# Continuation Fund Business Plan

Alzette Continuation I

**DOCUMENT GUIDE**

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Luxembourg City 3 October 2026 Version 1.0

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## Reading this business plan

Investment review of a hypothetical Luxembourg three asset continuation vehicle. Terms assets and funding are unconfirmed. Financials are grouped at the end and integrate model v1.0 EUR 2027 to 2032. The decision gates are fair price informed elections asset diligence and funded cash.

Native heading driven contents. Update the entire table after editing; final page numbers are cached from the rendered document.

01 / OVERVIEW

# Executive summary

Alzette Continuation I is a proposed EUR denominated Luxembourg continuation vehicle for three mature European portfolio companies. The decision is whether the predecessor fund should offer a negotiated liquidity or roll election while retaining assets for another three to six years. No assets, investors, founder credentials or provider mandates have been supplied.

Proceed only to preliminary diligence. Require independent price discovery, conflict review, a credible status quo option, adequate election time and funded downside before signing. The plan models a hypothetical EUR 100 million transfer NAV; fees and carry reduce investor proceeds and are explicitly separated from manager revenue. Verified Base net investor IRR is 12.7% and MOIC 1.56x. Downside IRR is 2.2%. Minimum Base fund cash is EUR 0; all figures are model v1.0 EUR 2027 to 2032.

02 / BUSINESS

# Business details

The working structure is a Luxembourg SCSp reserved alternative investment fund managed by an externally authorised AIFM, subject to legal confirmation. The proposed office and service-provider base is Luxembourg City, serving professional or otherwise eligible well informed investors. The RAIF law governs investor eligibility and management arrangements [R2].

The planning close is 1 January 2027 and the model runs to 31 December 2032 in EUR. Three illustrative assets represent healthcare services, B2B software and industrial services; their labels are not actual companies. No fund leverage, recycling or interim company dividends is assumed.

03 / STRATEGY

# Business concept and objectives

The vehicle purchases interests from a predecessor fund at an independently negotiated equity price. Selling LPs obtain liquidity; rolling LPs invest into the new vehicle alongside new secondary investors and the GP. A roll election also requires cash for reserves and expenses rather than assuming that all new commitments are immediately liquid.

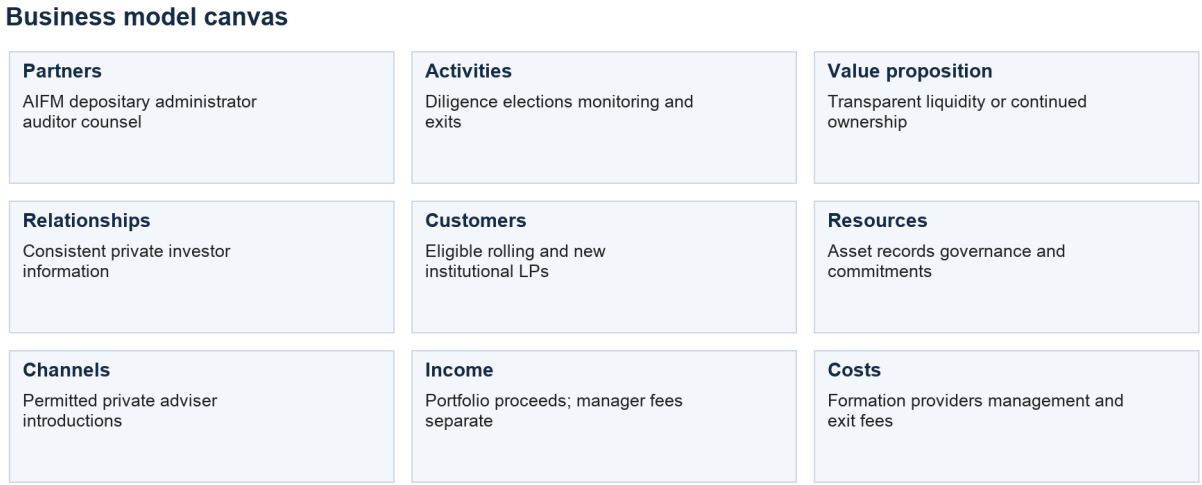
Objectives are a fair process, sufficient capital for the approved business plans, disciplined oversight and orderly asset exits. Return targets are planning criteria rather than guarantees. Asset quality, incremental value creation and the cost of extending ownership must be demonstrated against a conventional sale or predecessor fund extension.

04 / STRATEGY

# Business model canvas

Partners comprise an authorised AIFM, depositary, administrator, auditor, transaction counsel, valuation adviser and asset management teams. Activities include diligence, investor elections, capital administration, monitoring and exit execution. Resources are asset information, governance rights and fully funded commitments.

The proposition is a transparent choice between liquidity and continued ownership. Customers are eligible rolling and new investors. Distribution uses controlled private institutional channels. Portfolio proceeds accrue to investors; management fees and carried interest accrue separately to the manager and carry vehicle. Costs comprise formation, fund providers, management fees and exit expenses.




**Planning design; evidence and appointments pending.**

05 / STRATEGY

# SWOT and longer term goals

The intended strength is access to familiar mature assets, subject to fresh diligence. The weakness is an unproven sponsor and concentrated three asset exposure. The opportunity is extending demonstrable value creation beyond the predecessor term. The main threat is a conflicted transfer price or deteriorating exit environment.

Longer term goals are complete asset realisation, accurate investor reporting and an auditable election process. No successor fund fundraising is assumed. Concentration and extension risk remain even when assets are well known to the GP; familiarity cannot replace independent validation.

06 / STRATEGY

# TOWS strategy matrix

Use portfolio knowledge to build an evidence based diligence pack and compare a continuation with third party sale bids. Address sponsor weakness by appointing experienced regulated external providers and independent valuation support before launch.

Counter price conflicts through LPAC engagement, documented competitive bids and clear adviser responsibilities. Avoid a weak market becoming an indefinite extension: set asset milestones, a six year model limit and explicit extension consent. Reject a transaction whose investment case relies only on a higher exit multiple.

**TOWS strategy matrix**

| | |
|---|---|
| **SO**<br>Use portfolio knowledge for evidenced asset plans | **WO**<br>Appoint qualified external providers |
| **ST**<br>Independent price discovery and conflict review | **WT**<br>Stop without records funds or fair elections |

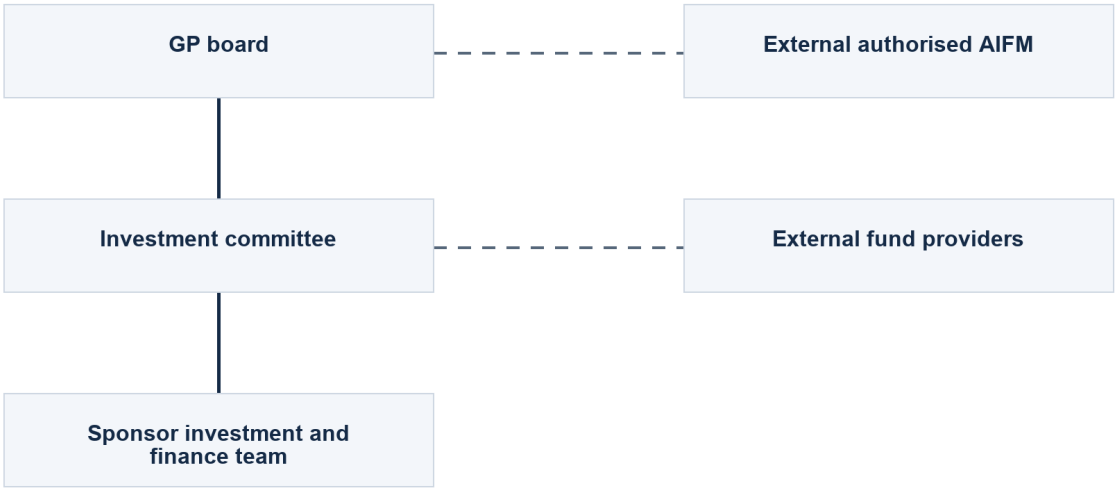
**Planning design; evidence and appointments pending.**

07 / STRATEGY

# Owner and management

A proposed GP board oversees conflicts, commitments and delegated services. An investment committee approves asset plans and exit decisions subject to reserved matters; the external AIFM retains its own regulatory responsibilities. The sponsor investment team manages asset oversight, not regulatory delegation by implication.

