The chairman made special comments at the very first board meeting and mentioned that the coming year is going to be a turning point for CAPL as they are committed to take the company to the next level and requested the senior management to actively engage in a series of meetings arranged to take this matter forward. Given below are highlights extracted from meeting minutes.

Shareholders' meeting

All the shareholders had gathered, to decide on new share price to Blue Rock Capital. However, the shareholders were not clear about the value of the company, in today's terms, and the following point was posted, for expert advice.

"An appropriate price range to negotiate with Blue Rock Capital. Shareholders agreed that the cash flow-based valuation should be reduced by 10%, due to volatile political and economic conditions."

The following information could be used in calculating free cash flows for CAPL and assets valuation.

- It is expected that 8% of fixed assets value has been overstated while inventory and debtors was overstated by 4% and 5% respectively.
- A professional valuer has valued the company brand into R.200mn
- Income tax is 24%. Depreciation & amortization for the next 5 years starting from 2022/23 amounts to Rs. 35 million per annum approximately.
- "Other income" and "Finance income" will also be adjusted for inflation.
- The free cash flows reported for the year 2026/27 will increase at 5% per year in perpetuity.
- CAPL's book value of debt (non-current and current portion of interest-bearing loans and borrowings) equals the market value.
- Annual inflation rate assumed as 5% per annum.
- Working capital requirement will increase by 3% per annum
- Cost of an equivalent fixed interest loan will be 8% per annum.

- Expected capital expenditure also estimated as follows based on present day value and its expected to increase base on annual inflation rate.

Year	LKR mn
2022/23	90mn
2023/24	40mn
2024/25	60mn
2025/26	60mn
2026/27	60mn

Recommend the maximum and minimum values you would place on CAPL shares based on calculations carried out under the following bases on

i. EV

ii. net asset value

iii. Dividend model

iv. PE model