REQUEST FOR PROPOSAL (RFP) TO CONDUCT A DETAILED DUE DILIGENCE STUDY FOR ACQUISITION OF A GOING CONCERN LEATHER SHOES MANUFACTURING FACTORY IN RUSTENBURG

RFQ Reference: MOP-RFQ-001-2026

Issue Date: 30 January 2026

Closing Date and Time: 06 February 2026 at 17:00

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1. INTRODUCTION AND BACKGROUND

Themba Maphuki Ka leather Designs CC ("the Client") is a South African leather goods design and manufacturing enterprise seeking to vertically integrate its production capabilities through the acquisition of an existing shoe manufacturing factory located in Tlhabane West, Rustenburg, North West Province. The acquisition aims to strengthen supply chain control, improve margin sustainability, enhance production scalability, and create local employment opportunities.

The Client hereby invites suitably qualified and experienced Service Providers to submit Proposals, including detailed pricing for the execution of a comprehensive Due Diligence on the factory considered for acquisition.

2. OBJECTIVES OF THE DUE DILIGENCE

The primary objectives of the assignment are:

- To assess all business aspects including but not limited to the commercial, technical, financial, operational, legal, governance, strategic viability, etc. of the proposed acquisition.

- To determine the viability of the shoe factory i.e. whether there is commercial merit in the acquisition or not.

- To determine the fair market valuation of the business.

- To determine the equipment maintenance history, confirm capacity, and for how long can the equipment still produce the products reliably.

- To identify risks and mitigation strategies.

- To confirm sustainability, scalability and job creation potential.

3. SCOPE OF WORK

3.1 Market and Commercial Assessment

- Existing customer analysis.

- Market size, segmentation, and growth trends.

- Competitive landscape and positioning.

- Customer concentration and channel analysis.

- Pricing dynamics and margin sustainability.

- Brand leverage, export readiness, and route-to-market.

3.2 Financial Analysis

- Review of historical financials (minimum five years where available).

- Quality of earnings assessment.

- Cost structure and margin analysis.
- Capital expenditure and refurbishment requirements.
- Valuation (DCF, multiples, asset-based).

3.3 Operational and Technical Assessment

- Factory layout and production capacity.
- Equipment condition and remaining useful life.
- Maintenance regimes and upgrade requirements.
- Production efficiency and throughput.
- Quality management systems.
- Supply chain resilience.
- Staffing structure, skills, and productivity metrics.
- Labour disputes and pending litigation.

3.4 Legal, Regulatory and Compliance Review

- Ownership verification and asset registers.
- Contractual obligations and liabilities.
- Labour compliance and industrial relations risk.
- Labour or commercial disputes and pending litigation.

- Environmental authorisations and zoning compliance.
- Health and safety compliance.
- Licensing and statutory permits.

3.5 Strategic Fit and Growth Potential

- Alignment with Maphuki's growth strategy.
- Vertical integration benefits.
- Market expansion opportunities.
- Export scalability.
- Integration and execution risks.

3.6 Risk Assessment

- Commercial risks.
- Financial risks.
- Operational risks.
- Regulatory and compliance risks.
- ESG risks.
- Mitigation strategies and risk matrix.

4. DELIVERABLES

- Due Diligence Report, including amongst others a Technical Report on the equipment, fair market valuation of the business and recommendations whether the acquisition is commercially viable or not.

5. PROJECT DURATION

Expected completion period: 6 – 8 weeks from date of appointment.

6. PRICING SCHEDULE TEMPLATE

Service providers are required to complete the pricing schedule below in full. All prices must be quoted in South African Rand (ZAR), exclusive of VAT. Pricing must reflect a fixed-fee basis unless otherwise stated.

Work Package	Description of Deliverables	Quantity	Unit Price (VAT Excl)	Total Price (VAT Excl)
WP1: Inception & Planning	Project kick-off, information request list, stakeholder engagement plan, detailed workplan, risk framework			

WP2: Commercial Due Diligence	Market assessment, customer analysis, revenue sustainability, competitive positioning, growth risks and opportunities			
WP3: Financial Due Diligence	Historical financial analysis, quality of earnings, working capital assessment, cash flow sustainability, financial risks			
WP4: Operational & Technical Due Diligence	Operational capability review, asset condition, systems, capacity, scalability, key operational risks			
WP5: Legal, Regulatory & ESG Review *(if applicable)*	Compliance review, licensing, contracts, regulatory			

	exposure, ESG risks			
WP6: Integrated Due Diligence Report & Investment Memorandum	Consolidated findings, risk heatmap, valuation inputs, mitigation recommendations, executive summary			
Total Price (VAT Excl)				
VAT (15%)				
Total Price (VAT Incl)				

7. PROPOSAL SUBMISSION REQUIREMENTS

- Company registration documents.

- Tax clearance and CSD registration (if applicable).

- Relevant experience (minimum 3 similar projects).

- Team CVs and roles (Please ensure you have a balanced team i.e. Finance, Operations, Legal, People, Business Management, etc.)

- Methodology and workplan.

- Project timeline.

- Completed pricing schedule.

- References.

8. MANDATORY COMPLIANCE DECLARATIONS

- Declaration of interest.

- Tax compliance.

- B-BBEE certificate or affidavit.

- Proof of registration.

- Signed RFQ acceptance.

9. CONFIDENTIALITY AND NDA

All information shared is confidential. The appointed service provider will be required to sign a Non - Disclosure Agreement prior to access to sensitive information.

10. PREFERENTIAL PROCUREMENT AND B-BBEE

Preference may be given in accordance with the Preferential Procurement Policy Framework Act (PPPFA) and B-BBEE legislation. Valid certification must be submitted.

11. EVALUATION CRITERIA AND SCORING MATRIX

Criteria	Weight
Relevant Experience	30%
Methodology & Workplan	25%
Team Competence	20%
Price	15%
B-BBEE	10%
TOTAL	100%

12. SUBMISSION CHECKLIST

☐ Signed RFQ document

☐ Company registration documents

☐ Tax compliance

☐ B-BBEE certificate

☐ Methodology

☐ Pricing schedule

☐ CVs

☐ References

13. SUBMISSION INSTRUCTIONS

Electronic submissions only to slnxumalo@edgegrowth.com. Late submissions will not be accepted.