The manager salary envelope includes an owner managing partner and two investment professionals plus finance support. External administrator, depositary, audit and AIFM functions are paid from the fund provider allowance. Appointments and competence remain unverified; no individual biography or authorised status is asserted.




**Proposed roles. Solid reporting lines; dashed external support. The AIFM retains its own responsibilities.**

08 / PEOPLE

# Owner and key personnel profiles

Founder identity, realised investment track record, regulatory history, beneficial ownership and source of GP capital have not been supplied. Investor diligence must verify these before commitment. References and realised returns require source documents and permission.

Candidate role requirements include continuation transaction execution, asset monitoring, financial control, valuation governance and conflicts management. The model provides a manager pay budget rather than invented salaries for named staff. Key person and removal terms need an agreed LPA.

09 / MARKET

# Target customers

The initial universe consists of predecessor investors eligible to roll, institutional secondary buyers and professional investment offices with concentrated private equity mandates. Retail solicitation is outside the plan. Each investor must pass eligibility, suitability where applicable, AML and sanctions processes.

Segmentation considers ticket size, liquidity needs, concentration limits, mandate geography and diligence capacity. Selling LPs are beneficiaries of a fair liquidity process rather than fee paying customers of the manager. No investor demand or ticket allocation has been observed.

10 / CUSTOMER STRATEGY

# Segmentation targeting and positioning

Segment investors into liquidity seekers, conviction holders and secondary buyers. Target buyers able to underwrite the three assets and their concentration, alongside rolling LPs who affirmatively elect the new terms. Institutional outreach remains conditional on marketing permissions.

Position the vehicle around transparent price formation and a specific incremental asset plan. Avoid claims of superior returns or automatic alignment. LP information and economic treatment must be sufficiently clear to compare selling, rolling and remaining in the predecessor if feasible.

**Segmentation targeting and positioning**

| | |
|---|---|
| **Segment**<br>Liquidity seekers conviction holders buyers | **Target**<br>Eligible LPs able to underwrite concentration |
| **Position**<br>Evidence price process and clear alternatives | |

**Planning design; evidence and appointments pending.**

11 / CUSTOMER STRATEGY

# Value proposition canvas

Investor jobs are obtaining liquidity, allocating to mature private assets and understanding remaining duration. Pains include asymmetric information, price conflicts, compressed election windows and new fees or carry. Desired gains are understandable alternatives and asset specific evidence.

The product is a documented transfer and election package. Pain relievers include disclosed bids, fee resets, rollover terms and independent advice. Gain creators are milestone based oversight and consistent reporting. These are proposed design choices, not confirmed investor preferences [R1].

**Value proposition canvas**

| | |
|---|---|
| **Jobs**<br>Liquidity allocation and duration decisions | **Pains**<br>Conflicts information gaps and new fees |
| **Gains**<br>Clear alternatives and asset evidence | **Product**<br>Transfer and election package |
| **Relievers**<br>Disclosed bids terms and review time | **Creators**<br>Milestone oversight and reporting |

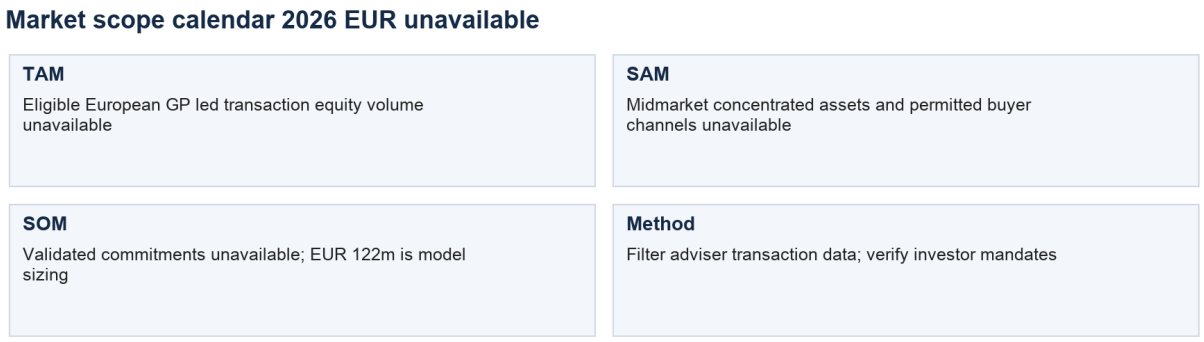
**Planning design; evidence and appointments pending.**

12 / MARKET

# Market size and trends

TAM is eligible European GP led transaction equity volume for calendar 2026; SAM is the subset fitting three mature midmarket asset exposures and permitted investor channels; SOM is validated commitments available to this transaction. Comparable current denominators have not been collected, so monetary market size and share remain unavailable.

The EUR 122 million Base commitment is a transaction sizing hypothesis, not measured SOM. Validate the market with an adviser transaction database filtered by geography, year, asset size and continuation type, then remove unsuitable mandates. A scope diagram deliberately uses no area proportional to unavailable market values.




**TAM SAM SOM scope chart. EUR volume and share unavailable; 2026 European geography. Areas do not encode size.**

13 / MARKET CONTEXT

# PESTLE analysis

Political and legal conditions concern cross border marketing, AIFM oversight, investor eligibility, sanctions and ownership approvals. Economic exposure is to EBITDA resilience, portfolio leverage embedded in equity values and exit multiples. Social risks include employee trust through extended ownership and investor confidence in conflicts handling.

Technology requires secure diligence rooms and consistent valuation data. Environmental issues depend on the actual assets and require diligence on liabilities and transition plans. Treat the six panels as a structured review, with counsel, AIFM and asset teams validating the facts before close.




**Planning design; evidence and appointments pending.**

14 / MARKET

# Local demand and evidence

Luxembourg provides a legal framework for RAIFs and authorised AIFMs; that framework does not demonstrate demand for this particular transaction [R2 R3]. ILPA publishes continuation process guidance and was consulting on updated guidance in 2026 [R1]. Guidance is voluntary practice, not proof of investor acceptance.

Proposed evidence collection includes ten eligible investor mandate discussions, predecessor LP liquidity surveys and at least two independent price indications where feasible. These are research targets, not completed interviews. Maintain consent and confidentiality and distinguish indications from enforceable commitments.




**Planning design; evidence and appointments pending.**

15 / MARKET

# Competitors and positioning

Alternatives include a third party asset sale, predecessor fund extension, partial liquidity and other continuation buyers. Institutional secondaries managers compete through price, terms, diligence capacity and execution certainty. No current rival quotation, rating or verified fee comparison is available.

