business
for sale

BUSINESS REPORT

Date: **1st August 2026**
Business Reference:**38307**

About the Business:

Well-known, Well-established Construction and Builders Merchant & Hardware. Northern Suburbs.

This profitable construction and builders supplier is well-established and has an excellent reputation within the industry. Based in the Northern Suburbs of Johannesburg it services a wide area and has an excellent customer base which is insured with CGIC.

Well-known, Well-established Construction and Builders Merchant & Hardware. Northern Suburbs.

Sector: **Retail**

Asking Price:

R **2,000,000**

Monthly Profit:

R **103,799**

Asset Value:
R **5,033,614**

Stock Value:
R **4,000,000**

Yearly Net Profit :
R **1,245,582**

Business Report

Fully describe the business's activities?

Builders Merchant and General Hardware business located in large yard with offices/premises in the Northern Suburbs of Johannesburg.

How long has the owner had the business?

The owner has owned the business since 2019 - 7 years in total.

How does the business operate on a daily basis?

A senior member of staff opens every morning. Staff start work from 7.30 am and attend to customers and ensure orders are fulfilled and made ready for delivery. The business closes at 5.00 pm on weekdays and 1.00 pm on Saturdays.

How are the clients attracted to the business?

Sites are visited to meet developers/owners and construction managers and supervisors to procure new business. There is an introduction of a new customer coming on board about once a week.

What Advertising/Marketing is carried out?

Marketing via a Facebook page as well as their website and the site visits.

Does the business have any contract work?

The business is a preferred supplier to some major construction and development companies.

What are the seasonal trends?

June to November tend to be the busiest months. Builders holidays are taken for two weeks over Christmas and New Year in line with the construction industry shutdown.

Is the business VAT Registered?

Yes, the business is VAT registered.

What VAT documentation is on file?

Normal VAT Recons and VAT returns.

Are there up-to-date Management Accounts available?

Yes, there are up-to-date management accounts.

What Balance Sheet and Income Statements are available?

February 2026 is available.

What percentage of the business is cash/credit?

The cash component of the business is small - probably only about 1%. They tend to deal with developers and construction companies - 35% COD and 65% on account.

How could the profitability of the business be improved?

The business does not have dedicated reps on the road procuring new business. Just one rep on the road will result in an increase in new business. The overheads are pretty constant - so in increase on the sales side will reflect quickly on the bottom-line.

What is the total staff complement?

There is a total staff compliment of 21 employees - 13 on wages and 8 on salaries.

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

The staff breakdown is available to interested and qualified buyers.

Do any receive special perks or incentives?

There is a December bonus at managements discretion and this is normally at approximately 50% of the employees salary.

Are they on contract?

Yes, the staff have letters of appointment.

Do any have management potential?

Yes, there is a senior member of staff who it is believed can step into a managerial role.

How involved is the Owner in running the business?

The owner is involved on a daily basis.

When does the current lease end?

The current lease ends in 2030.

Is there an option of renewal & what period?

Yes, there is an option for renewal for 5 years.

What is the annual escalation %?

The annual escalation is CPI.

What are the trading hours?

Monday to Friday: 7.30 am to 5.00 pm and Saturdays: 8.00 am to 1.00 pm.

What is the square meters of the business?

The total area of the premises measures 4000 square meters.

Is a copy of the lease available?

Yes, a copy of the lease is available.

Do you require a licence?

No special licence is required to operate the business.

What are the main assets of the business?

3 x Delivery Vehicles. Skid Steer, Fork Lift, Board Cutting Machinery, Shelving and Racking, Computers and IT Equipment, Steel Cutting Machine, Table Saw, Planers, Saws etc. A full Asset List is available.

What is their overall condition?

The assets are in very good condition.

Which assets are on lease/HP and with whom?

No assets are on lease or HP. All are owned.

Are they presently insured?

Yes, the business is comprehensively insured.

Strengths?

Well-established and well-known in the industry. Knowledgeable staff, Excellent client customer book that is insured.
Growth and scalability.

Weaknesses?

It would be very positive to the Revenue line to employ a dedicated Sales Rep as there are none at the moment.

Opportunities?

Increase in sales with a dedicated Sales team.

Threats?

Normal economic conditions but this business has been through all the cycles and is still standing strong.

What is the reason for the sale?

The owner wishes to relocate.

Why is this a good business?

Profitable, great customer base which is insured against bad debt, Good further growth prospects and scalability. History, Strong staff compliment.