

KALAHARI AIRWAYS - 5 YEAR PROJECTION

PROFIT & LOSS

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Aircraft Numbers	3.0	3.2	5.2	7.3	10.3	13.0
Flight Hours	0	9,061	17,557	27,257	34,208	40,951
Block Hours	0	10,612	20,376	31,661	39,897	47,892
Rotations	0	456	773	1,090	1,412	1,724
Sectors	0	1,643	2,911	4,179	5,463	6,715
Capacity	0	257,690	481,492	705,294	931,920	1,040,997
Passengers	0	185,974	365,855	545,177	734,683	820,371
Load Factor %	0%	72%	76%	77%	79%	79%
REVENUE						
Net Passenger Revenue	\$0k	\$211,491k	\$467,657k	\$733,793k	\$948,766k	\$1,152,837k
Cargo Revenue	\$0k	\$3,000k	\$6,000k	\$9,000k	\$12,000k	\$15,000k
ACMI Revenue	\$0k	\$6,821k	\$6,821k	\$6,821k	\$6,840k	\$6,821k
	\$0k	\$221,312k	\$480,478k	\$749,614k	\$967,606k	\$1,174,658k
DIRECT OPERATING COSTS						
Fuel	\$0k	\$115,894k	\$237,403k	\$376,141k	\$475,521k	\$572,006k
Landing, Parking & Pax Fees	\$0k	\$2,898k	\$10,246k	\$17,594k	\$25,019k	\$32,289k
En-Route Navigation Fees	\$0k	\$7,677k	\$14,344k	\$21,011k	\$27,762k	\$34,345k
Ground Handling Fees	\$0k	\$5,400k	\$12,913k	\$20,426k	\$28,024k	\$35,451k
Maintenance Costs	\$0k	\$25,235k	\$43,399k	\$62,945k	\$85,477k	\$106,450k
Hotac & Per Diems	\$0k	\$2,510k	\$3,417k	\$4,324k	\$5,247k	\$6,139k
Pax Fees	\$0k	\$19,038k	\$27,456k	\$34,718k	\$42,431k	\$45,863k
Catering	\$0k	\$6,497k	\$12,792k	\$19,068k	\$25,701k	\$28,700k
	\$0k	\$185,149k	\$361,969k	\$556,226k	\$715,182k	\$861,244k
CONTRIBUTION						
	\$0k	\$36,163k	\$118,509k	\$193,388k	\$252,424k	\$313,414k
FIXED OPERATING COSTS						
	\$2,819k	\$24,036k	\$46,581k	\$66,566k	\$91,260k	\$112,312k
GROSS PROFIT						
	(\$2,819k)	\$12,127k	\$71,928k	\$126,822k	\$161,163k	\$201,102k
OVERHEADS						
	\$2,189k	\$9,920k	\$17,453k	\$25,526k	\$33,101k	\$39,965k
EBIT						
	(\$5,008k)	\$2,206k	\$54,475k	\$101,296k	\$128,062k	\$161,137k
Loan Interest Payments	\$0k	\$4,905k	\$3,825k	\$2,745k	\$1,665k	\$585k
Corporation Tax	\$0k	\$0k	\$11,988k	\$25,312k	\$18,937k	\$15,500k
PROFIT & LOSS RESERVE	(\$5,008k)	(\$2,699k)	\$38,662k	\$73,238k	\$107,461k	\$145,051k

KALAHARI AIRWAYS - 5 YEAR PROJECTION

CASHFLOW

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	\$8,596k	\$241,657k	\$498,160k	\$770,580k	\$981,864k	\$1,188,311k
Direct Operating Costs	\$0k	\$175,816k	\$357,726k	\$550,368k	\$702,176k	\$858,776k
Fixed Operating Costs	\$2,826k	\$19,481k	\$38,986k	\$55,933k	\$76,067k	\$92,552k
Overheads	\$477k	\$10,547k	\$16,577k	\$24,364k	\$32,225k	\$39,084k
OPERATIONAL CASHFLOW	\$5,293k	\$35,812k	\$84,871k	\$139,916k	\$171,396k	\$197,899k
Aircraft Purchases	\$31,800k	\$21,200k	\$21,200k	\$31,800k	\$31,800k	\$0k
Non Aircraft Capital Expenditure	\$336k	\$1,143k	\$52k	\$60k	\$72k	\$44k
Capital Investment (In)/Out	(\$17,000k)	\$0k	\$0k	\$0k	\$0k	\$0k
Loan Capital In	(\$45,000k)	\$0k	\$0k	\$0k	\$0k	\$0k
Loans Capital Repayments	\$0k	\$9,000k	\$9,000k	\$9,000k	\$9,000k	\$9,000k
Loan Interest Payments	\$0k	\$4,905k	\$3,825k	\$2,745k	\$1,665k	\$585k
Corporation Tax	\$0k	\$0k	\$0k	\$11,988k	\$25,312k	\$18,937k
	(\$29,864k)	\$36,248k	\$34,077k	\$55,593k	\$67,849k	\$28,566k
NET CASHFLOW	\$35,157k	(\$435k)	\$50,794k	\$84,323k	\$103,547k	\$169,333k
OPENING CASH BALANCE	\$0k	\$35,157k	\$34,722k	\$85,516k	\$169,839k	\$273,385k
CLOSING CASH BALANCE	\$35,157k	\$34,722k	\$85,516k	\$169,839k	\$273,385k	\$442,718k

