



Africans
Who Invest

BUILDING WEALTH, CAREERS AND COMPANIES

PROGRAMME BLUEPRINT

The AWI Practice System

Build plan, question taxonomy and full 300-
question list for the drill, apply and interview
layers of the AWI curriculum.

How to use this document

This is the planning document for four new products that sit on top of the twelve interview guides. Parts 01 to 10 cover the question bank, including the full list of 300 questions with difficulty and role tags. Parts 11 to 13 outline the casebook, the modelling tests and the readiness scorecard, which is complete and usable as it stands.

Nothing here re-teaches material from the guides. The guides remain the single source for terminology, conventions and technical assumptions; every product built from this plan cross-references them rather than restating them.

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A note on conventions

All four products inherit the conventions of the twelve guides: a 25% tax rate in worked examples unless stated, U.S. GAAP with IFRS differences flagged where interviewers ask, interest on opening balances in timed exercises, and returns quoted as both MOIC and IRR. Where a new product needs an assumption the guides do not set, it is stated in the question rather than left implicit.

The curriculum map

Four products, one progression. The twelve existing guides teach; everything built from here makes a candidate practise, apply and then test themselves under conditions.

Layer	Product	What it does
LEARN	The 12 interview guides (complete)	Concepts, model answers and worked examples. 395 pages, roughly 1,090 questions
DRILL	AWI 300 Technical Question Bank	Recall, speed and follow-up handling, with five mock interviews
APPLY	AWI PE Casebook (10 cases) AWI Modelling Test Suite (6 tests)	Judgement on real businesses; building under time pressure
INTERVIEW	Readiness Scorecard + mocks	An honest assessment of whether the candidate is ready to recruit

How the pieces avoid repeating each other

Product	Rule it follows
Guides	Explain the concept once. Every other product cross-references rather than re-teaches
Question bank	Tests recall and follow-up depth, not first exposure. Each question carries a guide reference for the candidate who gets it wrong
Casebook	No new theory. Applies the five-question AWI framework from Guide 05 to ten businesses
Modelling tests	No new theory. The conventions and mechanics come from Guide 09

Conventions inherited from the guides

- 25% tax rate in worked examples unless a question states otherwise; U.S. GAAP unless IFRS is specified, with differences flagged where interviewers ask about them.
- Interest calculated on opening balances in timed exercises, stated explicitly.
- "What to say" answers sized to be spoken in 30 to 45 seconds.
- Returns quoted as both MOIC and IRR; leverage quoted against the EBITDA definition being used.
- African examples where they add something real, not as decoration.

Recommended build sequence

Stage	Deliverable	Status
1	Outline and taxonomy for all four products	This document
2	Question bank, tranche 1: Accounting, EV and equity value (85 questions)	Next
3	Tranche 2: Valuation, comps and DCF (70)	
4	Tranche 3: M&A and LBO (90)	
5	Tranche 4: Credit, mental maths, curveballs (55) and the five mocks	
6	PE Casebook: cases 1 to 5 with answer keys	
7	PE Casebook: cases 6 to 10 with answer keys	
8	Modelling tests 1 to 3, with input files, answer models and rubrics	
9	Modelling tests 4 to 6	
10	Scorecard, quality-control pass, cross-product consistency check	

Each stage is a separate build so the taxonomy and tone can be corrected before the volume is written.

Question bank: design

Allocation

Category	Questions	Numerical	Primary guide
Accounting and the three statements	55	22	01
Enterprise value and equity value	30	14	02
Valuation and comparables	35	10	02
DCF	35	15	02
M&A and accretion/dilution	40	18	03
LBO and private equity	50	22	04, 05
Debt, capital structure and credit	25	10	08
Mental maths and finance logic	15	15	05, 09
Advanced and curveballs	15	5	various
Total	300	131	

The seven fields on every question

Field	Standard
Question	As an interviewer would actually ask it, including the numbers
Difficulty	Core, Intermediate, Advanced or Curveball
Role tags	IB, PE, Credit, Growth Equity, Public Markets
Answer	30 to 45 seconds spoken. Roughly 60 to 110 words
Why it is right	The underlying logic, so variations can be handled

Follow-ups	Two or three, as the interviewer would push
Common mistake	The specific error candidates make, not generic advice

Difficulty definitions

Level	Test
Core	A candidate cannot pass a first round without it. Definitional or single-step
Intermediate	Requires two or three linked steps, or a judgement about which method applies
Advanced	Requires a mechanism most candidates have not thought through, or full numerical work
Curveball	No memorised answer exists. Graded on structure and reasoning out loud

Within each category, questions run from Core to Curveball in order, so a candidate can stop where their preparation ends and see exactly where that is.

Bank: accounting (55)

Difficulty: C core, I intermediate, A advanced, X curveball. Tags: IB, PE, CR credit, GE growth equity, PM public markets. Numerical questions marked §.

