Request for Proposal (RFP) reference number	E2073MWPTRSY
Issue date	28 October 2025
Submission date and time	7 November 2025 at 10h00
RFP validity period	12 months from the submission date and time
RFPs are to be submitted via email by the stipulated closing date and time	

Dear Sir/Madam

REQUEST FOR PROPOSAL: INVITATION TO SUBMIT A PROPOSAL FOR THE APPOINTMENT OF AN ADVISOR AND SPECIALIST FOR DETERMINATION OF OPTIMAL CAPITAL STRUCTURE AS WELL AS THE WEIGHTED AVERAGE COST OF CAPITAL FOR ESKOM HOLDINGS SOC LIMITED AND THE GENERATION AND DISTRIBUTION DIVISIONS.

Please take note that this is a confidential request and all information, including this request for proposal ("RFP"), should be treated as such. You are therefore prohibited from discussing or divulging the existence or contents of this RFP or any other information relating to this RFP to any third party without our prior written consent.

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Eskom Holdings SOC Ltd Reg No 2002/015527/30

1. DEFINITIONS

"B-BBEE Act"	the Broad-Based Black Economic Empowerment Act No. 53 of 2003
"Tenderer"	Any corporate service provider or consortium that submits responses to this RFP as per procurement procedures
"RFP Response"	any reply submitted by a Tenderer in response to the requirements of this invitation
"Submission Date"	the date identified as the RFP Response Submission Date
"Eskom"	Eskom Holdings SOC Ltd, registration number 2002/015527/30, as incorporated pursuant to the Eskom Conversion Act No. 13 of 2001
"PFMA"	the Public Finance Management Act No. 1 of 1999
"Preferential Procurement Policy Framework Act" or "PPPFA"	the Preferential Procurement Policy Framework Act No. 5 of 2000

2. OBJECTIVE

This is an open invitation to tender and the objective of this RFP is to appoint a transaction advisor and specialist for the determination of optimal capital structure as well as a robust and defensible weighted average cost of capital (WACC) for Eskom Holdings SOC Limited and its divisions and subsidiaries. The WACC is to be used as the discount rate for capital budgeting and investment decisions. Consideration should also be given to the guidance provided by the Multi-Year Price Determination (MYPD) Methodology as implemented by the National Energy Regulator of South Africa (NERSA).

3. ELIGIBLE TENDERERS

Tenderers are deemed **ineligible** to submit a proposal if they have the nationality of a country on any international sanctions list. A Tenderer shall be deemed to have the nationality of a country if it has the status of a national or is constituted, incorporated, or registered and operates in conformity with the provisions of the laws of that country.

4. CONFLICT OF INTEREST

A Tenderer shall not have a conflict of interest. All Tenderers found to have a conflict of interest shall be disqualified. Tenderers must submit a form, see Annexure B, stating that none of its personnel have any involvement or interest in Eskom and any of its subsidiaries and likewise no Eskom personnel have any involvement or interest in the Tenderer's business with the response to this document or influence the decisions of Eskom during the bidding process.

A Tenderer may also be considered to have a conflict of interest with one or more parties in this RFP process, if they have a relationship with each other, directly or through common third parties, that puts them in a position to have access to information about or influence on the proposal of another Tenderer.

Alternatively, the bidder must disclose **ALL** such information in its response submission containing sufficient disclosure regarding any interests that may result in an actual or potential conflict of interest. Where any potential or actual conflict of interest arises after the submission of the proposal or during the term of the potential mandate, the Tenderer shall be obliged to immediately notify Eskom thereof in writing. Note that Eskom reserves the right to disqualify a Tenderer or terminate the services as service provider if there is, in the opinion of Eskom, any actual or perceived conflict of interest.

5. COSTS OF TENDERING

The Tenderer shall bear all costs related to the preparation and submission of their RFP responses. Eskom shall in no way be responsible or liable for any of these costs regardless of the conduct or outcome of the procurement process.

6. SCOPE OF REQUIREMENT

The scope of services include:

6.1. Part A

Provide a detailed study and proposal of the optimal capital structure (Debt: Equity) for Eskom Holdings SOC Limited. Consideration must be given to international benchmarking.

The consultant should provide a detailed calculation of a robust and defensible WACC for the assessment of capital budgeting and investment decisions for Eskom Holdings SOC Limited detailing all the assumptions that comprise the cost of debt as well as the elements for the cost of equity.

6.2. Part B

Provide a detailed study and proposal of the optimal capital structure (Debt: Equity) for the divisions and subsidiaries of Eskom Holdings SOC Limited.

Further, the consultant should provide a detailed calculation a robust and defensible WACC for the assessment of capital budgeting and investment decisions for the divisions and subsidiaries of Eskom Holdings SOC Limited detailing all the assumptions that comprise the cost of debt as well as the elements for the cost of equity.

