



# BUSINESS REPORT

Date: **20th August 2025**  
Business Reference: **35615**

About the Business:

## Homeware Hustle – Very strong Online Store For Sale

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Elevate Your Future: Prime Business with huge growth prospects. Unleash Boundless Potential in the Digital Marketplace! The owner started the business in 2016. Excellent growth has been experienced.

# Homeware Hustle – Very strong Online Store For Sale



Sector: **Services**

Asking Price:

R **25,000,000**

Monthly Profit:

R **606,219**

Asset Value:

R **8,472,885**

Stock Value:

R **15,000,000**

Yearly Net Profit :

R **7,274,629**



# Business Report

## Fully describe the business's activities?

This Business is a multi-channel E-Commerce company based in Cape Town.

Their core focus is retail of Tools and Equipment whereby they retail sale of a wide range of tools and equipment used in construction, woodworking, plumbing, electrical work, and general home improvement. This includes hand tools, power tools, safety gear, and machinery.

Their product range has expanded to over 10,000 sku's now with +15,000 sales per month, categories ranging from Small Appliances, Toys, Braai, Computer IT, Camping, Load Shedding Essentials, and many more.

They have their own e-commerce website that operates as an online store where customers can browse, select, and purchase tools and related products. It has a user-friendly interface, secure payment options, and delivery services.

Their vast ray of home improvement product range caters to both professionals and DIY enthusiasts. This can include items like drills, saws, hammers, wrenches, screws, nails, paint, gardening equipment, and more.

They offer strong customer service and provide assistance with product selection, usage, and troubleshooting. It has return policies to ensure customer satisfaction.

In addition, they engage in wholesale distribution, supplying tools and products to other companies.

## How long has the business been established?

Since 2016

## How long has the owner had the business?

Since Inception

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

The Business has its warehouse in Cape Town from where daily deliveries and shipments are made. Suppliers deliver stock to the warehouse where it is recieved , consolidated and shipped off to customers.

## How are the clients attracted to the business?

Majority of clients come from Marketplace transactions.  
Marketplace Advertising promotions.  
Internal sales rep that is onboarding new wholesale clients.  
Gumtree attracts retail clients to the shop.  
Google Maps attracts retail clients to the shop.  
Google Adwords have attracted a retail and wholesale clients.

## What Advertising/Marketing is carried out?

Google Adwords Campaigns

## What competition exists?

Other 3rd party marketplace resellers.  
Brick & Mortar Hardware Stores  
Online tool websites.

## What VAT documentation is on file?

Full disclosure during DD

## Are there up-to-date Management Accounts available?

Full disclosure during DD

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

More imported lines being purchased. Greater bulk purchases of stock.

## Structure of a Transaction

The Sellers have Shareholders Loans of around R 12,5mil as they invested their own cash, over years, to fund the stock acquisition and growth.

They would want a deal where they will use the cash in the Business to pay out the Shareholders loan prior to transaction in an attempt to also lessen the stock value. So in essence, they will sell stock and not replenish at the same rate but decrease the stock value to around R 15mil and settle the shareholders loans.

The seller would want to exit the business fully but will be willing to work in the business as MD for a handover period.

The shares can be bought from the shareholders.

Full Financial Statements will be made available to serious buyers during a DD.

## What is the total staff complement?

20

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

The owner has stepped aside to maintain the IT side of the business. The day to day functions are run by the management team.

His wife is also a Buyer but her role can be taught and an employee can fulfill this role.

## When does the current lease end?

2027

## What are the trading hours?

Monday - Friday 7:30 - 16:30

## What is the square meters of the business?

780sqm

### Is a copy of the lease available?

Yes

### What lease deposit and/or other surety is required?

2 months rent

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

Inventory  
Supplier Contracts / Relationships  
Intellectual IP - Software ( the seller is also willing to adjust the selling price and retain the IP Software, maintain it and where and when needed, assist with new coding )  
Shelving, Computers and other small assets.  
3 Delivery Vehicles.

### Strengths?

Strengths  
Wide Product Range: Offers a diverse selection of tools, homeware, décor, and DIY materials catering to various customer needs.  
Online Convenience: Provides a seamless and user-friendly online shopping experience, which is increasingly preferred by modern consumers.  
Competitive Pricing: Focuses on offering high-quality products at competitive prices, appealing to budget-conscious shoppers.  
Customer Service: Emphasizes exceptional customer service, which can foster loyalty and positive word-of-mouth.  
Local Presence: Based in Cape Town, allowing for localized service and potentially faster delivery within South Africa.

### Weaknesses?

Weaknesses  
Limited Brand Recognition: As a relatively new player (registered in 2022), it may not yet have strong brand awareness compared to established competitors.  
Dependence on Online Sales: Heavy reliance on e-commerce could be a vulnerability if there are disruptions in digital infrastructure or logistics.  
Niche Market Focus: Primarily targets DIY enthusiasts, which may limit broader market appeal unless diversified.

## Opportunities?

Growing Amazon and Checkers 60/60

### Opportunities

**Growing DIY Trend:** Increasing interest in home improvement and DIY projects presents a strong growth opportunity.

**Expansion into B2B:** Potential to supply tools and homeware to businesses, contractors, or institutions.

**Partnerships & Collaborations:** Collaborating with influencers or DIY content creators could boost visibility and engagement.

**Sustainability Products:** Offering eco-friendly or sustainable homeware could attract environmentally conscious consumers.

## Threats?

### Threats

**Intense Competition:** Faces competition from both local retailers and global e-commerce giants like Takealot and Amazon.

**Economic Fluctuations:** South Africa's economic instability could affect consumer spending on non-essential items.

**Supply Chain Disruptions:** Global or local supply chain issues could impact product availability and delivery times.

**Changing Consumer Preferences:** Rapid shifts in trends and consumer expectations may require constant adaptation.

## Why would it be wise for a Business Owner to Purchase this Business ?

### 1. Established E-Commerce Infrastructure

The business already has a functioning online store with a product catalog, payment systems, and logistics in place.

Saves time and cost compared to building an e-commerce platform from scratch.

### 2. Growing Market Demand

The DIY, home improvement, and online shopping sectors are growing in South Africa.

Increased consumer interest in home projects and convenience shopping supports long-term demand.

### 3. Scalable Business Model

The online nature of the business allows for easy expansion into new product categories, regions, or even international markets.

Potential to add B2B sales, subscription models, or exclusive product lines.

### 4. Brand and Customer Base

Even as a relatively new brand, the business has already begun building customer trust and recognition.

Acquiring an existing customer base provides immediate revenue potential and marketing leverage.

### 5. Operational Efficiencies

The business may already have supplier relationships, warehousing, and fulfillment processes in place.

These efficiencies reduce the learning curve and operational risks for a new owner.

### 6. Opportunity for Strategic Improvements

A new owner could bring in fresh capital, marketing strategies, or operational improvements to accelerate growth.

Potential to enhance SEO, social media presence, or customer loyalty programs.

### 7. Competitive Pricing and Niche Focus

The business's focus on affordability and DIY/homeware gives it a unique position in the market.

With the right branding and partnerships, it could become a go-to destination for budget-conscious consumers.

## What is the reason for the sale?

Owners built the business but now want to venture onto something new.

They have small children and both being involved is not conducive for the family.