KALAHARI AIRWAYS - 5 YEAR PROJECTION

BALANCE SHEET

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
FIXED ASSETS						
Aircraft	\$31,800k	\$53,000k	\$74,200k	\$106,000k	\$137,800k	\$137,800k
Non Aircraft	\$336k	\$1,479k	\$1,531k	\$1,591k	\$1,663k	\$1,707k
Depreciation	(\$411k)	(\$5,428k)	(\$13,566k)	(\$24,882k)	(\$40,754k)	(\$60,774k)
	\$31,725k	\$49,050k	\$62,164k	\$82,708k	\$98,709k	\$78,733k
CURRENT ASSETS						
Debtors	\$0k	\$500k	\$1,000k	\$1,500k	\$2,000k	\$2,500k
Prepayments	\$584k	\$973k	\$1,362k	\$1,946k	\$2,530k	\$2,530k
Cash and Bank	\$35,157k	\$34,722k	\$85,516k	\$169,839k	\$273,385k	\$442,718k
	\$35,741k	\$36,195k	\$87,878k	\$173,285k	\$277,916k	\$447,749k
CURRENT LIABILITIES						
Creditors	\$1,877k	\$7,876k	\$24,959k	\$44,257k	\$43,467k	\$43,425k
Forward Bookings	\$8,596k	\$29,441k	\$47,622k	\$69,089k	\$83,847k	\$98,000k
	\$10,473k	\$37,317k	\$72,581k	\$113,346k	\$127,314k	\$141,425k
PROVISIONS						
Maintenance	\$0k	\$2,635k	\$2,506k	\$3,453k	\$11,656k	\$11,351k
	\$0k	\$2,635k	\$2,506k	\$3,453k	\$11,656k	\$11,351k
	\$56,992k	\$45,294k	\$74,956k	\$139,194k	\$237,655k	\$373,706k
SHARE CAPITAL						
Shares	\$17,000k	\$17,000k	\$17,000k	\$17,000k	\$17,000k	\$17,000k
Loans	\$45,000k	\$36,000k	\$27,000k	\$18,000k	\$9,000k	\$0k
Profit & Loss	(\$5,008k)	(\$7,706k)	\$30,956k	\$104,194k	\$211,655k	\$356,706k
	\$56,992k	\$45,294k	\$74,956k	\$139,194k	\$237,655k	\$373,706k

KALAHARI AIRWAYS - 5 YEAR PROJECTION

FOC'S & OVERHEADS

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Aircraft	3.0	3.2	5.2	7.3	10.3	13.0
FIXED OPERATING COSTS						
Flight operations	\$788k	\$9,927k	\$15,590k	\$21,539k	\$30,032k	\$37,867k
Ground operations	\$28k	\$545k	\$770k	\$987k	\$1,282k	\$1,377k
Technical operations	\$9k	\$106k	\$106k	\$106k	\$106k	\$106k
Lease costs	\$380k	\$4,813k	\$7,853k	\$11,020k	\$15,580k	\$19,760k
Aircraft insurance	\$292k	\$3,698k	\$6,034k	\$8,467k	\$11,970k	\$15,181k
Training	\$197k	\$2,493k	\$4,068k	\$5,708k	\$8,070k	\$10,235k
Other FOCs	\$1,125k	\$2,454k	\$12,160k	\$18,739k	\$24,221k	\$27,786k
	<u>\$2,819k</u>	<u>\$24,036k</u>	<u>\$46,581k</u>	<u>\$66,566k</u>	<u>\$91,260k</u>	<u>\$112,312k</u>
OVERHEADS						
Salaries	\$477k	\$2,025k	\$2,235k	\$2,349k	\$2,583k	\$2,718k
Other	\$1,681k	\$7,692k	\$14,934k	\$22,881k	\$30,227k	\$36,987k
Non Aircraft Depreciation	\$31k	\$203k	\$285k	\$296k	\$291k	\$260k
	<u>\$2,189k</u>	<u>\$9,920k</u>	<u>\$17,453k</u>	<u>\$25,526k</u>	<u>\$33,101k</u>	<u>\$39,965k</u>