The proposal should also demonstrate and provide guidance on how to appropriately adjust the WACC for project specific risks.

Consideration should be given to guidance provided by the NERSA in the MYPD methodology.

The final minimum deliverables are expected six weeks after the advisor is appointed and the minimum deliverables expected are:

a) Scoping report and/or Project methodology
b) Draft report detailing the analysis, assumptions, and draft findings
c) MS Teams / in-person meetings including a presentation to relevant structures of Eskom Holdings SOC Limited
d) Final comprehensive report detailing the analysis, assumptions, and findings.

7. MANDATORY PROPOSAL RESPONSES

The RFP response should cover all the criteria stipulated in the attached Annexures A and C and must be a maximum of 20 pages sent as a soft copy. The Tenderer must submit the following:

- Soft copy of proposal and all supporting materials
- signed integrity declaration form,
- original or certified copy of B-BBEE verification certificate,
- original or certified copy of B-BBEE Partner's verification certificate,

Failure to submit the original response, associated copies and integrity declaration form will disqualify your submission. Failure to submit B-BBEE verification certificates will not result in disqualification but will impact the scoring.

8. EVALUATION CRITERIA

Responses to cover the criteria in Annexure A will be scored out of 90. B-BBEE status will be scored out of 10 in accordance with PPPFA. Tenderers will be ranked by applying the preferential point scoring based on the 90/10 principle. RFP Proposals who do not meet the threshold for the technical scoring will not qualify to be evaluated further and subsequently disqualified. Functionality criteria for technical scoring will be as stipulated in Annexure A, with a threshold of 70%:

Evaluation Criteria	Weighting
Firm Capability and Experience	**100%**
Demonstrate detailed projects where optimal capital structure (Debt: Equity) and WACC related solutions were provided referencing previous organisational experience in the last 5 years (at least one project must be in the last 24 months). Outcomes of the projects should be provided.	30%
Demonstrate previous experience providing guidance on how to appropriately adjust the WACC for project specific risks for energy sector or listed clients. Detail tools used and model design options considered and used.	30%
Provide related experience of consultants within the corporate finance, economics, financial, CFA and/or debt capital markets disciplines including experience in the energy sector. Proof can be CVs and transaction history.	20%
Provide high level proposed methodology and data analysis approach to be considered	20%

Following the scoring of the technical criteria the highest-ranking tenderer after consideration for pricing will be considered for contracting.

9. LODGING OF PROPOSALS

Your proposal titled **"ADVISOR AND SPECIALIST FOR OPTIMAL CAPITAL STRUCTURE AND WACC CALCULATION** must be sent by email to: MadisaRB@eskom.co.za and ShweniS@eskom.co.za **before 10:00 on 7 November 2025.**

Please take note that proposals may be submitted before the closing date. Late proposals will not be accepted and will be returned to the sender.

10. DISCUSSIONS

Eskom reserves the right to call upon a prospective Tenderer to discuss its proposal in more detail as and when deemed necessary.

Short listed candidates should expect that on short notice, the core implementation team will be required to attend a one (1) hour clarification meeting during which thirty (30) minutes will be dedicated to the presentation of the proposal followed by a thirty (30) minutes question and answer session.

11. QUERIES/CLARIFICATION

Should there be questions/clarification or queries regarding this RFP please contact at all times the following Eskom representatives listed below. Please note that correspondence should only be in writing by email.

- ***Name:*** Rorisang Madisakwane
  Email: MadisaRB@eskom.co.za

- **Name:** Sincedile Shweni
  Email: ShweniS@eskom.co.za

Questions will not be responded to two (2) business days before the Submission Date.

12. IMPORTANT NOTICES

Even though Eskom has exercised all efforts in good faith to prepare the information contained in this document, neither it nor any of its directors, partners, employees, sub-contractors, intermediaries or agents, provide any assurances or guarantees, explicit or implied, in relation to this RFP. No representation or warranty, express or implied, is given by Eskom, or any of its respective directors, partners, employees, sub-contractors, intermediaries or agents as to the accuracy or completeness of any of the contents of this RFP.

By issuing this RFP, Eskom does not undertake any obligation to provide any further information, or to correct any inaccuracies in this proposal, or to correct any omissions, which become known at any time. Any costs and expenses incurred by the persons who replied to this RFP, or by their agents or advisers, will be the sole responsibility of such persons and Eskom does not undertake to cover such costs.

This enquiry may be cancelled by Eskom at any time prior to deciding on it, if it is not deemed necessary to continue with the procurement process due to a substantial change in circumstances, or if public interest and welfare dictate such.

Eskom reserves the right to accept or reject any RFP Response, and to cancel the RFP and reject all replies prior to the announcement of the successful Tenderers.

