365
Plant Capacity	1,600

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

### OPERATIONS

Sales Volume Growth		2.0%	2.1%	2.0%	1.0%	1.0%	0.5%	0.5%	0.5%
Sales Volume	(Units/Day)	1,374	1,401	1,430	1,459	1,473	1,488	1,495	1,503
Plant Capacity	(Units/Day)	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Operational Efficiency		85.9%	87.6%	89.4%	91.2%	92.1%	93.0%	93.5%	93.9%

### VOLUME

Days in Period		365	365	365	365	365	365	365	365
Sales Volume	(Units/Day)	1,374	1,401	1,430	1,459	1,473	1,488	1,495	1,503
Sales Volume	(Units)	501,510	511,365	521,950	532,389	537,713	543,090	545,805	548,534

### PRICING

Pricing Increases		1.7%	2.1%	3.0%	1.0%	1.0%	1.0%	0.5%	0.5%
Unit Price	(USD/Unit)	102.86	104.61	106.81	110.01	111.11	112.23	113.35	113.91

### REVENUE

Sales Volume	(Units)	501,510	511,365	521,950	532,389	537,713	543,090	545,805	548,534
Sales Price	(USD/Unit)	102.86	104.61	106.81	110.01	111.11	112.23	113.35	113.91
Revenue		51,585	53,494	55,749	58,570	59,748	60,949	61,866	62,486

Operational Capacity Exceeded?	No	No	No	No	No	No	No	No	No
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## Cost Schedule

All figures in USD thousands unless stated

Model Running: Base Case Drivers

	2020A	2021A	2022A	2023F	2024F	2025F	2026F	2027F	Term
Sales Volume	501,510	511,365	521,950	532,389	537,713	543,090	545,805	548,534	551,277
Inflation	2.4%	2.2%	2.3%	3.5%	3.0%	3.0%	2.5%	2.5%	1.5%

### VARIABLE COSTS

Materials	(USD/Unit)	9.51	9.72	9.91	10.26	10.56	10.88	11.15	11.43	11.60
Packaging	(USD/Unit)	0.82	0.84	0.86	0.89	0.92	0.94	0.97	0.99	1.01
Transportation	(USD/Unit)	1.54	1.58	1.62	1.68	1.73	1.78	1.82	1.87	1.90
Subtotal		11.87	12.14	12.39	12.82	13.21	13.60	13.94	14.29	14.51
Materials		4,769	4,970	5,173	5,461	5,681	5,910	6,088	6,271	6,397
Packaging		411	430	449	474	493	513	528	544	555
Transportation		772	808	846	893	929	966	995	1,025	1,046
Subtotal		5,953	6,208	6,467	6,827	7,102	7,389	7,611	7,840	7,998

### FIXED COSTS

Labor	(USD/Unit)	31.17	31.24	31.31	31.77	32.40	33.04	33.70	34.37	34.71
Utilities	(USD/Unit)	7.28	7.30	7.31	7.42	7.57	7.72	7.87	8.03	8.11
Insurance	(USD/Unit)	4.91	4.92	4.93	5.01	5.11	5.21	5.31	5.42	5.47
Subtotal		43.36	43.45	43.55	44.19	45.07	45.96	46.88	47.81	48.29
Labor		15,630	15,973	16,341	16,913	17,420	17,943	18,392	18,851	19,134
Utilities		3,651	3,731	3,817	3,951	4,069	4,191	4,296	4,403	4,469
Insurance		2,463	2,517	2,575	2,665	2,745	2,827	2,898	2,971	3,015
Subtotal		21,744	22,221	22,733	23,529	24,235	24,962	25,586	26,225	26,619

### SUMMARY

Variable Costs	(USD/Unit)	11.87	12.14	12.39	12.82	13.21	13.60	13.94	14.29	14.51
Fixed Costs	(USD/Unit)	43.36	43.45	43.55	44.19	45.07	45.96	46.88	47.81	48.29
Total Costs	(USD/Unit)	55.23	55.59	55.94	57.02	58.28	59.57	60.82	62.10	62.79
Variable Costs		5,953	6,208	6,467	6,827	7,102	7,389	7,611	7,840	7,998
Fixed Costs		21,744	22,221	22,733	23,529	24,235	24,962	25,586	26,225	26,619
Total Costs		27,697	28,429	29,200	30,356	31,337	32,350	33,197	34,066	34,616



