



CENTUM INVESTMENT COMPANY PLC

CAPITAL PROCESSES

May 2025

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1 INTRODUCTION

1.1 Policy Brief

This process document is designed to be a comprehensive guide for all Centum Capital Partners (CCAP) staff, directors, investment committee members and Limited Partners (LPs). These processes are to be used for daily operations.

1.2 Objectives

This document outlines how Centum plans, manages, and implements capital projects, ensuring efficient resource allocation, risk management, and alignment with strategic goals.

Specifically, the document is intended to:

1. Improve Financial Outcomes: Better resource allocation and project management lead to improved financial performance.
2. Enhance Operational Effectiveness: Streamlined processes and clear guidelines improve operational efficiency.
3. Increase Stakeholder Confidence: Transparency and accountability in capital project management build trust with stakeholders.
4. Better Risk Management: Proactive risk identification and mitigation lead to more successful projects.
5. Alignment with Strategic Goals: Centum's capital projects are aligned with the company's strategic objectives.

1.3 Scope

This policy document covers the entire lifecycle of capital projects, from initial planning and budgeting to implementation, monitoring, and post-completion review, ensuring efficient and effective resource allocation. This is demonstrated through the **Master Process**.

The **Master Process** is the main process that CCAP has adopted as its investment process from beginning to end and is referred to the Level 1 process. The investment process is essentially Centum Capital's value chain. It is split into the following processes:

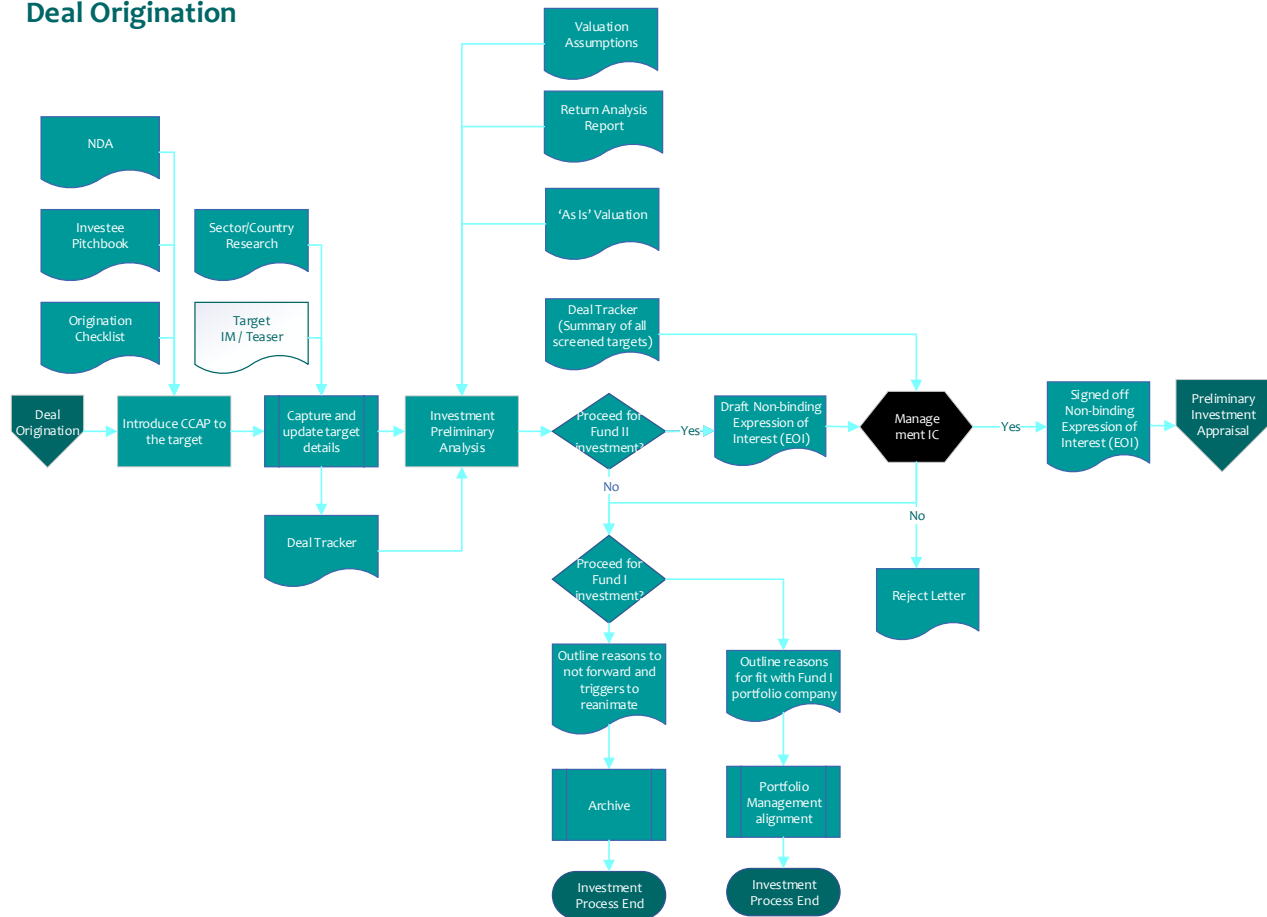
1. Deal Origination
2. Preliminary Investment Appraisal (PIA)
3. Final Investment Appraisal (FIA)
4. Completion
5. Portfolio Management
6. Exit



2 DEAL ORIGATION

Deal origination is the first stage of the investment appraisal process.

Deal Origination



2.1 Purpose of Deal Origination

The Partners are tasked with the responsibility of sourcing for deals. The Partner then allocates the deals to the Manager who assigns the opportunity to an Analyst/ Associate.

The responsible Analyst/Associate conducts a deal screen to ascertain if the opportunity meets Centum Capital's investment criteria. For deals that meet the required set criteria, a non-binding Expression of Interest (EOI) is offered to the target company, while those that don't meet the cut are archived.

Deals for investment opportunities are sourced through:

1. **Third Party sourcing:** Proactively seeking opportunities by developing close relationships and networks with investment banks and advisory firms in the industry. Relationships are built from signing up and engaging in business networking events i.e. East Africa Private Equity & Venture Capital Association (EAVCA) membership etc.
2. **Internal proprietary sourcing:** Deals shared through a top down approach; from top management or directors to Centum Capital
3. Optimization of opportunities that exist within the current portfolio assets.

2.2 Investment Criteria

Every deal that is sourced, is filtered through an investment criteria checklist to ascertain whether the deal is a fit or should be archived. The investment criteria for Fund II is summarized below:

1. **Value Creation & Transformation:** Is there a value creation opportunity of at least 3x value growth in next 3 years, driven by transformation of the business and increasing profitability that would deliver at least US\$10 million value uplift to Centum at a minimum 25% IRR in 3 years?
2. **Business Model:** Is the business important to its customers, evidenced by customers' willingness to pay for product and therefore afford the business a customer-funded growth model? Is the business important to its suppliers, evidenced by suppliers taking terms from the business and therefore afford the business a positive cash generation cycle? Does the company have a capital-light business model? What are the Margins in the business?
3. **Management Team:** Does the company have a team that understands its business and can run the company successfully when provided with strategic guidance and not destroy value?
4. **Price:** Can we acquire the business at an affordable valuation, in terms of its enterprise value (debt + equity)?
5. **Value Creation & Transformation Timeline:** Can a business transformation be delivered, and results achieved within a maximum period of 12 months?
6. **Potential for market leadership and key competitive advantage:** Does the company have demonstrable impact in the markets that it operates in? Can it be a Top 3 company?
7. **Exit Route:** Possibility of multiple exit routes
8. **Ownership Available:** Controlling stake or significant minority

2.3 Description of the Deal Origination Process

1. Once a deal is sourced in form of a teaser/information memorandum or through a deal sponsor and looks viable, thus necessitating the need for additional information an NDA is executed to facilitate sharing of said information.
2. Subsequent to finalizing NDA documentation, the Investment Manager (IM) assigns the opportunity to one of the Analysts or Associates in the team.
3. The Analyst/Associate conducts a deal screen to ascertain whether the deal fits Centum Capital's minimum investment criteria. If the information received is not sufficient to make a recommendation, the Analyst/ Associate sends an Information Request List to the target company/advisory firm. The Deal Screen will be conducted on an 'As Is' basis. The screen shall follow the Centum Capital Screen template which at a bare minimum will include a qualitative and quantitative analysis of the business and a rating criteria. Upon completion of the screen the Investment Manager or the Managing Partner sign off on the screen.
4. The Analyst/ Associate proceeds to draft a set of assumptions which will be used to forecast the future performance of the business. The assumptions will be based on the Deal Screen, the Investment Criteria and the Historical analysis of the business. The Investment Manager or the Managing Partner will then sign off on the set of assumptions.
5. A business valuation will then be conducted by the Analyst/Associate using standardized Centum Capital templates. The output is a Valuation presentation which will cover the Value Creation Model and the 'As is' Model of the opportunity. Upon completion, the Investment Manager or Managing Partner signoff on the business valuation.
6. A Management Investment Committee (IC) will be held to consider the opportunity. The Investment Manager will present the pack that shall include:
 - a) The Deal Screen
 - b) The set of Assumptions

c) The Valuation Presentation

7. The decision is then made by the Partners to either proceed to PIA or drop/archive the opportunity through a Management Investment Committee (IC). If the decision is to proceed to PIA, and Expression of Interest (EOI) is shared with the target but if the verdict is to drop/archive the opportunity then a Regret letter is shared instead. Once the target company accepts the terms within the EOI, regarding the investment capital structure the Analyst/ Associate commences preparation of the PIA.