#	Question	Lvl	Tags
1	Walk me through the three financial statements.	C	All
2	Walk me through the income statement from revenue to net income.	C	All
3	What are the three sections of the cash flow statement, and what sits in each?	C	All
4	How are the three statements linked?	C	All
5	If you could have only one statement, which and why?	C	All
6	If you could have only two, which and why?	I	IB, PE
7	What is EBITDA and why is it used?	C	All
8	Why is EBITDA not free cash flow?	C	PE, CR
9	§ Depreciation rises \$10. Walk it through all three statements.	C	All
10	If depreciation is non-cash, why does it change cash?	C	All
11	§ A \$100 asset write-down, tax deductible. Walk it through.	I	All
12	§ The same write-down, not tax deductible. What changes?	A	PE, PM
13	§ Sell an asset with book value \$500 for \$600 cash. Walk it through.	I	IB, PE

14	§ Buy \$100 of equipment on 31 December with debt at 10%, five-year life. Year 1 and year 2.	I	All
15	§ That equipment is worthless at the start of year 3 and the loan is repaid. Walk it through.	A	IB, PE
16	§ Sell inventory costing \$10 for \$20 cash. Walk it through.	C	All
17	§ Buy \$100 of inventory for cash, sell half at a 50% gross margin. Walk it through.	A	IB, PE
18	§ Buy \$10 of inventory on credit. What happens?	C	All
19	§ Issue \$200 of stock, then buy back \$50. Walk both through.	C	All
20	§ Declare a \$40 dividend but do not pay it. What changes?	I	IB, PM
21	§ A customer prepays \$120 for twelve months of service. At prepayment and after one month.	I	GE, PM
22	§ Record a \$30 bad debt provision. Walk it through, deductible and not.	A	CR, PM
23	§ Write inventory down from \$40 to \$25. Walk it through.	I	All
24	§ Record \$60 of stock-based compensation. Walk it through, including the equity lines.	A	GE, PM
25	§ Capitalise \$50 of development previously expensed. What happens to operating cash flow and to free cash flow?	A	GE, PM
26	§ Factor \$100 of receivables for \$95. Walk it through and say when it is really debt.	A	CR, PE
27	§ Issue a \$100m PIK note at 10%. What happens after one year?	A	PE, CR
28	§ Repurchase \$100 of debt for \$80 cash. Walk it through.	A	CR
29	§ Issue bonds with \$80 face value for \$100 cash. Is there a gain?	A	CR, IB

30	§ A truck costs \$20,000 with a ten-year life. After two years its market value is \$19,000. What is on the balance sheet, under GAAP and IFRS?	I	All
31	§ Goodwill of \$200 is impaired by \$50, not deductible. Net income and cash?	I	IB, PM
32	What is working capital, and which definition do you use in a model?	C	All
33	Is an increase in receivables a source or a use of cash? Payables?	C	All
34	§ Receivables rise \$30 and payables rise \$10. Net effect on operating cash flow?	C	All
35	§ Revenue is \$365m and receivables are \$45m. What is DSO?	C	All
36	§ DSO 40, DIO 50, DPO 60. What is the cash conversion cycle, and what does it mean?	I	PE, CR
37	Why can negative working capital be attractive, and when is it dangerous?	I	PE, GE
38	A company is profitable but runs out of cash. How?	C	All
39	A company has had positive EBITDA for ten years and just went bankrupt. Explain.	I	CR, PE
40	Why might net income rise while operating cash flow falls?	I	PM, PE
41	What is deferred revenue, and what is a contract asset?	I	GE, PM
42	When can a company recognise revenue? Give me the five steps.	I	All
43	Gross versus net revenue recognition: what decides it, and why does it matter?	A	GE, PM
44	§ A software company sells a three-year licence with implementation and support for \$360,000 upfront. How much is revenue in year 1?	A	GE, PM

45	How is a long-term construction contract recognised, and where does it go wrong?	A	IB, PM
46	Name five ways a company can flatter earnings.	I	PE, PM
47	LIFO or FIFO when prices are rising: which gives higher profit, and higher cash?	I	IB, PM
48	What is the LIFO reserve, and which framework prohibits LIFO?	A	IB, PM
49	How are leases accounted for, and how does that affect EBITDA comparisons?	A	PE, CR
50	Is goodwill amortised? Under which frameworks and for whom?	I	IB, PE
51	What are deferred tax assets and liabilities, and what creates each?	I	IB, PE
52	What is a net operating loss, and can an acquirer use the target's?	A	PE, IB
53	Is interest always tax deductible?	A	PE, CR
54	§ DuPont: net margin 3%, asset turnover 1.3x, assets/equity 5.1x. What is ROE, and what does it tell you?	A	PM, CR
55	You have five minutes with a company's annual report and can read three pages. Which three?	X	All

Bank: EV and equity value (30)

#	Question	Lvl	Tags
56	What is the difference between enterprise value and equity value?	C	All
57	§ 50m shares at \$20, debt \$300m, cash \$100m, preferred \$50m, NCI \$50m. What is enterprise value?	C	All
58	Why do you subtract cash, and when is that wrong?	I	All
59	Why do you add non-controlling interests?	A	IB, PM
60	Why subtract equity-method investments?	A	IB, PM
61	Why add preferred stock?	I	All
62	Which other items would you treat as debt-like?	A	PE, CR
63	§ Enterprise value is \$100 and equity value is \$150. What is net debt?	C	All
64	Can equity value be negative? Can enterprise value?	I	All
65	§ 100 shares at \$10, 10 options at a \$5 strike. Diluted shares and diluted equity value?	C	IB, PM
66	§ 100 shares at \$20 and 20 options at \$10. How many diluted shares?	I	IB, PM
67	Explain the treasury stock method in one sentence, and the logic behind it.	I	IB, PM
68	Options outstanding or options exercisable: which, and when?	A	IB, PE
69	How do you treat convertible debt in the share count?	A	IB, PM

