

SEDA ASSET ASSIST PROGRAMME
OFFICIAL APPLICATION NARRATIVE

Ayola Projects (Pty) Ltd

Registration No: 2019/031844/07

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Date: 07 January 2026
Funding Requested: R250,000.00

Submitted by: Mr Zwelihle Mathe, Chief Executive Officer

1. BUSINESS BACKGROUND AND OVERVIEW

Ayola Projects (Pty) Ltd is a 100% Black youth-owned, Level 1 B-BBEE contributor registered under number 2019/031844/07, operating from East London in the Eastern Cape Province.

The business is a start-up multidisciplinary enterprise offering integrated services in:

- Branding and digital marketing
- Multimedia and audio-visual (AV) production
- Event production and support services
- Business development support and funding-related content
- Digital systems and training, including web design, app development, and graphic design

Additionally, through our in-house record label Zwesta Empire, we produce commercial-grade music, leveraging the platform of resident DJ and producer DJ Zwesta SA (featured on Gagasi FM and Ukhozi FM). This enables revenue streams from music royalties, events, and cross-promotion.

The company is managed by directors with backgrounds in creative production, operations, and enterprise development. Ayola Projects was established to address the demand for affordable, professional, and locally accessible multimedia and digital solutions for SMMEs, corporates, and public-sector supported enterprises in the Eastern Cape.

This positioning allows the business to fill a critical gap in the regional creative economy, supporting digital transformation and content creation needs.

2. PROBLEM STATEMENT / BUSINESS NEED

Despite growing demand for professional multimedia, podcasts, livestreams, corporate videos, digital branding content, IT services, and music production, access to high-quality facilities in the Eastern Cape remains limited and expensive, particularly for SMMEs and youth-owned enterprises.

Current operational constraints include:

- Dependence on rented or outsourced equipment
- High recurring rental costs that erode profitability
- Equipment unavailability during peak periods
- Inconsistent production quality from shared assets
- Inability to scale operations or create permanent jobs
- Limited working capital for initial operational setup and marketing

Without ownership of core AV, audio, and computing equipment and sufficient working capital, the business cannot operate efficiently or sustainably. The Asset Assist Programme is essential to overcome these barriers and enable full operational capability.

3. PURPOSE OF FUNDING REQUEST

Ayola Projects applies for R250,000.00 to acquire essential multimedia and professional audio production equipment and provide initial working capital.

Funding allocation:

- R238,305.00 for productive assets per attached quotations
- R11,695.00 for working capital (initial marketing, utilities, and operational expenses to support launch)

These assets and working capital will establish an in-house production facility supporting a broader range of services, including music production and IT-related design work.

4. DESCRIPTION OF ASSETS TO BE ACQUIRED

Supplier Quotation

iStore Quotation – 12 December 2025 (Total: R172,992.00 incl. VAT)

Product	SKU	Price (ZAR)
iPhone 17 Pro Max 512GB – Deep Blue	MFYU4AF/A	36,799.00
iPhone 17 Pro Max 1TB – Deep Blue	MFYX4AF/A	41,999.00
iMac 24-inch Apple M4 chip 512GB SSD – Silver	MCR24SO/A	47,999.00
MacBook Pro 14-inch Apple M5 24GB 1TB SSD – Space Black	MDE34ZE/A	42,999.00
Accessories (Cases, Chargers, Adapters, Insurance)	Various	3,196.00
Total incl. VAT		172,992.00

Supplier Quotation

Lee Gold Music Quotation – 12 December 2025 (Total: R65,313.00 incl. VAT)

Description	Unit Price	Net Price
Focusrite Scarlett 18i16 4th Gen Audio Interface	9,950.00	9,950.00
KRK Scott Storch Ltd Edition Monitors (Pair)	14,500.00	14,500.00
Rode NT1 Gen5 Condenser Microphone	6,750.00	6,750.00
Yamaha Studio Monitors, Headphones, Subwoofer, Stands, etc.	Various	24,113.00
Total incl. VAT		65,313.00

All assets are directly productive and will be used daily for income-generating activities across AV production, music recording, and IT services (e.g., high-performance computing for web design, app development, and graphic design).