3 PRELIMINARY INVESTMENT APPRAISAL

3.1 Purpose

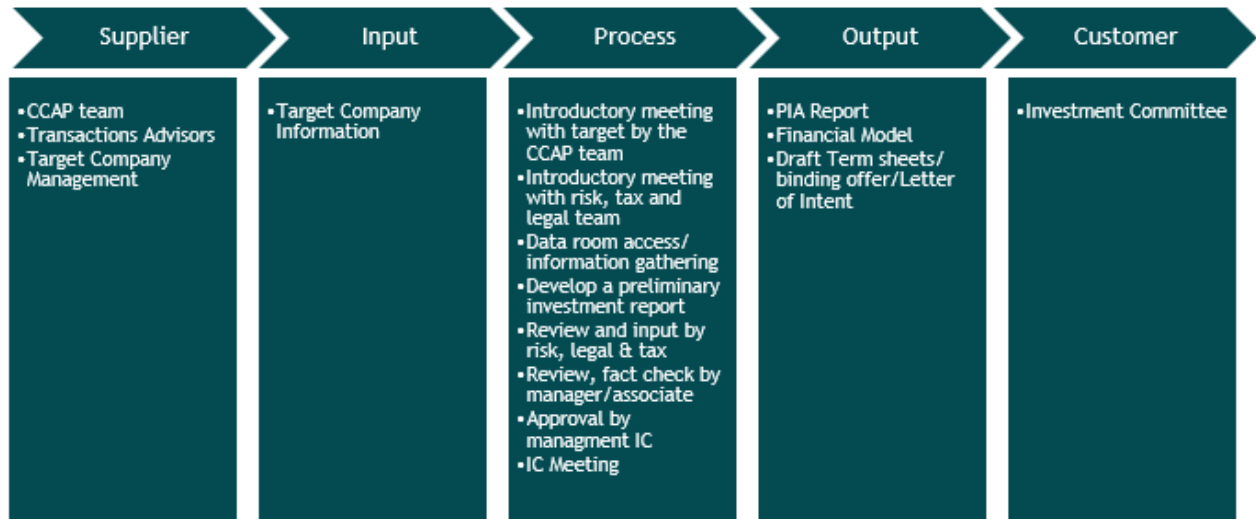
To obtain an IC approval to proceed to Final Investment Appraisal.

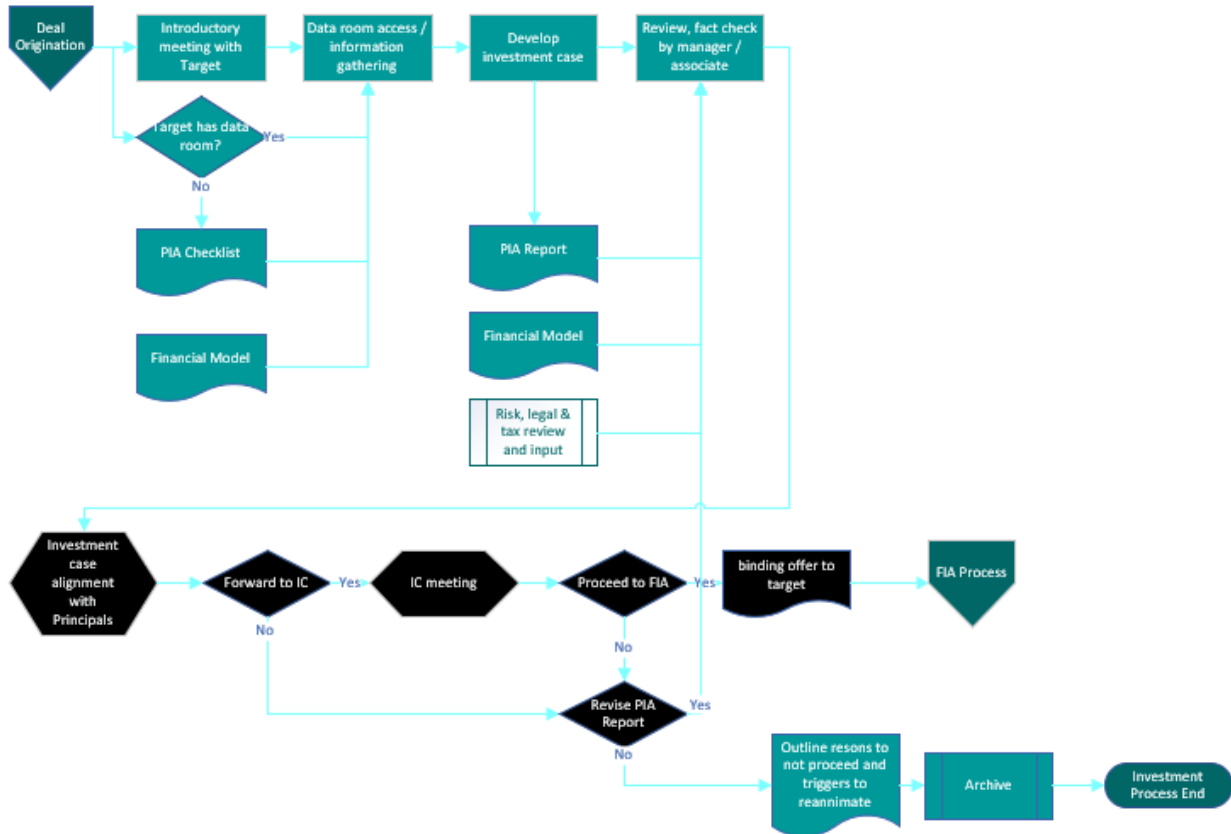
Key Performance Indicators:

1. Turnaround time: 10 days from gathering additional information requested by the Management IC
2. Achieve a 90% alignment to the PIA checklist

3.2 Key Processes

Key processes within the PIA process is analyzed using the SIPOC model





3.3 Description of the Preliminary Investment Appraisal Process

The Analyst/Associate prepares a Preliminary Investment Appraisal report (PIA) in accordance to the PIA template. If the recommendation is to proceed to FIA, the Analyst/Associate will also prepare and append a preliminary Term Sheet. The PIA is then reviewed by the Manager. The report is shared with risk, legal and tax teams for their input. The PIA report (duly adjusted with feedback from risk, legal and tax) is then shared with the Manager and the Partner in charge who will sign off and present the same to the Management IC.

The Management IC decides on whether to proceed with the investment as recommended, to vary the term sheet or to drop the transaction. If the recommendation is to proceed, the opportunity is presented to the Centum IC. If the Centum IC approves the deal, the same is forwarded to the Fund IC.

3.4 Delegated Responsibility

Responsibility	
Investment Committee	<p>Approve/ reject a proposal to proceed to FIA</p> <p>Approve/ reject the Due Diligence Budget</p>
Investment Director/ Managing Director	<p>Oversight of the end to end PIA process</p> <p>Reviews and signs-off on the PIA report prepared by the transactions team</p> <p>Present the Investment Case to the Investment Committee seeking the following approvals:</p> <ul style="list-style-type: none"> • The company makes the investment on the terms set out in the draft term sheet • Approval to enter into key investment agreements • A budget approval to spend a specified sum on due diligence • Execution of key investment agreements to inform the commencement of the FIA Process
Investment Manager	<p>Leads the end to end PIA process</p> <p>Leads in all communication between Centum Capital and external stakeholders</p> <p>Leads in the preparation and finalization of target's Financial Model and PIA</p> <p>Reviews the Financial Model and PIA report prepared by the Investment Analyst(s)</p> <p>Leads in the preparation of key investment agreements</p>
Analyst/ Associate	<p>Prepares Financial Models</p> <p>Prepares the PIA report</p> <p>Responsible for documentation of all relevant PIA documents</p> <p>Assist in drafting of key investment agreements</p>
Risk Department	<p>Reviews and provides input on the Financial Model and PIA report</p> <p>The Risk Officer reviews the Financial Model and PIA report prior to final review by the investment director</p> <p>Prepares a risk report to accompany the PIA report to the investment committee meeting</p>
Tax Department	<p>Reviews and provides input on the Financial Model and PIA report</p> <p>Analyze the tax exposures on the Target acquisition</p> <p>Analyze the tax impact on the jurisdiction of operation of the business</p> <p>Advise on the appropriate tax restructuring to reduce the impact on Centum Capital</p> <p>Prepares a Tax report for review by the investment director and investment committee</p>
Legal Department	<p>Reviews and provides input on the Financial Model and PIA report</p> <p>Reviews and provides input on key definitive agreements</p> <p>The company secretary reviews the final term sheets/binding offer prior to execution and sending out to the sponsor</p> <p>Prepares a legal report for the review by the investment director and investment committee</p>

3.5 PIA Checklist

1. Fact Sheet
2. Investment opportunity
3. Recommendation
4. Company background
5. Shareholders
6. Management
7. Detailed business model review
8. Detailed market and industry review
9. Financials (past, assumptions & projections)
10. Return & sensitivity analysis
11. Validated Set of Assumptions document
12. Initial valuation (As is) and Value Creation valuation
13. Deal and financing structure
14. Value creation strategy
15. Risk Report
16. Exit strategy
17. Due diligence focus areas
18. Draft term sheet/Letter of Intent

3.6 PIA Timelines

Activity	Timeline in days			
Information Gathering	1			
Modelling		4		
Draft PIA Report			2	
Review of Financial Model and PIA				2
Final Report & Model				2
Duration	10			

3.7 PIA Templates/ Documents

Key documents relevant for the PIA process include (see the accompanying templates):

1. Information request List (IRL)
2. PIA Template
3. Financial Model Template
4. Draft Term Sheets

4 FINAL INVESTMENT APPRAISAL

4.1 Purpose

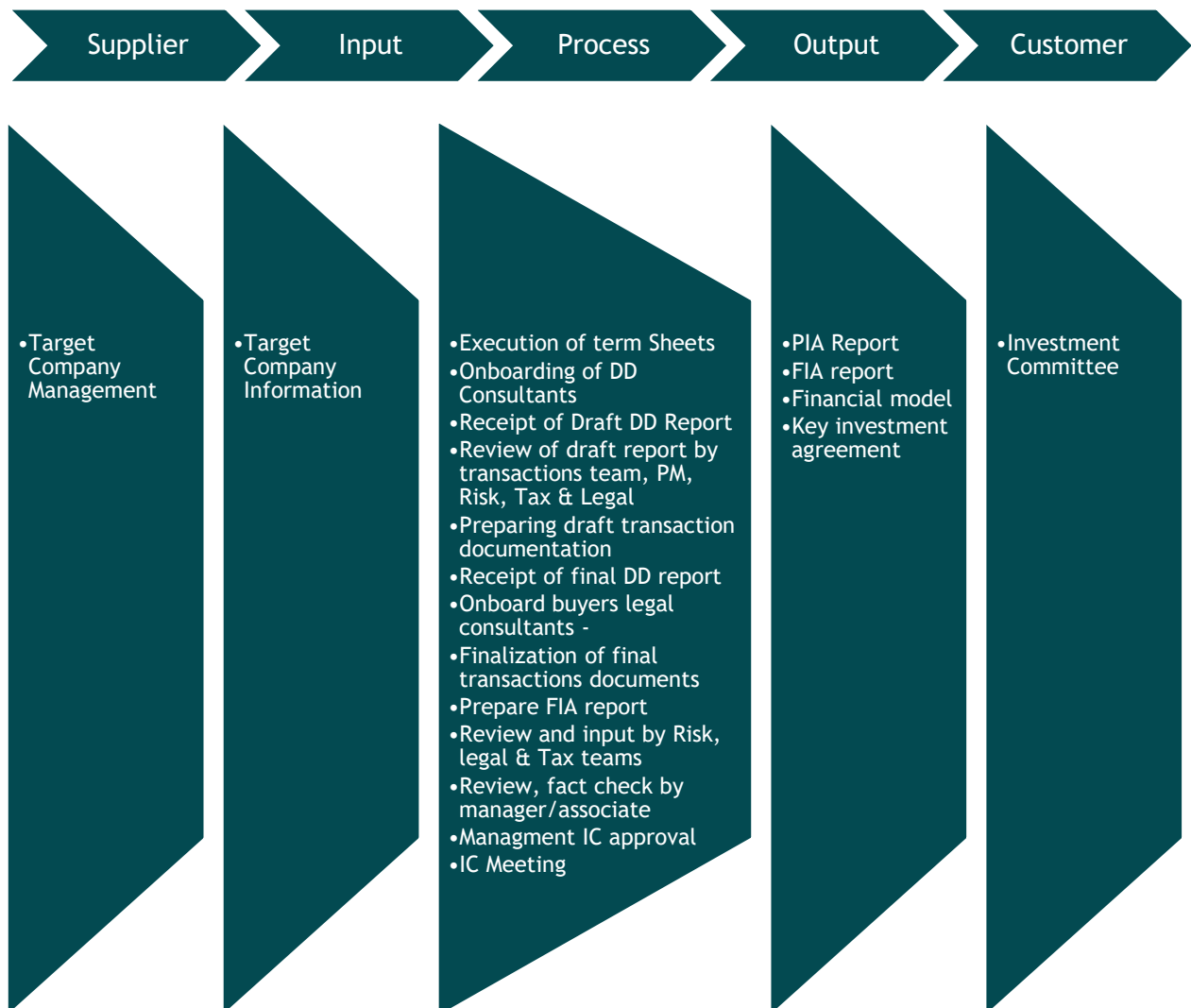
To obtain an IC approval Invest in Target Company.

