business
for sale

BUSINESS REPORT

Date: **17th October 2026**
Business Reference:**38011**

About the Business:

Profitable Plastic Film & Packaging Manufacturing Business

Established plastic film and flexible packaging manufacturer producing various sizes and specifications. Strong industry demand, scalable production, and significant growth opportunities. This report should be read together with Mandate 38012 – Established Plastic Bag Wholesale and Distribution Business – Gauteng, which represents the wholesale and distribution division of the broader business. The combined

asking price for both divisions R11,000,000

Profitable Plastic Film & Packaging Manufacturing Business

Sector: **Manufacturing**

Asking Price:

R 5,800,000

Monthly Profit:

R 148,027

Asset Value:
R 12,540,000

Stock Value:
R 100,000

Yearly Net Profit :
R 1,776,325

Business Report

Fully describe the business's activities?

This business forms the manufacturing arm of the group, and is responsible for the production of LDPE (Low-Density Polyethylene) flexible packaging and related polymer-based products supplied to the wholesale arm (refer to mandate 38012) and external customers.

It operates a state-of-the-art manufacturing facility in Sandton, supporting mono-layer production.

How does the business operate on a daily basis?

The manufacturing division operates on a semi-continuous production model.

Production Schedule:
1) Extrusion and recycling operate 24 hours a day, ensuring continuous film production and raw material processing.
2) Bagging and finishing processes operate on a day shift only, where film is cut, sealed, printed (where required), and converted into finished products.
3) Sales and order processing are handled during normal working hours, ensuring structured workflow between the commercial and production teams.

Daily Operational Flow:
1) Sales orders received during working hours are scheduled into production.
2) Raw materials (virgin and recycled polymers) are processed through continuous extrusion lines.
3) Film rolls are moved to the bagging and conversion section during the day shift.
4) Products are printed (if required), cut, sealed, quality-checked, and prepared for dispatch.
5) Recycled material is processed in-house to support cost efficiency and sustainability.

This structure allows:
1) Maximum machine utilisation (24-hour extrusion).
2) Controlled labour costs (day-shift finishing).
3) Consistent stock replenishment.
4) Fast turnaround on custom manufacturing orders.

What Advertising/Marketing is carried out?

The production arm operates as a backend supply and manufacturing engine, relying on the wholesale division for market access and customer acquisition, while maintaining stable relationships with key long-term clients.

What competition exists?

The manufacturing arm benefits from limited direct competition in specific product sizes, strong demand, and the ability to capture market share from competitors' unmet gaps.

How could the profitability of the business be improved?

The manufacturing arm can improve profitability primarily through cost reduction (importing in bulk) on raw materials and optimising production to meet higher-value, high-demand orders.

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

The extrusion department operates with one extruder operator and two assistants per shift.

The recycling operation is staffed by one operator per shift.

The bagging operation is managed by one bag-on-roll operator.

The business employs one forklift operator who is also responsible for machinery maintenance.

The printer, slitting machine, two bottom-seal bagging machines, and the side-seal machine are operated by the wholesale arm employees.

Robust contingency systems are in place to ensure uninterrupted machine operation in the event of staff absences.

Do any have management potential?

Yes; however, it is advised that an external manager be appointed.

How involved is the Owner in running the business?

The owner is hands-on but supported by robust systems, making the business relatively turnkey, with clear pathways for new management or operational delegation.

Transition options for a buyer:
1) Take over the owner's operational role directly;
2) Hire a manager; or
3) Reassign certain administrative or production oversight tasks to current wholesale arm office employees.

When does the current lease end?

The property is owned by the Sellers, who would ideally seek to dispose of the building together with the business and are not keen to conclude a lease with the incoming owner. Should this not be feasible, the Sellers are willing to assist the buyer with a phased relocation of the machinery, allowing continued operation from the existing premises during the transition period.

What are the trading hours?

The business trades continuously on a two‑shift system, operating 24 hours a day from Monday 6:00 AM through to Friday 6:00 AM. Overtime is worked when required, and operations may extend to seven days per week during peak seasons.

What are the main assets of the business?

Production Equipment:
- Extrusion machines for LDPE, LLDPE and HDPE films.
- Bagging, cutting, sealing, and printing machinery (flexographic and gravure).
- Ancillary equipment such as rewinders, slitters, and quality control tools.

Raw Materials & Inventory.
Stock of virgin and recycled polymers.
Pre-processed film rolls for bagging and conversion.
Work-in-Progress (semi-finished film rolls, printed or unprinted, ready for bagging or customer-specific conversion)
Intellectual Property / Systems:
- Manufacturing know-how for custom film sizes and specifications.
- Established production processes and quality control systems.

Strengths?

Established Business with Growth Potential:
1) Long operational history provides credibility and operational stability.
2) Solid foundation allows for expansion into new markets, products, or international sales.

Production Capability & Flexibility:
1) Ability to manufacture a variety of flexible packaging products in different sizes and materials.
2) Supports both standard products and customized orders for wholesale clients.

Vertical Integration:
1) Direct supply to the wholesale arm reduces dependency on third-party buyers.
2) Ensures consistent order fulfilment, quality control, and margin protection.

Market Opportunities:
1) High demand and more demand than supply in the plastics market.
2) Potential for expansion into export markets and underserved product sizes.

Weaknesses?

1) Owner oversight required.
2) Limited Marketing / Client Acquisition

Opportunities?

Business Expansion:
1) Capacity exists to increase production volumes to meet higher local and international demand.
2) Opportunity to manufacture new sizes, specifications, or specialized film products for untapped markets.

Vertical Integration Leverage:
1) Further alignment with the wholesale arm could improve margins and optimize production for high-demand products.

Threats?

Operational Risks:
1) Mistakes in production or lapses in staff oversight could lead to quality issues, waste, or delayed orders.
2) Ensuring proper monitoring and training is essential to maintain consistent output and client satisfaction.

Dependency on Oversight:
1) While systems are in place, the manufacturing arm requires ongoing supervision to prevent operational errors and maintain efficiency.

What is the reason for the sale?

The current owner plans to emigrate to the USA to pursue a new venture.