Yours sincerely

Kabelo Masike
(ACTING) GENERAL MANAGER, TREASURY
Date: 23 October 2025

ANNEXURE A

Evaluation Criteria	Weighting
Bidder Capability and Experience	**100%**
Demonstrate detailed projects where optimal capital structure (Debt: Equity) and WACC related solutions were provided referencing previous organisational experience in the last 5 years (at least one project must be in the last 24 months). Outcomes of the projects should be provided.	**30%**
at least 5 transactions at least 7 transactions More than 10 transactions	50% 75% 100%
Demonstrate previous experience providing guidance on how to appropriately adjust the WACC for project specific risks for energy sector or listed clients. Detail tools used and model design options considered and used.	**30%**
at least 5 transactions at least 7 transactions More than 10 transactions	50% 75% 100%
Provide related experience of consultants within the corporate finance, economics, financial, CFA and/or debt capital markets disciplines including experience in the energy sector. Proof can be CVs and transaction history.	**20%**
at least 5 transactions at least 7 transactions More than 10 transactions	50% 75% 100%
Provide high level proposed methodology and data analysis approach to be considered.	**20%**
Basic models, some transparency issues Good quality models with minor issues Uses best practices, clear assumptions, reproducible, well-documented	50% 75% 100%

Table 1: Indicative Fees

Team Member	Designation	Rate per hour excluding VAT*	Estimated % of hours billed

**Confirmation of applicable international VAT rate / or zero rating*

ANNEXURE B

INTEGRITY DECLARATION FORM

(Form to be completed and signed by tenderer as Invitation to RFP returnable)

1. DECLARATION OF INTEREST

I/We understand that any natural/legal person, including employees of the State and/or those related to an Eskom employee/director (as per the definition of "related" set out hereunder), may tender to Eskom. However, in view of possible allegations of favouritism (the practice of showing favour to, or giving preference to some person/group, to the detriment of, or at the expense of another that is entitled to equal treatment or an equal opportunity), should the resulting tender, or part thereof, be awarded to such natural/legal person, as described herein, it is required that the *tenderer/s* declare such interest/relationship where:-

- the *tenderer/s* employees/directors are also employees/contractors/consultants/ directors in the state or a state owned entity.
- the *tenderer/s* employees/directors are also employees/contractors/consultants/ directors of Eskom
- the *tenderer/s* employees/directors are also employees/contractors/consultants or directors in another entity together with Eskom employees/consultants/contractors/ directors
- the *legal person/s (including its employees/contractors/directors/members/ shareholders)* on whose behalf the tender documents are signed, is in some other way "related" to an Eskom employee/contractor/consultant/director involved in the tender evaluation/tender adjudication/tender negotiation. "Related" meaning that:-
    - an individual is related to another individual of they are married, or live together in a relationship similar to marriage;
    - or are separated by no more than two degrees of natural or adopted consanguinity or affinity;
    - an individual is related to a juristic person if the individual directly or indirectly controls the juristic person, as determined in accordance with the definition of "control" (as per Companies Act section 2(1)) ; and

    - **a juristic person is "related" to another juristic person if :-**
        - (1)either of them directly/indirectly controls the other, or the business of the other, as determined in accordance with the definition of "control"(as per Companies Act section 2(1));

- (2) either is a subsidiary of the other; or

- (3)a person directly/indirectly controls each of them, or the business of each of them, as determined in accordance with the definition of "control"

- the *tenderer/s* and one or more of the *tenderers* in this tendering/RFP process have a controlling partner in common, or a relationship with each other, directly or through common third parties, that puts them in a position to have access to information about or influence on the tender/proposal of another tenderer, or influence the decisions of Eskom regarding this bidding process;

To give effect to the provisions above, please complete the table hereunder with all required information.

Full Name & Capacity/ Position within tenderer (e.g. employee/Director/member/ owner/shareholder)	**Confirm and provide details (including employee number) if you are a State/State owned entity employee/contractor/ director**	**Full Names & Capacity/Position of Eskom employee/ director/ consultant and details of the relationship or interest (marital/ familial/personal/ financial etc.)**	**To your knowledge is this person involved in the evaluation/ adjudication/ negotiation of tenders**

1. If any employee/director/member/shareholder/owner of Tenderer/s is also currently employed by Eskom, state whether this has been declared and whether there is authorisation(Y/N) to undertake remunerative work outside public sector employment and attach proof to this declaration. ___________________________
2. Do the tenderer/s and other tenderer in this tendering/RFP process share a controlling

partner or have any relationship with each other, directly or through common third parties? (Y/N) If Yes, attach proof to this declaration. ______________________

I declare that I have read and understood the provisions of the Integrity declaration form, that all information furnished herein is correct, that it is understood that the Tenderer's proposal may be rejected, and that Eskom will act against the Tenderer should any aspect of this this declaration prove to be false.

Signature:	
Designation and capacity in which signing:	
Date:	