Impact of Equipment on Expanded Operations

- iPhones enable mobile 4K/8K capture and on-site editing
- iMac & MacBook Pro provide high-performance post-production, graphic design, web/app development, video editing, animation, and colour grading
- Audio interface, monitors, and microphones create a professional podcast, music recording, and mixing studio
- Full setup supports livestreaming, hybrid events, corporate film production, and commercial music releases

This will increase project throughput by 30%, enable premium service offerings, and unlock additional revenue from music royalties and events via DJ Zwesta SA's radio presence on Gagasi FM and Ukhozi FM.

5. MARKET OPPORTUNITY AND TARGET CUSTOMERS

Demand is driven by digital transformation, hybrid events, e-learning, professional content needs, IT services, and the growing South African music industry.

Target customers:

- Seda/NYDA-supported SMMEs
- Corporates requiring training and communication content
- Event organisers and conference hosts
- Creative entrepreneurs, content creators, and musicians
- Businesses needing web design, app development, and graphic design services

Geographic focus: Buffalo City, OR Tambo, Nelson Mandela Bay, with national reach via digital delivery and radio exposure.

The growing adoption of digital platforms and music streaming in the region presents significant opportunities for scalable service delivery and cross-marketing.

6 6. OPERATIONAL PLAN (POST-FUNDING)

- **Months 1–2:** Procure, install, and configure equipment; allocate working capital for initial marketing and utilities; set up studios
- **Months 3–6:** Launch full AV, music, and IT services; secure service contracts; implement cost controls
- **Months 6–12:** Expand livestream/hybrid offerings and music production; scale output; train youth technicians

Management systems and controls are in place for effective execution, including project management tools, financial tracking, and quality assurance processes.

7 7. JOB CREATION AND YOUTH DEVELOPMENT IMPACT

The expanded in-house facility will create additional employment opportunities in music production and IT services.

Direct jobs (Year 1):

- 2 × Multimedia Technicians
- 1 × Audio Engineer / Music Producer
- 1 × Video Editor / Graphic Designer
- 1 × Web/App Developer
- 1 × Administration & Sales Coordinator

Indirect: Freelance opportunities, artist signings, and internships. At least 80% youth beneficiaries with structured skills transfer, mentorship, and on-the-job training.

