

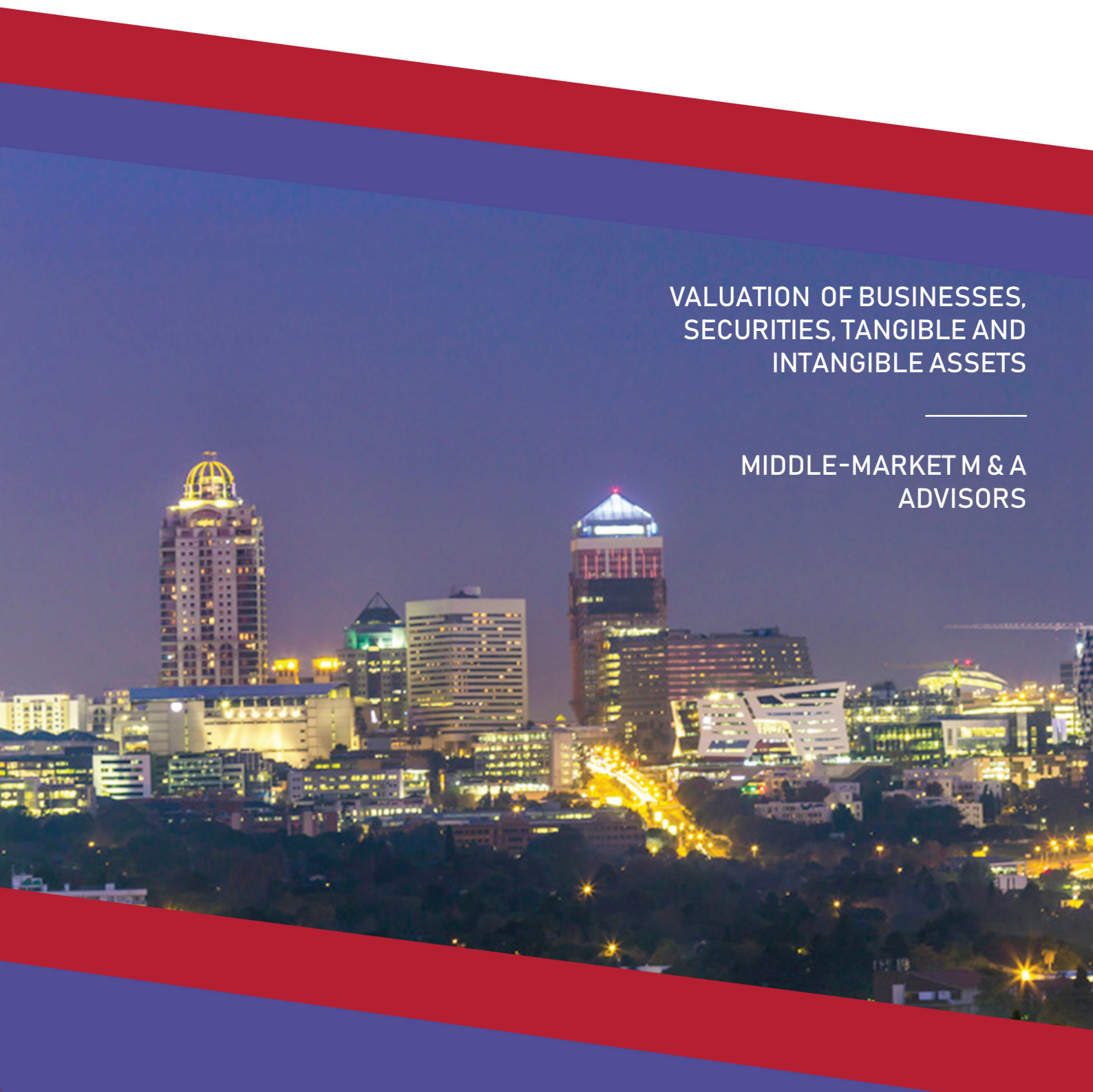


# AXIOM VALUATION SOLUTIONS SOUTH AFRICA

VALUATION OF BUSINESSES,  
SECURITIES, TANGIBLE AND  
INTANGIBLE ASSETS

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MIDDLE-MARKET M & A  
ADVISORS



A person in a dark suit stands with their back to the camera, hands clasped behind their back. They are positioned in the center of a dark, rocky cave. A large, irregular circular opening in the cave wall reveals a bright, glowing sun or light source, creating a strong backlight effect. The light from the opening illuminates the person's silhouette and the surrounding cave walls.

