



	Business for Sale Listed on: 2023/03/30 Fred Broom 082 583 4851	
Business Profile :		
Main Business Activity:	<i>Agricultural, Mining and Industrial Manufacturing</i>	
FBI Reference Number:	Man111-6	
Industry Sector:	MANUFACTURER AGRICULTURAL EQUIPMENT	
Business Description:	<p>THE OFFERING -</p> <ul style="list-style-type: none"> • The Founder and Shareholder would like to retire within the next year or two. • To achieve this, he is prepared to initially sell a controlling shareholding and structure an agreement to sell all of his shares over a negotiated period. <p>BRIEF OVERVIEW -</p>	
Location:	<ul style="list-style-type: none"> • The business was started in 1997, primarily to service the agricultural industry with new technology in the area of farming practices, initially in the Western Cape. They were also involved in pioneering purpose machinery, by developing methods to apply the practical technology on farms. They followed up and built an internationally renowned Harrow under licence from Australia. • The business stayed up to date and informed on best farming practices as the zero till technologies have developed over time, adding in their own product line best suited to the harsh soil conditions of the Western Cape. They have taken many products through their R&D development phase right up to a successful production line and the well-recognized brand, that stands for affordable, quality and longevity. • Being solution orientated, their products are continuously reviewed and improved as market feedback is received. They have recently been approached with new concepts in the mining industry and the company and the founder managed to turn the concept into a functioning product, that has been patented world wide. (The next step is negotiating a manufacturing contract with this company in order to manufacture their product or parts thereof). 	
Country and Province:	Country:	South Africa
	Province	Western Cape
City / Town:	Agricultural producing area	
Location / Area:	Industrial area	



Asking Price:			
Currency:	ZAR – South African Rand		
Asking Price:	R21,000,000	Based on 100% of the shares	
Inventory	R 5,000,000 (Included in the Asking Price)		
Flexibility about Price/Negotiability:	<p>The asking price depends on the actual % shareholding to be acquired by the Buyer – The total includes fixed assets valued at R2,5 million and stock of R5 million. The Negotiated final price will be determined by the final value of stock on hand as at take-over date, adjusting for other assets and liabilities.</p>		
Financial Information:			
Turnover:	Annual: R	24,000,000	Monthly ave per month: R 2,000,000
Gross Profit %/Markup %:	Gross Profit %	16,7 %	Markup % 120.00%
Owner/s Profit: EBITDO – before owner/s drawings	Annual: R	3,645,000	Monthly ave per month: R 303,750
ROI %:	17,5	% per annum	
Other Information :			
Total Number of staff:	TOTAL STAFF	Monthly Staff:	Monthly cost:
	30	30	R375,000
Year Established/Acquired by present owner:	Year Established	1997	Acquired by present owner 1997
Ownership:	Sole Proprietor	Partnership	Pty Ltd Close Corporation
	-	-	- -
Potential to Relocate:	<p>Level of relocation</p> <p>High <input type="checkbox"/> Highly portable. Business not bound to any area.</p> <p>Medium <input checked="" type="checkbox"/> Can be relocated with some disruption</p> <p>Low <input type="checkbox"/> Relocation is possible, but not advised.</p> <p>Zero <input type="checkbox"/> Business cannot be relocated</p>		

Additional Information :	DISCLAIMER REGARDING INFORMATION -
	<ul style="list-style-type: none"> • <i>No representation or warranty, express or implied, is given as to the accuracy or completeness of the contents of this profile.</i> • <i>The only representations and warranties that will be made are those that may eventually be included in a definitive agreement to the proposed sale of the vendors' interests in the business.</i> • <i>Neither this profile nor any of the information contained in it shall form the basis of any contract for such sale, nor does it constitute an offer, invitation or inducement to purchase or acquire any shares in the business or any interest in it.</i>
	GENERAL INFORMATION -
	<ul style="list-style-type: none"> • This manufacturer also successfully designed and fitted new production lines in a canning factory and a flour milling factory - on completion, they have received new enquiries for similar projects, one of these quotes has been accepted and resulted in increasing sales the last 2 years. • The premises are 1,000 M² and the current lease period has a three year renewal option.
	FINANCIAL INFORMATION -
	<ul style="list-style-type: none"> • Detailed financials will be made available to approved buyers in terms of the signed confidentiality agreement (NDA) and all the information can be verified. • The financial information reflected above is based on Turnover, gross profit and EBIDTA extracted from the 2023 Management Accounts. • The SWOT ANALYSIS and detailed notes regarding 2022/23, will be provided in the evaluation pack that is available subject to approved buyers in terms of the signed NDA.
	POTENTIAL -
	<ul style="list-style-type: none"> • The Seller is prepared to initially dispose up to a 51% (or higher) controlling interest; to either an individual or a corporate, that probably operates in a similar industry. • They are well positioned to go through a phenomenal growth phase in the next few years.
	REASON FOR SELLING -
	<ul style="list-style-type: none"> • The seller is Planning retirement - envisaged between 1 to 2 years.
	HANDOVER -
	<ul style="list-style-type: none"> • The hand-over period will include finalising terms of a continued consulting contract with the Seller; to facilitate transferring the design, knowledge, innovation and his expertise. All of the arrangements will be subject to the terms of the sale of shares agreement.

PROOF OF FUNDING REQUIREMENT -

- Interested parties **MUST** be able to demonstrate that they have access to the required funds to finance a cash transaction purchase.
- In terms of the Broker's mandate, the Seller will not entertain any discussions, or consent to provide any details or documentation; or accept any offer unless you first meet this criteria. The Potential Buyer will need to provide proof of these financial requirements in your initial enquiry.

CONFIDENTIALITY-

- **FULL DETAILS WILL ONLY BE PROVIDED BY THE APPOINTED BROKER SUBJECT TO SIGNING A CONFIDENTIALITY AGREEMENT (NDA), COMPLETING A BUYER PROFILE FORM AND SUBMITTING THE REQUIRED FORMS TO THE BROKER.**

Gallery/Collage:

Note: The images and the content therein, may be provided as examples in terms of the level of confidentiality, requested by the Seller.