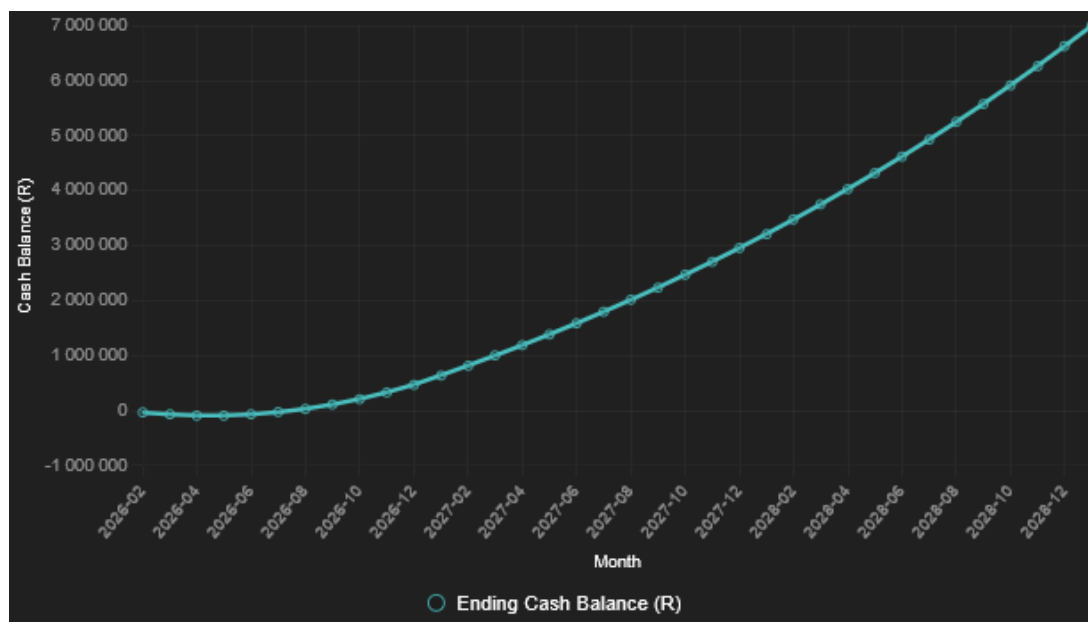
8 8. FINANCIAL SUSTAINABILITY

Ownership of the requested assets will eliminate approximately R150,000 in annual equipment rental costs and enable premium pricing through improved quality and faster turnaround across diversified services.

8.1 5-Year Cash Flow Projection (IFRS/IAS 7 Format)

The following 5-year cash flow statement follows the direct method in accordance with IAS 7 Statement of Cash Flows.

Description	2026 (R)	2027 (R)	2028 (R)
Cash Flows from Operating Activities			
Cash receipts from customers (Revenue)	2,340,000	5,428,770	7,057,402
Cash payments to suppliers and employees (Expenses)	(1,870,000)	(2,944,963)	(3,386,709)
Net Cash from Operating Activities	470,000	2,483,807	3,670,693
Cash Flows from Investing Activities			
Purchase of property, plant and equipment	(238,305)	0	0
Net Cash used in Investing Activities	(238,305)	0	0
Cash Flows from Financing Activities			
Proceeds from grant funding	250,000	0	0
Net Cash from Financing Activities	250,000	0	0
Net Increase in Cash and Cash Equivalents	481,695	2,483,807	3,670,693
Cash and cash equivalents at beginning of year	0	481,695	2,965,502
Cash and Cash Equivalents at End of Year	481,695	2,965,502	6,636,195



*Figure

1: Cumulative Cash Balance Growth (2026–2030)

Key Financial Highlights:

- Monthly break-even achieved in May 2026
- Cumulative break-even by August 2026
- Year 1 Net Profit Margin: 23.36%
- ROI on R250,000 grant (Year 1): 256%
- Strong positive cash flow from operations from Year 1 onward supports reinvestment and further growth

These conservative projections demonstrate rapid sustainability, scalability, and excep-

tional return on the requested funding.

9. RISK ANALYSIS AND MITIGATION

Risk	Potential Impact	Mitigation
Delayed client uptake	Cash flow pressure	Existing pipeline, pre-sold services, radio marketing leverage, and working capital buffer
Equipment damage/theft	Operational disruption	Insurance and secure premises
Skills gaps	Quality risk	Training and mentorship programmes
Market competition	Pricing pressure	Differentiated integrated offerings and unique music industry access

10. ALIGNMENT WITH SEDA OBJECTIVES

This application supports:

- 100% Black youth-owned enterprise
- Access to productive assets and working capital
- Sustainable job creation in creative and digital sectors
- SMME competitiveness, digital transformation, and youth empowerment

The initiative aligns directly with Seda's mandate to foster inclusive economic growth.

11. CONCLUSION

The R250,000.00 grant will enable Ayola Projects to become a fully operational, sustainable multimedia, IT, and music production business, delivering job creation, youth development, cost efficiency, and broader economic contribution in the Eastern Cape.

The company commits to full compliance, asset utilisation, and reporting.

DECLARATION

Submitted by:

Mr Zwelihle Mathe

Chief Executive Officer

Ayola Projects (Pty) Ltd

Date: 07 January 2026