4.2 Key Performance Indicators

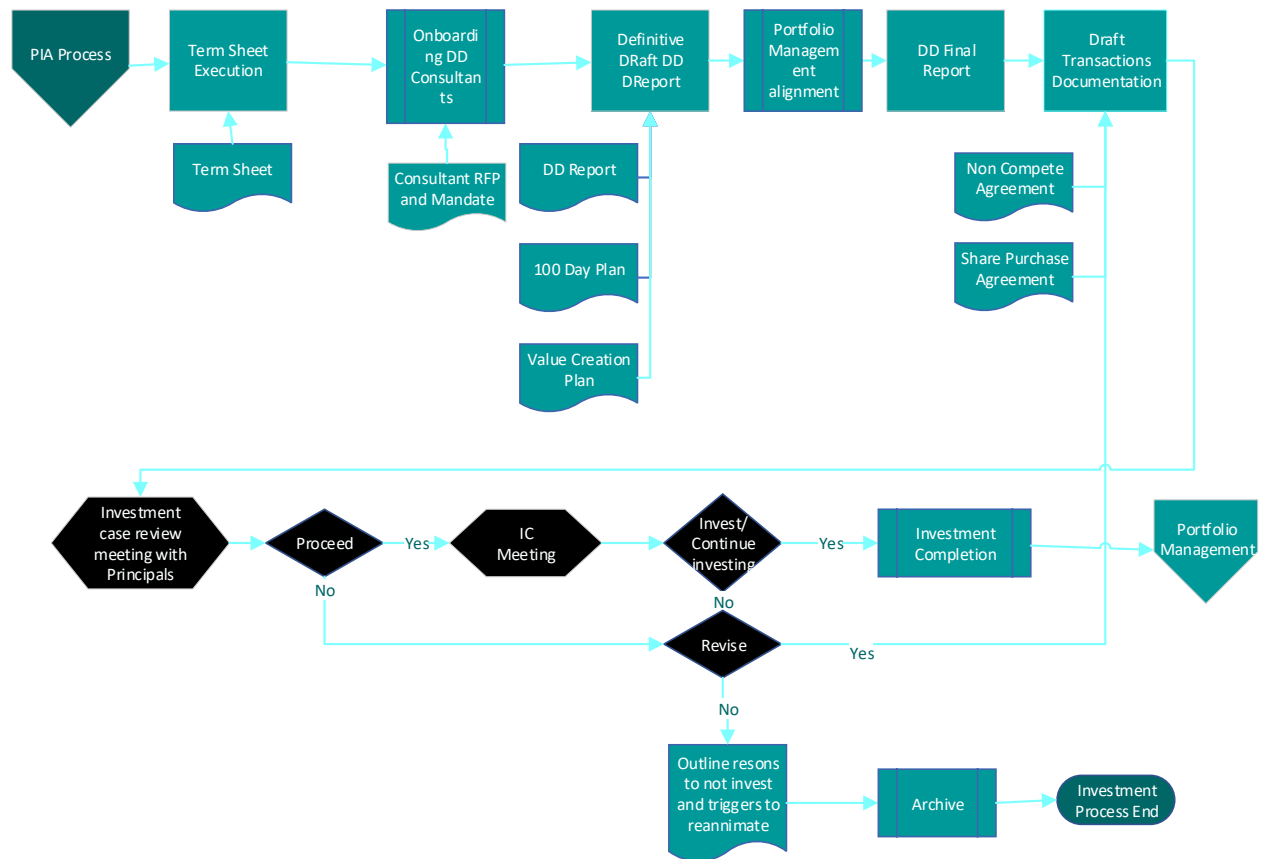
1. Turnaround time: 4 Months from IC approval
2. Achieve a 90% alignment to the FIA checklist

4.3 Key Processes

Key processes within the PIA process is analyzed using the *SIPOC model*



4.4 FIA Process



4.5 Description of the Final Appraisal Process

Upon approval by the investment committee of the Fund, the Managing Partner ensures that the term sheets are duly executed between the parties. The Analyst/Associate prepares a draft RFP proposal to DD consultants and buy-side legal advisors which is reviewed by the transaction's manager for execution by the Managing Partner. The manager is responsible for distributing the RFPs to potential consultants.

Upon receipt of proposals, the Analyst/Associate in coordination with the manager review the proposals and select the preferred advisors. The Managing Partner is then tasked with appointment of the selected consultants. The manager is tasked with defining the investment scope for all the DD consultants.

The appointed DD consultants present draft due diligence reports for review by the Analyst/Associate responsible in consultation with the legal, tax and risk teams. The report is presented to the Management IC for comments and feedback. The manager then provides feedback to the consultants. The final report is then reviewed by the Analyst/Associate in liaison with the manager who communicates the due-diligence findings with the management IC.

The Analyst/Associate updates the financial model and prepares an FIA report incorporating the due-diligence findings. The manager discusses the FIA report with the Management IC and gets sign off from the partners.

The Managing Partner presents the FIA to the Centum IC and seeks for a recommendation that the Fund issues a draft Share Purchase Agreement (SPA).

The Centum IC decides on whether to proceed with the investment as recommended, vary the SPA, or to drop the transaction.

The FIA process takes 16 weeks.

If the Centum IC proposes to proceed with the Deal, the deal is taken to the Fund II IC for consideration. The Fund IC may make the following recommendations:

1. That the Fund issues the draft Share Purchase Agreement (SPA)
2. That the Fund appoints buyers' legal team for transaction completion

Responsibility	
Investment Committee	Approve/reject a proposal to proceed to the detailed Due Diligence Approve/reject the Due Diligence Budget
Investment Director/Managing Director	Oversees the overall FIA process Responsible for the appointment of Due Diligence Consultants and buy-side legal advisors and execution of key engagement contracts for the Due Diligence /FIA Process Reviews and signs-off on the updated financial model and FIA report as prepared by the transactions team Presents the Investment Case to the Investment Committee seeking the following approvals: <ul style="list-style-type: none"> • The company makes the investment on the terms set out in the definitive investment agreements • Approval to enter into key investment agreements • Approval to invest • Approval to execute key definitive agreements to inform the FIA Process
Investment Manager	Reviews and sends out of final RFPs to DD consultants and buy-side legal advisors Reviews the proposals from potential DD consultants and buy-side legal advisors Responsible for defining the scope of work to be undertaken in the due diligence process Responsible for the management of the entire due diligence process including appointment and co-ordination of the different due diligence teams. Negotiating the key investment agreements/ share purchase agreements Selection of the preferred DD advisors Engagement of the advisors and communicating the scope of work Review of DD report and findings against the predetermined scope Reviews the financial model and investment recommendation Lead on the FIA report and Financial Model
Analyst	Preparation of RFPs to potential DD advisors Review of the Information Request List to track the information submitted vis a vis information requirement. Review of draft DD report to provide feedback to the DD report and preparation of final financial model and draft FIA report with an updated recommendation to either proceed to invest at certain amount or drop the investment Preparation of the FIA and Financial Model report

Risk Department	Review and Input of the Financial Model and FIA report and incorporates/prepares a risk report with any variation in the investment recommendation The Risk Officer signs-off on the Financial Model and PIA report prior to presentation to the Investment Committee
Tax Department	Review and Input of the Financial Model and FIA report and incorporates/prepares a Tax report with any variation in the investment recommendation Analyze the tax exposure on Target Analyze the tax impact for the jurisdiction of operation of the business Advise on the appropriate restructuring to reduce the tax impact to Centum Capital
Legal Department	Review and Input of the Financial Model and FIA report and incorporates/prepares a risk report with any variation in the investment recommendation Reviews and input on key definitive agreements The company secretary reviews the final term sheets/binding offer prior to execution and sending out to the sponsor

4.6 FIA Checklist

1. PIA Content
2. Transaction and funding structures
3. Summary of due diligence findings
4. Agreements (SPA/SSA, SHA, Non-Compete agreement)
5. Investment recommendation
6. Exit strategy
7. Validated value creation plan (or 100- day plan)

4.7 FIA Timelines

Activity	Cumulative timeline in days									
Execution of term Sheets	7									
Onboarding DD Consultants & buy-side legal consultants		14								
Receipt of Draft DD Report			30							
Review of Draft Report				7						
Draft Transaction Documentation					14					
Receipt of Final DD Report						21				
Final Transactions Documents							14			
Prepare FIA Report								30		
Review and input of FIA Report									7	
Review, fact check by manager/Associate										4
Alignment with Principal I & II										7
Total Duration	120									

4.8 FIA Templates/ Documents

Key documents relevant for the FIA process include (see the accompanying templates):

1. Request for Proposals (RFPs) - to DD consultants
2. Buy-side legal advisor engagement letter
3. FIA Template
4. Draft Share Purchase Agreement
5. Draft Shareholders Agreement

