



BUSINESS REPORT

Date: **24th April 2024**

Business Reference: **33783**

About the Business:

**Successful operational earth Moving and Plant
Hire Lowveld South Africa**

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Sector: Sales & Services

Asking Price:
R 20,000,000

Monthly Profit:
R 5,254

Asset Value:
R 0

Stock Value:
R 0

Yearly Net Profit :
R 31,525



Business Report

Fully describe the business's activities?

The business is one of the most well know and supported earth moving and plant hire businesses in the Lowveld Mpumalanga South Africa .It specializes in the hiring out of its equipment to all contractors in the building and excavation industries .It also sells second hand equipment and repairs and maintains it s own equipment from its workshop.

How does the business operate on a daily basis?

The business generates revenue by offering it excavation and grading service to the building and industrial developmental industries. The desired and required piece of earth moving equipment required for the projects on hand are either driven to site by the business drivers or taken on flat beds to site. The business charges per hour for the use of the equipment, the fuel usage and the driver as the equipment is only operated by the business skills operators. there are blue chip comp[anies as well as smaller developers who make use of the businesses services

What Advertising/Marketing is carried out?

there is no advertising and marketing carried out at this stage and there never has been .The business has survived and thrived on repeat work and word of mouth alone

What competition exists?

There are a very few earth moving suppliers locally but none operate on the scale and level of service as does the business, as it has a full compliment of machinery for all types of work and none have been as long established as that of the business being offered for sale

How could the profitability of the business be improved?

The profitability of the business could be improved by advertintg and adding more equipment into the asset base as the demand is there.this can be accomplished by adding more equipment into the current asset base as the demand is there.

Do any have management potential?

Unfortunately not at this stage

How involved is the Owner in running the business?

the owner is operational on a daily basis in the business by attending to the work which comes in and is required to be quoted on

When does the current lease end?

the lease is on an ongoing month to month and has operated as such

What are the trading hours?

The trading hours are dependent on the nature of the work load the business needs to accomplish and this is the time lines attached to completion as set out in the agreement with the Parties involved.

What are the main assets of the business?

The main asset of the business are its earth moving equipment and the workshop tools for maintenance . There is a full asset list on file but this itemized list may change from time to time if the seller purchases additional assets or disposes of some . But at the time of sale the asset value will be as stipulated on the mandate and as was provided by the seller to Aldes for this report

What is the reason for the sale?

the seller feels he has been in the industry for long enough and wishes to spend more time with his wife and children besides have other property investment buildings and business to look after