

BUSINESS VALUATION QUESTIONNAIRE - LITE

Please respond to the list of questions below as fully as possible, as this will enable us to formulate a valuation range for your business within the correct context.

Please note that this process is treated in the strictest confidence.

Part 1: Corporate profile

- 1) What is the intention of the valuation?
- 2) State the legal status of the business (sole prop, company, close corporation etc).
- 3) State the core activities of the business
- 4) Provide some names of competitors within your industry, which you benchmark or would like to benchmark against?
- 5) Financial statements for the past 2 to 3 years.
- 6) What are the (internal) strengths and weaknesses of your company?

Part 2: Looking forward

Sales revenue

- 7) Your estimation of % sales revenue growth over the next 2 to 5 years pa? This is a key question, as most of your businesses value is derived from sales revenue.
 - a) If relevant, provide separate growth projections for each business operation or key product / service
- 8) What is your estimated share of the market within South Africa / province that the business operates within?

Costs and GP%

- 9) Will there be employment increases over the next 5 years and if yes, advises how many employees will be added into the business, as well as their annual remuneration. If possible, please specify the timing and cost per year over the next 5 years.

Plant, property & equipment spend (capex)

- 10) Indicate the amount and timing of capital spend you will have to incur over the next 5 years, to maintain and grow your business. (These amounts reflect as non-current assets on your Balance Sheet).

Working capital

- 11) We will use historic ratios to forecast projections around stock-turn, receivable collections and supplier payments. If there is any anticipated change in current management efficiencies, let us know.

Valuation

- 12) Finally, what is your own personal valuation range for the business?
- 13) Have you heard about EBITDA and if so, what is your industry EBITDA multiple for businesses sold recently that you may be aware of?

Part 4: Asset fair market values

- 14) If the business owns fixed property, including buildings – could you indicate what the estimated market values would be if the property were to be sold currently.
- 15) If the business owns land, has the land been revalued recently? If so, what is the valuation of these assets?
- 16) Does the business own any patents / intangible assets? If so please describe these fully.

Part 5: Other

Let us know if any other significant information that you believe will enhance or reduce the value of your business: