



BUSINESS REPORT

Date: **21st August 2025**

Business Reference: **33213**

About the Business:

Waterproofing and Damp-proofing business in the heart of the Garden Route. Long established

This waterproofing business is a leader in both domestic and industrial waterproofing, the business has been trading in the Garden Route for over 40 years. The business receives endorsements from the architects, and sub-contracts to many of the major developers and builders in the region. They are known for their knowledge of which products best suit the need, their attention to detail and quality of service

that they deliver. There is ongoing work in the pipeline and the business enjoys year on year growth. An ideal business for a younger partnership or somebody with experience in the building or similar environment. The Seller commits to ensuring that the Buyer will be offered extended ongoing training and mentoring if required, by mutual agreement. A scalable business that could require a larger management team to show solid growth.

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Sector: **Services**

Asking Price:

R 2,400,000

Monthly Profit:

R 134,113

Asset Value:

R 900,356

Stock Value:

R 0

Yearly Net Profit :

R 1,609,353



Business Report

Fully describe the business's activities?

This business was established over 40 years ago in this region, and carries the same name as a similar business in the Cape Town region, but no connection between the two apart from the name.

The business is a specialist in the waterproofing arena, and is the business of choice for many architects and developers.

They handle large projects such as roof sealing, retaining walls waterproofing and will handle from domestic to large developments.

They trade on their quality and reliability and not just on price.

How long has the business been established?

Since 1982.

How long has the owner had the business?

Since 2016

How does the business operate on a daily basis?

The business has teams in the field and they either work as a consolidated team on one large project or split up to handle smaller jobs simultaneously.

The Owner oversees the work allocation and also handles all the general management functions such as quotations, material sourcing and general admin requirements.

How are the clients attracted to the business?

This business has been trading successfully for over 42 years in this area under the same name and just two Owners in the last 30 years. This is the reason for them being the business of choice for many architects, developers and contractors.

A lot of their work is on a sub-contract basis.

Does the business have any contract work?

Despite there seldom being contracts awarded for this type of work, they do receive a lot of repeat work from their regular clients.

What competition exists?

There are a number of other businesses that offer waterproofing services in the region,, but few have the track record of this business that has traded successfully for over 42 years or who can offer the level of expertise that this one can.

What are the seasonal trends?

The seasonality of the business indicates that winter requires more emergency work, but developments are not affected significantly.

The business closes for the builders holidays over December which is a seasonal low anyway.

How did the Covid-19 pandemic impact the business turnover / daily operations?

Covid had an impact on the business, but through diligent money handling and caution, the Owner got through Covid relatively unscathed.

Is the business VAT Registered?

Yes.

What VAT documentation is on file?

Up to date Vat returns are available.

Are there up-to-date Management Accounts available?

Yes, latest financials are available as required.

What Balance Sheet and Income Statements are available?

As and when required.

What percentage of the business is cash/credit?

This business is paid predominately by EFT.

How could the profitability of the business be improved?

There are definite opportunities for scaling this business substantially, but that will require additional resources and possibly.

More quotations could be considered and more teams and in-field supervision could be enhanced to accept more work.

The Owner feels that he would like a new challenge as he has handled this business successfully for over 8+ years.

Would the Seller accept payment terms?

The Seller may consider offering financial and personal considerations to assist a Buyer.

For example, subject to a substantial deposit being paid, the Seller is prepared to stay on for an agreed period whilst the balance of the payment is being facilitated which will also ensure a smooth operational transition to the new Owner/Operator.

Any such agreement will require that legal sureties / guarantees are in place.

What is required in the form of working capital?

A Buyer must be able to carry the operational expenses for a month prior to receiving payment as is the nature of this business.

What is the total staff complement?

9 Plus Owner

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

There are 3 Chargehands in place who are the field supervisors.
One of them is also a driver.

How involved is the Owner in running the business?

The Owner handles all of the General Management functions himself. He also visits the sites if and when required, as well as attends meetings with architects and developers. This business can show exponential growth if the new Owner structures the business differently to have more free time to pursue additional work.

What are the responsibilities of the current owners towards the staff at time of sale?

As per the requirements of the labour act with the sale of a business

When does the current lease end?

The business makes use of a small 75 sq meter storage facility at a low rental, just to house the equipment and trailers etc.

What are the trading hours?

Mondays to Thursdays: 07-15 am to 5-15 pm.
Fridays: 7-15 to 14-15 pm.
Overtime may be required if and when the work demands.

Is a copy of the lease available?

Yes, for the small off site store room.

Do you require a licence?

The business is a member of the Master Builders Association. A yearly levy is paid in March. Workmen's compensation insurance, a yearly levy on total salaries and due in May.

Do they work from leased premises?

The business is currently run from a home office. It does not require other office facilities and the small store room suffices

What are the main assets of the business?

Equipment and materials
2 Vehicles that can be taken over if required.

Are any items not included in the sale?

The Owner uses his own vehicle apart from the two that are included in the sale if required.

What is their overall condition?

All assets are in good condition

How have they been valued ?

Second hand value

What are their settlement amounts?

All Debtors and Creditors will be a nil balance at time of the take over.

Are they presently insured?

Yes.

Is a full asset list on file?

A list will be made available as required.

Strengths?

Prior experience in the industry is not a prerequisite for the Buyer, as comprehensive training will be provided. Nonetheless, proficiency in reading and interpreting plans and working drawings is highly desirable. Renowned for exceptional workmanship and outstanding service, this business boasts a legacy of more than 40 years serving the Garden Route region. The company delivers industry-leading water protection products, uniquely specified to suit each application. This expertise enables them to secure premium projects and achieve superior profit margins. Additionally, all products are backed by a 10-year supplier warranty, offering clients peace of mind and long-term value.

Weaknesses?

The business requires management of the work and team with operational input of the Owner

Opportunities?

There are other opportunities that could be considered by will require the management team to be strengthened.
The track record proves the credibility of this business.

Threats?

There are no known threats to this business.
There are periodically start-ups who threaten to disrupt the industry but they seldom have the staying power and resources to present competition as this business is very well established and supported by the local industry

What is the reason for the sale?

After successfully running the business for over eight years—his very first venture into ownership—the Owner now feels ready to embrace new business opportunities and challenges. This decision to sell comes at a time when the business is progressive and highly profitable, ensuring the next Owner inherits a strong and stable enterprise with a thorough, well-structured handover.

Why is this a good business?

This well-established waterproofing and damp-proofing business stands out as an excellent acquisition opportunity due to its impressive 40-year track record of reputable service and year-on-year growth. With enduring endorsements from regional architects, major developers, and builders, it has cemented its reputation as a trusted leader in the Garden Route construction industry. Its substantial profitability and scalability allows for future expansion.