## Income Statement

All figures in USD thousands unless stated

Model Running: Base Case Drivers

	2020A	2021A	2022A	2023F	2024F	2025F	2026F	2027F	Term
Inflation	2.4%	2.2%	2.3%	3.5%	3.0%	3.0%	2.5%	2.5%	1.5%
Interest Expense	2,520								
Tax Rate	30.0%								
Revenue	51,585	53,494	55,749	58,570	59,748	60,949	61,866	62,486	63,113
COGS	27,697	28,429	29,200	30,356	31,337	32,350	33,197	34,066	34,616
<b>Gross Profit</b>	<b>23,888</b>	<b>25,065</b>	<b>26,549</b>	<b>28,215</b>	<b>28,411</b>	<b>28,599</b>	<b>28,669</b>	<b>28,420</b>	<b>28,496</b>
SG&A	5,877	6,006	6,144	6,359	6,550	6,746	6,915	7,088	7,194
Other	1,764	1,931	2,026	2,097	2,160	2,225	2,280	2,337	2,372
<b>EBITDA</b>	<b>16,247</b>	<b>17,128</b>	<b>18,379</b>	<b>19,759</b>	<b>19,701</b>	<b>19,628</b>	<b>19,474</b>	<b>18,995</b>	<b>18,930</b>
Depreciation	2,960	3,196	3,452	4,177	4,408	4,647	4,893	5,147	5,300
<b>EBIT</b>	<b>13,287</b>	<b>13,932</b>	<b>14,927</b>	<b>15,582</b>	<b>15,293</b>	<b>14,980</b>	<b>14,581</b>	<b>13,849</b>	<b>13,630</b>
Interest	1,488	2,580	2,448	2,520	2,520	2,520	2,520	2,520	2,520
<b>EBT</b>	<b>11,799</b>	<b>11,352</b>	<b>12,479</b>	<b>13,062</b>	<b>12,773</b>	<b>12,460</b>	<b>12,061</b>	<b>11,329</b>	<b>11,110</b>
Current Tax	–	–	–	–	–	2,817	3,385	3,269	3,333
Deferred Tax	3,155	2,861	3,012	3,918	3,832	921	233	130	–
Total Tax	3,155	2,861	3,012	3,918	3,832	3,738	3,618	3,399	3,333
<b>Net Income</b>	<b>8,644</b>	<b>8,491</b>	<b>9,467</b>	<b>9,143</b>	<b>8,941</b>	<b>8,722</b>	<b>8,442</b>	<b>7,930</b>	<b>7,777</b>

## Working Capital Schedule

All figures in USD thousands unless stated

Model Running: Base Case Drivers

	2020A	2021A	2022A	2023F	2024F	2025F	2026F	2027F	Term
Days in Period	365	365	365	365	365	365	365	365	365
Revenue	51,585	53,494	55,749	58,570	59,748	60,949	61,866	62,486	63,113
COGS	27,697	28,429	29,200	30,356	31,337	32,350	33,197	34,066	34,616

### AMOUNTS PER DAY <sup>1</sup>

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

### TOTAL AMOUNTS

Accounts Receivable	5,708	6,333	6,624	7,221	7,366	7,514	7,627	7,704	7,781
Inventory	1,792	1,923	2,009	2,079	2,146	2,216	2,274	2,333	2,371
Accounts Payable	3,024	3,205	3,319	3,327	3,434	3,545	3,638	3,733	3,794

### NET WORKING CAPITAL

Current Assets	7,500	8,256	8,633	9,300	9,513	9,730	9,901	10,037	10,152
Current Liabilities	3,024	3,205	3,319	3,327	3,434	3,545	3,638	3,733	3,794
Net Working Capital	4,476	5,051	5,314	5,974	6,078	6,185	6,263	6,304	6,358

### Cash from Working Capital Items

(575)	(263)	(660)	(105)	(106)	(78)	(41)	(55)
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We have assumed working capital amounts per day in terminal year are equal to the previous year. <sup>(1)</sup>