70	Why can't you use EV/Earnings or Price/EBITDA?	C	All
71	Which multiples pair with enterprise value, and which with equity value?	C	All
72	§ Market cap \$2bn, net debt \$500m, EBITDA \$300m. EV/EBITDA?	C	All
73	§ Free cash flow \$150m, market cap \$2bn. What is the FCF yield, and what does it imply?	I	PM
74	§ A company issues \$200m of debt and buys back \$200m of stock. What happens to EV?	A	IB, PM
75	§ A company raises \$100m of equity and holds it in cash. What happens to EV and to equity value?	A	IB, PM
76	Two identical companies, one leveraged. Which has the higher EV? The higher P/E?	A	IB, PM
77	§ EV/EBITDA is 8x and EBITDA margin is 20%. What is EV/Revenue?	I	All
78	Why does a company with large minority stakes look cheap on EV/EBITDA?	A	PM
79	How does the lease accounting framework change EV/EBITDA comparability?	A	PE, CR
80	§ Shares 120m, price \$45, options 8m at \$30, convertible \$200m converting at \$50. Diluted equity value?	A	IB
81	What is the difference between basic and fully diluted shares, and which does the market use?	C	All
82	When would you use EV/EBIT instead of EV/EBITDA?	I	PM, PE
83	§ A company has \$400m of cash, \$100m of debt and a \$300m market cap. What does that imply?	A	PM
84	How does a pending acquisition affect the target's and the acquirer's EV?	A	IB
85	A company's EV is unchanged but its equity value halved. What happened?	X	All

Bank: valuation and comps (35)

#	Question	Lvl	Tags
86	What are the main valuation methods, and what does each assume?	C	All
87	Which usually gives the highest value, and why?	C	IB, PE
88	When would precedents come in below trading comps?	A	IB
89	Which method do you trust most, and when?	I	All
90	How do you select a comparable set?	C	IB, PM
91	Walk me through spreading a comp.	I	IB
92	§ Calendarise: a company with a June year end reported H1 revenue of \$300m; how do you build LTM to December?	A	IB
93	LTM or forward multiples, and why?	I	All
94	Which adjustments do you make before calculating a multiple?	I	IB, PM
95	Mean or median across a comp set?	C	IB
96	Where do you find precedent transaction data, and what do you check?	I	IB
97	What is a control premium, and what is a minority discount?	I	IB, PE
98	How do you present a valuation conclusion?	C	IB
99	Why might two similar companies trade at different multiples?	C	All

100	§ Company A trades at 12x EBITDA with 8% growth; Company B at 16x with 15% growth. Which is cheaper?	I	PM, PE
101	Why would a public company be worth more than an identical private one?	I	All
102	Which multiples suit banks, REITs, miners and early-stage software?	I	PM
103	§ P/E is 12x. What is the earnings yield, and what does it tell an acquirer?	C	All
104	§ EPS \$4, growth 16%. What is the PEG, and what does it miss?	I	PM
105	How would you value a company with no revenue?	A	GE
106	How would you value a company with volatile commodity-linked earnings?	A	PM
107	When would you use sum-of-the-parts?	I	IB, PM
108	When is liquidation value the right measure?	I	CR
109	What is replacement cost valuation, and where is it used?	A	PE
110	§ Value a business with \$30m EBITDA using comps at 7x–9x and precedents at 9x–11x. What range do you conclude, and why?	I	IB
111	How does a country risk premium change an emerging market valuation?	A	All
112	What should you consider when valuing a company in another currency?	A	All
113	§ A Nigerian company earns 16% nominal with 12% inflation. What is the real return, and why does it matter?	A	All
114	How do you value a minority stake with no control and no liquidity?	A	GE, PE
115	What is a football field, and what belongs on it?	C	IB

116	Your DCF says \$50, comps say \$35, precedents say \$60. What do you tell the client?	A	IB
117	How would you value a business whose only asset is a 20-year government contract?	A	PE
118	What is the "greater fool" risk in relying on precedent transactions?	X	PE, IB
119	If markets are efficient, why does anyone build a DCF?	X	PM
120	A company is cheap on every multiple. Give me three reasons not to buy it.	X	PM, PE

Bank: DCF (35)

#	Question	Lvl	Tags
121	Walk me through a DCF.	C	All
122	§ Calculate unlevered free cash flow: EBIT \$200m, tax 25%, D&A \$40m, capex \$50m, working capital increase \$15m.	C	All
123	Why is it unlevered, and what would change if you used levered cash flow?	I	All
124	Which discount rate goes with which cash flow?	C	All
125	§ Calculate WACC: 60% equity at 10.6%, 40% debt at 6% pre-tax, 25% tax.	C	All
126	§ Cost of equity with a 4% risk-free rate, beta 1.2 and a 5.5% equity risk premium.	C	All
127	§ Unlever a beta of 1.2 at a debt/equity of 0.5 and 25% tax, then relever at 1.0.	A	IB, PM
128	Why do you unlever and relever beta at all?	I	IB, PM
129	What does beta measure, and what are its limitations?	I	PM
130	Why use market values rather than book values in WACC?	I	All
131	§ Terminal value by perpetuity growth: final-year FCF \$100m, WACC 10%, growth 3%.	C	All
132	§ What exit multiple does that imply if final-year EBITDA is \$150m?	A	IB, PE
133	§ Terminal value by exit multiple: EBITDA \$150m at 9x. What growth rate does it imply at a 10% WACC?	A	IB
134	Which terminal value method do you prefer and why?	I	All

