

KAMEL POTTERIES - DOCUMENTATION SUMMARY

Date: October 21, 2025

Location: /Users/rain-c/Documents/kamel/docs/

FILES CREATED

1. FINAL_NORMALIZATION_REPORT_OCT21.md

- Complete summary of normalizations
- Manual journal details
- Valuation implications
- Outstanding items

2. PL_COMPARISON_REPORT.md

- Side-by-side P&L; versions
- Detailed adjustments
- Key metrics comparison
- Valuation scenarios

3. ACTION_ITEMS_NEXT_STEPS.md

- Immediate actions checklist
- Due diligence requirements
- Negotiation strategy
- Timeline for completion

KEY ACHIEVEMENTS TODAY

■ Posted Manual Journals:

- Personal expenses: R117,988/month moved to Owner Drawings
- Rental income: R1,141,451 excluded from operations

■ Generated P&L; Reports:

- As-Reported: R1,126,511 net profit
- Normalized: R103,048 net profit

■ Calculated True EBITDA:

- Annual normalized: R494,060

- Down 83% from original estimate

CRITICAL FINDINGS

The business is minimally profitable without rental income.

- Original valuation (R11-14M) was based on inflated EBITDA
- Actual transferable value: R1.5-2.5M
- Rental property subsidized operations
- Customer concentration remains high risk

USE THESE DOCUMENTS FOR:

- Buyer presentations
- Bank financing applications
- Seller reality check
- Negotiation basis
- Due diligence roadmap

All documentation saved to specified directory.