## Depreciation Schedule

All figures in USD thousands unless stated

Model Running: Base Case Drivers

Capital Expenditure

	2020A	2021A	2022A	2023F	2024F	2025F	2026F	2027F
	4,982	5,199	4,400	4,550	4,700	4,850	5,000	5,125

### EXISTING ASSET DEPRECIATION <sup>1</sup>

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 <sup>1</sup>

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	4,550	228	114	228	228	228	228
2024F	4,700	235	-	118	235	235	235
2025F	4,850	243	-	-	121	243	243
2026F	5,000	250	-	-	-	125	250
2027F	5,125	256	-	-	-	-	128

### TOTAL ASSET DEPRECIATION <sup>2</sup>

Existing Assets	4,063	4,063	4,063	4,063	4,063
New Assets	114	345	584	830	1,083
Total Depreciation	4,177	4,408	4,647	4,893	5,147

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

This schedule calculates depreciation on a straight-line basis. <sup>(2)</sup>

## 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%

2022A	2023F	2024F	2025F	2026F	2027F
	4,550	4,700	4,850	5,000	5,125

### PROPERTY PLANT & EQUIPMENT <sup>1</sup>

Beginning	65,014	65,387	65,679	65,881	65,988
Capital Expenditure	4,550	4,700	4,850	5,000	5,125
Accounting Depreciation	(4,177)	(4,408)	(4,647)	(4,893)	(5,147)
Ending	65,014	65,387	65,679	65,881	65,967

### TAX BASIS <sup>1</sup>

Beginning	39,211	37,538	36,255	35,303	34,632
Capital Expenditure	4,550	4,700	4,850	5,000	5,125
Tax Depreciation	(6,223)	(5,983)	(5,802)	(5,670)	(5,579)
Ending	39,211	37,538	36,255	34,632	34,178

Model assumes no dispositions that would impact the PP&E or the Tax Basis. <sup>(1)</sup>

## Income Tax Schedule (Levered)

All figures in USD thousands unless stated

Model Running: Base Case Drivers

Earnings Before Tax (EBT)

Profitable Before Taxes?

Tax Rate	30.0%
Unused Tax Losses Remaining?	No

2022A	2023F	2024F	2025F	2026F	2027F
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13,062	12,773	12,460	12,061	11,329
Yes	Yes	Yes	Yes	Yes

### ADJUSTMENT FOR DEPRECIATION

EBT	13,062	12,773	12,460	12,061	11,329
Add: Accounting Depreciation	4,177	4,408	4,647	4,893	5,147
Less: Tax Depreciation	(6,223)	(5,983)	(5,802)	(5,670)	(5,579)
EBT After Adjustment	11,016	11,198	11,306	11,284	10,896

### ADJUSTMENT FOR TAX LOSSES <sup>1</sup>

EBT After Adjustment	11,016	11,198	11,306	11,284	10,896
Less: Use of Tax Losses <sup>2</sup>	(11,016)	(11,198)	(1,914)	-	-
Taxable Income	-	-	9,391	11,284	10,896

### TAX LOSSES

Beginning	24,128	13,112	1,914	-	-
Add: New Losses	-	-	-	-	-
Less: Use of Tax Losses	(11,016)	(11,198)	(1,914)	-	-
Ending	24,128	13,112	1,914	-	-

### TAXES

Current Taxes	-	-	2,817	3,385	3,269
Deferred Taxes	3,918	3,832	921	233	130
Total Taxes	3,918	3,832	3,738	3,618	3,399

This schedule assumes that tax losses can be carried forward indefinitely into the future. <sup>(1)</sup>  
This schedule assumes losses do not carry back to previous periods to reduce taxable income. <sup>(2)</sup>

## Income Tax Schedule (Unlevered)

All figures in USD thousands unless stated

Model Running: Base Case Drivers

Earnings Before Interest & Tax (EBIT)

Profitable Before Taxes?

