



BUSINESS REPORT

Date: **23rd May 2024**

Business Reference: **34428**

About the Business:

Bore hole and ground water supply and services company

The business focus on development of strategies to streamline and improve supply of water while reducing the cost to municipalities and communities, water and span boreholes and de-watering mines. The drive to offer even more quality services made them expand to include the exploration of methane gas for its potential as an alternative energy source

Bore hole and ground water supply and services company



Sector: Sales & Services

Asking Price:

R 10,000,000

Monthly Profit:

R 105,604

Asset Value:

R 8,910,424

Stock Value:

R 0

Yearly Net Profit :

R 1,267,242



Business Report

Fully describe the business's activities?

Ground water specialists. Their core competencies focus on water and span boreholes, de-watering mines, development of strategies to streamline and improve supply while reducing the cost to municipalities and communities. Progressiveness and the drive to offer even more quality services made them expand to include the exploration of methane gas for its potential as an alternative energy source.

How does the business operate on a daily basis?

They provide the following services:

General Borehole Services

- Pump selection, supply, installation, repair, and maintenance
- Sectional sealing of polluted water in boreholes
- Down-hole camera inspections
- Inflatable packer injection testing
- Mine dewatering
- Well rehabilitation
- Capacity testing
- Verticality testing of boreholes

Bulk water supply

- Pump selection, supply, installation, repair, and maintenance
- Pipeline design, supply, installation, and repair
- Rural water development projects and reticulation
- Aeration of lakes, dams, and ponds
- Water tanks and stands
- Supply of water treatment chemicals

Waste water treatment

- Pump selection and installation
- Design and installation of effluent reticulation systems
- Pump station design and construction

Coal Bed Methane (VBM)

- Coal bed methane gas extraction
- Coal bed permeability testing
- Notching of casing and cement
- Coal bed fracking
- Complete fitting for methane and water extraction as well as the separation of methane from water
- Purification of brine water
- Grouting of casing
- Dewatering with locally produced product
- Flaring of gas and gas analysis
- Power generation

What Advertising/Marketing is carried out?

They do not do any advertising currently.

What competition exists?

There are various small operators but they are bound to a small area.

How could the profitability of the business be improved?

Do more cross border work as well as government tenders

Do any have management potential?

No

How involved is the Owner in running the business?

The owner is 100% involved with the business.

When does the current lease end?

The property is owned by the current owner and is also available as a separate transaction.

What are the trading hours?

07h00 - 17h00

Strengths?

Trained staff, well looked after equipment

Weaknesses?

Owner wants to retire

Opportunities?

Propper marketing
Cross border work

Threats?

Ability of municipalities and government to pay for services

What is the reason for the sale?

Owner wants to retire