



Whole Stones, LLC



CC 1 year PD
20.71% to 26.55%

Headquarters	Huntingdon Valley, PA	U.S.
Type	Private (Non-PE)	
Employees	<25	
Year Founded	2018	
Website	https://wholestones.us	
Business	Custom stone fabrication and installation services	
Revenues	\$2.4M	

Company Overview

- Company Overview:** Whole Stones, LLC is a niche provider of premium stone fabrication and installation services, catering to high-end residential and select commercial markets in the greater Philadelphia area.
- Product:** Specialized in fabrication and installation of natural and engineered stone products, including countertops, tiles, mosaics, fireplaces, fountains, and custom commercial interiors using granite, marble, quartz, and more.
- Customers:** Serves contractors, architects, designers, and end consumers, primarily within a localized mid-Atlantic footprint, with a reputation for custom, upscale installations and precision stonework.
- Ownership:** Privately owned by Mehmed Kahyaoglu, who appears to exercise both managerial control and financial discretion, including decisions on distributions and reinvestment.
- Debt Structure:** "Mortgages, notes, bonds payable (ST+LT)" over \$1.05mn. Credit Card it reported but without UPB. No further details were provided.
- Basis for Assessment:** 2022/23/24 Tax Returns, with '24 being the most relevant financial year for the assessment.
- Other (pros/cons):** The entity shows solid profitability, strong margins, and manageable leverage, supported by consistent cash flow. Regardless of revenue, they consistently delivered a Net Profit since FY-22, even though Revenue declined by -48.3% in FY-24. Key credit risk concerns, which are also single event risks, are founder dependence w/o a clear plan for succession / contingencies, and recent legal and financial distress signals. Despite substantial distributions (FY-23/24), the owner filed for Chapter 13 in 01/24, but was voluntarily withdrawn. Heightened concerns about international trade, as most, if not all stone, stones are likely imported from India or China. Small entity size increases empirical default risk. \$800k in current debt --> FCCR <1.0.

Financial Snapshot

	Dec-22	Dec-23	Dec-24	Chg
\$ '000s	T12	T12	T12	%
Total Revenue	4,314	4,663	2,410	-48.3%
Gross Profit	1,237	1,203	924	-23.2%
Adjusted EBITDA	806	702	669	-4.7%
Gross Profit Margin	28.7%	25.8%	38.3%	12.5 ppt
EBITDA Margin	18.7%	15.0%	27.7%	12.7 ppt
Net Income	734	547	482	-12.0%
Depreciation & Amorti	111	150	182	21.3%

Financial Ratio Benchmarking

# of Benchmarks:	20	Industry Median	Company Metric	Percentile Rank
Liquidity	Revenue			
	\$9M			
	\$2M			
Leverage	Current Ratio			
	0.61			
	1.92			
Profitability	Quick Ratio			
	0.47			
	1.21			
Profitability	Net Debt / EBITDA			
	1.23			
	1.06			
Profitability	Debt to Assets			
	29.9%			
	53.2%			
Profitability	EBITDA Margin			
	9.2%			
	27.7%			
Profitability	ROCE %			
	-24.6%			
	40.2%			

Business Risk

Industry Group Risk Profile	Business And Consumer Services	20%	4.5	to	5.5
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Industry Risk Assessment	KPI Rating	Contribution	Industry Group Description
Cyclicality	Intermediate risk		Primary revenues from offering solutions for noncore activities or providing varied business and consumer services, including: services for direct consumer needs; product distribution services; facilities services for maintaining other businesses' premises or staffing; and general and professional services for complex business support.
Competitive Risk	Intermediate risk		
Global Industry	Intermediate risk		
Market Segment Outlook	Stable		

Competitive Position Profile	Business And Consumer Services	50%	3.0	to	4.5
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Competitive Position KPIs	KPI Rating	Contribution	Rating Guideline
Cycle-Tested	2009-2019		Pre-COVID.
Market Position	Satisfactory		Limited market position with few barriers to entry.
Scale and Scope	Weak		Lacks scale and diversity, highly dependent on specific markets or services.
Brand Equity and Reputation	Satisfactory		Average brand with limited ability to command a price premium.
Business Strategy	Above Average		Mostly consistent strategy with minor areas for improvement.
Customer & End-Market Diversity	Satisfactory		Moderate reliance on a group of customers or end-markets.
Service Diversity	Satisfactory		Limited range of services. Limited diversity in customer needs met.
Supplier Diversity	Satisfactory		Limited supplier diversity, potential supply risks.
Working Capital Management	Weak		Poor working capital management with significant volatility.
Reinvestment Needs	Satisfactory		High reinvestment needs.

Management, Governance, Sponsorship	30%	3.0	to	4.0
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Anchor Modifiers

Modifiers			
Revenue Segment	Normalization		< \$5M
Trend Analysis	Adjustment		Moderate Negative
Fixed Cost Coverage Risk	Risk Flag		FCCR of 0.65x

Rating Range (Rounded)

2.5	to	3.5
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Weight Rating Range

65%	5.5	to	6.5
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of Industry Benchmarks 20
Company Financials Date Dec-24

Industry Benchmarks - Primary: Specialized Consumer Services | Secondary: Homefurnishing Retail