135	What is a reasonable long-term growth rate, and what caps it?	C	All
136	§ Terminal value is 80% of your enterprise value. Is that a problem?	A	All
137	What is the mid-year convention, and what does it do to the answer?	A	IB
138	§ Discount \$100m received in year 3 at 9%, year-end and mid-year.	I	IB
139	How do you handle a stub period?	A	IB
140	How do you treat NOLs in a DCF?	A	PE, IB
141	How do you normalise capex and working capital in the projection?	A	PE
142	What happens to value if capex equals depreciation but you assume 3% perpetual growth?	A	PE, PM
143	§ A 1 percentage point cut in WACC versus a 10% cut in revenue: which moves value more?	A	All
144	§ Enterprise value from the DCF is \$1.2bn, net debt \$300m, shares 50m. Value per share?	C	All
145	What are the main weaknesses of a DCF?	C	All
146	When is a DCF inappropriate?	I	All
147	Why can't you run a standard DCF on a bank?	A	PM, IB
148	What is adjusted present value, and when is it better than WACC?	A	PE, IB
149	What is a size premium, and would you use one?	A	PM, IB
150	How would you build a discount rate for a Kenyan company with local-currency cash flows?	A	All
151	What do you do when you do not believe management's projections?	I	PE, PM
152	Which sensitivities do you always run on a DCF?	I	IB

153	§ Your DCF gives a value 40% above the share price. What are three explanations before you call it a buy?	A	PM
154	Your terminal growth rate exceeds your WACC. What does the model do, and what does it mean?	X	All
155	A DCF is only as good as its assumptions, so why do it?	X	All

Bank: M&A and accretion/dilution (40)

#	Question	Lvl	Tags
156	Why do companies make acquisitions?	C	IB, PE
157	What are the three types of merger, and the logic of each?	C	IB
158	Cost or revenue synergies: which do you underwrite, and why?	C	IB, PE
159	Why do most acquisitions fail to create value?	I	IB, PE
160	Walk me through an accretion/dilution analysis.	C	IB
161	Give me the earnings-yield shortcut for whether a deal is accretive.	I	IB, PE
162	§ A 20x P/E acquirer buys a 12x P/E target, all stock, no premium. Accretive or dilutive, and roughly how much?	C	IB
163	§ Buyer at 15x buys a target at 16x using cash earning 2%, tax 25%. Accretive?	I	IB
164	§ Acquirer net income \$300m, 100m shares, buys a target with \$60m net income for \$900m of debt at 6%. Pro forma EPS?	I	IB
165	§ Company A buys B at a 20% premium, half debt at 10%, half stock. A: EPS \$2, 25x P/E, 100 shares. B: \$100 price, 10x P/E, 20 shares. Tax 40%. Accretion?	A	IB
166	§ Same deal, all stock instead. What changes and why?	A	IB
167	§ A buys T at a 25% premium: 40% cash at 2%, 30% debt at 6%, 30% stock, with \$300m of intangibles over ten years. Accretion, before and after amortisation?	A	IB, PE

168	§ A 15x P/E acquirer buys a business with \$10m EBITDA using 100% debt at 10%. Maximum price without dilution?	A	IB
169	What factors make a deal dilutive?	C	IB
170	Can an accretive deal destroy value? Explain.	I	IB, PE
171	§ Goodwill: purchase price \$1,000m, book equity \$300m, write-ups \$250m, tax 25%. Calculate it.	I	IB, PE
172	Why does a write-up create a deferred tax liability in a stock deal?	A	IB, PE
173	What is the deferred revenue haircut, and who does it hurt?	A	GE, IB
174	Why does an inventory step-up depress margins after closing?	A	IB, PE
175	Which intangibles are recognised separately, and over what lives?	A	IB
176	How are transaction fees, financing fees and earn-outs treated?	A	IB, PE
177	What does the combined balance sheet look like at closing?	I	IB
178	Can you add the two income statements together? Walk me down the lines.	I	IB
179	Stock purchase or asset purchase: which does each side prefer, and why?	I	IB, PE
180	What is a 338(h)(10) election, and when is it available?	A	PE, IB
181	§ Enterprise value \$200m, cash \$10m, debt \$40m, working capital \$4m below the peg. What is the equity price?	I	PE, IB
182	Explain cash-free debt-free, the working capital peg and the locked box.	A	PE, IB

183	Walk me through a sell-side process from mandate to closing.	I	IB, PE
184	What is in a purchase agreement that a banker actually negotiates?	A	IB, PE
185	What is a break fee versus a reverse break fee?	I	IB
186	§ Offer \$30 per share, acquirer trades at \$40. What is the exchange ratio, and what happens if the acquirer falls to \$32?	A	IB
187	Fixed exchange ratio or fixed value: who bears which risk?	A	IB
188	What is a collar, and why use one?	A	IB
189	One-step merger or tender offer: when do you use each?	A	IB
190	Name four takeover defences and how each works.	I	IB
191	Which regulatory approvals matter, and what do they do to timing?	I	IB
192	Who typically pays more, a strategic buyer or a sponsor, and when is that reversed?	I	PE, IB
193	What is a carve-out, and why is it harder to buy?	A	PE
194	You buy an asset for \$100m and sell it for \$100m. How did you make money?	X	PE
195	Name two companies that should merge, and tell me why the deal would still fail.	X	IB, PE

