business
for sale



BUSINESS REPORT

Date: **5th November 2026**
Business Reference:**38326**

About the Business:

Popular Scrap Metal Recycling Operation – Mpumalanga

Well-established scrap metal recycling operation offering metal collection, processing and wholesale distribution, supported by quality equipment, loyal suppliers and consistent cash-generating activity.

Popular Scrap Metal Recycling Operation – Mpumalanga



Sector: **Manufacturing**

Asking Price:

R 600,000

Monthly Profit:

R 13,348

Asset Value:
R 555,319

Stock Value:
R 50,000

Yearly Net Profit :
R 160,181

Business Report

Fully describe the business's activities?

The business is a recycling and scrap metal operation that purchases ferrous and non-ferrous metals from members of the public, contractors and other suppliers.
Material is collected, received, weighed, sorted, processed and prepared for resale to wholesale recycling and metal processing customers.

How does the business operate on a daily basis?

The business purchases ferrous and non-ferrous scrap metal from members of the public and also conducts collections from suppliers when required.
Incoming material is weighed either on the vehicle scale or smaller platform scales, after which the seller is paid according to the type and weight of the material.
The scrap metal is then processed by employees who strip, sort and clean the various materials.
All transactions and material details are captured electronically, with values allocated to each category of scrap.
Once sufficient volumes have been accumulated and sorted, the materials are sold in bulk to wholesale scrap metal buyers and recyclers.

What Advertising/Marketing is carried out?

The business relies mainly on word-of-mouth referrals, repeat customers and its strong reputation within the local community, with minimal formal advertising required.

What competition exists?

The business benefits from limited direct competition in its immediate trading area.
Over the years it has established a strong reputation for fair dealing and reliable service, resulting in a loyal supplier base and a high level of repeat business

How could the profitability of the business be improved?

Increase scrap collection volumes and supplier relationships.
Improve recovery rates of higher-value metals.
Expand collections into surrounding areas.
Further streamline operational efficiencies.
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Give a breakdown of staff/ functions/ length of service?

The staff mainly perform recycling duties in the yard.
Separating Ferrous from non-ferrous metals and helping clients

Do any have management potential?

Yes

How involved is the Owner in running the business?

The owner is actively involved in the day-to-day operations of the business.
He resides on the premises, oversees the recycling activities, manages supplier payments and captures transaction data on the business's computer system.

When does the current lease end?

The business operates from leased premises and currently rents the site from PRASA.
The monthly rental includes water and electricity, providing a predictable occupancy cost structure

What are the trading hours?

The business operates six days per week, trading from Monday to Friday between 07:00 and 16:30, and on Saturdays from 07:00 to 12:00.
The business is closed on Sundays.

What are the main assets of the business?

The business is being sold with a range of operational assets, including a UD40 truck, Nissan NP300 LDV, two forklifts, two weighbridges, workshop tools, office equipment, wendy houses and various household items used in support of the operation.

In addition, the business benefits from its established supplier network, operating licences and strong reputation within the local market.
The seller has also indicated that a simplified operating system and handover process will be made available to assist the new owner with the transition.

Strengths?

Well-established business with a strong local reputation.
Limited direct competition in the immediate trading area.
Loyal supplier base supported by repeat business and word-of-mouth referrals.
Includes a range of operational assets, vehicles and equipment.
Simple business model with predominantly cash-based transactions.

Weaknesses?

Business remains owner-dependent in certain operational and administrative functions.
Earnings are influenced by fluctuations in scrap metal prices.
Limited scalability without additional working capital and operational resources.
Operates from leased premises and is therefore dependent on lease continuity.

Opportunities?

Increase scrap volumes through additional collection services.
Expand relationships with commercial and industrial suppliers.
Improve profitability through more efficient sorting and recovery of higher-value metals.
Extend the existing supplier network into surrounding areas.
Opportunity for a hands-on owner to further grow and streamline the operation.

Threats?

Fluctuations in scrap metal prices can impact profit margins.
Changes in industry regulations or licensing requirements.
Increased competition from larger regional recycling operators.
Theft and security risks associated with handling metal and cash.
Loss of key suppliers or reduced scrap volumes in the area.

What is the reason for the sale?

Retirement and focusing on a different industry

Why is this a good business?

Well-established business with a strong reputation and loyal supplier base.
Limited direct competition in the immediate trading area.
Includes valuable vehicles, equipment and operating infrastructure.
Simple business model with growth potential for a hands-on owner.

Disclaimer :

The financial information contained in this report has been supplied by the seller and has not been independently verified.
Prospective purchasers should satisfy themselves as to the accuracy of all financial and operational information during the due diligence process.