

business
for sale



Date: **17th June 2026**

Business Reference: **38224**

About the Business:

Recycling hub and licensed scrap metal dealer

The business operates as a scrap metal and waste collection and recycling hub, with daily activities focused on sourcing, purchasing, sorting, processing, and selling recyclable materials

Recycling hub and licensed scrap metal dealer



Sector: **Retail**

Asking Price:

R 1,200,000

Monthly Profit:

R 27,315

Asset Value:

R 771,000

Stock Value:

R 0

Yearly Net Profit :

R 327,784



Business Report

Fully describe the business's activities?

This business operates as a registered full service scrap metal dealer, waste management and established recycling buy-back centre. The business purchases, collects, sorts, processes, and resells a wide range of recyclable materials including ferrous and non-ferrous metals, plastics, paper, glass and e-waste.

The business has developed efficient operational systems and maintains long-standing relationships with customers and suppliers throughout its trading area.

Key activities include:

- Purchase of recyclable materials
- Collection and transportation services
- Processing and sorting of recyclable materials
- Sale of processed metals and other materials to smelters, foundries, exporters, and manufacturers

How does the business operate on a daily basis?

The business operates as a scrap metal collection and recycling hub, with daily activities focused on sourcing, purchasing, sorting, processing, and selling recyclable materials. The operation follows a straightforward and efficient trading model, supported by established systems and procedures that ensure accurate purchasing, stock control, and cash flow management.

What Advertising/Marketing is carried out?

WhatsApp is utilised as an effective communication and marketing tool to maintain contact with existing suppliers, promote the business, communicate current buying opportunities and encourage repeat transactions. This provides a direct and convenient channel to engage with customers and the local collector network.

Overall, the business's marketing approach is built around strong community relationships, accessibility and trust, supported by direct communication channels and digital social media platforms.

What competition exists?

There are a few unlicensed informal traders.

How could the profitability of the business be improved?

While the business already enjoys an established presence, a new owner will have multiple avenues to accelerate growth and increase profitability.

Expand collection areas – satellite points, business/industrial collections, community partnerships, loyalty programmes

Secure corporate supply contracts – recurring revenue from mining, agriculture, construction, manufacturing via scheduled collections and ESG recycling certificates

Increase material categories – e-waste, batteries, white goods, industrial plastics, used oil

Invest in value-adding equipment – the mobile subgrade press, add balers/shredders, improve sorting/grading for higher margins

Build a structured collector network – support informal collectors with equipment, incentives, and buying days

Diversify into transport/recovery services – skip-bin rental, clean-outs, demolition and farm scrap removal

Develop municipal/community partnerships – align with growing recycling rates and landfill diversion goals

Establish a regional recycling hub – consolidate volumes from surrounding areas for better pricing and efficiency

Overall, the business has a strong foundation for a new owner to expand volumes, diversify revenue, boost margins, and become a dominant regional player in South Africa's recycling sector.

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

The business employs the following staff:

Office Assistant - 2 years, 9 months

Scale Operator - 2 years, 9 months

Janitor/Security - 7 months

Baling Machine Operator - 1 year, 3 months

Baling Machine Assistant - 11 months

Do any have management potential?

Yes, the Office Assistant has good potential to move into a management role.

How involved is the Owner in running the business?

The owner is actively involved in the day-to-day operation of the business and has historically managed administration, bookkeeping, supplier relations, customer service, logistics, compliance, and business development. Systems and operational processes are in place, and there is significant opportunity for a new owner to delegate functions and further scale the business.

When does the current lease end?

Based on Municipal Land with a 99 year lease agreement.
Lease expires in 2105.

What are the trading hours?

The business operates from 07:00 - 17:00 on weekdays

What are the main assets of the business?

Building and 3 phase power
Security cameras and DVR
JOJO tank, pump and pressure pump
Mobile subgrade press
Scales
Miscellaneous tools
Cutting torch
Office equipment
Inverter and batteries
Trailer

Strengths?

Established recycling and buy-back centre.

- Diversified recycling streams:
- Ferrous metals
- Non-ferrous metals
- Aluminium cans
- Plastics
- Cardboard
- Paper
- Glass
- No monthly rental expense, significantly reducing operating costs and improving profitability.
- Low staff requirements due to streamlined operations and owner-managed systems.
- Established brand reputation and proven operating track record
- Long-standing supplier and customer relationships, with a diverse client base reducing reliance on any single customer
- Existing operational infrastructure (collection, processing, sorting)
- Experienced workforce and industry expertise
- Strategic, accessible location

Weaknesses?

- Commodity prices for recyclable materials can fluctuate significantly.
- Transportation costs can affect margins when delivering materials to larger processing companies

Opportunities?

- Expansion of collection services and geographic reach
- Increasing industrial, mining, and construction contracts
- Development of export relationships and new recycling streams
- Growth in processing capacity to capture more value-add
- Broader sustainability and circular economy trends driving demand for recycled materials
- Growing focus on environmental sustainability and recycling across South Africa.
- Potential expansion into:
 - Electronic waste (e-waste)
 - Battery recycling
 - Industrial scrap collection
 - Municipal recycling contracts
 - Contracts with local Shopping Centres
 - Opportunity to establish collection points in surrounding towns.
 - Secure long-term supply agreements with businesses, schools, and municipalities.
- Government and corporate ESG (Environmental, Social & Governance) initiatives may increase recycling volumes.
- Potential to add value-added services such as baling, sorting, and processing materials before resale.
- Expansion of social media and digital marketing could attract more suppliers.

Threats?

- Fluctuating international scrap metal and commodity prices.
- Fuel price increases affecting collection and transport costs.
- Theft of recyclable materials and infrastructure.
- Economic downturns that reduce industrial production and recyclable material volumes.

What is the reason for the sale?

The seller would like to pursue an opportunity to immigrate