Bank: LBO and private equity (50)

#	Question	Lvl	Tags
196	Walk me through an LBO.	C	PE, IB
197	Why does leverage raise equity returns?	C	PE, CR
198	§ Debt costs 10% and tax is 25%. What unlevered return does the business need for leverage to help?	A	PE, CR
199	What are the three sources of LBO returns, and which do you underwrite?	C	PE
200	§ Sources and uses: EV \$1,000m, refinance \$300m of debt, fees \$30m, minimum cash \$20m, debt 5.5x on \$100m EBITDA. What equity is required?	I	PE
201	What changes on the balance sheet at closing?	I	PE, IB
202	§ EBITDA \$100m, entry 10x, debt \$500m at 8%, exit at 10x in year 5 with EBITDA of \$127.6m and debt of \$265.9m. MOIC and IRR?	I	PE
203	§ Split that return between EBITDA growth, debt paydown and multiple change.	A	PE
204	§ The same deal at a 9x entry. What happens to the return, and why does it move so much?	A	PE
205	§ 2.0x over five years: what IRR? 2.5x? 3.0x?	C	PE
206	§ \$100m equity, five years, 25% IRR target, exit at 15x with no debt. What exit EBITDA do you need?	I	PE
207	§ A sponsor doubles its money in four years. Approximate IRR, two ways?	C	PE

208	§ \$30m EBITDA, \$20m levered FCF, bought for \$300m with \$100m debt. Break-even exit multiple after two years?	A	PE
209	EBITDA is flat and the multiple is flat. Can you still make money?	I	PE
210	An extra dollar of EBITDA or an extra dollar of debt paydown?	I	PE
211	What makes a good LBO candidate?	C	PE
212	Which businesses should never be levered, and why?	I	PE, CR
213	How do you decide how much debt a business can carry?	A	PE, CR
214	How could a company exit at a higher multiple than it was bought for?	I	PE
215	Your model shows 15% against a 20% target. What can you change, and what is honest to change?	A	PE
216	§ A dividend recap of \$100m in year 3. What does it do to IRR and to MOIC?	A	PE
217	Why does a recap raise IRR more than MOIC?	A	PE
218	§ Management holds 10% of equity above a \$500m threshold. Exit equity is \$900m. What does the sponsor receive?	A	PE
219	How does rollover equity work, and why do sponsors want it?	I	PE
220	What is a buy-and-build, and where does it go wrong?	I	PE
221	§ Platform bought at 10x; add-ons bought at 5x add \$10m of EBITDA. What does that do to the blended entry multiple?	A	PE
222	What is a take-private, and what makes one work?	I	PE
223	What is a carve-out, and why do sponsors like them?	I	PE

224	§ Fund waterfall: \$100m committed, \$250m returned after five years, 8% preferred, 20% carry with full catch-up. Split it.	A	PE
225	What changes under a hard hurdle with no catch-up?	A	PE
226	What is a clawback, and when does it bite?	A	PE
227	How does a subscription line flatter IRR?	A	PE
228	What is a continuation vehicle, and what is the conflict?	A	PE
229	What is a management fee offset?	A	PE
230	How is a PE fund structured, and how does the firm actually earn money?	C	PE
231	What is the difference between the preferred return and a deal's target IRR?	I	PE
232	What does a PE associate do day to day?	C	PE
233	How do you structure an investment memo?	I	PE
234	What would you diligence first with two weeks?	A	PE
235	Which EBITDA adjustments would you reject in a quality of earnings report?	A	PE, CR
236	What is a 100-day plan?	I	PE
237	Rank the value creation levers by reliability, and say why.	A	PE
238	What makes a portfolio company exit-ready?	I	PE
239	A portfolio company misses budget by 30%. What do you do first?	A	PE
240	How does a sponsor limit risk beyond the price?	I	PE
241	Why would you pass on a high-quality business?	I	PE
242	§ A business has 60% customer concentration. How does that change your leverage and your price?	A	PE, CR
243	How do you think about investing at the top of a cycle?	A	PE

244	Would you rather buy from a founder or from another sponsor?	I	PE
245	What is the difference between growth equity and buyout, in one minute?	C	PE, GE
246	Why are most African deals minority rather than control?	A	PE, GE
247	If you could ask a CEO one question before pricing the deal, what would it be?	X	PE
248	Pitch me a company you would buy, at a price.	X	PE
249	A competitor with unlimited capital enters the market. Does your thesis survive?	X	PE, GE
250	What is the most common reason PE deals underperform?	I	PE

Bank: credit, maths and curveballs (50)

Debt, capital structure and credit (25)

#	Question	Lvl	Tags
251	Walk me down the capital structure from revolver to common equity.	C	CR, PE
252	Why is bank debt cheaper and shorter-dated than bonds?	C	CR
253	What is a revolver, and why does a buyout need one?	C	CR, PE
254	Term loan A or term loan B: what differs?	I	CR
255	What is unitranche, and why has direct lending grown?	I	CR, PE
256	Maintenance or incurrence covenants: what is the difference, and who bears the risk in cov-lite?	I	CR
257	§ Covenant leverage is 5.0x on \$100m of covenant EBITDA, but reported EBITDA is \$80m. What is true leverage?	A	CR, PE
258	Which EBITDA add-backs would you refuse as a lender?	A	CR
259	§ EBITDA \$60m, capex \$15m, cash interest \$30m. Interest and cash-flow coverage?	C	CR
260	§ Debt \$360m, cash \$40m, EBITDA \$80m. Gross and net leverage?	C	CR
261	§ A loan at SOFR + 475 with a 1% floor; SOFR is 3.5%. All-in rate?	C	CR
262	§ Default probability 5%, loss given default 60%. Expected annual loss and minimum spread?	A	CR