6. Draft Share Subscription Agreements
7. Draft Non-Compete Agreement

5 INVESTMENT COMPLETION PROCESS

5.1 Purpose

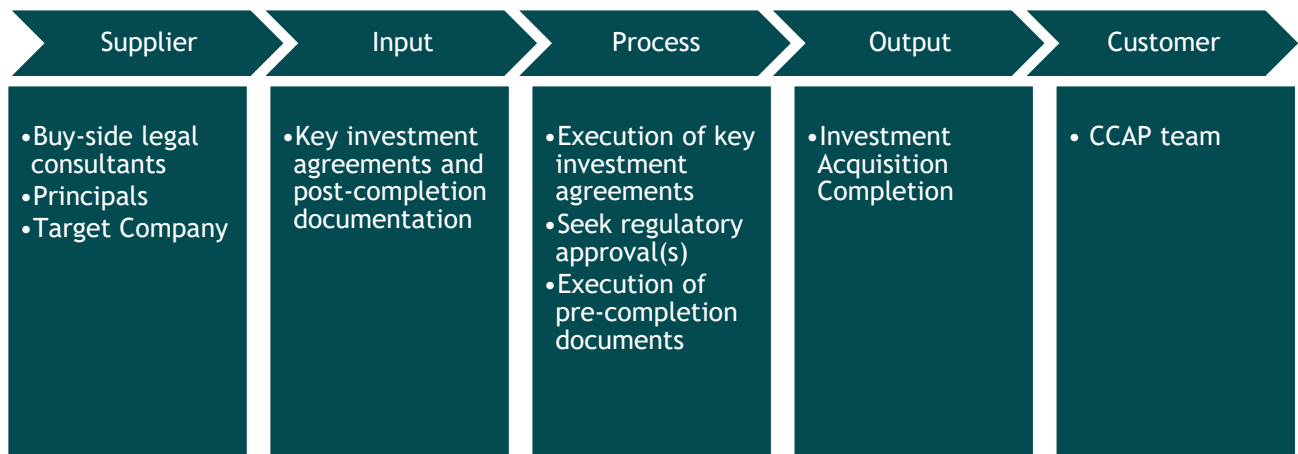
Investment Acquisition Completion

5.2 Key Performance Indicators

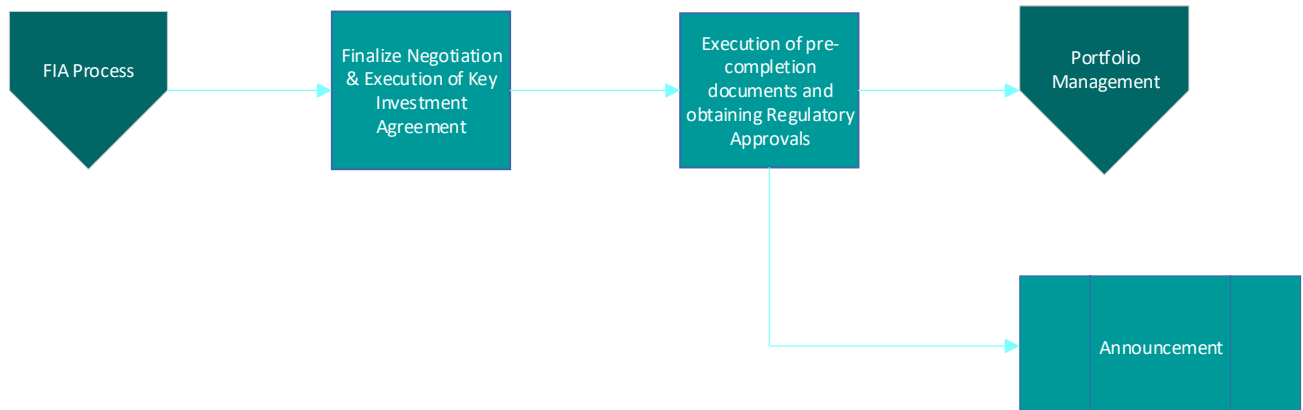
Turnaround time: 3 Months from IC approval

5.3 Key Processes

Key processes within the Investment Completion process is analyzed using the **SIPOC model**



5.4 Completion Process



5.5 Description of the Investment Completion Process

At this stage, the CCAP team undertakes the following activities:

1. Completion of negotiation and execution of the investment agreements and all other agreements
2. Finalization of the financing arrangements
3. Obtaining shareholder and other regulatory approvals where necessary
4. Making any public announcements where necessary
5. Completion of any conditions precedent as specified in the investment agreements or financing agreements

6. Finalization of the 100-day value creation plan and possible commencing of its execution
The above process takes up to 12 weeks but will be guided by the plan developed at FIA.

5.6 Responsibility Matrix

Investment Committee	
Investment Director/Managing Partner	Executes Key Investment Agreements
Investment Manager	Responsible for finalization/Coordination/Completion of consideration payment in liaison with Finance and Treasury Leads in obtaining shareholder and regulatory approvals (where applicable) Leads in completing any pre-completion matters as specified in the key Investment Agreement
Analyst/Associate	Assist in completing the transaction, including documentation and seeking approvals
Risk Department	Liaise with the CCAP in developing investee company 100-day plan
Tax Department	Liaise with the CCAP in developing investee company 100-day plan
Legal Department	Custody of key definitive agreements and completion bible

5.7 Investment Completion Timelines

Activity	Cumulative timeline in days	
Execution of Key Investment Agreements	14	
Execution of Pre-completion documents		40
Regulatory Approval(s)		66
Completion		10
Total Duration	90	

5.8 Investment Completion Documentation

Key documents relevant for the PIA process include (see the accompanying templates):

1. Share Purchase Agreement
2. Shareholders Agreement
3. Share Subscription Agreements
4. Non-Compete

6 EXIT PROCESS

6.1 Purpose

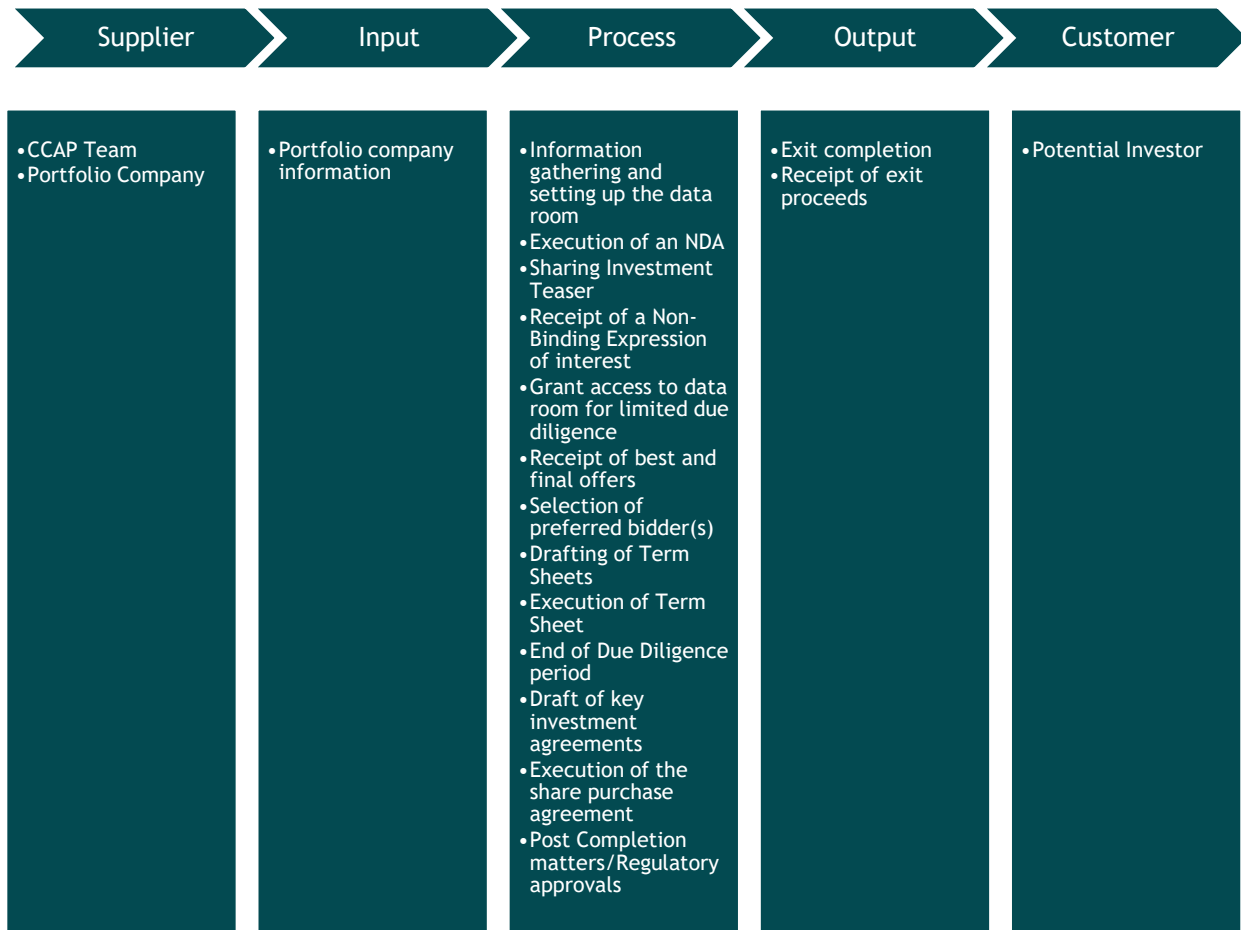
To realize value as per the pre-defined investment case

