



Date: **31st January 2025**
Business Reference: **37043**

About the Business:

Manufacturer of agricultural machinery.

Manufacturer and sales of powered animal feeding equipment and allied products. The after sales service, the in house repairs and the field services are essential to the business. This business would suit an individual with an engineering qualification and a good knowledge of farming.

Manufacturer of agricultural machinery.



Sector: **Manufacturing**

Asking Price:

R 7,390,000

Monthly Profit:

R 242,724

Asset Value:

R 10,119,301

Stock Value:

R 2,110,000

Yearly Net Profit :

R 2,912,685



Business Report

Fully describe the business's activities?

Manufacture of tractor drawn & truck mounted animal feeding equipment, conveyor systems, weighing equipment, silage and manure spreading equipment.

What Advertising/Marketing is carried out?

Occasional shows and magazines

What competition exists?

Very little competition except from cheap inferior imports.

How could the profitability of the business be improved?

Manufacturing products that are allied to the agricultural sector in which the business operates.

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

Staff functions include CAD drawings, foreman, supervisor, storeman, field service technicians, fabricators/welders, plasma cutter, painter, general assistants and drivers.
Length of service ranges from 2 months to 21 years.

Do any have management potential?

Yes

How involved is the Owner in running the business?

The three members are involved in the day to day operations

When does the current lease end?

31 March 2025

What are the trading hours?

Monday to Thursday 7hr20 - 16hr30.
Friday 7hr00 - 13hr00.

What are the main assets of the business?

Heavy engineering plant such as guillotine, lathes, punching machines, drills grinders, plasma cutter, fork lifts, pressure brake and vehicles.

Strengths?

Long established reputable business.
Good quality plant and equipment.
Long serving skilled staff.
Well known brand in the industry.
Flexibility and the ability to react to the changing agricultural market.

Weaknesses?

Skilled staff are in short supply..

Opportunities?

Manufacturing agricultural machinery/products that are allied to the businesses' products. There is a new model currently in the development stage.

Threats?

Cheap inferior imports

What is the reason for the sale?

Owners have no succession plan as their children have no interest in joining the family business and the Owners intend to relocate in the future.