KALAHARI AIRWAYS - 5 YEAR PROJECTION

ROUTE P&L

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
FLIGHT HOURS						
LONDON		8,103	8,103	8,103	8,125	8,103
HONG KONG		0	8,496	8,496	8,522	8,496
NEW YORK		0	0	9,700	9,731	9,700
PARIS		0	0	0	6,869	6,847
FRANKFURT		0	0	0	0	6,847
WET LEASE		958	958	958	961	958
CARGO						
	0	9,061	17,557	27,257	34,208	40,951
REVENUE						
LONDON		\$211,491k	\$254,995k	\$254,995k	\$255,890k	\$254,995k
HONG KONG		\$0k	\$212,662k	\$243,681k	\$244,598k	\$243,681k
NEW YORK		\$0k	\$0k	\$235,117k	\$267,681k	\$266,849k
PARIS		\$0k	\$0k	\$0k	\$180,598k	\$197,922k
FRANKFURT		\$0k	\$0k	\$0k	\$0k	\$189,390k
WET LEASE		\$6,821k	\$6,821k	\$6,821k	\$6,840k	\$6,821k
CARGO		\$3,000k	\$6,000k	\$9,000k	\$12,000k	\$15,000k
	\$0k	\$221,312k	\$480,478k	\$749,614k	\$967,606k	\$1,174,658k
DIRECT OPERATING COSTS						
LONDON		\$182,480k	\$182,458k	\$181,140k	\$183,184k	\$183,492k
HONG KONG		\$0k	\$177,143k	\$176,956k	\$179,133k	\$179,420k
NEW YORK		\$0k	\$0k	\$195,918k	\$199,441k	\$199,786k
PARIS		\$0k	\$0k	\$0k	\$151,023k	\$151,559k
FRANKFURT		\$0k	\$0k	\$0k	\$0k	\$144,496k
WET LEASE		\$2,668k	\$2,368k	\$2,213k	\$2,401k	\$2,491k
CARGO		\$0k	\$0k	\$0k	\$0k	\$0k
	\$0k	\$185,149k	\$361,969k	\$556,226k	\$715,182k	\$861,244k
CONTRIBUTION						
LONDON	\$0k	\$29,011k	\$72,538k	\$73,856k	\$72,706k	\$71,503k
HONG KONG	\$0k	\$0k	\$35,519k	\$66,725k	\$65,464k	\$64,260k
NEW YORK	\$0k	\$0k	\$0k	\$39,199k	\$68,240k	\$67,063k
PARIS	\$0k	\$0k	\$0k	\$0k	\$29,574k	\$46,363k
FRANKFURT	\$0k	\$0k	\$0k	\$0k	\$0k	\$44,894k
WET LEASE	\$0k	\$4,153k	\$4,452k	\$4,608k	\$4,439k	\$4,330k
CARGO	\$0k	\$3,000k	\$6,000k	\$9,000k	\$12,000k	\$15,000k
	\$0k	\$36,163k	\$118,509k	\$193,388k	\$252,424k	\$313,414k
FIXED OPERATING COSTS						
LONDON		\$19,376k	\$20,562k	\$18,869k	\$21,676k	\$22,223k
HONG KONG		\$0k	\$21,559k	\$19,784k	\$22,736k	\$23,300k
NEW YORK		\$0k	\$0k	\$22,589k	\$25,960k	\$26,604k
PARIS		\$0k	\$0k	\$0k	\$18,325k	\$18,779k
FRANKFURT		\$0k	\$0k	\$0k	\$0k	\$18,779k
WET LEASE		\$2,291k	\$2,431k	\$2,231k	\$2,563k	\$2,628k
CARGO		\$0k	\$0k	\$0k	\$0k	\$0k
Start Up Costs	\$2,819k	\$2,370k	\$2,029k	\$3,093k	\$0k	\$0k
	\$2,819k	\$24,036k	\$46,581k	\$66,566k	\$91,260k	\$112,312k
GROSS PROFIT						
LONDON	\$0k	\$9,635k	\$51,975k	\$54,986k	\$51,029k	\$49,280k
HONG KONG	\$0k	\$0k	\$13,960k	\$46,941k	\$42,728k	\$40,961k
NEW YORK	\$0k	\$0k	\$0k	\$16,610k	\$42,281k	\$40,459k
PARIS	\$0k	\$0k	\$0k	\$0k	\$11,250k	\$27,584k
FRANKFURT	\$0k	\$0k	\$0k	\$0k	\$0k	\$26,115k
WET LEASE	\$0k	\$1,861k	\$2,021k	\$2,377k	\$1,876k	\$1,702k
CARGO	\$0k	\$3,000k	\$6,000k	\$9,000k	\$12,000k	\$15,000k
Start Up Costs	(\$2,819k)	(\$2,370k)	(\$2,029k)	(\$3,093k)	\$0k	\$0k
	(\$2,819k)	\$12,127k	\$71,928k	\$126,822k	\$161,163k	\$201,102k
OVERHEADS & DEPRECIATION						
	\$2,189k	\$9,920k	\$17,453k	\$25,526k	\$33,101k	\$39,965k
EBIT						
	(\$5,008k)	\$2,206k	\$54,475k	\$101,296k	\$128,062k	\$161,137k
EBIT % OF REVENUE						
		1%	11%	14%	13%	14%
Loan Interest Payments	\$0k	\$4,905k	\$3,825k	\$2,745k	\$1,665k	\$585k
Corporation Tax	\$0k	\$0k	\$11,988k	\$25,312k	\$18,937k	\$15,500k
PROFIT & LOSS RESERVE	(\$5,008k)	(\$2,699k)	\$38,662k	\$73,238k	\$107,461k	\$145,051k