Tax Rate	30.0%
Unused Tax Losses Remaining?	No

2022A	2023F	2024F	2025F	2026F	2027F
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15,582	15,293	14,980	14,581	13,849
Yes	Yes	Yes	Yes	Yes

### ADJUSTMENT FOR DEPRECIATION

EBIT	15,582	15,293	14,980	14,581	13,849
Add: Accounting Depreciation	4,177	4,408	4,647	4,893	5,147
Less: Tax Depreciation	(6,223)	(5,983)	(5,802)	(5,670)	(5,579)
EBIT After Adjustment	13,536	13,718	13,826	13,804	13,416

### ADJUSTMENT FOR TAX LOSSES <sup>1</sup>

EBIT After Adjustment	13,536	13,718	13,826	13,804	13,416
Less: Use of Tax Losses <sup>2</sup>	(13,536)	(10,592)	-	-	-
Taxable Income	-	3,126	13,826	13,804	13,416

### TAX LOSSES

Beginning	24,128	10,592	-	-	-
Add: New Losses	-	-	-	-	-
Less: Use of Tax Losses	(13,536)	(10,592)	-	-	-
Ending	24,128	10,592	-	-	-

### TAXES

Current Taxes	-	938	4,148	4,141	4,025
Deferred Taxes	4,674	3,650	346	233	130
Total Taxes	4,674	4,588	4,494	4,374	4,155

This schedule assumes that tax losses can be carried forward indefinitely into the future. <sup>(1)</sup>  
This schedule assumes losses do not carry back to previous periods to reduce taxable income. <sup>(2)</sup>

## Unlevered Free Cash Flow Schedule

All figures in USD thousands unless stated

Model Running: Base Case Drivers

### TAX SHIELD FROM INTEREST

Line Item	Term
Current Taxes (Unlevered)	EBIT 13,630
Current Taxes (Levered)	EBT 11,110
Total Tax Shield	Tax Rate 30%

2023F	2024F	2025F	2026F	2027F	Term
-	938	4,148	4,141	4,025	4,089
-	-	2,817	3,385	3,269	3,333
-	938	1,330	756	756	756

### EBITDA METHOD

EBITDA	19,759	19,701	19,628	19,474	18,995	18,930
Current Taxes	-	(938)	(4,148)	(4,141)	(4,025)	(4,089)
Capital Expenditure	(4,550)	(4,700)	(4,850)	(5,000)	(5,125)	(5,300)
Change in Working Capital	(660)	(105)	(106)	(78)	(41)	(55)
Unlevered Free Cash Flow	14,549	13,959	10,523	10,255	9,805	9,486

### NET INCOME METHOD

Net Income	9,143	8,941	8,722	8,442	7,930	7,777
Depreciation <sup>1</sup>	4,177	4,408	4,647	4,893	5,147	5,300
Deferred Tax <sup>2</sup>	3,918	3,832	921	233	130	-
Interest Expense	2,520	2,520	2,520	2,520	2,520	2,520
Tax Shield From Interest	-	(938)	(1,330)	(756)	(756)	(756)
Capital Expenditure	(4,550)	(4,700)	(4,850)	(5,000)	(5,125)	(5,300)
Change in Working Capital	(660)	(105)	(106)	(78)	(41)	(55)
Unlevered Free Cash Flow	14,549	13,959	10,523	10,255	9,805	9,486

Two UFCF Methods Different?

No	No	No	No	No	No
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Capital expenditure has been set equal to depreciation in the terminal year. <sup>(1)</sup>

This schedule assumes no deferred taxes in the terminal year. <sup>(2)</sup>

## Discounted Cash Flow Schedule: Perpetuity Method

All figures in USD thousands unless stated

Model Running: Base Case Drivers

Terminal Growth	2.0%
WACC	9.7%

**Fiscal Year End**  
**Cash Flow Timing**

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)	(YY-MM-DD)
23/03/31	23/12/31	24/12/31	25/12/31	26/12/31	27/12/31	28/12/31	28/12/31
23/03/31	23/06/30	24/06/30	25/06/30	26/06/30	27/06/30	28/06/30	28/06/30

Unlevered Free Cash Flow

-	14,549	13,959	10,523	10,255	9,805	9,486
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### UNADJUSTED CASH FLOW