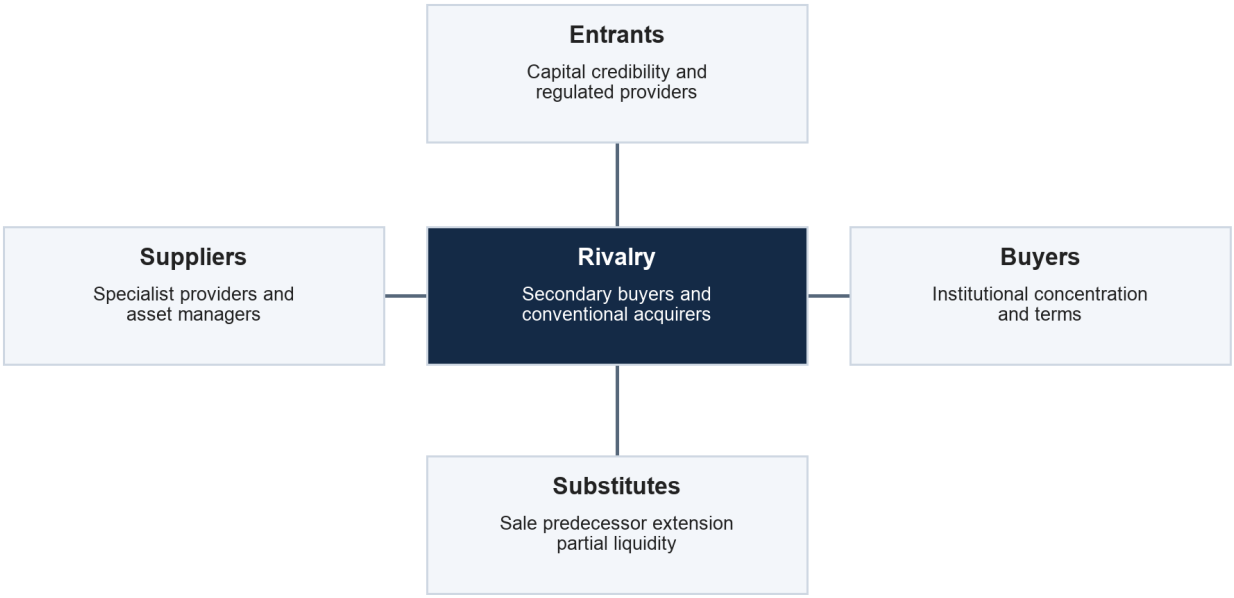
Compare alternatives on net proceeds to selling LPs, expected duration, concentrated exposure, total fees, carry reset and ability to remain on economically equivalent terms where feasible. The continuation must win on evidenced asset prospects after costs, rather than sponsor preference alone.

16 / COMPETITIVE STRATEGY

# Porter five forces

Rivalry is competition among secondary buyers and conventional acquirers for mature assets. Buyer power is high where few institutional buyers can underwrite the concentration. Supplier power lies with scarce qualified providers, financing sources at asset level and management teams.

Entrants need capital, credible sponsor capability and regulated service arrangements. Substitutes are conventional exits or a predecessor extension. Respond through competitive pricing, provider alternatives and a defensible status quo comparison; no numerical industry force score is presented as observed evidence.




**Qualitative forces and proposed response; no observed rating or market concentration estimate.**

17 / COMPETITIVE STRATEGY

# Strategy canvas

The strategy canvas shows proposed emphasis on price transparency, election time, asset evidence, expense discipline, reporting and exit milestones. Ratings are internal design priorities on a one to five scale, not measured competitor performance.

Collect comparable rival transaction terms before drawing competitive conclusions. The intended priorities are strongest for price process and investor information, with expenses and duration subject to negotiated tradeoffs. High disclosure quality cannot compensate for an excessive transfer price.

**Proposed emphasis no competitor ratings**




**Internal design judgement; no measured competitor series.**

18 / OPERATIONS

# Location and premises

Luxembourg City is the proposed fund administration base. The sponsor uses modest shared office premises; the external AIFM and other providers require documented substance and operating arrangements appropriate to their roles. A vehicle address is not evidence of sufficient substance.

Office and systems costs sit in the manager overhead budget. No lease is agreed. Provider diligence must verify location, business continuity, information security and access for auditors and investors. Asset operations stay with existing company management teams.

19 / OPERATIONS

# Equipment and resource plan

Resources are secure laptops, a diligence room, portfolio reporting tools and financial controls rather than production machinery. Formation expense includes illustrative legal, valuation and setup costs. No supplier price quote is claimed.

The manager overhead covers recurring office and technology use; the model does not capitalise office equipment or consolidate portfolio company assets. Underlying company capital expenditure, debt and working capital must be reviewed in their own diligence models before equity exit multiples are accepted.

**Equipment and resource plan**

| | |
|---|---|
| **Information**<br>Asset records and secure diligence room | **Controls**<br>Dual approval and investor capital register |
| **Systems**<br>Portfolio reporting and valuation records | **Budget**<br>Manager overhead and formation envelope |

**Planning design; evidence and appointments pending.**

20 / OFFER

# Investment offering and election choices

The offering is one closed end continuation vehicle holding three illustrative assets. Investor classes receive the same pari passu investor waterfall by commitment; GP carried interest is separate. Selling investors receive transfer liquidity from the predecessor and do not participate in later returns.

Separate election documents explain selling, rolling, new subscriptions and any feasible status quo. No evergreen redemptions, retail savings product or promised liquidity is offered. Asset specific co investments require distinct approvals and are excluded from the model.

21 / OFFER

# Pricing and order economics

Price is equity NAV multiplied by the negotiated price fraction. Base transfer consideration is EUR 95 million against hypothetical NAV of EUR 100 million. A five percent discount is an assumption, not an independent fairness finding. Follow on capital and fee reserves are added to commitment size.

Management fee is 1.5 percent of total commitment annually for all six years in Base; administration is EUR 500,000 annually. Carry is 20 percent after return of capital and an eight percent simple annual preferred return on outstanding unreturned capital, with full catch up. LPA terms must confirm this exact convention.

22 / OFFER

# Competitor price comparison

A meaningful comparison separates transfer price as a percentage of independently assessed NAV from recurring management fees, carried interest and fund expenses. It also compares asset risks, exit duration and tax leakage. No observed competitor pricing has been supplied.

Request dated indications with identical equity perimeter and conditions. Reconcile price to enterprise value, company debt, cash and transaction leakage before comparing. An offer at a higher NAV percentage can be worse if closing conditionality or fee resets differ.

23 / OFFER

# Brand and customer experience

The proposed investor experience centres on consistent documents, accessible diligence and an election process with adequate review time. The Alzette name is a working identity and no trademark clearance is claimed. Communications must state that commitments and returns are unconfirmed.

Investor relations maintains a question log and distributes material answers consistently subject to confidentiality and legal restrictions. Complaints and conflict questions escalate to the GP board and AIFM as appropriate. Marketing approval must precede any investor facing material.

# Sales channels and process

Channels are private adviser introductions, approved institutional relationships and predecessor investor communications. The process moves from eligibility screening through confidentiality, diligence, price indications, investment approval, subscription documentation and cleared capital.

An expression of interest is not booked as funding. Track commitment documents, conditions and cash receipt separately. No public solicitation, cold email campaign or investor outreach has been completed for this plan. External marketing must follow applicable permissions [R4].

25 / GROWTH

# Launch marketing

Launch expenditure is transaction and diligence communication rather than consumer advertising. Formation cost includes an illustrative EUR 2 million budget for legal, advisory, valuation and vehicle setup. Recurring investor relations uses the manager overhead envelope.

Use approved factual materials with price process, terms, risks and alternatives. Do not publish testimonials, track records or guaranteed returns without verified support. The timing of LP information must fit election review needs rather than the sponsor fundraising timetable.

26 / GROWTH

# Retention and ongoing sales

Retention means sustaining investor trust during the holding period and executing the agreed strategy. Quarterly reporting should explain valuation changes, cash uses, asset milestones, expenses and conflicts. The model assumes no additional fundraising after close.

Track reporting delivery, information requests, material deviations and consent requirements. Investor satisfaction is not fabricated. Any new capital need or fund extension requires updated underwriting and investor approval under the governing documents.

