

DISCOUNTED CASH FLOW MODEL												
Check	Okay	Okay	Okay	Okay	Okay	Okay	Okay	Okay	Okay	Okay	Okay	Okay
	365	365	365	365	365	365	365	365	365	365	365	365

All figures are in millions of USD\$

SCENARIO SWITCH **1** SHARE PRICE **\$5.04**

**ASSUMPTIONS AND DRIVERS**

**Base Case**

Revenue growth rate		15.76%	11.23%	8.37%	5.92%	11%	11%	11%	11%	11%	11%
COGS as a % of revenue	-38.26%	-40.65%	-37.40%	-37.41%	-38.01%	38%	38%	38%	38%	38%	38%
Salaries & Benefits as a % of revenue	-25.91%	-19.19%	-18.18%	-16.16%	-16.74%	20%	20%	20%	20%	20%	20%
Rent & overheads as a % of revenue	-10.75%	-8.57%	-7.68%	-7.74%	-7.57%	9%	9%	9%	9%	9%	9%
Depreciation as a % of revenue	-19.12%	-15.37%	-13.10%	-11.62%	-10.67%	14%	14%	14%	14%	14%	14%
Interest expense as a % of LTD	-5.00%	-5.00%	-5.00%	-3.00%	-3.00%	5%	5%	5%	5%	5%	5%
Income tax as a % of EBT	-31.17%	-29.18%	-28.70%	-28.99%	-29.12%	29%	29%	29%	29%	29%	29%
DSO	18 days	18 days	18 days	18 days	18 days	20 days	20 days	20 days	20 days	20 days	20 days
DIO	-73 days	-73 days	-73 days	-72 days	-72 days	72 days	72 days	72 days	72 days	72 days	72 days
DPO	-37 days	-37 days	-37 days	-36 days	-36 days	37 days	37 days	37 days	37 days	37 days	37 days
PPE as a % of revenue	44.60%	35.86%	30.56%	27.12%	24.89%	33%	33%	33%	33%	33%	33%

**Upside case**

Revenue growth rate						14%	14%	14%	14%	14%	14%
COGS as a % of revenue						34%	34%	34%	34%	34%	34%
Salaries & Benefits as a % of revenue						18%	18%	18%	18%	18%	18%
Rent & overheads as a % of revenue						7%	7%	7%	7%	7%	7%
Depreciation as a % of revenue						11%	11%	11%	11%	11%	11%
Interest expense as a % of LTD						3%	3%	3%	3%	3%	3%
Income tax as a % of EBT						29%	29%	29%	29%	29%	29%
DSO						20 days	20 days	20 days	20 days	20 days	20 days
DIO						72 days	72 days	72 days	72 days	72 days	72 days
DPO						37 days	37 days	37 days	37 days	37 days	37 days
PPE as a % of revenue						33%	33%	33%	33%	33%	33%

**Downside case**

Revenue growth rate						9%	9%	9%	9%	9%	9%
COGS as a % of revenue						41%	41%	41%	41%	41%	41%
Salaries & Benefits as a % of revenue						23%	23%	23%	23%	23%	23%
Rent & overheads as a % of revenue						11%	11%	11%	11%	11%	11%
Depreciation as a % of revenue						16%	16%	16%	16%	16%	16%
Interest expense as a % of LTD						7%	7%	7%	7%	7%	7%
Income tax as a % of EBT						29%	29%	29%	29%	29%	29%
DSO						20 days	20 days	20 days	20 days	20 days	20 days
DIO						72 days	72 days	72 days	72 days	72 days	72 days
DPO						37 days	37 days	37 days	37 days	37 days	37 days
PPE as a % of revenue						33%	33%	33%	33%	33%	33%

**Active case**

Revenue growth rate						11%	11%	11%	11%	11%	11%
COGS as a % of revenue						38%	38%	38%	38%	38%	38%
Salaries & Benefits as a % of revenue						20%	20%	20%	20%	20%	20%
Rent & overheads as a % of revenue						9%	9%	9%	9%	9%	9%
Depreciation as a % of revenue						14%	14%	14%	14%	14%	14%
Interest expense as a % of LTD						5%	5%	5%	5%	5%	5%
Income tax as a % of EBT						29%	29%	29%	29%	29%	29%
DSO						20 days	20 days	20 days	20 days	20 days	20 days
DIO						72 days	72 days	72 days	72 days	72 days	72 days
DPO						37 days	37 days	37 days	37 days	37 days	37 days
PPE as a % of revenue						33%	33%	33%	33%	33%	33%

