



BUSINESS REPORT

Date: **24th November 2024**

Business Reference: **32939**

About the Business:

Power solutions - Retail and Services

Servicing the Witbank area the business generates revenue from retailing renewable energy products. A fair amount of income is derived from services.

Power solutions - Retail and Services



Sector: **Services**

Asking Price:

R **4,950,000**

Monthly Profit:

R **183,848**

Asset Value:

R **1,130,000**

Stock Value:

R **1,598,767**

Yearly Net Profit :

R **2,206,173**



Business Report

Fully describe the business's activities?

The business sources, sell, supply, install and service anything and all products to do with sustainable/alternative energy solutions, including solar systems, fireplaces, generators, water heating systems and is a distributor and agent for a major leading solar product supplier

How does the business operate on a daily basis?

Interaction with any client/user of electricity.
Clients are both industrial and commercial as well as the man on the street.

What Advertising/Marketing is carried out?

The business has advertising boards on its premises.
It boasts a neat website.
Two sales people working in the shop on a commission basis.
There are no representatives.

What competition exists?

There are many other small operators trying to penetrate the market.

How could the profitability of the business be improved?

More advertising and brand awareness in the surrounding area.
Appointing representatives.

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

The owners wife takes care of daily administration relating to ordering and payments.
A Office administrator assisting with administration
Four technicians, 1 based at the workshop for generator repairs and workshop tasks
One cleaner on a shopping mall for solar panel cleaning daily
Two sales people working from behind a desk.
One general worker/cleaner

Staff turnaround is very low

Do any have management potential?

One sales person has management potential and has acted in the position when required

How involved is the Owner in running the business?

With his wife, the owner is 100% involved in the daily operations of the business.

When does the current lease end?

Yearly Renewals

What are the trading hours?

Monday to Friday from 8:00 - 17:00

Saturday from 8:00 - 13:00

It may happen that a technician may work later hours to complete a job.

What are the main assets of the business?

Two delivery vehicles.

Some special tools and equipment for repairs.

Major asset of the business is the stock on hand.

Strengths?

Being established for 15 years the business has created a proper client base and enjoys the benefit of repeat clients.

In particular the business receives massive support from its suppliers, both in training as well as terms of payment.

We also think that the industry and sector in which the business operates represents a bright future.

Weaknesses?

The business is not 100% BEE compliant and it seems that it is losing out on tenders from bigger companies and mines.

Opportunities?

Appointing representatives and servicing a bigger geographical area.

Threats?

We could not identify any specific threats to this business.

What is the reason for the sale?

The owner wishes to relocate