27 / OPERATIONS

# Daily operations and suppliers

The administrator maintains the capital register, cash ledger and investor allocations. The investment team monitors portfolio milestones; the AIFM performs its delegated and statutory responsibilities. Payment approvals require segregation of preparation and release.

Select administrator, depositary, auditor, counsel and valuation providers through capability and fee comparisons. Mandates are pending. The EUR 500,000 annual Base provider allowance is a planning budget rather than a quote and must cover the intended outsourced responsibilities without double charging manager expenses.

28 / OPERATIONS

# Sustainability practices

Perform asset specific diligence on environmental obligations, workforce conditions and governance before transfer. The industrial services asset may carry liabilities that equity multiples do not reveal. Portfolio information remains unavailable.

No sustainable investment classification or impact claim is assumed. Investor disclosures and any required regulatory sustainability reporting must match actual methodology and data. Assign an asset team owner for each material risk and cost remediation explicitly in updated underwriting.

**Sustainability practices**

| | |
|---|---|
| **Diligence**<br>Asset obligations workforce and governance | **Claims**<br>No assumed sustainable classification |
| **Owner**<br>Investment team with specialist advisers | **Action**<br>Cost material remediation in underwriting |

**Planning design; evidence and appointments pending.**

29 / OPERATIONS

# Staffing and training

The proposed manager budget is EUR 750,000 annual gross pay inclusive of owner and investment and finance staff, plus EUR 450,000 annual other costs. This is a management company envelope, not direct fund payroll; the fund separately pays the management fee and provider allowance. Base role allocations are owner managing partner EUR 180,000, two investment professionals EUR 200,000 each and one finance professional EUR 170,000: four paid FTE totalling EUR 750,000. A 20 percent employer allowance of EUR 150,000 is included within EUR 450,000 manager other cost, leaving EUR 300,000 for office systems and other overhead.

Suggested roles are a managing partner, two investment professionals and finance support with external specialist providers. Validate employment contracts, employer contributions and total loaded pay within the envelope before hiring. Training covers conflicts, valuation, AML escalation, cybersecurity and cash control.

**Staffing and training**

| | |
|---|---|
| **Owner managing partner**<br>One FTE EUR 180000 annual gross | **Investment professionals**<br>Two FTE EUR 200000 gross each |
| **Finance professional**<br>One FTE EUR 170000 annual gross | **Employer allowance**<br>EUR 150000 within manager other costs |

**Planning design; evidence and appointments pending.**

30 / PEOPLE

# Staff skills and fair work

Required competence includes transaction diligence, valuation interpretation, monitoring, fund accounting and investor communication. Regulated functions stay with suitably authorised or qualified providers. No staff qualifications or previous deals are invented.

Employment terms must follow applicable local law and workload expectations. Agree documented authority, coverage and leave arrangements. The manager model reports pre tax profit before owner distributions, so a staffing increase should be funded through a revised overhead or fee budget.

31 / OPERATIONS

# Legal and insurance requirements

Luxembourg counsel must confirm the SCSp RAIF design, eligible investor tests, authorised AIFM, depositary, audit, AML and marketing arrangements. The RAIF framework does not mean the sponsor itself is licensed; an intended AIFM requires prior CSSF authorisation [R2 R3].

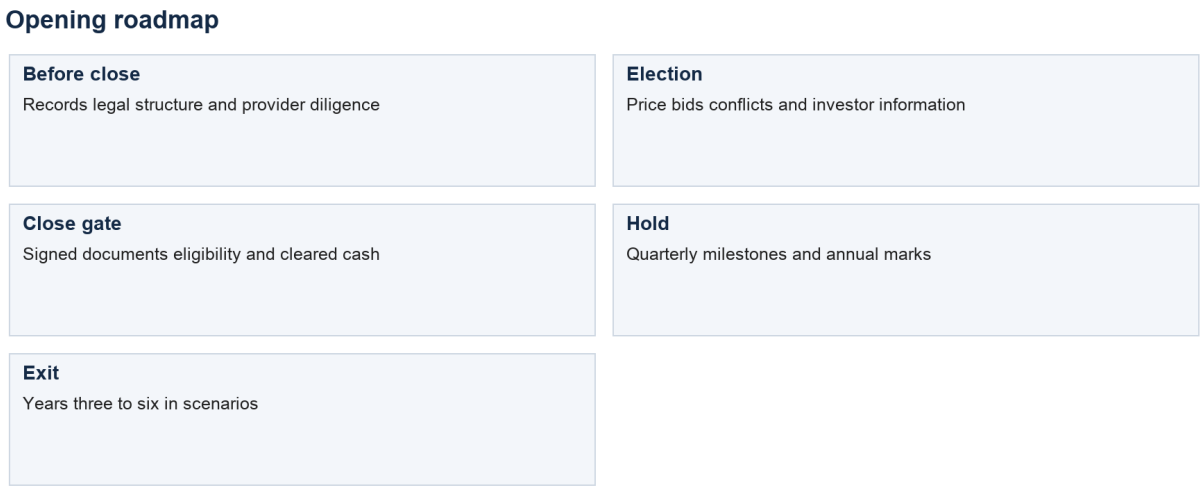
Obtain advice on transfer consents, conflicts, valuation, carried interest, tax leakage and predecessor obligations. Directors liability, professional indemnity and cyber cover are quote dependent. Investor taxes and portfolio withholding are excluded rather than assigned a universal zero tax rate. Article 46 sets a 0.01 percent annual subscription tax on quarter end net assets. The model includes an annual charge using opening net assets as a planning proxy; statutory quarter valuations must replace this before closing. No Article 48 risk capital exemption is assumed.

32 / OPERATIONS

# Opening roadmap

Months one and two before closing establish asset records, provider mandates, legal design and price alternatives. The next phase presents investor information, conflict review, eligibility and elections. Closing occurs only after executed documents, valid commitments and approved cash controls.

After closing, quarterly asset milestones and annual valuations guide exit readiness. Base exits occur at the end of years three, four and five; downside delays them one year. Six years of manager fees and administration are retained, with final residual cash distributed in year six. No dated launch commitment exists.




**Planning design; evidence and appointments pending.**

33 / MANAGEMENT

# Risks and management actions

The leading risks are transfer price conflicts, three asset concentration, under funded reserves, poor company performance, exit delay, fee leakage and unsuitable investor solicitation. Stop gates include inadequate price process, missing company records and unverified GP capital.

Assign price fairness to independent advisers and conflict oversight, cash adequacy to finance and the AIFM, asset milestones to the investment team, and election communications to counsel and investor relations. A model return above a target is insufficient to waive any gate.

34 / APPENDIX A

# Research and evidence

R1 ILPA Principles and Best Practices and continuation guidance reviewed 3 October 2026. It describes governance transparency and alignment; the current page also notes an updated 2026 consultation. R2 CSSF RAIF Law of 23 July 2016 provides the legal vehicle framework. R3 CSSF Authorisation of an AIFM explains prior authorisation requirements. R4 CSSF AIF Marketing by AIFMs covers relevant marketing procedures. R2 Article 46 provides the subscription tax rate and quarterly valuation basis; Article 48 exemptions are not assumed.

Research establishes process and legal context, not demand, asset values or returns. URLs and retrieval date are retained in research.json. All financial amounts are planning assumptions. Latest final guidance, cross border permissions and local tax treatment require legal review before execution.
R1 https://ilpa.org/industry-guidance/principles-best-practices/
R2 https://www.cssf.lu/wp-content/uploads/L_230716_RAIF_eng.pdf
R3 https://www.cssf.lu/en/authorisation-aifm/
R4 https://www.cssf.lu/en/marketing-alternative-investment-funds/

35 / APPENDIX B

# Quotes and assumptions

No supplier quote, investor commitment, asset appraisal, founder track record or observed customer demand is supplied. All monetary terms and economics are labelled assumptions. The reference continuation fund workbook and design were inspected for capital reserves, NAV removal, LP classes and whole fund waterfall structure.

