



BUSINESS REPORT

Date: **19th August 2025**
Business Reference: **36038**

About the Business:

Well known hydraulic engineering business

Blue chip companies utilize this company and have done so for many years. Quality service is of paramount importance.

Well known hydraulic engineering business



Sector: **Manufacturing**

Asking Price:

R 3,750,000

Monthly Profit:

R 126,040

Asset Value:

R 500,000

Stock Value:

R 10,000

Yearly Net Profit :

R 1,512,484



Business Report

Fully describe the business's activities?

Well-established manufacturing and engineering business that deals with the needs of major companies. Blue Chip clients utilize this company for both manufacturing of parts, and also for repairs to broken parts. Cylinder work is one of the major components of the business. The company specializes in earth moving machinery/vehicle parts for major companies such as Caterpillar. General engineering, casting, specialized welding, and repairs to parts is the main activity in the workshop.

How does the business operate on a daily basis?

The workshop opens at 07h00 hours and the staff are given the tasks that require urgent attention. As new work is brought in the staff are detailed with new tasks on the machines. The owner is hands-on in the business and is often found at the machines working, or welding specific intricate operations.

What Advertising/Marketing is carried out?

There is no marketing done, as there is more than enough daily work to keep the business running smoothly. The staff is occupied on a full time basis, on the machines and completing the tasks programmed for them.

What competition exists?

There are other "hydraulic" and engineering businesses in the area, but some do not have the machinery or skills to compete in this competitive market.

How could the profitability of the business be improved?

There is space in the workshop to grow the business, if a new owner wishes to expand.

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

Specialist welders, Cylinder technicians, Qualified machinists, Fitter and Turner operators and a few general hands.

Do any have management potential?

Not necessary

How involved is the Owner in running the business?

Very hands on owner who is prepared to assist in the work load of getting the job done.

When does the current lease end?

6 months (December 2023)

What are the trading hours?

07h00 to 16h00 hours Monday to Thursday.
Friday the workshop closes at 13h00 hours.

What are the main assets of the business?

Lathes, milling machines, drilling machines, boring mill, presses and welders etc. All heavy duty machinery. The assets are well maintained and thus seldom have a breakdown.

Strengths?

Very well known for quality service and skilled workmanship. Blue chip companies support this business and have done so for many years.

Weaknesses?

None perceived

Opportunities?

The new owner can expand the business as there is space available and there is capacity for an extra work load

Threats?

Load shedding is always a threat, especially when it gets to high levels of daily stoppages.

What is the reason for the sale?

The owner wishes to retire to the Eastern Cape.