

DCF Approach - Relief from Royalty Method - Red bull GMBH

Valuation of Brand Name / Trademark via Discounted Cash Flow Method

For the fiscal years ending, December 31

Particulars		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Revenue		10,554,000,000	11,277,000,000	12,080,000,000	12,980,000,000	13,970,000,000	14,810,000,000	15,700,000,000	16,490,000,000	17,140,000,000	17,640,000,000
YOY Growth			7%	7%	8%	6%	6%	5%	4%	3%	0%
Revenue attributable to Brand	100%		100%	100%	100%	100%	100%	100%	100%	100%	100%
Total Revenue attributable to Brand		10,554,000,000	11,277,000,000	12,080,000,000	12,980,000,000	13,970,000,000	14,810,000,000	15,700,000,000	16,490,000,000	17,140,000,000	17,640,000,000
Royalty Rate	4.00%										
Royalty Savings		422,160,000	451,080,000	483,200,000	519,200,000	558,800,000	592,400,000	628,000,000	659,600,000	685,600,000	705,600,000
Less: Brand Maintenance Expense	4.00%	(16,886,400)	(18,043,200)	(19,328,000)	(20,768,000)	(22,352,000)	(23,696,000)	(25,120,000)	(26,384,000)	(27,424,000)	(28,224,000)
Net Royalty Savings		405,273,600	433,036,800	463,872,000	498,432,000	536,448,000	568,704,000	602,880,000	633,216,000	658,176,000	677,376,000
Less: Tax Saving on Royalty	24.00%	(97,265,664)	(103,928,832)	(111,329,280)	(119,623,680)	(128,747,520)	(136,488,960)	(144,691,200)	(151,971,840)	(157,962,240)	(162,570,240)
Total Relief from Royalty		308,007,936	329,107,968	352,542,720	378,808,320	407,700,480	432,215,040	458,188,800	481,244,160	500,213,760	514,805,760
Discount Rate	6.76%										
Beginning Period		0.00	1.00	2.00	3.00	4.00	5.00	6.00	7.00	8.00	9.00
End Period		1.00	2.00	3.00	4.00	5.00	6.00	7.00	8.00	9.00	10.00
Mid Year Convention Period		0.50	1.50	2.50	3.50	4.50	5.50	6.50	7.50	8.50	9.50
Present Value Factor		0.97	0.91	0.85	0.80	0.75	0.70	0.65	0.61	0.57	0.54
Present Value of Royalty		298,103,129	298,368,026	299,388,346	301,336,615	303,796,576	301,682,962	299,574,355	294,737,159	286,968,555	276,650,417
Present Value of Explicit Period		2,960,606,140									
Tax Amortization Benefit		632,977,593									
Fair Value of Brand / Trademark		3,593,583,732									

Computation of Cost of Equity using Capital Asset Pricing Model		
Risk Free Rate (Rf)	A	4.45%
Market Risk Premium (Rm-Rf)	B1	4.79%
Unlevered Beta (β)		0.50
Relevered beta/Relative Risk of Asset Valued (β)	B2	0.56
Premium above risk free rate (Rm-Rf)*β	B=B1*B2	2.69%
Company Specific and General uncertainty risk		0.00%
Cost of Equity (Ke)	D	7.14%
Pre Tax Cost of debt		5.78% (Soft beverage industry average)
Tax Rate		24.00%
Cost of Debt (Kd)		4.39%
D/E ratio		16% (Soft beverage industry average)
% of Equity		86%
% of Debt		14%
WACC		6.76%

Risk Free Rate Calculation

Risk Free Rate Calculation	Rate
US Risk Free Rate - Decemeber 2024	4.57% https://uk.investing.com/rates-bonds/u.s.-10-year-bond-yield-historical-data
Expected inflation in Austria (5 year average)	2.28%
Expected inflation in US (5 year average)	2.40%
Risk Free Rate	4.45%

	2025	2026	2027	2028	2029
Expected inflation in Austria	3.20%	1.70%	2.20%	2.20%	2.10%
Expected inflation in US	3.00%	2.50%	2.10%	2.20%	2.20%

<https://www.imf.org/en/Countries/AUT>

<https://www.imf.org/en/Countries/USA>

Company Specific and General uncertainty risk

Size	Premium
Large companies USD 3,322m <	0.00% https://www.business-valuation.net/small-cap-premium/
Mid-cap companies USD 774m-USD 3,321m	1.04% http://leeds-faculty.colorado.edu/bhagat/web/lbbo/costs.htm
Low-cap companies USD 202m-USD 773m	1.75%
Micro-cap USD 201m <	3.47%

Calculation of Tax Amortization Premium

Discount Rate		6.76%
Tax Life (Years)	A	10
Base Intangible Asset Value	B	100
Amortization/Year	C = B/A	10
Tax Rate	D	24.00%
Amortization Benefit/Year	E = C * D	2.40
Sum of Present Value of Amortization	F	17.62
Asset Value Pre Amortization Benefit	G = B - F	82.38
Tax Amortization Premium		21.38%

Calculation of Present Value of Amortization

Year	Discount Period	Mid Year Disc Factor	Amortization	PV of Amortization
1.00	0.50	0.97	2.4	2.32
2.00	1.50	0.91	2.4	2.18
3.00	2.50	0.85	2.4	2.04
4.00	3.50	0.80	2.4	1.91
5.00	4.50	0.75	2.4	1.79
6.00	5.50	0.70	2.4	1.68
7.00	6.50	0.65	2.4	1.57
8.00	7.50	0.61	2.4	1.47
9.00	8.50	0.57	2.4	1.38
10.00	9.50	0.54	2.4	1.29
Total				17.62

*Note: Calculated the discount factor assuming the mid-year discounting convention.