6.2 Key Performance Indicators

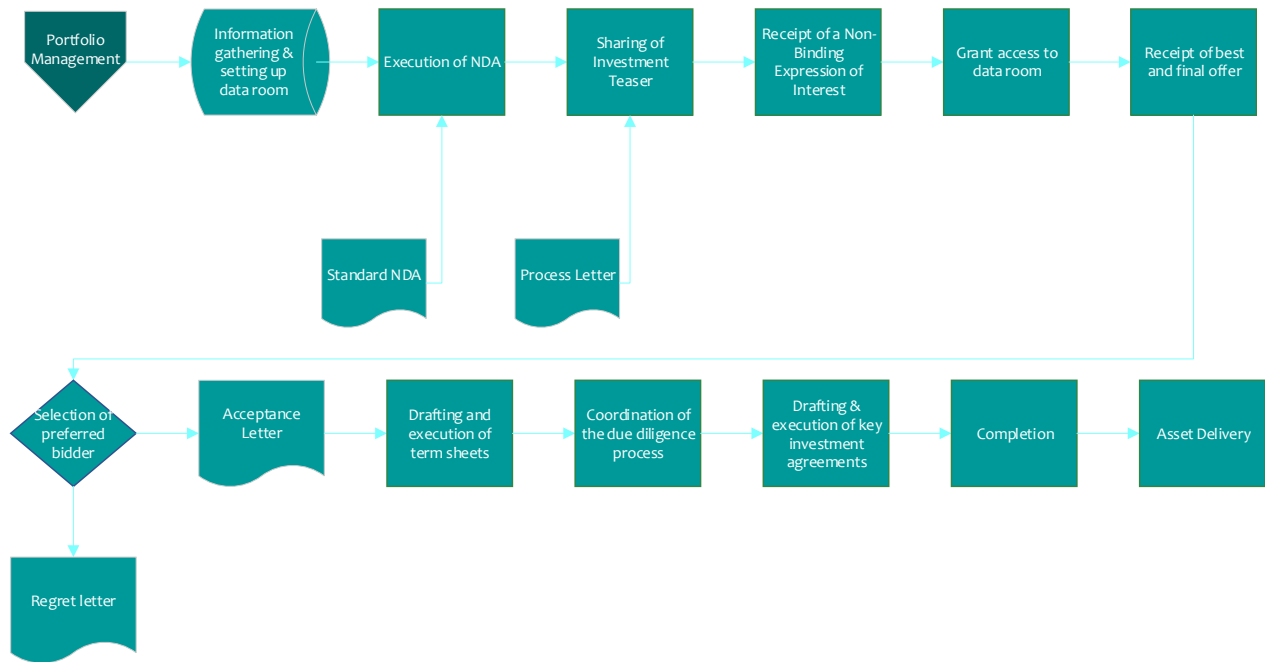
Exit at a valuation that will deliver a minimum IRR of 25% over the holding period of the asset

6.3 Key Processes

Key processes within the Exit process is analyzed using the *SIPOC model*



6.4 Exit Process



6.5 Description of the Exit Process

The Analyst/Associate responsible for the investment continues with the opportunity into portfolio management. Once the exit trigger metrics have been achieved. The Analyst/Associate team prepares an exit case and presents it to the Management IC who review and if agreeable present the opportunity to the Centum IC. Once Centum IC approval is obtained, the exit case is presented before the Fund IC upon whose approval the exit process begins.

The Analyst/Associate prepares the investment material i.e. opportunity teaser, information memorandum and financial model. These documents are reviewed by the Manager and signed off by the Managing Partner. The Analyst/Associate gathers information from the portfolio company's management and populates the data room.

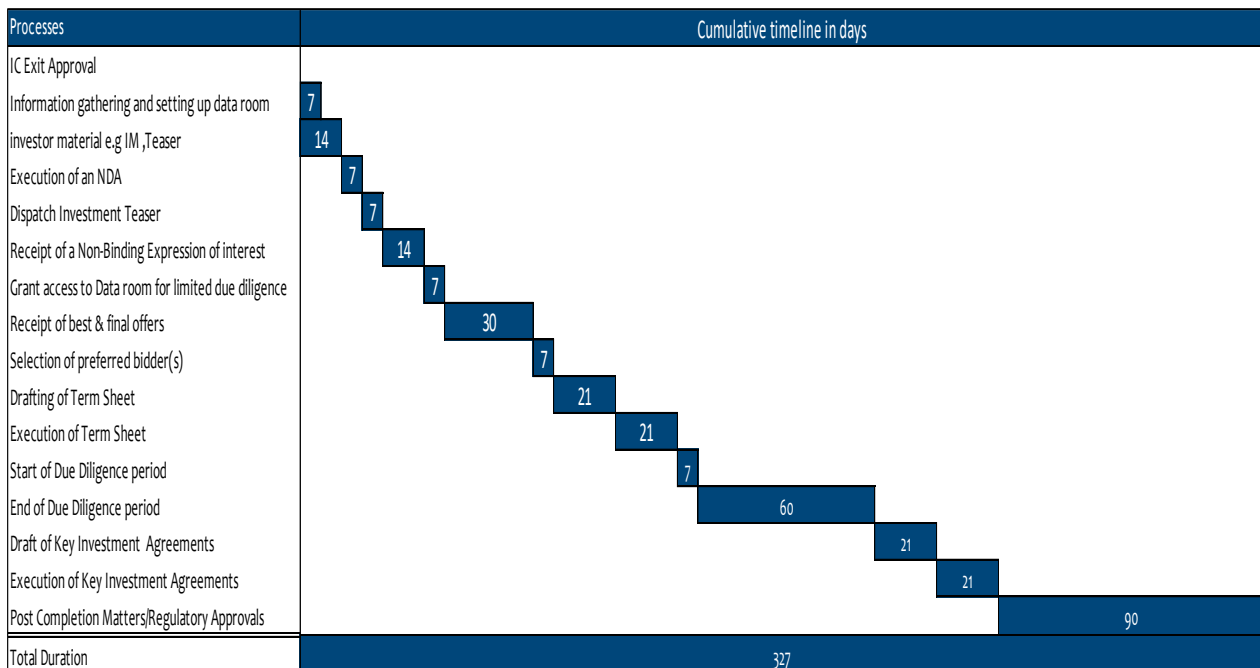
The Manager identifies potential investors, initiates signing of an NDA and then sends them the marketing information. The potential investors revert with a non-binding offer and proceed to limited due diligence. The investors then revert with a binding offer. The transaction manager and investment director select the best and final offers and communicate to the respective parties. The selected investors proceed to full due diligence.

The Manager aligns with the Analyst/Associate on the execution of the pre-completion matters raised after due diligence. Once the conditions precedent have been addressed, the Partners execute the completion documents.

6.6 Responsibility Matrix

Responsibility	
Investment Director/ Managing Director	Execution of Key Definitive Agreements
Investment Manager	Selection of the preferred bidder Responsible for completion of negotiations and execution of the investment agreement and all other agreement Obtaining shareholder and other regulatory approvals where necessary Making any public announcements where necessary Completion of any conditions precedent as specified in the investment agreement or financial agreements Co-ordination of the due diligence process Identifying potential investors Reviewing Investor Materials i.e. Opportunity teaser, Information memorandum and financial model
Analyst/Associate	Assist in completion of negotiations and execution of the investment agreement and all other agreements Assist in co-ordination of the due diligence process Assists in identifying potential investors Preparation of Investor Materials i.e. Opportunity teaser, Information memorandum and financial model Information gathering and setting up a data room Ensure NDAs are executed Draft process letters Drafting acceptance or regret letters

6.7 Exit Timelines



6.8 Exit Documentation

Key documents relevant for the Exit process include (see the accompanying templates):

1. Process letter
2. Shareholders Agreement

PIA Template



PIA%20Template_Final.pptx

Information Request Lists - IRL



Centum%20Capital%20PIA%20Checklist.doc

FIA Template



FIA%20Template_Final.pptx

Sample term Sheets



Sample%20Share%20Subscription%20Te



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Process letter



Exit%20Transaction%20Process%20lette

Sample SPA



SPA_Template%201.docx



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RFPs for Due Diligence

7 PORTFOLIO MANAGEMENT

7.1 Purpose

The overarching role of portfolio management is to prepare an asset for exit through implementing the value creation plan by working closely with management teams of portfolio companies and other partners including sector experts, and operating partners and other shareholders. In addition, Centum Capital plays other complementary roles which support value creation predominately from an informant/ advisor perspective including:

1. Reporting performance of underlying investment companies and that of the overall fund(s)
2. ESG risk monitoring
3. Quarterly portfolio valuations and reporting
4. IC approvals including, inter alia, M&A and roll-up acquisitions, follow-on investments, exit approvals

In addition, the function effectively manages market, credit, liquidity and operational risks at asset and overall portfolio level within acceptable limits to deliver superior risk-adjusted returns.

7.2 Portfolio Management Principles

CCAP adheres to the following canons in managing its funds and underlying portfolio companies:

1. **Expertise:** CCAP significant experience and training and continue to apply their cutting-edge skills and precision in the value creation process. CCAP seeks to build on its superior knowledge of the sectors and companies invested in by seeking on-the-ground and operational insights to corroborate and influence its value creation and exit strategies.
2. **Portfolio diversification:** CCAP achieves sound risk management by building portfolios that are diversified by asset, sector, currency and geography.
3. **Asset-Liability matching:** CCAP ensures that there is a healthy balance between assets that are generating cash returns and those whose return will be realized on exit. The objective is to ensure that the portfolio generates sufficient cash flows to match the liabilities (management structure, debt service and dividend obligations) on an ongoing basis.
4. **Portfolio Planning:** CCAP prepares a strategy period plan across the Fund portfolio in liaison with management teams which it then embeds in the budgets of portfolio companies and aligns management teams towards achieving Fund(s) objectives.
5. **Active management:** CCAP has a proactive approach to managing the investments. The Analyst/Associate works closely with portfolio company management to design a value creation plan that is aligned with the Fund portfolio target strategic plans and over the hold period, ensures that the company's strategic direction is congruent with the set-out plan albeit leaving some entrepreneurial flexibility to respond to unanticipated risks and opportunities with the objective of achieving initial financial targets. Where CCAP is a minority investor, it ensures it has an input in the investees' strategic plan through board participation to ensure value is created. The team then ensures that it has representation in the board including its committees which at a minimum will include the finance and accounting, audit and risk, strategy and nominations and governance.
6. **Teaming and Collaboration:** cognisant of the seminal role played by the CCAP Analyst/Associate in driving value creation, the Analyst/Associate seeks to build meaningful and cordial working relationships with management teams by working hand in hand in driving growth of investee businesses and ensures the cascading of this collaborative and team approach to all staff at investee companies across all cadres.