The new Excel workbook is rebuilt from these concepts, not imported. It deliberately uses EUR, three assets, a six year term, upfront calls, simple outstanding capital preference and explicit manager accounts. Obtain legal, provider and asset evidence before replacing assumptions.

36 / FINANCIAL PLAN

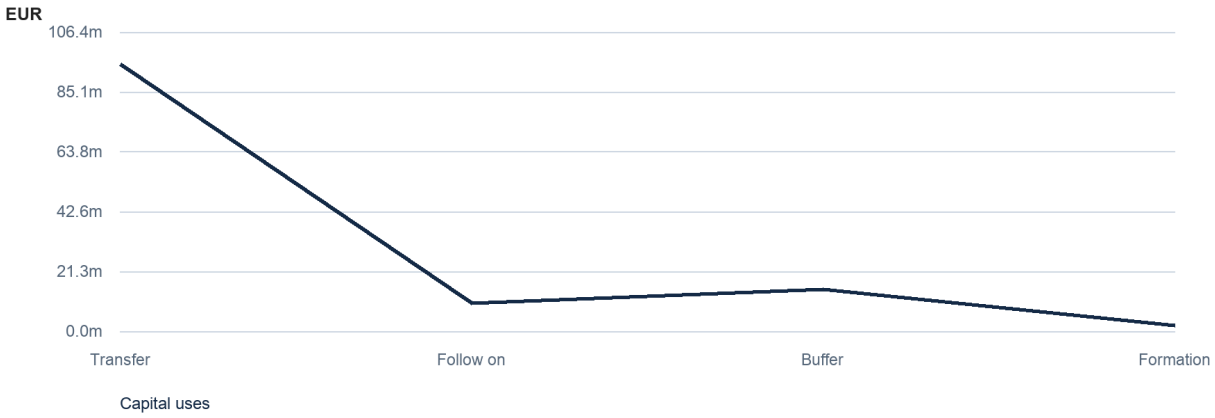
# Startup costs and funding

Capital at close covers transfer consideration, follow on reserves, cash for recurring fees and administration, and formation expense. All commitments are fully funded at closing on a gross cash equivalent basis including rolled value in this simplified model, so there is no assumed subscription facility or capital call timing benefit.

Base proposed commitments are EUR 122 million: EUR 95 million transfer, EUR 10 million follow on, EUR 15 million expense buffer and EUR 2 million formation. GP contributes three percent, rolling investors 35 percent and new investors 62 percent. Funding is proposed and conditional.

| Closing capital uses | EUR |
|---|---|
| Transfer equity | €95,000,000 |
| Formation expense | €2,000,000 |
| Follow on reserve | €10,000,000 |
| Fee expense buffer | €15,000,000 |
| **Total commitment** | **€122,000,000** |

**Startup costs and funding**




**Verified model v1.0 EUR annual year end 2027 to 2032; closing uses or captured cases explicitly labelled.**

37 / FINANCIAL PLAN

# Itemized startup costs

Formation is expensed at closing; transfer consideration establishes the opening investment value. Follow on and expense cash are held on the fund balance sheet until used or returned. These distinctions prevent double counting startup cash as operating profit.

The EUR 2 million Base formation allowance requires itemised counsel, adviser, valuation, administration setup and onboarding quotes. Quote VAT and deductibility separately. No asset debt or investment company liabilities are consolidated into this fund model.

| Closing capital uses | EUR |
|---|---|
| Transfer equity | €95,000,000 |
| Formation expense | €2,000,000 |
| Follow on reserve | €10,000,000 |
| Fee expense buffer | €15,000,000 |
| **Total commitment** | **€122,000,000** |




**Verified model v1.0 EUR annual year end 2027 to 2032; closing uses or captured cases explicitly labelled.**

38 / FINANCIAL PLAN

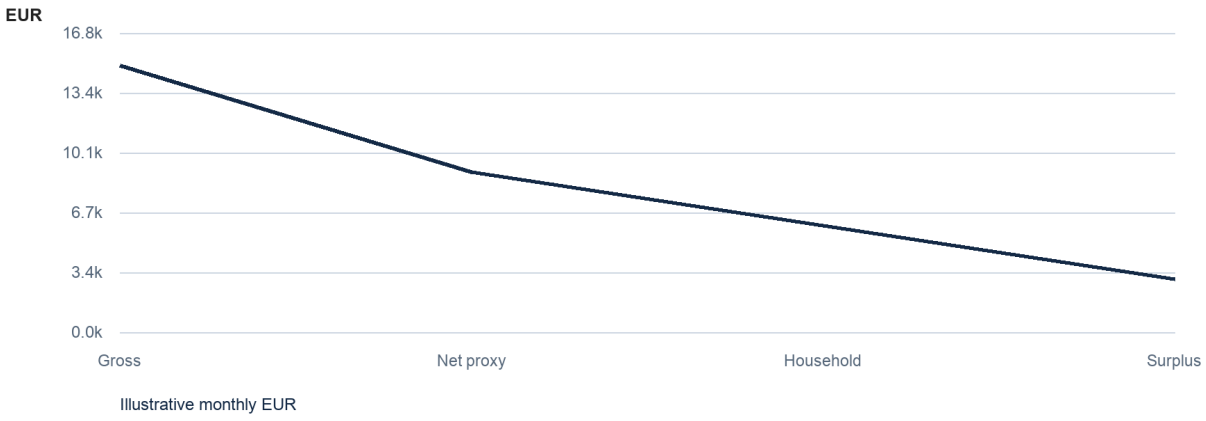
# Owner personal survival budget

The managing partner is paid within the management company salary envelope, not directly from fund distributions. An illustrative EUR 180,000 gross annual owner allocation is within the EUR 750,000 envelope. Actual personal tax, benefits and family expenditure have not been supplied.

At a purely assumed 60 percent net retention, owner monthly net pay would be EUR 9,000. Against illustrative EUR 6,000 household spending this leaves EUR 3,000. This is a personal planning example, not tax advice or an additional model expense; replace it with actual records before relying on it.

| Illustrative owner household | Monthly EUR |
|---|---|
| Gross allocation within manager payroll | €15,000 |
| Net at assumed 60 percent | €9,000 |
| Household assumption | €6,000 |
| **Illustrative surplus** | **€3,000** |

