



# BUSINESS REPORT

Date: **25th June 2025**

Business Reference: **37267**

About the Business:

## Service precision CNC machining facility, with CNC milling and turning capabilities

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This business has four CNC lathes, five CNC machine centers, two conventional lathes, turret mills, tapping & drilling machines and two cut-off saws as well as a press-brake. Various other small machines complement these, to make this business a fully functional engineering facility. They are focused on small and medium production ie. 10 up to 2000 components.

# Service precision CNC machining facility, with CNC milling and turning capabilities



Sector: **Manufacturing**

Asking Price:

R **6,700,000**

Monthly Profit:

R **206,691**

Asset Value:

R 7,538,268

Stock Value:

R 250,000

Yearly Net Profit :

R 2,480,297



# Business Report

## Fully describe the business's activities?

Precision CNC machining facility with capabilities for production CNC milling and CNC turning, assembly, design for manufacturing, prototype machining.

## How does the business operate on a daily basis?

Quote on incoming customer email requests. Current orders are carried out as normal.  
Order material.  
Complete manufacture.  
Quality control.  
Invoice and deliver.  
They do have a few of their products but do not focus too much on them.

## What Advertising/Marketing is carried out?

They have never had to do any advertising or marketing, just the website.

## What competition exists?

There are other engineering businesses, each having their own niche and expertise.

## How could the profitability of the business be improved?

Focus or develop and market own products.  
Growing the business to suite a larger customer base.

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

They have three staff with around 18 years of service.  
Three key staff each running a division including programming and setting up CNC machines all staff have been skilled by in-house training and experience.  
One senior staff member who takes care of walk-in work plus jigs and fixtures.  
One staff member is in charge of the saws and material delivery acceptance.  
The rest are operators who receive ongoing training.

### Do any have management potential?

Yes

### How involved is the Owner in running the business?

100% involved.

### When does the current lease end?

The owner owns the building

### What are the trading hours?

07h30 to 17h00 Monday to Thursday.  
07h30 to 13h30 on Fridays

### What are the main assets of the business?

The workshop is neat, clean, and modern.  
They have four CNC lathes, five CNC machine centers, two conventional lathes, turret mills, tapping and drilling machines, two cut-off saws and a press-brake as well as general tools, and holders. Various other small machines complement these, to make us a fully functional engineering facility.  
They are focused on small and medium production ie. 10 up to 2000 components.  
Kia 2700 delivery vehicle.

### Strengths?

They can help with design and manufacture to customer's requirements.  
They receive regular 5-star ratings on Google.  
They generally produce excellent quality and their pricing is competitive.  
They have several loyal customers, who have been with them for many years.  
They have created a 'good name' in their industry.

## Weaknesses?

Delivery times can run over the expectation time of customers.  
Quality issues have occurred when they are under pressure from customers requiring fast delivery.  
They have not explored other avenues of engineering that they could also become involved in ie wire cutting etc  
They have become comfortable with the pace of work.

## Opportunities?

Develop own products.  
Look for new customers and expand the business.  
Get some young energy involved with new ideas.  
Acquire additional machines.

## Threats?

Not having the energy to take the business to the next level.  
The possibility of staff leaving for better opportunities.  
An unstable economy which may affect business.  
Losing customers for whatever reason.

## What is the reason for the sale?

The owners have reached retirement age.