

HEAD OFFICE
Premier FMCG (Pty) Limited
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To whom it may concern.

AMAFA – Premier Motivation

Over the years the site has gone through many changes dictated by mechanical and material processes and how they have evolved. Premier began a comprehensive site review in 2018 with Arkus Architectural Services.

The objective of the team was to revise the site with the long term in mind. One of the major changes we have faced is the use of trucks on the roads as opposed to rail for logistics. This means our site needed to have a more convenient and efficient layout for trucks to manoeuvre, load and park in multiple areas. We began the process by improving the entrance gate and guard house. This was followed by an extensive demolition exercise. More truck parking and circulation was achieved and the result is a success.

In 2019 we were faced with a new challenge. With lockdown came a new pressure to adapt to changing import and export restrictions. We also had to operate under strict pandemic conditions. The demand for local supply increased as access to imported goods was limited. We were under immense pressure to make more bread with fewer resources and staff.

2021 introduced a new threat to the KZN markets as looting shocked us all and left the outlets that survived under strain. Many centres were hit and the production of basic foods was interrupted yet again. Those who could make bread had to push out as much volume as they could to meet the hungry public.

As Covid 19 shows signs of relief we enter this year with economic pressure felt from the East. The conflict in Ukraine is putting enormous strain on global trade with fossil fuels and food shortages appearing immediately and having a global effect in a matter of days.

Russia (3rd) and Ukraine (9th) are two of the biggest producers and exporters of wheat in the world. This represents a large portion of the total supply. Their facilities and the countries supporting them will have long term implications from the current situation.

Premier Group (Pty) Limited
Reg. No. 2007/016008/07
Directors: CJ Roodt (Chairman); JJ Gertenbach (Group CEO);
F Grobbelaar (Chief Financial Officer); RM Hartmann;
PRN Hayward-Butt; JER Matthews; I Van Heerden; W Sihlobo

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With sanctions in place, we are all forced to adapt our import and export policies urgently. The main priority under the circumstances is to increase storage capacities to accommodate more volume as quickly as possible. Each and every country is under the same directive to prepare for shortages and price increases across the board.

We have the capacity and motive to build 3 new silos to accompany the existing infrastructure. The placement of the new silos is key to the mechanical processes required to move the stored material correctly. This expansion will increase out storage capabilities by from 15500T to 27500T. Although it was not part of the business plan in the near future it is the best way we can respond to the present situation.

Our mandate is to use the latest materials and technology in an efficient and timeous manner to assist with additional storage in the shortest possible space of time. This is interpreted as a concrete foundation with steel structure and cladding to form the silo housing. The steel volume is constructed with prefabricated modules to allow quick installation and reliable material tolerances and quality needed for food storage.

We are one of the oldest and trusted mills in the province, we deliver fresh ingredients and products to families daily. Please assist us in expanding our storage to serve the people.

Your faithfully,

A handwritten signature in black ink, appearing to read "AF van der Mescht".

AF van der Mescht

Process Engineer.

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