263	§ Senior at SOFR+500 recovers 70%; junior recovers 30%. What spread should the junior pay?	A	CR
264	§ First lien \$300m, second lien \$100m, enterprise value \$340m in distress. Recoveries, and which is the fulcrum?	A	CR
265	§ A \$100m PIK note at 12%. Balance after three years?	I	CR, PE
266	What is structural versus contractual subordination?	A	CR
267	How does an equity cure work, and what would you insist on as a lender?	A	CR, PE
268	What is a liability management exercise, and how do lenders defend against one?	A	CR
269	§ Borrowing base: receivables \$100m at 85%, inventory \$60m at 50%. Availability?	I	CR
270	What is a debt service coverage ratio, and where is it used instead of leverage?	I	CR
271	§ CFADS \$11.5m, target DSCR 1.30x, 8% over 15 years. How much debt can the project raise?	A	CR
272	What happens when a covenant is breached, in practice?	I	CR
273	What is refinancing risk, and why does it kill profitable companies?	I	CR, PE
274	How do you lend into a market where the borrower earns local currency and the debt is in dollars?	A	CR
275	Would you rather lend to a high-margin asset-light business at 4x or an asset-heavy one at 5x?	X	CR

Mental maths and finance logic (15)

#	Question	Lvl	Tags
276	§ 21×23 , and the trick behind it.	C	All
277	§ $1,007^2$.	I	All

278	§ 7.5% of 480, in your head.	C	All
279	§ The angle between clock hands at 3:15.	I	All
280	§ 80 rises 25% then falls 20%. Where does it end, and why are the percentages different?	C	All
281	§ A stock falls 40%. What rise gets it back?	C	PM
282	§ Rule of 72: at 9%, how long to double? What return doubles money in five years?	C	All
283	§ 1.15 to the power of 5, approximately.	I	PE
284	§ \$100 in the bank paying \$2 a year for 19 years then \$102. What is the IRR?	I	All
285	§ \$100 a year forever or \$1,000 today?	I	All
286	§ \$100 today or \$200 in four years?	I	All
287	§ A $10 \times 10 \times 10$ painted cube: how many small cubes have no paint?	I	All
288	§ \$100m revenue, \$20m EBITDA, prices cut 10%. What volume increase keeps EBITDA flat, fixed and variable cases?	A	PE, PM
289	§ Revenue grows 10%. Does EBITDA grow more or less, and what determines it?	I	All
290	§ How many petrol stations are in Lagos?	X	All

Advanced and curveballs (15)

#	Question	Lvl	Tags
291	Tell me about a deal in the news and whether you would have done it.	X	All
292	What is the most interesting business model you have come across, and why?	X	All

293	Which African company would you take private, and at what price?	X	PE
294	§ Value a business that earns \$10m a year for exactly ten years and then stops.	A	All
295	§ Two businesses, same EBITDA of \$50m: a manufacturer and a consultancy. Which is worth more?	A	PE, PM
296	§ A company earns a 6% return on capital with a 9% cost of capital but is growing 20%. Is growth good?	A	PM, PE
297	Everything in the market is expensive. Where do you look?	X	PM, PE
298	What would you do with \$1m of your own money for ten years?	X	All
299	Teach me something I do not know, in two minutes.	X	All
300	What is the biggest risk nobody in this market is pricing?	X	All

Numbers 291 to 300 are graded on structure and honesty, not content. The answer key gives a model structure and three acceptable directions for each.

Mock interviews

Five timed sets drawn from the bank, each sequenced as an interviewer would run it: a warm-up, a technical core, a numerical block, and one question designed to be a little beyond the candidate.

Mock	Shape	Time
Investment banking technical (20)	6 accounting, 4 EV and equity value, 5 valuation and DCF, 4 M&A, 1 curveball. Eight numerical	35 minutes
Private equity technical (20)	3 accounting, 3 valuation, 4 LBO mechanics, 4 returns maths, 3 business judgement, 2 fund economics, 1 curveball. Ten numerical, including one full paper LBO	40 minutes
Private credit (15)	3 accounting and cash flow, 5 capital structure and covenants, 4 credit maths, 2 distress and recovery, 1 curveball	30 minutes
Growth equity (15)	2 accounting, 4 unit economics and metrics, 3 cap table and preferences, 3 market and business judgement, 2 valuation, 1 curveball	30 minutes
Public markets (15)	3 accounting quality, 3 valuation, 2 DCF, 3 portfolio and performance, 3 pitch and judgement, 1 curveball	30 minutes

How each mock is scored

Band	Meaning
Full marks	Correct, said in under 45 seconds, and the first follow-up handled
Half marks	Correct but slow, rambling, or needing a prompt
Zero	Wrong, or right for the wrong reason
Numerical questions	Marked right or wrong, with method credit only if the method was said out loud

A candidate should score 80% or better on the mock for their target role, twice, before recruiting. The scorecard in Part 13 sets the rest of the gates.