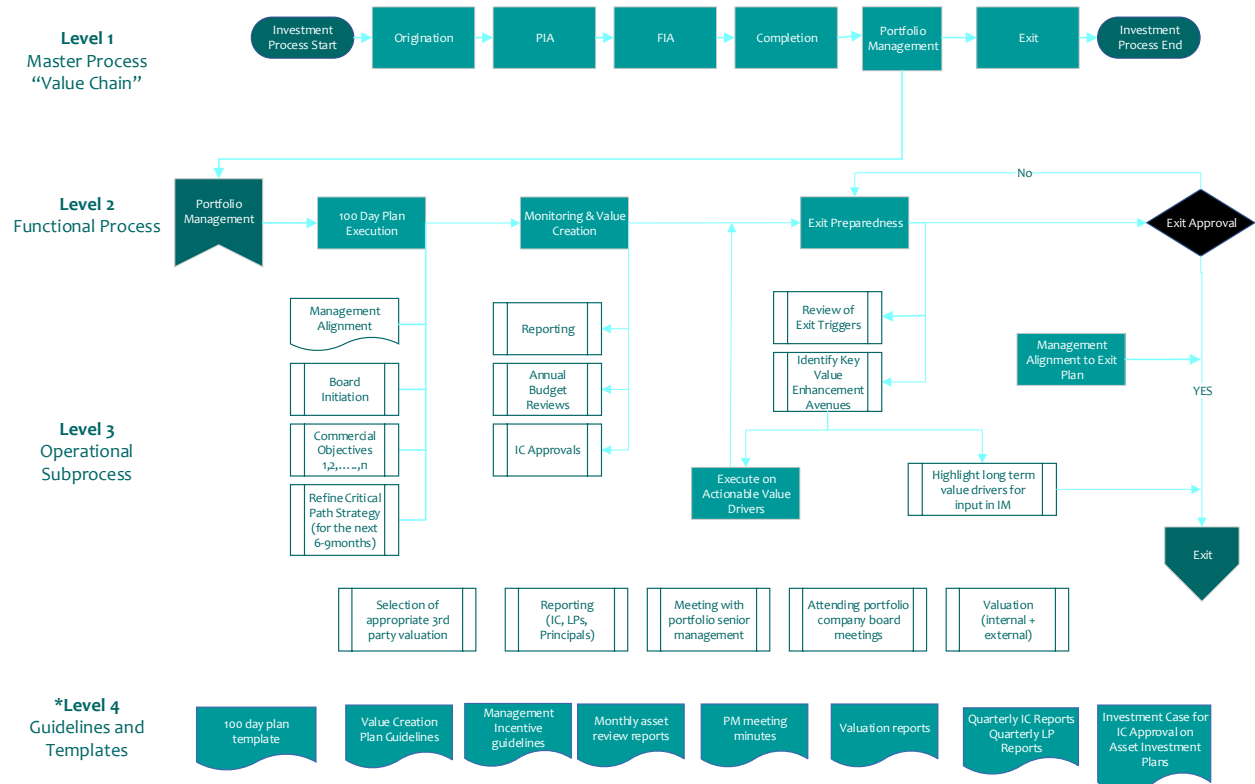
7.3 Portfolio Management Process

The portfolio management process is broken down to 4 levels as below;

1. Level 1: Master Level
2. Level 2: Functional Processes
3. Level 3: Operational Sub-processes
4. Level 4: Guidelines and Templates

The Analyst/Associate remains responsible for all assets post investment and are guided by the principles as set out in section 1

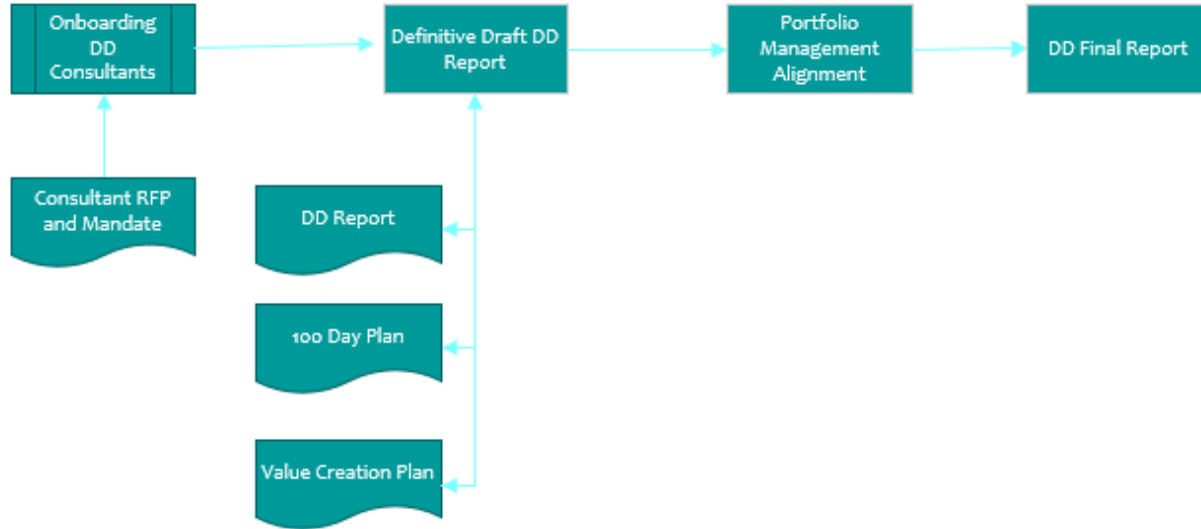
Portfolio Management



7.3.1 Level 1: Master Level (Value Chain)

Once the asset is acquired, the Analyst/Associate works on value creation activities towards getting the asset to the target exit position within the stipulated holding period with the main objective being to achieve the overall Fund mandate.

7.3.1.1 Pre-Investment Activities

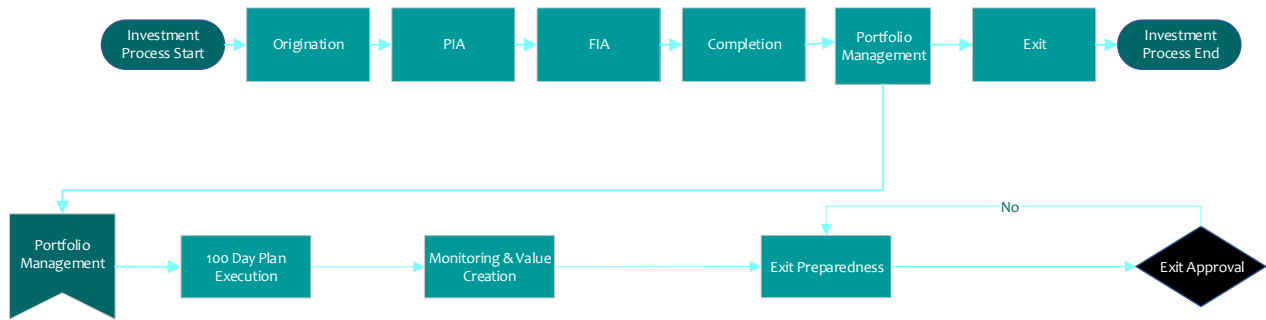


7.3.1.2 Description of Pre-investment Activities

The Analyst/Associate feed in the due diligence process where the team commences on the value creation process prior to acquisition by;

1. The Analyst/Associate drafts the mandate for onboarding the DD consultants while feeding in the minimum requirements around operational DD, Tax DD, Legal DD and Technical DD which then act as inputs for developing the 100-day plan and value creation plan.
2. The Partner will communicate the minimum inputs for the mandate with the Manager and commence drafting of 100-day plan and Value creation plan with the Manager and Analyst/Associate.
3. The Analyst/Associate also puts together an effective post-investment management team for the asset which may include a sector expert, member(s) from the team and seasoned industry authorities
4. The Analyst/Associate receives the definitive DD report from the consultant on findings and reviews these findings and identify the asset's areas that require development/improvement.
5. The Analyst/Associate then uses the said findings to draft the 100-day plan and value creation plan for each asset. At this stage, the Analyst/Associate may request for further details from the DD consultant and/ or sector expert.
6. The Analyst/Associate conclude on alignment of findings and then draft the final DD report.

7.3.2 Level 2: Functional Processes

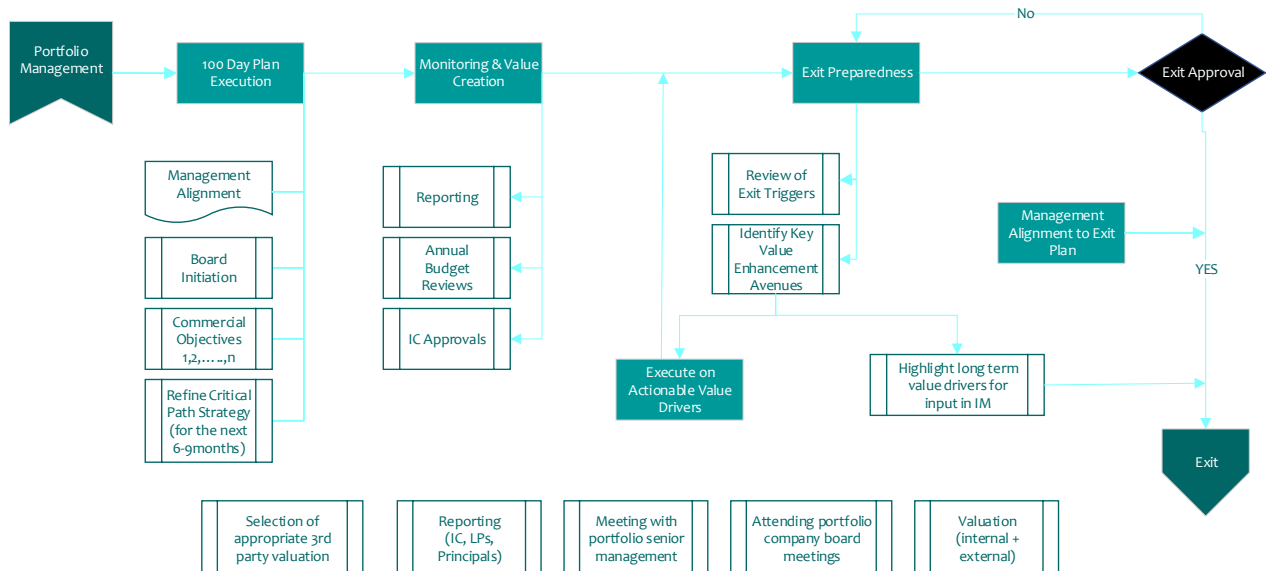


7.3.2.1 Description of the Functional Processes

The Analyst/Associate takes the deal through the 100-day plan, monitoring and value creation for over the holding period and then transitions into the exit.

7.3.3 Level 3: Operational Sub-processes

The functional processes are driven by sub-processes which aim to bring the asset to the minimum required level to drive value creation initiatives hence target return.



7.3.3.1 100 Day Plan

Defines the workstreams key activities over the 100-day time period, the responsible team and anticipated timelines. This is developed at pre-investment stage where the commercial activities that require implementation are identified and incorporated in the plan.

