



BUSINESS REPORT

Date: **25th May 2025**

Business Reference: **37000**

About the Business:

Major Liquor Retailer. Part of Major Franchise Group. East Rand.

R63 million Turnover per annum puts this store amongst the better operations in Johannesburg and Gauteng. Great Profits. Room for growth into the wholesale sector.

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Sector: **Retail**

Asking Price:

R **10,000,000**

Monthly Profit:

R **373,011**

Asset Value:

R **1,350,000**

Stock Value:

R **5,000,000**

Yearly Net Profit :

R **4,476,134**



Business Report

Fully describe the business's activities?

With Revenue of R63 million per year this business is a Major Retailer of liquor products and operates under the banner of a major franchise group.

How does the business operate on a daily basis?

This is a family owned business and the owners take turns in opening and closing the business. Daily operations are divided between the two family members.

How are the clients attracted to the business?

The advertising is mainly done by the Franchisor but customers are attracted due to the excellent pricing compared to any opposition.

What competition exists?

None in the area. There are tiny stores who sometimes buy certain products from this business due to the excellent pricing.

Is the business VAT Registered?

Yes, the business is VAT registered.

How could the profitability of the business be improved?

Pushing into the wholesale market will allow definite growth. Delivery to restaurants and events would also increase revenue.

What is the total staff complement?

There are 13 members of staff.

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

1 x Manageress
8 x Cashiers
1 x Driver
2 x General Workers
1 x Security Guard

Do any have management potential?

There is a Manageress in place who assists with overall management and smaller payments/procurements.

How involved is the Owner in running the business?

The owners share the running of the business 50/50.

When does the current lease end?

The owners own the building and are happy to enter into a lease with the new owners of the business.

Is there an option of renewal & what period?

This can be discussed and negotiated.

What are the trading hours?

Monday to Friday: 7.15 am to 8.30 pm.
Saturday: 7.15 am to 5.00 pm.
Sunday: 8.30 am to 1.00 pm.

Do you require a licence?

Normal liquor licence is in place.

What are the main assets of the business?

Delivery Vehicle, Large Fridges, Fork Lift, Large Ice-Making Machine, Tills and Back-end IT Equipment, Money Counting Machines.

Strengths?

Major Store within a Major Franchise Group. R63 million Turnover. Excellent catchment area. No real opposition in the area to even speak of. Great visibility. Stock turns quickly. Great profits.

Weaknesses?

None really. After 38 years in operation it all happens as it should to be an excellent business.

Opportunities?

The wholesale side can definitely be pushed and also the supplying of restaurants and events etc. This has not been a part of the business in the past but is a potential growth area.

Threats?

No real threats. When people are happy, they drink. When they are sad or depressed they also drink! This is a good business regardless.

What is the reason for the sale?

Retirement and relocation.