**Experts in Valuing Businesses,  
Securities, Intangible and Tangible  
Assets**

**Experienced Middle-Market M&A  
Advisors**

Independent valuation consulting for  
investment financial reporting, taxation,  
and risk management

Comprehensive middle-market M&A  
advisory services





# About Axiom

Axiom Valuation Solutions is an internationally-recognized financial securities and business valuation firm. Since 2001, Axiom has conducted valuation assignments for clients throughout the US, Europe, Asia and Africa. The firm also provides middle-market M&A support services that includes pre-and-post deal comprehensive due diligence and support.

Axiom Valuation Solutions South Africa (AVS South Africa) is an affiliate of Axiom Valuation Solutions, a global firm headquartered in the US, with capabilities to meet the increasing demand for sophisticated valuation and middle-market M&A support services in South Africa and other countries throughout Africa. AVS South Africa is uniquely qualified to meet the valuation needs of established firms as well as startup businesses. The firm is uniquely positioned to provide comprehensive middle-market M&A support.

Professor Vusani Moyo, Managing Director of AVS South Africa, has both the academic background and extensive business experience to lead the firm's team of experts that provide effective solutions to your valuation and middle-market M&A support needs. AVS South Africa's team is also supported by Axiom Valuation US, which is a global valuation firm that has been providing in-depth, high quality, and cost-effective services to business owners, audit firms, and portfolio companies of private equity and venture capitalist firms since 2002.

Under the direction of Dr. Stan Feldman, formerly a member of the FASB Valuation Resources Advisory Group, and an author of multiple books and articles on valuation, Axiom Valuation Solutions provides a comprehensive set of expert, cost-effective services for valuing businesses and all types of intangible assets and illiquid securities.

"Being regularly involved in the middle-market M & A transactions through interacting with investors, and both sell-side and buy-side clients have helped us to better understand the fundamentals that drive the value of a business and M&A success. Our valuation team's expertise together with our firm's sophisticated and well-researched valuation methodologies has ensured that we continue to deliver even on the most complex valuation assignments," said Prof Moyo, Ph.D., Managing Director, Axiom Valuation Solutions South Africa.

# A Comprehensive Range of Expert Valuation and M&A Advisory Services







### **Independent Valuation for Financial Reporting**

- IFRS 2: Share-based payments
- IFRS 3: Business combinations
- IFRS 9: Fair Value measurements
- IAS 38: Intangibles

### **Valuation for Financial Reporting (IFRS 2, 3,9 and 13 IAS 38)**

- Private companies
- Potential buyers
- Public companies

### **Expert Testimony and Litigation Consulting**

- Shareholder disputes
- Bankruptcy cases
- Tax cases
- Divorce cases

### **Fair Value Review of Fixed Income Pricing**

- Hedge Funds
- CLOs
- BCDs

### **Value Estimates of Private Companies (Selling or Buying a Business, Implementing Buy/Sell Agreements)**

- Public companies
- Private companies
- Private equity firm
- Venture capital firms

### **Middle-market M&A Pre and Post-Deal Due Diligence Covering the Following**

- Financial and accounting
- Tax
- Operation
- Compliance and regulation
- Investigation and disputes