PE Casebook: outline

AWI Private Equity Casebook — 10 Businesses. 10 Investment Decisions. Each case runs 6 to 10 pages through the same six parts, using the five-question framework from Guide 05.

Structure of every case

§	Section	Contents
A	Candidate prompt	Company, business model, market, three years of financials, transaction value, leverage available, management forecast. Ends: "Would you invest?"
B	Questions to ask	The diligence questions a strong candidate identifies unprompted, grouped by industry, company, levers, deal and exit
C	Additional information	Released progressively, as an interviewer would, each item tied to the question that earns it
D	Paper LBO	Entry EBITDA and multiple, leverage, operating assumptions, cash conversion, exit assumptions. Candidate computes exit equity, MOIC and IRR
E	Recommendation	Decision, three merits, three risks, three open diligence items, downside case, value creation plan, exit thesis
F	Answer key	Strong sample answer, what is being tested, what a weak candidate misses, what would change the decision, and the two sensitivities that drive the outcome

The ten cases, and the decision each turns on

#	Business	The tension	Verdict
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1	HVAC and facility services roll-up, U.S. Sun Belt	Excellent recurring-service business, but priced at a multiple that assumes the add-on pipeline continues at historical prices	Good business, wrong price
2	Vertical SaaS for veterinary clinics	Strong net revenue retention, but half of growth comes from a payments attach rate that a payment processor could take back	Hinges on one question
3	Healthcare services: outpatient clinics	Attractive demographics and reimbursement risk in the same sentence; doctor referral dependence	Invest with structure
4	Equipment rental, construction end market	Capital-intensive and cyclical, but bought at trough utilisation with asset value support	Weaker business, attractive structure
5	Specialty manufacturing, engineered components	High margins from a single qualified position on one customer platform; a five-year contract expires in year two of the hold	Pass unless renewed
6	Consumer brand, packaged foods, West Africa	Growth driven by distribution gains rather than repeat purchase; imported inputs priced in dollars against naira and cedi revenue; heavy working capital	Good story, weak economics

7	Insurance brokerage	The classic sponsor asset: recurring commission, high margin, low capex. The question is price and organic growth versus acquisition-fuelled growth	Good business, fair price
8	Logistics and distribution, third-party warehousing	Contracted revenue with thin margins and lease obligations that behave like debt	Leverage is the decision
9	Education and training, professional certification, East Africa	High cash conversion and deferred revenue, with accreditation risk and a pan-African expansion plan that needs licences in each market	Invest, with a covenant on cash
10	African fintech and payments platform	Strong volume growth, take rate under pressure, licence-dependent, and a currency mismatch between dollar costs and local revenue	Minority structure, not a buyout

Four of the ten should end in a pass or a materially lower bid. Three cases (6, 9 and 10) are African businesses; the other seven are set in the markets where most candidates will recruit. The point is that a candidate who recommends investing in all ten has not been tested.

Difficulty progression

Cases	What they add
1 to 3	Straightforward paper LBO, one clear diligence issue, single debt tranche
4 to 7	Two tranches, working capital swings, add-on acquisitions inside the model, conflicting evidence in the data
8 to 10	Lease-adjusted leverage, currency, minority structures with preference terms, and a case where the right answer is to restructure the deal rather than to accept or reject it

Modelling test suite: specifications

Six tests, each shipped as four files: candidate instructions, a candidate input workbook, a completed answer model, and a grading rubric.

#	Test	Time	Builds
1	Paper-to-Excel LBO	45 min	Sources and uses, simple operating model, free cash flow, single-tranche paydown, exit equity, MOIC and IRR
2	Intermediate LBO	90 min	Revenue build, margin path, capex, working capital, amortisation and cash sweep, entry-exit sensitivity tables
3	Full LBO	3 hours	Three statements, revolver, multiple tranches, PIK, minimum cash, mandatory amortisation and sweep, rollover, management incentive plan, interest circularity, returns and sensitivities
4	M&A accretion/dilution	90 min	Purchase price, three-way consideration, financing, purchase accounting, goodwill, step-up amortisation, synergies, pro forma EPS and sensitivity to premium and mix
5	Three-statement model and DCF	3 hours	Full statements, working capital and capex schedules, debt schedule, WACC build, terminal value both ways, DCF and sensitivity
6	PE take-home case	3 days	Abbreviated CIM, customer data, forecast, debt terms. Candidate submits a model plus a two-page memo or five-slide IC deck

Grading rubric, applied to every test

Criterion	Weight	What earns the marks
Model accuracy	30%	Correct mechanics and arithmetic throughout
Returns calculations	20%	Exit equity, MOIC and IRR correct and reconciling
Structure and organisation	15%	Assumptions in one place, readable flow, labelled units
Formula integrity	10%	One formula copied across, no hidden hardcodes, consistent signs
Completion	10%	The whole task attempted within the time
Sensitivities	5%	Working data tables pointing at the right input cells
Investment judgment	10%	A stated recommendation with a price and the two assumptions that drive it

Automatic checks built into every answer model

- Sources equal uses.
- Balance sheet balances in every period.
- Cash never falls below the minimum without a revolver draw.
- No debt balance below zero.
- Interest links to the debt schedule, and the schedule links back to cash flow.
- MOIC and IRR reconcile to the same equity cash flows.
- No hardcodes inside formulas; a flag cell counts them.
- All checks summed into one master cell that should read zero.