Discrete Forecast	-	14,549	13,959	10,523	10,255	9,805
Terminal Value	-	-	-	-	-	122,513
Total Cash Flow	-	14,549	13,959	10,523	10,255	132,318

### ADJUSTED CASH FLOW

Partial Period Adjustment	-	75.0%	100.0%	100.0%	100.0%	100.0%
Discrete Forecast	-	10,912	13,959	10,523	10,255	9,805
Terminal Value	-	-	-	-	-	122,513
Total Cash Flow	-	10,912	13,959	10,523	10,255	132,318

### DISCOUNTED CASH FLOW

Years for Discounting	-	0.25	1.25	2.25	3.25	4.25
Discrete Forecast	-	10,661	12,427	8,537	7,580	6,604
Terminal Value	-	-	-	-	-	82,524
Total Cash Flow	-	10,661	12,427	8,537	7,580	89,129

### ENTERPRISE VALUE

Manual Method	128,334
XNPV Function <sup>1</sup>	128,313

### ENTERPRISE VALUE

PV of Discrete	36%	45,810
PV of Terminal	64%	82,524
Enterprise Value	100%	128,334

### EQUITY VALUE

Enterprise Value	128,313
Less: Net Debt	(18,642)
Equity Value	109,671

### EQUITY VALUE PER SHARE

Equity Value		109,671
Shares Outstanding	(FD 000)	34,200
Equity Value	(\$/sh)	3.21

The Enterprise Value from the XNPV Function is slightly different due to treatment of leap years. <sup>(1)</sup>



## Discounted Cash Flow Schedule: Multiple Method

All figures in USD thousands unless stated

Model Running: Base Case Drivers

Terminal Multiple	7.0x
WACC	9.7%

**Fiscal Year End**  
**Cash Flow Timing**

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)	(YY-MM-DD)
23/03/31	23/12/31	24/12/31	25/12/31	26/12/31	27/12/31	28/12/31	28/12/31
23/03/31	23/06/30	24/06/30	25/06/30	26/06/30	27/06/30	28/06/30	28/06/30

Unlevered Free Cash Flow  
EBITDA

14,549	13,959	10,523	10,255	9,805	9,486
					18,930

### UNADJUSTED CASH FLOW

Discrete Forecast  
Terminal Value <sup>1</sup>  
Total Cash Flow

<b>Terminal</b>
<b>Adjustment</b>
0.50

-	14,549	13,959	10,523	10,255	9,805	9,486
-	-	-	-	-	-	126,489
-	14,549	13,959	10,523	10,255	9,805	135,975

### ADJUSTED CASH FLOW

Partial Period Adjustment  
  
Discrete Forecast  
Terminal Value  
Total Cash Flow

-	75.0%	100.0%	100.0%	100.0%	100.0%	100.0%
-	10,912	13,959	10,523	10,255	9,805	9,486
-	-	-	-	-	-	126,489
-	10,912	13,959	10,523	10,255	9,805	135,975

### DISCOUNTED CASH FLOW

Years for Discounting  
  
Discrete Forecast  
Terminal Value  
Total Cash Flow

-	0.25	1.25	2.25	3.25	4.25	5.25
-	10,661	12,427	8,537	7,580	6,604	5,823
-	-	-	-	-	-	77,638
-	10,661	12,427	8,537	7,580	6,604	83,461

### ENTERPRISE VALUE

Manual Method	129,271
XNPV Function <sup>2</sup>	129,228

### ENTERPRISE VALUE

PV of Discrete	40%	51,633
PV of Terminal	60%	77,638
Enterprise Value	100%	129,271

### EQUITY VALUE

Enterprise Value	129,228
Less: Net Debt	(18,642)
Equity Value	110,586

### EQUITY VALUE PER SHARE

Equity Value		110,586
Shares Outstanding	(FD 000)	34,200
Equity Value	(\$/sh)	3.23

We have applied an LTM multiple to the EBITDA at the end of the terminal year to calculate the Terminal Value. <sup>(1)</sup>  
The Enterprise Value from the XNPV Function is slightly different from the Manual Method due to treatment of leap years. <sup>(2)</sup>