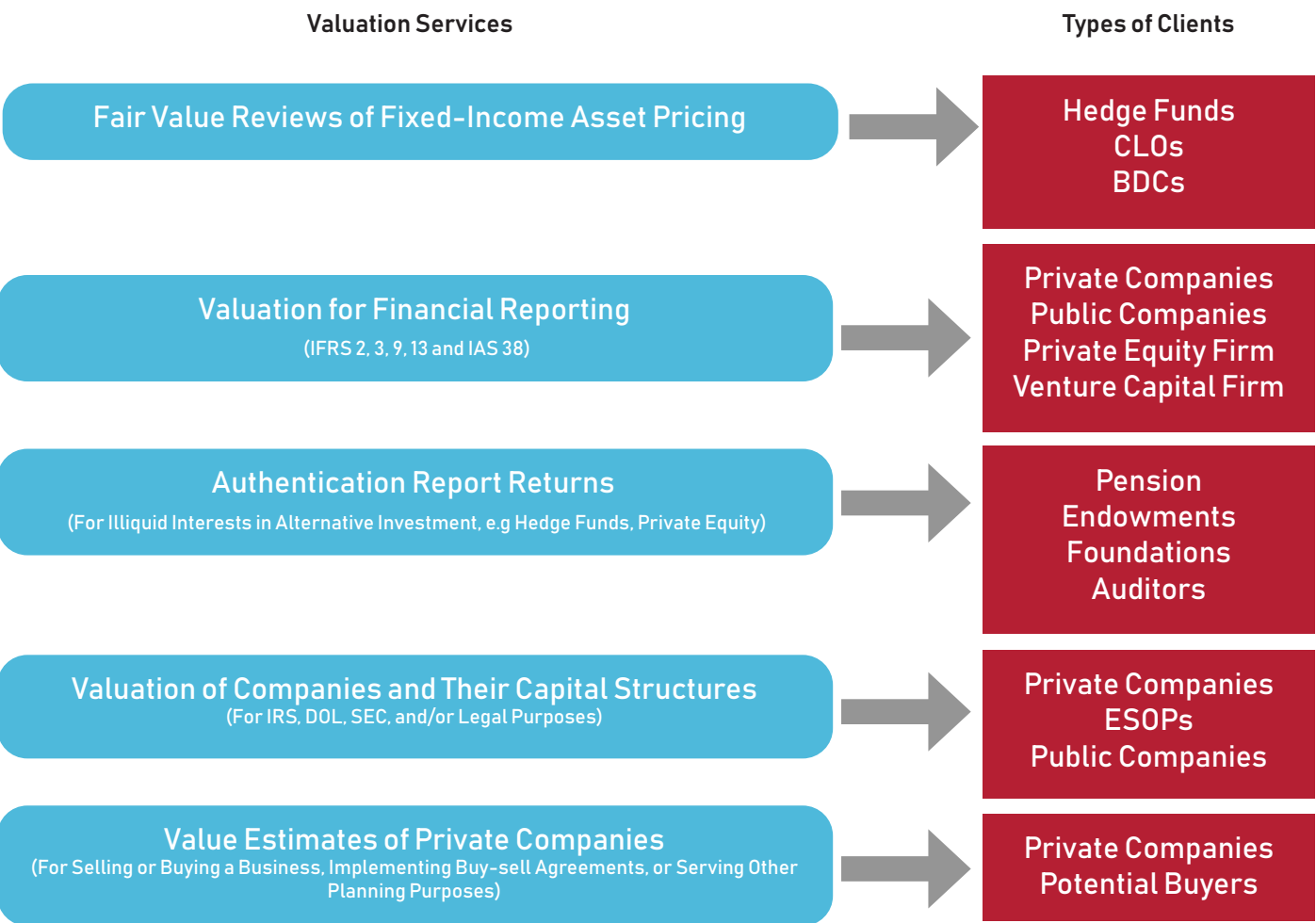




# Well Positioned to Meet Clients' Global Valuation Needs

## Valuation Services

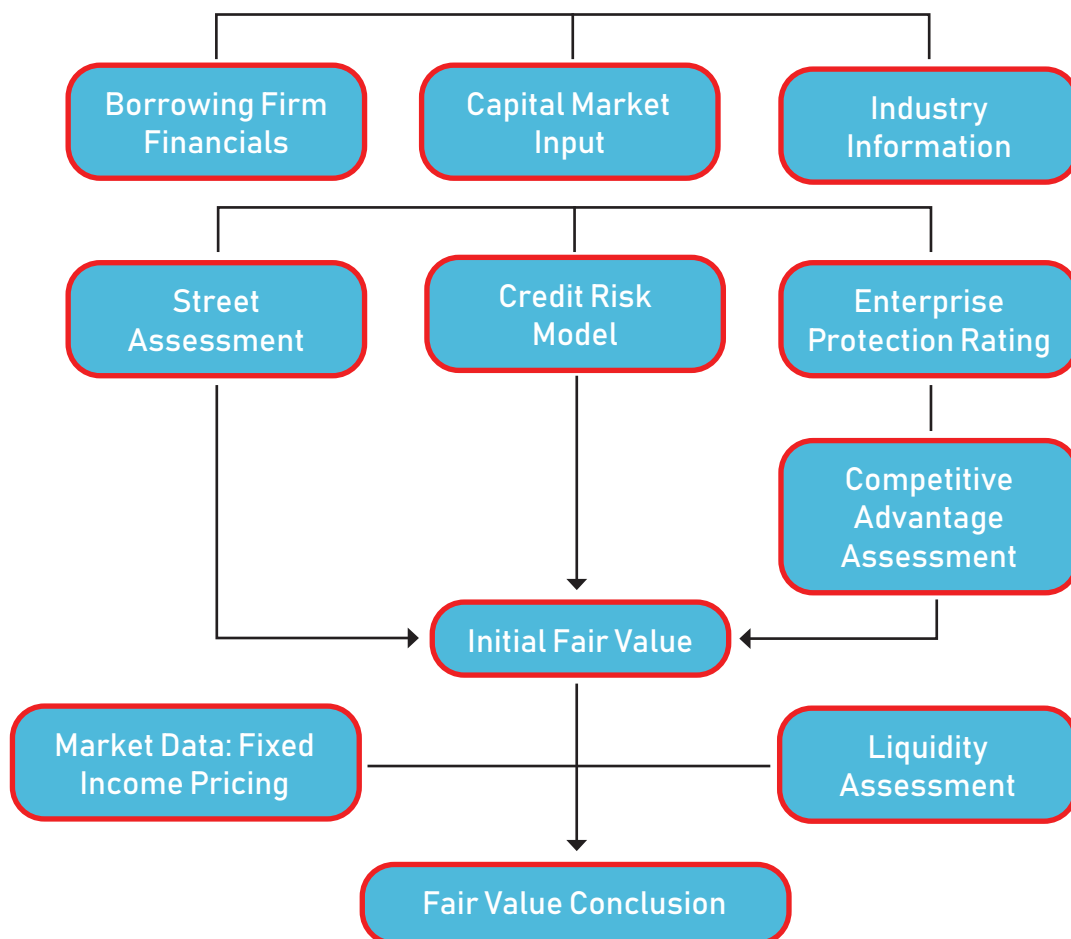
The firm provides a comprehensive range of valuation and services, including:



## Fair Value of Fixed-Income Instruments

Properly fair valuing illiquid fixed-income instruments requires a unique combination of experience in the professional fixed-income market, and powerful analytics that incorporate all the factors that enter the fixed-income pricing equation.

Axiom's framework has been vetted by practitioners and nationally recognized audit firms, and has been found to yield results that meet established fair value guidelines.