Conventions follow Guide 09: blue for inputs, black for formulas, green for cross-sheet links, no merged cells, time running left to right, units in the row label.

What ships with each test

File	Format
Candidate instructions	Two-page PDF in the AWI template, including the prompt and what the reviewer will grade
Candidate input workbook	.xlsx with the assumptions block, timeline and blank schedules, formatted to convention
Completed answer model	.xlsx, fully linked, with the check block live
Grading rubric	One-page PDF with the weightings and a mark-by-mark checklist

Interview Readiness Scorecard

Complete, and ready to use as it stands. Scored out of 100, self-assessed but evidenced: every line requires a specific piece of proof, not a feeling.

Area	Points	Evidence required to claim full marks
Technicals — 30		
Accounting	6	80%+ on the 55 accounting drills, including all walkthroughs said out loud
Valuation and comps	6	80%+ on the valuation drills; can build an EV bridge unaided
DCF	5	Can build a DCF from a blank sheet, including WACC and both terminal value methods
M&A	5	Can run an accretion/dilution analysis with purchase accounting, on paper
LBO	5	Paper LBO in under ten minutes with correct MOIC and IRR
Credit	3	Can size debt from coverage and explain covenant mechanics
Investing — 30		
Business analysis	8	Can apply the five-question framework to an unfamiliar company in ten minutes
PE case	8	Three casebook cases completed with a written recommendation

Paper LBO under pressure	6	Completed verbally, with assumptions stated aloud
Stock pitch	4	Two pitches, one long and one short, each with catalysts and a bear case
Downside analysis	4	Can state what has to go wrong to lose money, for every idea presented
Practical — 20		
Excel modelling	8	Modelling test 2 completed in time with the check block clean
Deal discussion	4	Two deals discussed in two minutes each, with a view
Market discussion	4	Knows the policy rate, index level and one sector theme in the firm's market
Investment recommendation	4	Can deliver decision, merits, risks and price in 90 seconds
Fit — 20		
Your story	6	Under two minutes, timed, without notes
Why banking or why investing	4	Answered without reference to exit opportunities or hours
Why this firm	4	Two reasons that could not be said about a competitor
Behavioural stories	6	Five stories in situation-action-result-lesson form, each under 90 seconds
Total	100	

Bands

Score	Reading
90 to 100	Interview ready. Book the processes
80 to 89	Strong but uneven. Identify the two weakest lines and fix them before a first round
70 to 79	Not yet consistent. You will pass some rounds and fail comparable ones for no visible reason
Below 70	More preparation needed. Recruiting now spends interviews you cannot get back

THE GATES

Five things that override the score

Whatever the total, a candidate is not ready until all five are true:

1. 80% or better on the technical drills for the target role, twice.
2. A one-hour LBO completed accurately from a blank sheet.
3. A full modelling test completed under time pressure with the checks clean.
4. Two investment ideas defended under questioning.
5. The story delivered in under two minutes, and three verbal PE cases completed.

How to use it honestly

Self-scoring inflates. Score yourself, then have someone else score you on the same sheet after a mock, and use the lower number. The gap between the two is usually the most useful information the scorecard produces.

Quality control and open questions

Checks run before each tranche ships

Check	Method
Duplicates	Every question stem compared across the bank and against the twelve guides; overlap allowed only where the bank adds a follow-up the guide does not
Contradictions	Answers checked against the guides on tax rates, EBITDA definitions, lease treatment, goodwill amortisation, interest deductibility and the earnings-yield shortcut
Arithmetic	Every numerical question and answer computed independently, not estimated
Accounting and tax	Deductibility assumptions stated in the answer rather than assumed; GAAP and IFRS differences flagged where they change the answer
EV and equity value logic	Numerator and denominator consistency checked on every multiple used
Accretion maths	Each result cross-checked against the earnings-yield shortcut; any divergence explained in the answer
LBO returns	MOIC and IRR recomputed from the equity cash flows; leverage and coverage sanity-checked for realism
Length	Every answer timed at speaking pace; anything over 45 seconds cut

Decisions taken, 28 September 2026

Decision	Options, and my recommendation
Question bank format	One combined 300-question master bank , with role tags and role-specific study paths and mocks inside it
Casebook length	One master casebook plus ten individual case PDFs , so instructors can assign a case without releasing the others or the answers
Answer models	Both candidate files and completed answer models , with the answer models in a separate Solutions folder so candidates attempt the test first
African weighting	Three African cases of ten : the payments platform, a West African packaged-foods brand and an East African professional training business

Two things in the brief I would change

The 300 allocation under-weights business judgement. Fifteen curveballs against 285 technical questions matches how candidates prepare, not how they are cut. Judgement questions are where offers are decided from the second round onwards. I have handled this by making the casebook carry that load, but if you would rather rebalance, I would move ten questions from accounting and valuation into the advanced and curveball section.

"Do not reward memorisation" and "300 drill questions" are in tension. A drill bank is a memorisation tool by design. The resolution in the structure above is the "why it is right" and "common mistake" fields, which teach the mechanism, and follow-ups that punish a memorised answer. Worth being explicit that the bank is the floor of preparation, not the whole of it.

Knowledge. Networks. Capital.

Africans Who Invest equips people across Africa and the diaspora with the knowledge, networks and capital to build wealth, careers and companies.

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