Notes

DISCOUNTED CASH FLOW MODEL												
Check	Okay	Okay	Okay	Okay	Okay	Okay	Okay	Okay	Okay	Okay	Okay	Okay
	365	365	365	365	365	365	365	365	365	365	365	365
	2018A	2019A	2020A	2021A	2022A	2023F	2024F	2025F	2026F	2027F	2028F	Notes

All figures are in millions of USD\$

SCENARIO SWITCH	SHARE PRICE											
1	\$5.04											
<b>Income Statement For The Period Ended Dec 31</b>												
Revenue	102,007	118,086	131,345	142,341	150,772	167,357	185,766	206,200	228,883	254,060	282,006	
Cost of Goods Sold (COGS)	(39,023)	(48,004)	(49,123)	(53,254)	(57,310)	(63,596)	(70,591)	(78,356)	(86,975)	(96,543)	(107,162)	
<b>Gross Profit</b>	<b>62,984</b>	<b>70,082</b>	<b>82,222</b>	<b>89,087</b>	<b>93,462</b>	<b>103,761</b>	<b>115,175</b>	<b>127,844</b>	<b>141,907</b>	<b>157,517</b>	<b>174,844</b>	
<b>Expenses</b>												
Salaries and Benefits	(26,427)	(22,658)	(23,872)	(23,002)	(25,245)	(33,471)	(37,153)	(41,240)	(45,777)	(50,812)	(56,401)	
Rent and Overhead	(10,963)	(10,125)	(10,087)	(11,020)	(11,412)	(15,062)	(16,719)	(18,558)	(20,599)	(22,865)	(25,381)	
Depreciation & Amortization	(19,500)	(18,150)	(17,205)	(16,544)	(16,080)	(23,430)	(26,007)	(28,868)	(32,044)	(35,568)	(39,481)	
<b>EBIT</b>	<b>6,094</b>	<b>19,149</b>	<b>31,058</b>	<b>38,522</b>	<b>40,725</b>	<b>31,798</b>	<b>35,296</b>	<b>39,178</b>	<b>43,488</b>	<b>48,271</b>	<b>53,581</b>	
Interest	(2,500)	(2,500)	(1,500)	(900)	(900)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	
<b>EBT</b>	<b>3,594</b>	<b>16,649</b>	<b>29,558</b>	<b>37,622</b>	<b>39,825</b>	<b>30,298</b>	<b>33,796</b>	<b>37,678</b>	<b>41,988</b>	<b>46,771</b>	<b>52,081</b>	
Taxes	(1,120)	(4,858)	(8,483)	(10,908)	(11,598)	(8,786)	(9,801)	(10,927)	(12,176)	(13,564)	(15,104)	
<b>Net Earnings</b>	<b>2,474</b>	<b>11,791</b>	<b>21,075</b>	<b>26,713</b>	<b>28,227</b>	<b>21,511</b>	<b>23,995</b>	<b>26,751</b>	<b>29,811</b>	<b>33,208</b>	<b>36,978</b>	

