

A man in a blue suit and patterned shirt stands in front of a building with large windows. The text 'BUSINESS REPORT' is overlaid in large, bold, green letters.

# BUSINESS REPORT

Date: **6th December 2025**

Business Reference: **37453**

About the Business:

## Own a leading machining and fabrication business

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Offers engineering, machining, fabrication, presswork, jigs, tool and die making to clients in the manufacturing sector.

# Own a leading machining and fabrication business



Sector: **Manufacturing**

Asking Price:

R **6,000,000**

Monthly Profit:

R **220,838**

Asset Value:

R **6,337,455**

Stock Value:

R **0**

Yearly Net Profit :

R **2,650,058**



# Business Report

## Fully describe the business's activities?

Precision machining, presswork, jig manufacture, tool and die making, engineering and fabrication of parts and equipment for clients.

## How does the business operate on a daily basis?

Drawings are received, quoted and orders placed prior to execution.

## What Advertising/Marketing is carried out?

Limited - mostly word of mouth - high % of repeat business.

## What competition exists?

Two engineering shops are located in the area - providing in-house design and manufacture remains a key competitive advantage. In addition the installed asset base offers a 1-stop solution to most engineering requests.

## How could the profitability of the business be improved?

The owner is the manager and is on the floor daily, prepares quotes, drawings and engages with the clients. A second manager with an engineering background would free up time to secure additional work. Previous managers have been headhunted.

## Give a breakdown of staff/ functions/ length of service?

Bookkeeper - 9 years  
Foreman - 13 years  
4 skilled artisans - 17, 13, 12 and 10 years respectively.

### Do any have management potential?

The Foreman can manage day to day aspects of the business in the absence of the Owner but not complex issues nor drawings and quotes.

### How involved is the Owner in running the business?

He is very involved in the business - works on the floor, in the office and meets with clients.

### When does the current lease end?

The premises are owned by the business owner. Negotiations are in progress to sell the 4 units currently occupied by the business. If sold the new owners will offer an 18 month lease.

### What are the trading hours?

Monday to Friday 06.45 - 16.15 plus Saturdays if urgent work needs to be done.

### What are the main assets of the business?

- 3 x CNC milling machines
- 1 x CNC lathe
- 1 x Guillotine
- 1 x Bendbreak
- 1 x 250 t press
- 1 x 160 t press
- 1 x 55 t press
- 1 x 35 t press

### Strengths?

- Have been accorded preferred supplier status by large strategic manufacturer - current order book + R 4.0M
- Provide a manufactured product to a euro based client - 19 years and ongoing.
- Strong asset base to offer engineering solutions
- Commercially cost competitive

### Weaknesses?

The business is run and managed by the owner. There is no 2 IC.

### Opportunities?

If an engineering manager can be brought in the workload can be shared and revenue increased.

### Threats?

The loss of the major client - need to continue to offer various engineering solutions at agreed quality and price standards.

### What is the reason for the sale?

The owner is set for retirement but will offer a handover period to ensure continuity.