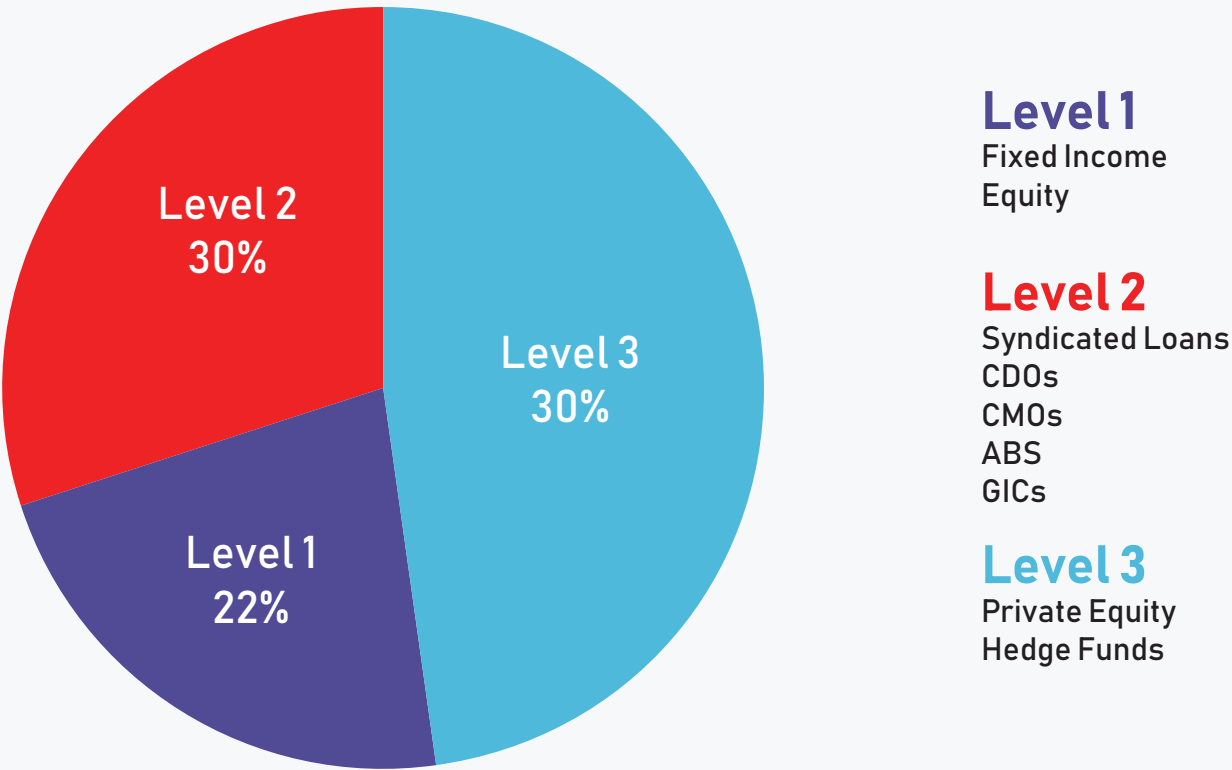


As Axiom's Chairman, Stan Feldman states, "Being regularly involved in the fixed-income market and interacting with professional buyers and sellers helps us better understand the unique forces that drive their decision-making. Axiom's pricing models reflect this experience and there is no substitute for it."

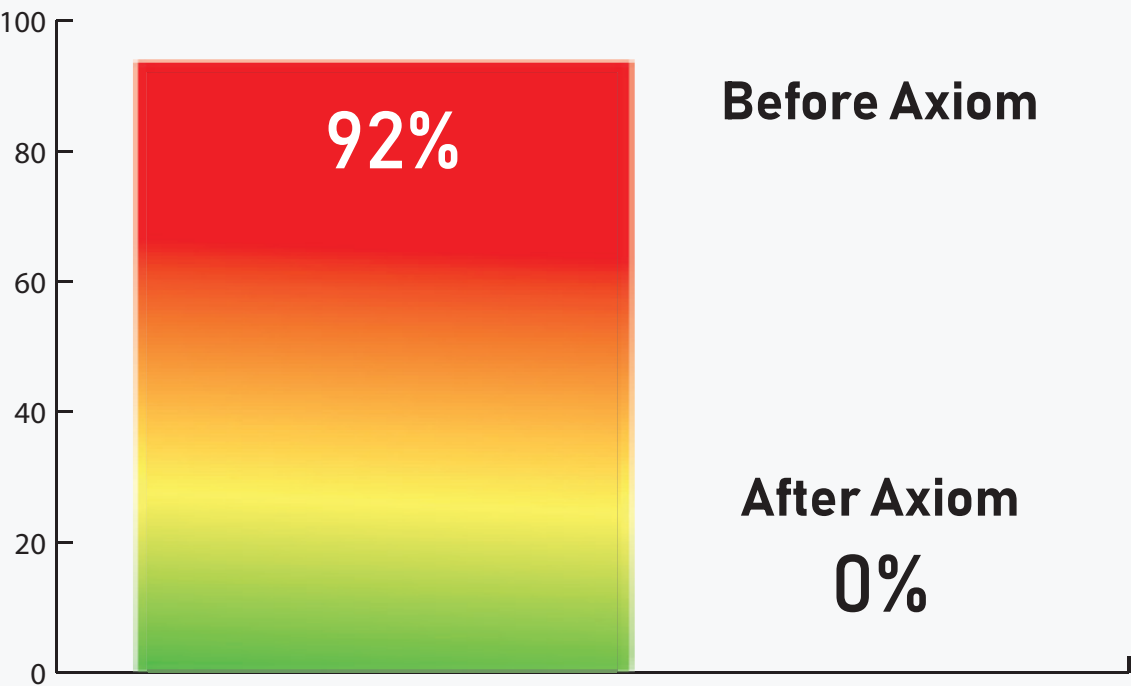
## Valuation for Financial Reporting: Pension Plans, Endowment Funds, and Foundations