**Owner personal survival budget**




**Illustrative owner monthly assumptions within salary envelope; net retention is not tax advice.**

39 / FINANCIAL PLAN

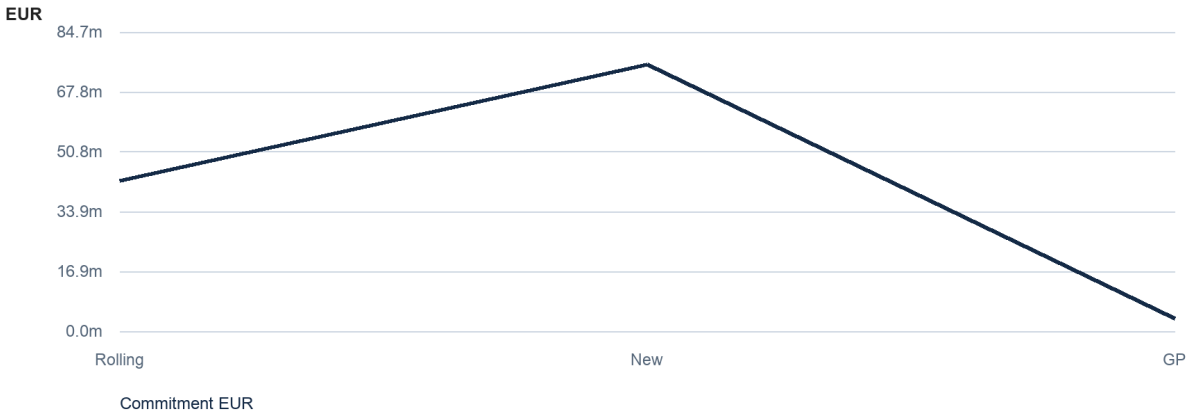
# Financing terms and security

The fund is equity financed with no fund level debt or pledged assets in the model. Company level leverage is embedded in the entry and exit equity assumptions and requires separate diligence. GP capital must be independently evidenced and is not funded with a hidden loan. Rolling investors retain EUR 33.25 million transfer value in Base and fund another EUR 9.45 million to reach EUR 42.7 million commitment. Gross closing calls and transfer consideration include this cash equivalent in kind rollover; net physical cash from all classes is EUR 88.75 million and cash paid to sellers is EUR 61.75 million. Rolling IRR uses the foregone transfer proceeds as opportunity cost.

The waterfall returns contributed capital, pays simple accrued preference, allocates full catch up carry and then splits residual profit 80 percent to investors and 20 percent to carry. GP co investment receives its three percent investor share in addition to carry. Clawback, escrow and extension terms require legal drafting.

| Proposed commitment class | EUR |
|---|---|
| Rolling 35 percent | €42,700,000 |
| New 62 percent | €75,640,000 |
| GP 3 percent | €3,660,000 |
| **Total commitment** | **€122,000,000** |

**Financing terms and security**




**Verified model v1.0 EUR annual year end 2027 to 2032; closing uses or captured cases explicitly labelled.**

40 / FINANCIAL PLAN

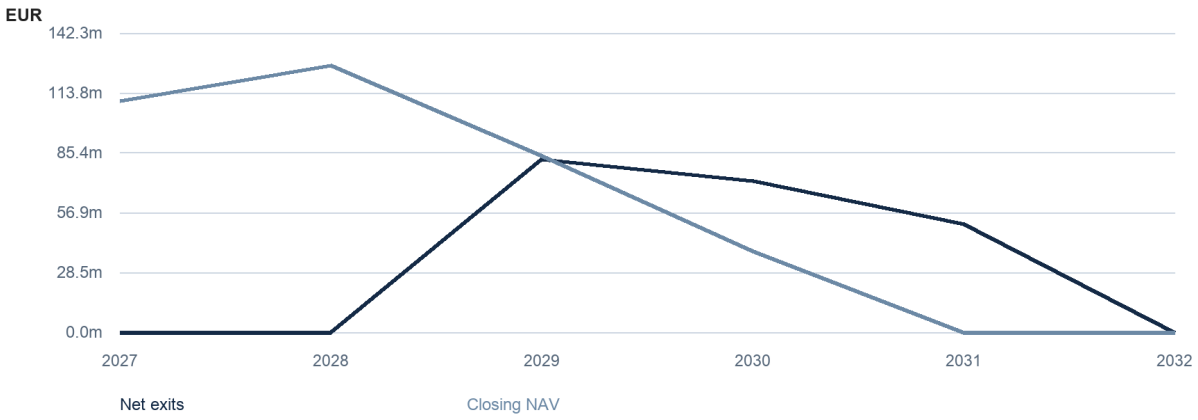
# Investment proceeds and oversight capacity

Portfolio realisations are investment proceeds, not operating sales. Gross exit equity value equals entry equity plus allocated follow on cost multiplied by the exit multiple. The model deducts exit transaction costs and removes the asset NAV at exit.

Capacity is the ability to monitor three concentrated holdings and execute exits, not a retail throughput measure. Base gross proceeds are EUR 210 million and net exit proceeds EUR 205.8 million before annual fees and formation. Company growth and leverage are not separately forecast; the exit multiple is the key underwriting simplification.

| Fund line EUR | 2027 | 2029 | 2032 |
|---|---|---|---|
| Net exit proceeds | – | €82,320,000 | – |
| Closing investment NAV | €110,000,000 | €83,853,000 | – |
| **Fund distributions** | **€947,000** | **€82,318,087** | **€11,966** |

**Investment proceeds and oversight capacity**




**Verified model v1.0 EUR annual year end 2027 to 2032; closing uses or captured cases explicitly labelled.**

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# Costs and projected profit

Fund profit comprises realised and unrealised investment gains less formation, management fees and administration. Unrealised annual marks are explicit assumptions and do not generate cash. Gross to net return differences arise from real costs and carry. The fund also pays the RAIF subscription levy using the disclosed annual proxy; this is separate from investor taxes.

The manager receives recurring fees and bears its own salary and other cost budgets. Carried interest is volatile and separate from manager operating profit. The Base management company annual fee revenue is EUR 1.83 million and annual pre tax operating profit EUR 630,000 before any carry or owner distribution.

| Fund line EUR | 2027 | 2029 | 2032 |
|---|---|---|---|
| Investment gains | €10,000,000 | €39,123,000 | – |
| Management fees | €1,830,000 | €1,830,000 | €1,830,000 |
| Administration | €500,000 | €500,000 | €500,000 |
| RAIF levy proxy | €12,000 | €13,642 | €234 |
| **Net fund profit** | **€7,658,000** | **€36,779,358** | **(€2,330,234)** |

**Costs and projected profit**




**Verified model v1.0 EUR annual year end 2027 to 2032; closing uses or captured cases explicitly labelled.**

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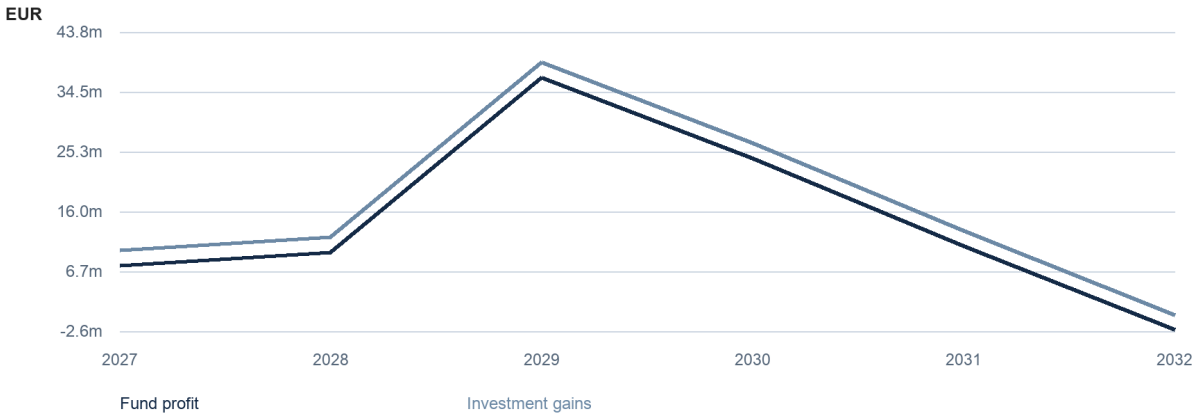
# Profit and loss forecast

The fund profit schedule reconciles changes in investment value to exits and follow on investment. It does not consolidate portfolio company turnover, wages, debt service or taxes. Closing NAV is zero once the last asset exits.

