



Date: **5th July 2022**

Business Reference: **33869**

About the Business:

Manufacturing of precast concrete walling and products, retailing throughout Namibia.

Profitable, owner run business retailing in precast poles, panels, walling, lintels and a large variety of quality precast concrete products. The business sells to contractors and the individual throughout Namibia.

Manufacturing of precast concrete walling and products, retailing throughout Namibia.



Sector: **Manufacturing**

Asking Price:

N\$ 9,752,000

Monthly Profit:

N\$ 163,366

Asset Value:

N\$ 7,036,097

Stock Value:

N\$ 398,000

Yearly Net Profit :

N\$ 1,960,388



Business Report

Fully describe the business's activities?

Profitable, owner run business retailing in precast panels, poles, walling, lintels , road kerbs and a large variety of quality precast concrete products. The business sells to a dealer network, contractors, builders, farmers, municipalities, local government and individuals nation -wide.

How does the business operate on a daily basis?

- Start of day - Management meeting with staff and instructions for the day's production / delivery
- Casting of material / demoulding of product rotation
- Administration of material order, sales, staff etc
- Cash client liaison
- Receipt of orders from Dealer groups, processing onto system
- Checking of stock figures vs orders in hand etc. Check systems are in place.
- All products are itemized with weight.
- Invoices lined up with delivery notes and transported to clients
- Copy of invoice emailed to client as well

What Advertising/Marketing is carried out?

This business has a website however there is opportunity for more intense marketing

What competition exists?

There are around 9 other businesses manufacturing concrete precast products, however this business is one of the largest in its field.

How could the profitability of the business be improved?

Further moulds can be purchased increasing the product range. Profitability can be greatly increased with emphasis on sales generation – better marketing. In terms of production the facility has the capacity to double production with minimal infrastructure changes

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

A break down of staff, functions and length of service is available to interested buyers. The two active owners of the business are involved in the day to day running of the business, together with managers in each department of the business.

Do any have management potential?

There are a number of managers for each department in place.

When does the current lease end?

The seller is the owner of the property and will renew the contract at the same rental amount to the new buyer for the first year. Thereafter there will be a annual rental increase of 10%. The period of the lease agreement can be secured for a minimal period of 5 years or more, optional to the buyers requirements. The property is set up to cater for manufacturing purposes, therefore should alternative premises be sourced it would cost around 3 million to move the business. The property includes a concrete silo and screw conveyor which are the property of a Cement supplier. Rent, electricity, water and security total +/- 32000 including VAT / month.

What are the trading hours?

Monday to Friday - 07h00 to 16h30

What are the main assets of the business?

The main assets of the business are the moulds and trucks.

Strengths?

This business supplies major dealer networks, municipalities, government contracts and all contractors and individuals through out Namibia. It is owner run therefore strong secure systems are in place and in turn gives a quality customer service to all its clientele. There is an agility to increase capacity.

Weaknesses?

The building industry has declined in Namibia over the last three years.

Opportunities?

Further molds can be purchased which would then expand the product line.

Threats?

A further decrease in the Namibian Economy.

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What is the reason for the sale?

The current owners have around 3 other business ventures which they are apart of. They are looking to streamline their work load.