Under IFRS 13, fiduciaries and institutional investors are responsible for ensuring that fund asset values are reported properly at fair value. Funds that have large percentages of Level 2 & Level 3 assets have significant transparency risk.

Sample Portfolio with Asset Allocation by IFRS 13 Hierarchy



Transparency Risk Score of Sample Portfolio





Axiom Valuation's Alternative Investment Return Authentication Service (AIRAS) provides independent, objective, and cost-effective answers that remove the transparency risk for institutional investors and the audit risk for their auditors.

AIRAS is a new breakthrough capability that combines mathematical optimization techniques within a modern portfolio framework to create what is termed the Replicating Portfolio Frontier. The frontier defines the area one would expect a target portfolio return to be within, given the characteristics reported by the AI manager. Based on this analysis, AIRAS determines the degree of confidence that the Hedge Fund and Private Equity managers (AI managers) are reporting properly, and that the reported return and associated NAV reflect fair value for financial reporting purposes.

## Independent Valuation for Financial Reporting: Public and Private Firms

Change of control and other major business events require public companies and private firms that are GAAP compliant to mark their balance sheets to fair value. Our fair value solutions are based on the following IASB's IFRS Standards:

- IFRS 9: Establishing the fair value option for valuing financial assets and financial liabilities.
- IFRS 3: Allocating the purchase price to intangible and tangible assets and goodwill.
- IAS 38: valuation of intangible assets.
- IFRS 2: Valuing and expensing employee stock options.
- IFRS 13: Sets out in a single IFRS a Framework for measuring fair value.

Fairness Opinions: Defining whether transaction value and deal terms are fair.



# Valuation of Private Companies for Tax Purposes, Exit Planning, and Other Corporate Purposes

Axiom provides expert, cost effective, and timely business valuations across the South Africa and covering all industries. CAs, CFAs, ACCAs/FCCAs, ACMAs/FCMAs, CPAs, financial advisors, lawyers and previous clients around the country are the primary referral sources for our engagements.

## Tax Purposes

- Gift and Estate Planning
- Conversion to a Corporation
- Sale of Shares to Related Parties



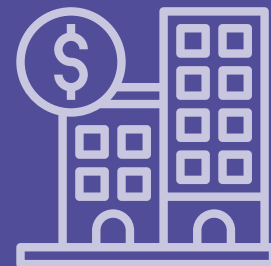
## Exit Planning


- Selling the Business
- Co-owner Buy-in or Buy-out
- Establishing and Maintaining an ESOP
- Buy-Sell Agreements



## Other Corporate Purposes

- Buying a Business
- Property Settlements in Marital Dissolutions
- Shareholder Disputes
- Justification for SBA-guaranteed Loans





**“Globalization of goods and capital markets requires a harmonization of financial reporting standards and fair value will become the foundation upon which the financial reporting edifice is based.”**

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**Stanley J. Feldman Ph. D.  
Chairman  
Axiom Valuation Solutions**





**Axiom is well  
positioned to meet  
clients' global valuation  
needs.**



## **Contact Details**

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