<b>Balance Sheet As At Dec 31</b>												
<b>Assets</b>												
Cash	167,971	181,210	183,715	211,069	239,550	241,295	257,536	275,680	295,936	318,539	343,744	
Accounts Receivable	5,100	5,904	6,567	7,117	7,539	9,170	10,179	11,299	12,542	13,921	15,452	
Inventory	7,805	9,601	9,825	10,531	11,342	12,545	13,925	15,457	17,157	19,044	21,139	
Property & Equipment	45,500	42,350	40,145	38,602	37,521	55,228	61,303	68,046	75,531	83,840	93,062	
<b>Total Assets</b>	<b>226,376</b>	<b>239,065</b>	<b>240,252</b>	<b>267,319</b>	<b>295,951</b>	<b>318,238</b>	<b>342,942</b>	<b>370,481</b>	<b>401,166</b>	<b>435,343</b>	<b>473,397</b>	
<b>Liabilities</b>												
Accounts Payable	3,902	4,800	4,912	5,265	5,671	6,447	7,156	7,943	8,817	9,787	10,863	
Debt	50,000	50,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	
<b>Total Liabilities</b>	<b>53,902</b>	<b>54,800</b>	<b>34,912</b>	<b>35,265</b>	<b>35,671</b>	<b>36,447</b>	<b>37,156</b>	<b>37,943</b>	<b>38,817</b>	<b>39,787</b>	<b>40,863</b>	
<b>Shareholder's Equity</b>												
Equity Capital	170,000	170,000	170,000	170,000	170,000	170,000	170,000	170,000	170,000	170,000	170,000	
Retained Earnings	2,474	14,265	35,340	62,053	90,280	111,792	135,786	162,538	192,349	225,557	262,534	
<b>Shareholder's Equity</b>	<b>172,474</b>	<b>184,265</b>	<b>205,340</b>	<b>232,053</b>	<b>260,280</b>	<b>281,792</b>	<b>305,786</b>	<b>332,538</b>	<b>362,349</b>	<b>395,557</b>	<b>432,534</b>	
<b>Total Liabilities &amp; Shareholder's Equity</b>	<b>226,376</b>	<b>239,065</b>	<b>240,252</b>	<b>267,319</b>	<b>295,951</b>	<b>318,238</b>	<b>342,942</b>	<b>370,481</b>	<b>401,166</b>	<b>435,343</b>	<b>473,397</b>	
Check	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	

Notes

Remains unchanged

Remains unchanged



**DISCOUNTED CASH FLOW MODEL**

Check Okay 365 Okay 365 Okay 365 Okay 365 Okay 365 Okay 365 Okay 365 Okay 365 Okay 365

All figures are in millions of USD\$

SCENARIO SWITCH 1 SHARE PRICE \$5.04

**DCF Valuation**

	2018A	2019A	2020A	2021A	2022A	2023F	2024F	2025F	2026F	2027F	2028F
<b>Unlevered Free Cash Flows</b>											
EBIT						31,798	35,296	39,178	43,488	48,271	53,581
Operating Taxes						(8,786)	(9,801)	(10,927)	(12,176)	(13,564)	(15,104)
<b>NOPAT</b>						<b>23,011</b>	<b>25,495</b>	<b>28,251</b>	<b>31,311</b>	<b>34,708</b>	<b>38,478</b>
Add Depreciation & Amortization						23,430	26,007	28,868	32,044	35,568	39,481
Changes in WC						2,059	1,680	1,864	2,069	2,297	2,550
Capex						(41,137)	(32,082)	(35,611)	(39,529)	(43,877)	(48,703)
<b>UFCF</b>						<b>7,364</b>	<b>21,099</b>	<b>23,372</b>	<b>25,896</b>	<b>28,696</b>	<b>31,805</b>

Valuation				Assumptions:						
		WACC	10%							
		Growth rate	3%							
		No. of shares outstanding	90,000							
					1	2	3	4	5	6
					2023F	2024F	2025F	2026F	2027F	2028F
Unlevered Free Cash Flows					\$7,364	\$21,099	\$23,372	\$25,896	\$28,696	\$31,805
Discount factor					0.91	0.83	0.75	0.68	0.62	0.56
PV of UFCF					\$6,694	\$17,437	\$17,560	\$17,687	\$17,818	\$17,953

Enterprise Value		Equity Value	
PV of UFCF	\$95,150	Enterprise value	\$244,265
Continuing Value	\$264,166	Less LTD	30,000
PV of the Conituning value	<u>\$149,115</u>	Add Cash & Cash Eqv.	<u>239,550</u>
	<u><b>\$244,265</b></u>		<u><b>\$453,814</b></u>
		Eq. value per share	\$5.04

**Sensitivity Analysis**

		WACC				
		8%	9%	10%	11%	12%
g	1%	\$284,303	\$241,282	\$208,876	\$183,761	\$163,840
	2%	\$316,781	\$263,292	\$224,359	\$194,973	\$172,152
	3%	\$362,249	\$292,638	\$244,265	\$208,989	\$182,311
	4%	\$430,452	\$333,723	\$270,806	\$227,009	\$195,010
	5%	\$544,124	\$395,350	\$307,964	\$251,035	\$211,337