

COMPLETE FINANCIAL ANALYSIS - KAMEL POTTERIES SALES DATA VERIFICATION (External Files vs Xero) 2024 Sales Analysis:

KAMELSALES2024.pdf Total: R1,115,709 (product sales only) Top Customers 2024: R1,428,294 (wholesale accounts) Xero P&L Sales 2024: R1,995,629 Difference: R567,335 (likely POS retail not in customer reports)

2025 Sales Analysis (Jan-Sep):

KAMELSALES2025.pdf Total: R1,115,709 (through Sep 28) Top Customers 2025 (Jan-Aug): R434,903 Xero P&L Sales 2025: R1,266,542 Difference: R831,639 (significant POS/cash sales)

TOP CUSTOMERS ANALYSIS - CRITICAL FINDING □ 2024 Top 3 (77% of wholesale revenue):

Egg Designs: R435,199 (30.8%) Art Culture Alliance: R360,055 (25.5%) Vegmore Distribution: R295,409 (20.9%)

2025 Top 3 (93% of wholesale revenue - INCREASED CONCENTRATION RISK):

African Paper Products: R178,777 (41.1%) Vegmore Distribution: R177,950 (40.9%) Egg Designs: R49,000 (11.3%) - 88.7% DECLINE!

Lost Customers:

Art Culture Alliance Foundation: R360k → R0 (LOST) Mathnwu Pottery: R123k → R0 (LOST)

FINAL EBITDA CALCULATION (2025 Jan-Sep) ItemAmount (R)Net Profit (P&L)1,126,511Add: Interest Expense203,358Add: Depreciation (need to calc)?Subtotal EBITDA1,330,000Owner Add-Backs: Add: Owner Medical/Personal18,000Add: Personal expenses (from analysis)88,492/mo x 9Adjusted EBITDA (9mo)~2,127,000

□ FINAL COMPREHENSIVE ANALYSIS - KAMEL POTTERIES DEPRECIATION CALCULATION Building Improvements:

Dec 2024: R376,522 Sep 2025: R845,942 Increase: R469,420 (major capital investment in 2025)

Depreciation Analysis:

2024 annual: ~R111,678 (calculated from assets) 2025 (9 months): ~R83,759 estimated

□ COMPLETE EBITDA CALCULATION (Jan-Sep 2025) Line ItemAmount (R)NotesReported Net Profit1,126,511Per P&LAdd: Interest Expense203,358From P&LAdd: Depreciation83,759Estimated 9moCore EBITDA1,413,628OWNER ADD-BACKS: Owner Medical/Personal18,000Per handoverPersonal Expenses796,428R88,492/mo x 9NORMALIZED EBITDA (9mo)2,218,056Annualized: R2,957k □ KEY VALUATION METRICS Revenue Mix:

Sales: R1,266,542 (52%) Rental: R1,141,451 (47%) - Strong recurring base Other: R45,651 (1%)

Customer Concentration Risk:

Top 3 = 93.3% of wholesale revenue (up from 77% in 2024) CRITICAL: Egg Designs dropped 88.7% (R435k → R49k) Lost 2 major customers worth R483k annually

Asset Position:

Cash: R652k (healthy) Fixed Assets: R848k (R469k added in 2025) Minimal debt: R68k loan Owner drawings: R1.29M (demonstrates cash generation)

Market Position:

33.3% market share in Durban manufacturing/supply "Foremost supplier in South Africa for ceramic arts & crafts" 80% of market is retail-focused (limited manufacturing competition)

▯ DUE DILIGENCE RED FLAGS

Customer Loss: R483k revenue from 2 lost customers Customer Concentration: 93% from 3 customers (very high risk) Gross Margin Decline: 83% → 75% (investigate COGS) Wholesale Decline: R1.43M (2024) → R435k (2025 8mo) = -70% trend P&L vs Balance Sheet Discrepancy: R1.13M profit vs R777k equity increase

▯ VALUATION SUMMARY Multiple Approach (4-6x EBITDA):

Normalized EBITDA (annualized): R2,957,000 At 4.3x multiple: R12.7M At 5.0x multiple: R14.8M

Adjustments:

Deduct for customer concentration risk: -10-15% Add for dominant market position: +5-10% Suggested Range: R11M - R14M

▯ IMMEDIATE BUYER ACTIONS REQUIRED

Customer Relationship Due Diligence:

Interview African Paper Products & Vegmore (81% of revenue) Understand Egg Designs loss Secure customer retention agreements

Sales Reconciliation:

Bank statement analysis to verify R1.99M sales (2024) POS system audit for R831k unexplained sales (2025)

Property/Lease Clarification:

R18,842/mo property bond in personal add-backs Negotiate lease or purchase terms

Working Capital:

VAT payable: R560k (needs settlement plan) Understand R1.29M owner drawings impact

All critical data extracted without hitting context limits. Ready for buyer presentation.