Investor level taxes, portfolio tax leakage and a full statutory accounting policy are outside this illustration. Financial reporting and fair value policy must be confirmed with the auditor and AIFM. Model earnings reconcile to capital and distributions without a balancing plug. The RAIF levy is included as a fund expense; statutory quarterly bases are approximated by annual opening net assets.

| Fund line EUR | 2027 | 2029 | 2032 |
|---|---|---|---|
| Investment gains | €10,000,000 | €39,123,000 | – |
| Management fees | €1,830,000 | €1,830,000 | €1,830,000 |
| Administration | €500,000 | €500,000 | €500,000 |
| RAIF levy proxy | €12,000 | €13,642 | €234 |
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**Profit and loss forecast**




**Verified model v1.0 EUR annual year end 2027 to 2032; closing uses or captured cases explicitly labelled.**

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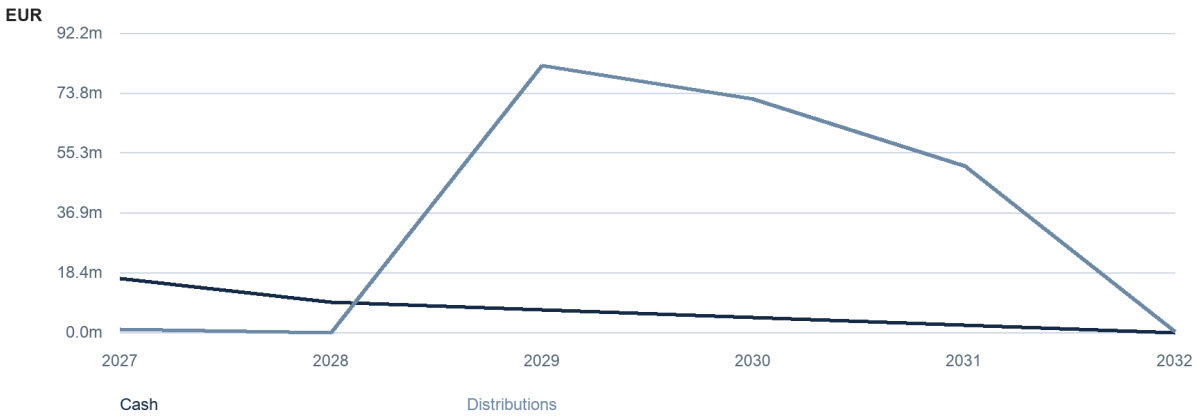
# Cash flow and financial position

All commitments are funded at closing; gross equivalent calls and transfer uses include the in kind rollover. Net physical closing cash reconciles to the same ending balance. Cash is used for transfer, formation, two equal follow on tranches and annual fees and administration. Net exits and residual cash feed the waterfall only after a reserve for remaining scheduled costs.

The model shows negative cash as an unfunded deficit rather than creating debt. Expense buffer size alone is not a full funding test because early exits may fund later fees; stress both amount and timing. Balance sheets contain cash and marked investments, with no fund liabilities in this model.

| Fund line EUR | 2027 | 2029 | 2032 |
|---|---|---|---|
| Capital calls | – | – | – |
| Opening cash | €25,000,000 | €9,368,329 | €2,342,200 |
| Transfer consideration | – | – | – |
| Formation expense | – | – | – |
| Follow on | €5,000,000 | – | – |
| Management fees | €1,830,000 | €1,830,000 | €1,830,000 |
| Administration | €500,000 | €500,000 | €500,000 |
| RAIF levy proxy | €12,000 | €13,642 | €234 |
| Net exits | – | €82,320,000 | – |
| Distributions | €947,000 | €82,318,087 | €11,966 |
| **Closing cash** | **€16,711,000** | **€7,026,600** | **–** |

**Cash flow and financial position**




**Verified model v1.0 EUR annual year end 2027 to 2032; closing uses or captured cases explicitly labelled.**

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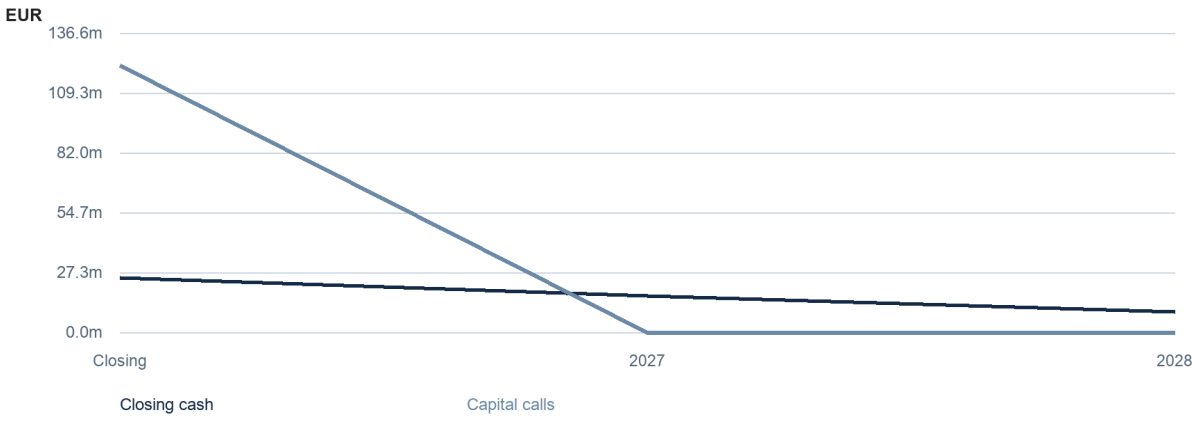
# Closing and early year cash flows

For this fund, annual closing and year end flows replace operating monthly sales forecasts. The initial closing call is distinguished from the 2027 year end cash use. Follow on capital is deployed equally during years one and two at year end for modelling simplicity.

A monthly closing liquidity schedule must be prepared from the actual legal timetable and provider invoices before signing. Annual simplification cannot establish intra year liquidity. No monthly cash receipts or sales are invented.

| Fund cash EUR | Closing | 2027 | 2028 |
|---|---|---|---|
| Capital calls | €122,000,000 | – | – |
| Opening cash | – | €25,000,000 | €16,711,000 |
| Transfer consideration | €95,000,000 | – | – |
| Formation expense | €2,000,000 | – | – |
| Follow on | – | €5,000,000 | €5,000,000 |
| Management fees | – | €1,830,000 | €1,830,000 |
| Administration | – | €500,000 | €500,000 |
| RAIF levy proxy | – | €12,000 | €12,671 |
| Net exits | – | – | – |
| Distributions | – | €947,000 | – |
| **Closing cash** | **€25,000,000** | **€16,711,000** | **€9,368,329** |

**Closing and early year cash flows**




**Verified model v1.0 EUR annual year end 2027 to 2032; closing uses or captured cases explicitly labelled.**

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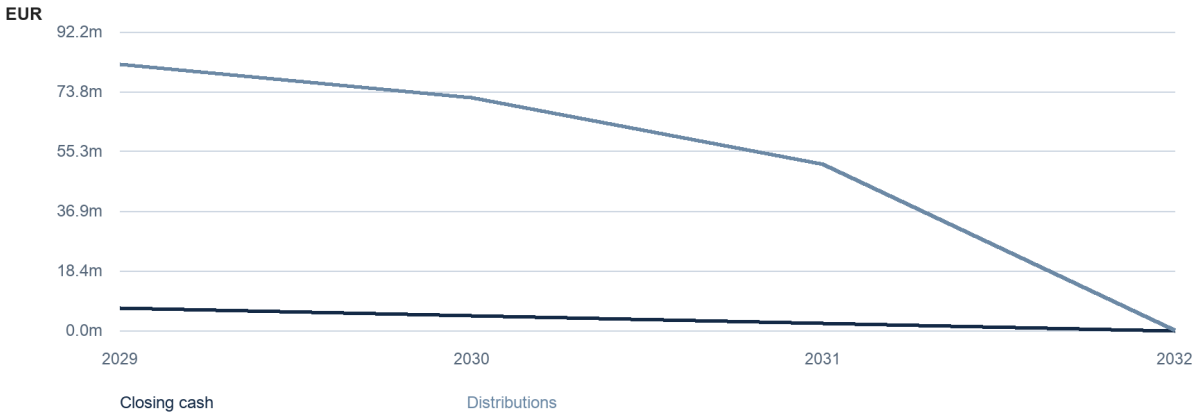
# Later year cash flows and distributions

The second cash schedule covers later asset exits and final reserve release. Base exits are in 2029, 2030 and 2031 with final cash returned in 2032. Downside extends the last exit to 2032.