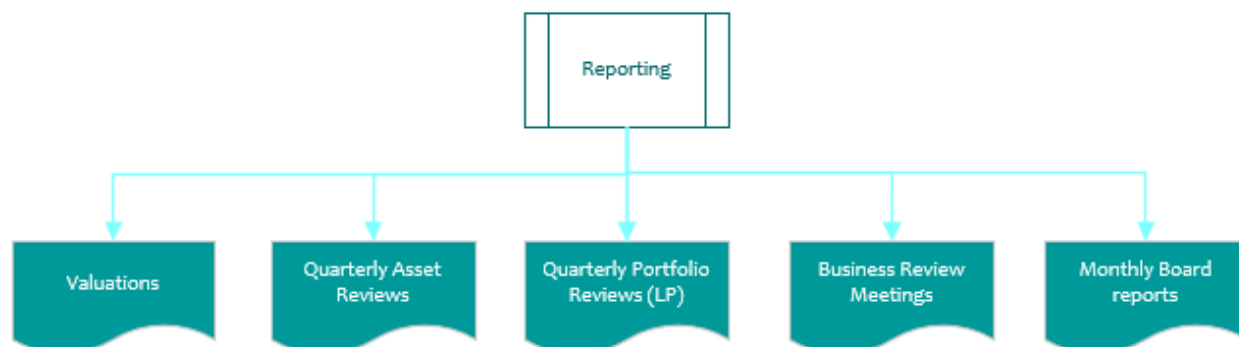
	Workstream	Activity	Responsible Team	Expected duration (Days)
1	Pre-Day 1 Activities	Identify key activities from DD findings	Analyst/Associate	TBD
		Draft key Milestones	Analyst/Associate	TBD
		Compare draft 100-day plan with findings from DD	Analyst/Associate	TBD
		Decision on implementation & communication plan	Analyst/Associate	TBD
2	Management Alignment	Align with asset management & communicate strategy	Analyst/Associate	TBD
		Meet all the major stakeholders and communicate ownership changes	Analyst/Associate	TBD
		Execute on set of first quick wins towards value creation	Analyst/Associate	TBD
		Set up monthly Business review calendar	Analyst/Associate	TBD
3	Board Representation	Align on the board composition	PM & Asset Board	TBD
4	Implement Staffing Plans	(identified pre investment)	Analyst/Associate	TBD
5	Commercial Objective 1	(Identified pre investment)	Analyst/Associate	TBD
6	Commercial Objective (2,...,n)	(Identified pre investment)	Analyst/Associate	TBD
7	Refine critical path strategy for the next 6-9 months	(identified during 100-day plan execution)	Analyst/Associate	9mnths

7.3.3.2 Monitoring and Value Creation

The value creation plan will serve to identify, set and track key performance indicators (KPIs) geared towards:

- Addressing key issues pinpointed during the strategic review and/or due diligence as well as during the pre-investment IC meetings
- Identifying and establishing generally hard to find resources within the portfolio company. This revolves around expertise, people and capital among other company specific resource needs
- Identifying and executing relevant expansion opportunities in line with the fund's strategy
- Fostering internationally acclaimed best practices regarding the portfolio company's operational, ESG, health and safety standards

1. Reporting



a) Valuation

Quarterly portfolio valuations serve the dual purpose of facilitating performance appraisal both internally (IC, investment team) and externally (by LPs) and compliance in line with ILPA, IPEV, GIPS and other valuation and reporting guidelines

- At the end of every quarter, the Partner will allocate an Associate/ Analyst in the team to conduct an end of quarter valuation of all unrealized portfolio companies in across the various funds
- Upon conclusion of the valuation, the direct line manager/ associate sense-checks the valuations which includes criticizing the methodology, assumptions, comparators, data integrity whilst checking compliance with valuation guidelines (IPEV, GIPS, etc.).
- The responsible Analyst/ associate then incorporates feedback in the next and final iteration and, subject to the direct line manager's satisfaction, shares the final valuations with the Partner and other stakeholders as appropriate including Centum Finance and Accounting, Operations team/ Fund Administrator and the extended investment team,
- At the end of each fiscal year, the external auditor provides assurance on the internal valuations of the entire portfolio including appropriateness and consistency of the methodology, approach, and assumptions.
- To preserve independence of the external annual valuation, the team does not share its intermediate quarterly internal valuations with the external valuator or attempt, in any way, to influence the latter's methodology and assumptions but provide all information and data requested promptly

b) Quarterly Asset Reviews

At the end of every quarter, the Analyst/Associate prepares a consolidated Investment Committee paper that highlights performance of each investment and the recommendation to either hold or exit the asset. Each asset review shall, at a minimum, include:

- Major industry developments and their impact on our value creation
- Financial performance (against plan and/ or budget, peer review)
- Progress in implementation of the value creation plan
- Valuation and methodology
- Exit plan
- Risks and mitigation
- Recommendation (hold, M&A or bolt on, exit)

The consolidated IC paper then aggregate the performance to fund level highlighting the performance by fund(s), sectors, geographies, etc., highlight fund metrics (DPI, RVPI, etc.), summarize notable developments, highlight overall fund risks and mitigation.

c) LP Reports

The content of the Quarterly LP reports are to a large extent drawn from the quarterly IC report albeit customized to meet specific LP requirements. The Analyst/ Associate works closely with the Fund Administrator to avail the reports to the LPs leveraging IT platforms to capture useful detail and ensure timely and accurate reporting of fund performance.

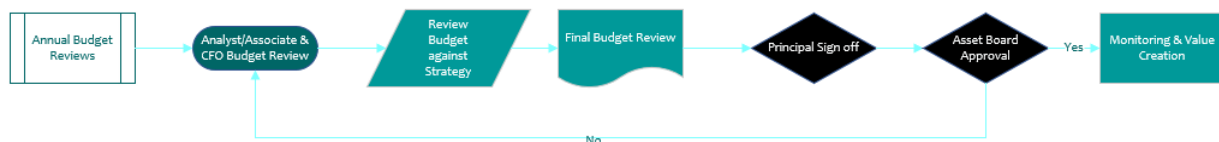
In addition, the Analyst/ Associate works with the Fund Administrator to ensure that the LP reports adhere to ILPA requirements.

d) Business Review Meetings

For companies in which CCAP has a controlling ownership, the team facilitates organizing monthly review meetings with the senior management teams. These meetings provide an avenue to understand the business' performance, assess management and identify other ways of creating value through interactions with management.

Business Review meetings are documented, and action items shared between the CCAP team and the management teams.

2. Annual Budget Reviews



This is a very crucial process and lies at the heart of value creation since it defines each portfolio company's focus year on year which trickles into the end of year performance and by extension the fund performance.

The outcome of the process is clarity and alignment on the strategic focus of each portfolio company for a given year which is then reflected in the Analyst/Associate's priorities for the year as part of the effort to achieve set out strategic targets.

The steps guiding this process are as outlined:

- The Partner engages each portfolio company's CFO during the budget planning phase and assigns an Analyst/ Associate to work hand in hand with the CFO in the budget preparation
- To the extent that the above is untenable, the Partner engages the company's CFO and aligns, in principle, with the CFO on what the strategic plan and targets for the respective company are in line with the investment thesis and portfolio company board discussions
- Upon completion of the draft budget, the CFO shares the same with the Partner and he/ she assigns an Analyst/ Associate to review against the strategic plan, prior years including sense-checking the assumptions, drivers and the plans underpinning achievement of each line item
- The Analyst/ Associate shares feedback with the Partner who then considers and transmits the same to the CFO. Upon receipt of the revised budget from the CFO, the Partner signs off on email and the team aligns their value creation initiatives

around the asset's budget including splitting responsibilities between the CCAP team and the management team.

The budget is then presented to the board for approval following which the team refines the key value creation initiatives for the year and also aligns with management

3. IC Approvals



The flowchart on the left shows the process guiding preparation of IC papers for IC meetings which includes the following agenda:

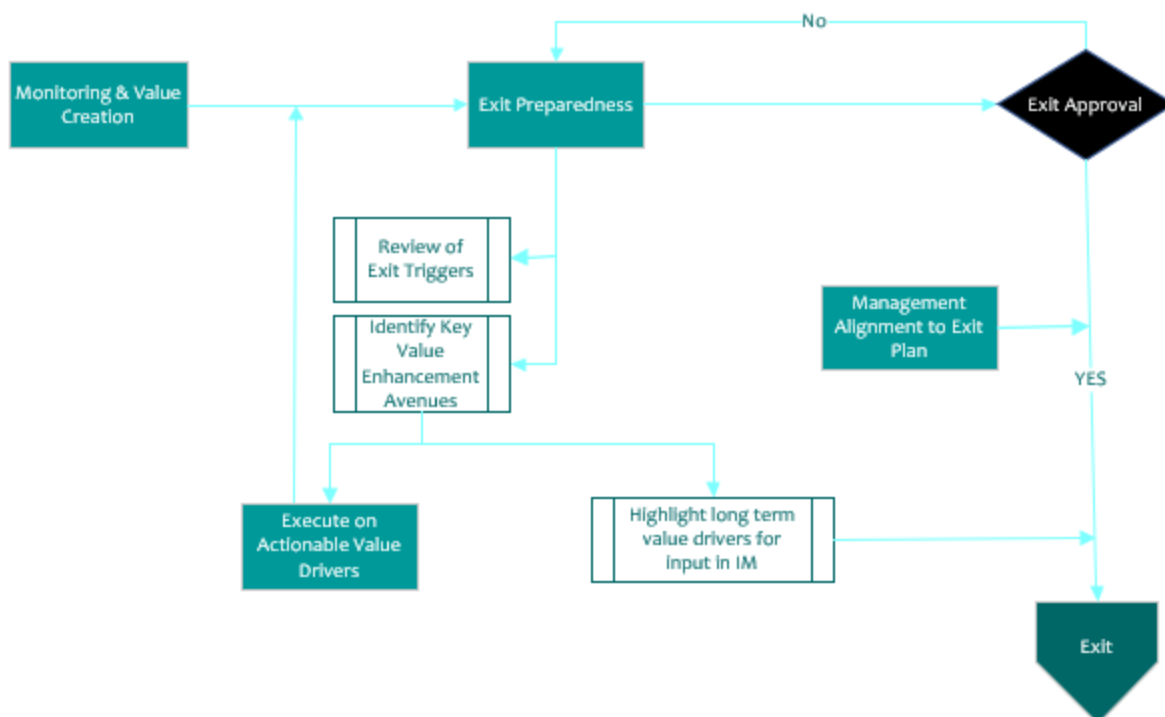
1. Performance updates of individual investments and of the aggregate fund
2. Approvals for M&A and roll-up acquisitions
3. Follow-on investments for sums above initial investment approval
4. Any significant deviations in the approved strategic plan
5. Exit approvals

7.3.3.3 Exit Preparedness

This process is an ongoing process in the value creation plan and deliberate 18 months prior to planned exit date.

