



# BUSINESS REPORT

Date: **19th August 2025**

Business Reference: **37571**

About the Business:

## **Modern Franchise Coffee Shop – 8 Months Young & Growing**

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Opened 8 months ago, this beautifully designed franchise coffee shop is situated in a high-visibility location. With all equipment in place and a growing loyal customer base, it offers an excellent opportunity for a hands-on operator or investor.

# Modern Franchise Coffee Shop – 8 Months Young & Growing



Sector: **Food**

Asking Price:

**R 2,335,000**

Monthly Profit:

**R 85,182**

Asset Value:

**R 1,300,000**

Stock Value:

**R 65,000**

Yearly Net Profit :

**R 596,273**



# Business Report

## Fully describe the business's activities?

This newly established franchised coffee shop, opened just 8 months ago, is located in a recently renovated shopping centre with high foot traffic. The business is owner-operated and already delivering excellent profits. A liquor license was approved at the beginning of July, creating further growth opportunities. This is a turnkey opportunity within a strong national brand, ideal for a hands-on buyer.

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

The business employs 12 staff members who support the owner with daily opening and closing operations. Trading hours are as follows:  
Monday to Saturday: 07:30 – 17:00  
Sunday: 08:00 – 14:00

## Do any have management potential?

The business does not have a manager in place; however, a supervisor is on site to assist the owner in the day-to-day operations.

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

80%

## When does the current lease end?

30 November 2029

## Strengths?

**Strong Franchise Brand:** Backed by an established national brand with proven systems and support.

**High Foot Traffic Location:** Situated in a newly renovated shopping centre attracting consistent customer flow.

**Turnkey Operation:** Fully fitted, staffed, and operational with no additional setup required.

**Liquor License Approved:** Recently approved liquor license (July), opening new revenue streams.

**Excellent Profitability:** Strong financial performance within just 8 months of trading.

**Owner-Operated:** Daily involvement ensures quality control and customer satisfaction.

## Weaknesses?

**No Dedicated Manager:** Limited leadership structure with only a supervisor assisting the owner.

**New Business:** Although profitable, the business lacks a long trading history, which may be a concern for conservative buyers.

**Owner-Dependent:** Heavy reliance on the owner's presence for operations and decision-making.

## Opportunities?

**Expansion of Trading Hours:** Potential to extend Sunday hours or introduce evening service leveraging the liquor license.

**Introduce Events or Promotions:** Wine tastings, live music, or themed evenings could attract new clientele.

**Appoint a Manager:** Hiring a full-time manager could free up the owner and improve scalability.

**Catering & Delivery:** Offering corporate catering or partnering with delivery platforms can boost revenue.

## Threats?

**Economic Pressure:** Consumer spending may be affected by economic downturns or rising interest rates.

**Competition:** Other coffee shops or eateries in the centre could pose competitive pressure.

**Staff Turnover:** Retaining trained staff in the hospitality sector can be challenging.

## What is the reason for the sale?

The owner's spouse has been transferred to Cape Town, necessitating the family's relocation.