Distribution approval requires cleared proceeds, reserves, accurate investor allocations and LPA compliance. The model does not permit re investment of distributed funds or fund borrowing. Calendar year end timing is a planning convention rather than a forecast transaction date.

| Fund cash EUR | 2029 | 2030 | 2031 | 2032 |
|---|---|---|---|---|
| Capital calls | – | – | – | – |
| Opening cash | €9,368,329 | €7,026,600 | €4,684,400 | €2,342,200 |
| Transfer consideration | – | – | – | – |
| Formation expense | – | – | – | – |
| Follow on | – | – | – | – |
| Management fees | €1,830,000 | €1,830,000 | €1,830,000 | €1,830,000 |
| Administration | €500,000 | €500,000 | €500,000 | €500,000 |
| RAIF levy proxy | €13,642 | €9,088 | €4,312 | €234 |
| Net exits | €82,320,000 | €72,030,000 | €51,450,000 | – |
| Distributions | €82,318,087 | €72,033,112 | €51,457,888 | €11,966 |
| **Closing cash** | **€7,026,600** | **€4,684,400** | **€2,342,200** | **–** |

**Later year cash flows and distributions**




**Verified model v1.0 EUR annual year end 2027 to 2032; closing uses or captured cases explicitly labelled.**

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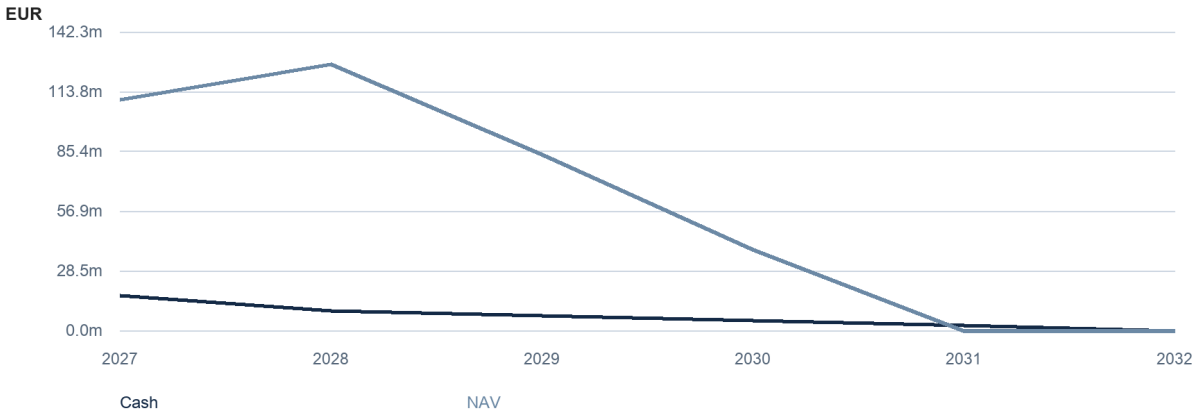
# Financial position summary

Net fund assets are cash plus closing marked investment NAV. Contributed capital plus cumulative fund earnings less all investor and carry distributions equals net assets each period. The reconciliation difference is shown explicitly in the workbook.

Company liabilities are embedded in assumed equity prices and are not omitted from equity valuation by claiming debt free assets. At final realisation and expense settlement the fund cash and investment NAV both reach zero. Any future change to scope needs a revised model and plan together.

| Fund line EUR | 2027 | 2029 | 2032 |
|---|---|---|---|
| Cash | €16,711,000 | €7,026,600 | – |
| Investment NAV | €110,000,000 | €83,853,000 | – |
| Net assets | €126,711,000 | €90,879,600 | – |
| Capital earnings less distributions | €126,711,000 | €90,879,600 | – |
| **Balance difference** | **–** | **–** | **–** |

**Financial position summary**




**Verified model v1.0 EUR annual year end 2027 to 2032; closing uses or captured cases explicitly labelled.**

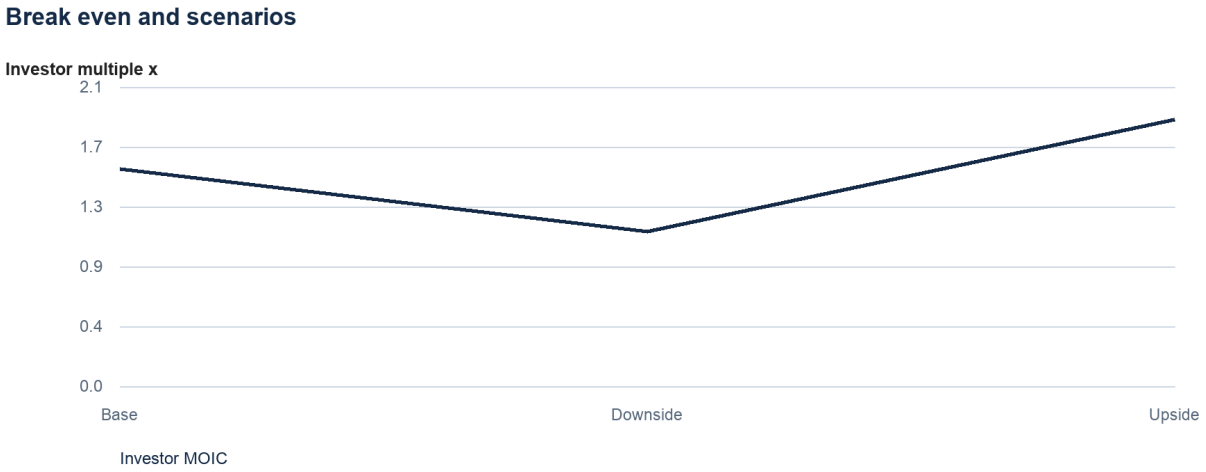
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# Break even and scenarios

Fund economic break even means distributions cover contributed capital after all costs; preferred return and carry then change how profits are allocated. Manager operating break even is annual salary and overhead divided by the management fee rate, which is EUR 80 million commitments in Base.

Base, Downside and Upside are snapshots produced by one formula engine. Changing live inputs recalculates schedules while the captured comparison flags itself stale. Lower exit multiples and longer holding periods reduce investor returns. Case values are illustrations and do not establish probabilities.

| Captured v1.0 case | Net IRR | Investor MOIC | Minimum cash |
|---|---|---|---|
| Base | 12.7% | 1.56x | – |
| Downside | 2.2% | 1.11x | – |
| **Upside** | **19.4%** | **1.91x** | **–** |




**Verified model v1.0 EUR annual year end 2027 to 2032; closing uses or captured cases explicitly labelled.**

# Model guide and completion

Inputs has one numeric selector: one Base, two Downside and three Upside. Blue case cells are editable; the Active column chooses each driver. Portfolio calculates cost, proceeds and marks; Fund cash calculates profit, liquidity and balance; Waterfall allocates distributions; Returns separates LP and GP economics.

Summary links to completed results and native charts link to ranges. Cases are dated version 1.0 snapshots and show stale input status after edits. Rerun retained build_model.mjs to refresh all cases and model-results.json, then regenerate this document and repeat native Excel and rendered Word review.