It involves finalizing of the process of unlocking unrealized value of an asset in preparation for the exit. This begins at the earlier of eighteen months prior to the forecasted exit date or upon 80% achievement of value drivers. This is done in liaison with the Transactions team based on the triggering of key metric set in the investment thesis. The process entails:

- a) The review of exit triggers
- b) Identification of key value enhancement avenues and input long term value drivers in the IM
- c) Management alignment to exit plan



7.3.3.4 Description of Exit Preparedness Process

1. Review of exit triggers

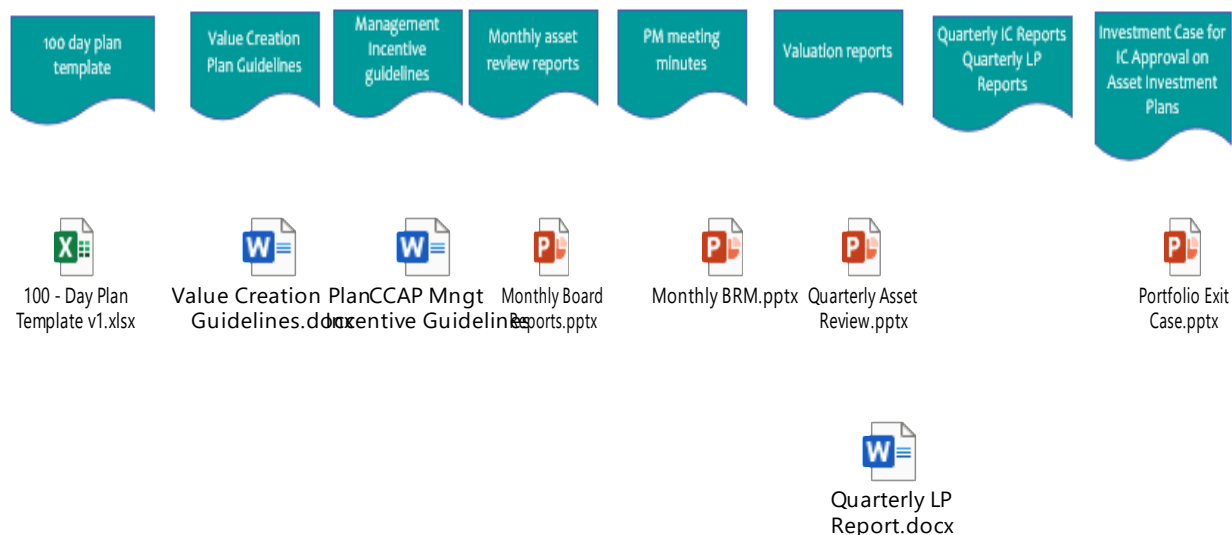
The constant monitoring of exit triggers is conducted throughout the holding period of an asset. Regular reports on the triggers which were originally defined in the investment thesis against the current performance of the asset are made quarterly to the Partners of the fund, as well as during the Investment Committee sittings quarterly (*see section 2.5 for reporting templates*)

2. Identification of key value enhancement avenues

- a) The Analyst/Associate during the process leads in identifying key value enhancement avenues to be able to narrate to potential acquirers the value uplift they stand to gain and enable CCAP to exit at a higher multiple. The Analyst/Associate hence work with the portfolio company to ensure any short-term value drivers are implemented before exit to increase the value of the asset as well as identify inputs of long-term value drivers for the Exit IM.
- b) These drivers are established from set goals in the investment thesis or from information from the deal origination team on what buyers in the market are looking for.
- c) The Analyst/Associate presents the asset to the investment committee for exit, upon the target achievement of value creation plans for the asset. This is done through the presentation of an exit paper that clearly outlines:
 - The exit thesis (template in section 2.5)
 - Key selling points informed by long-term value drivers
 - Target and floor valuation
 - Returns (IRR, multiple on invested capital)
 - Transaction structure, exit process and timelines

- d) If the asset is not approved for exit upon review by the investment committee the Analyst/Associate, then execute on the actionable value drivers and bring back the asset for exit review upon execution of the set value drivers.
3. Management alignment to exit
If the exit of the asset is **approved** by the Investment Committee, then the Analyst/Associate proceeds to align interests with the management team of the portfolio company from an exit perspective, to ensure that they are motivated to provide the right information to the acquirer to ensure maximum gains upon exit.

7.3.4 Level 4: Guidelines and Templates

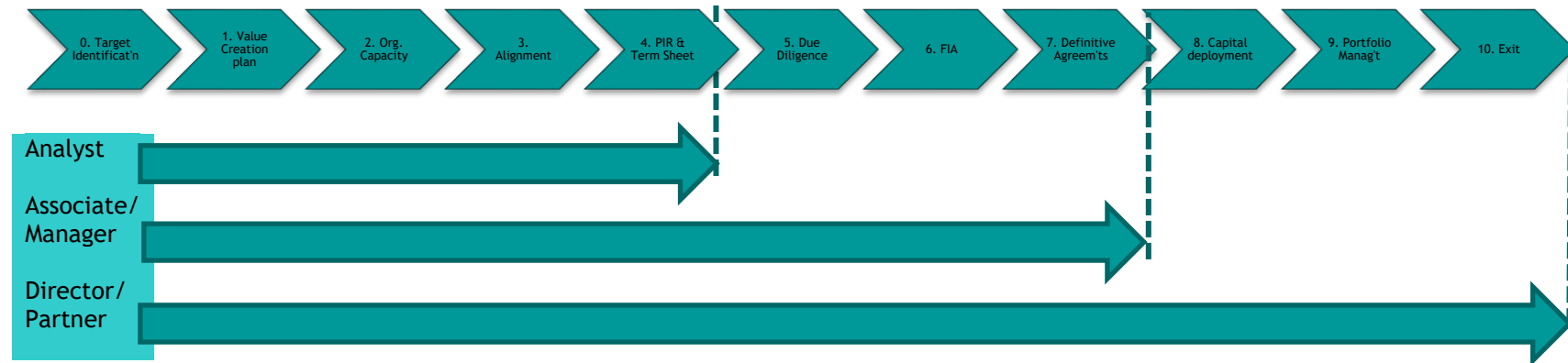


7.4 Portfolio Management and Process Responsibility Matrix

Team Member	Responsibility
Managing Partner	Is the overall head of Centum Capital, supports the Analyst/Associate through consultation and is informed on ongoing value creation initiatives where he may sign or counter sign on some PM decisions
Manager	Is the head of department and gives instruction as to all PM activities from pre-acquisition to seeking exit approval
Manager/Associate	Leads on defining the work plan for the team across each process
Senior Analyst/Analyst	Leads on research, analysis and structuring activities across each process
Graduate/Intern	Supports the general team in research and analysis across each process

8 CENTUM CAPITAL RESPONSIBILITY MATRIX

8.1 CCAP Investment Processes & Competency Requirements



8.2 Competency Requirements

		Analyst	Associate	Manager	Director	Partner
0.	Deal Origination					
	Sector research reports	x	x	x	x	x
	Fact sheets on potential target companies	x	x	x	x	x
	Pitching Centum's value proposition	x	x	x	x	x
	Generating preliminary information request list	x	x	x	x	x
1.	Value creation					
	Analyzing potential target company's historical financial performance	x	x	x	x	x
	Identifying and quantifying economic impact of value creation opportunities	x	x	x	x	x
	Conducting valuation of target companies and generating deal screens	x	x	x	x	x
2.	Organizational capabilities					
	High-level assessment of target's people, processes and systems	x	x	x	x	x
	Rate organization's capacity to unlock value creation opportunities identified	x	x	x	x	x
	Identify gaps/weaknesses in and prepare findings report to target's management	x	x	x	x	x
3.	Alignment					
	Propose formula for sharing potential value between current owners, management and Centum that will meet Centum's return expectation	x	x	x	x	x
	Agree with current owners and management on the sharing of potential value				x	x
	Agree responsibility for delivery of value creation in a way that protects Centum's downside risk				x	x
4.	PIR & Term sheet					
	Draw up term sheet, identifying value creation plan, responsibility for value creation and sharing of value created	x	x	x	x	x
	Present PIR for approval by I.C.		x	x	x	x
5.	Due diligence					
	Conduct due diligence inquiries to ascertain growth and valuation assumptions		x	x	x	x
	Confirm organization's capabilities to unlock value creation opportunities			x	x	x
	Lead and coordinate internal and external teams on due diligence exercise			x	x	x
	Compile due diligence findings and write final report			x	x	x
6.	FIR					
	Adjust growth and valuation assumptions based on due diligence findings and compile final valuation report		x	x	x	x
	Agree value creation plan and 100-day plan with target's current owners and management				x	x
	Present final investment review to I.C.			x	x	x
7.	Definitive agreements					
	Write up drafts of definitive agreements (SSA/SPA/CLA/SHA/Employee incentives) based on term sheet and adjusted for any findings in due diligence and final investment approval		x	x	x	x
	Identify conditions precedent to closing of transaction and incorporate these into definitive agreements		x	x	x	x
	Instruct lawyers on review and completion of the definitive agreements			x	x	x

		Analyst	Associate	Manager	Director	Partner
	Negotiate and agree definitive agreements with the counterparties				x	x
8.	Capital deployment					
	Confirm fulfilment of conditions precedent and attend to completion matters generally (including obtaining regulatory approvals, where applicable)		x	x	x	x
	Make any adjustments to purchase consideration for conditions precedent not fulfilled, where applicable and instruct payment of consideration			x	x	x
9.	Portfolio management					
	Continuous monitoring of performance against agreed value creation plan		x	x	x	x
	Analyze economic impact of any new initiatives proposed by the business to determine whether value accretive or destructive			x	x	x
	Represent Centum at boards of investee companies and keep management in check on agreed value creation plan				x	x
	Develop any remedial action plans where performance is below target and agree the same with management for execution			x	x	x
10.	Exit					
	Present case for exit to I.C.			x	x	x
	Agree future growth projections with management of investee companies to incorporate into company's forecasts and value proposition for new investors			x	x	x
	Run a competitive bid process and align management and other shareholders on selected bidder			x	x	x
	Run a seller due diligence and obtain warranties & indemnities insurance, where applicable			x	x	x
	Agree term sheet with selected bidder with price, warranties & indemnities incorporated				x	x
	Facilitate due diligence exercise by selected bidder				x	x
	Negotiate and agree definitive agreements				x	x
	Attend to completion matters general (including regulatory approvals, where applicable) and obtain transaction proceeds			x	x	x

9 REVIEW AND APPROVAL

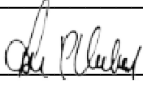
9.1 Policy Review

This policy will be reviewed every two years and updated as necessary to reflect changes in governance practices, regulatory requirements, or strategic priorities.

9.2 Policy Approval

Adopted by the Board

Date : 11 July 2025

Signature : 

Designation : Board Chairman