



Dear Sirs

neXgro'S NATIONAL COMMERCIAL FARM SILO NETWORK – NO SCREENING DEDUCTIONS

The neXgro Group of Companies, a well-known, innovative AgTech company group, has been established in the agricultural industry, with more than 38 years of experience in grain trading, storage and all related management services.

One of our core goals is to enable producers to take their rightful place in the food production value eco system by providing unique, data driven and tech savvy solutions to an industry that is as old as civilization itself but that needs to stay relevant and commercially viable in a fast paced and evolving world.

As part of the approach of empowering the farmer, neXgro established a trusted national commercial farm silo network, which operates and fully competes alongside all other commercial silo's countrywide, delivering high standard grain management and storage solutions.

APPROVED AND ACCREDITED BY FINANCIAL INSTITUTIONS

neXgro Graanbestuur (a dedicated division of the neXgro Group) partners with producers to commercialize their farm silo's by providing a service consisting of farm silo management and accreditation with or without independent accredited collateral management.

The neXgro Graanbestuur accreditation system incorporates the appointment of an independent collateral manager, which unlocks the possibility of traditional grain financing through financial institutions, and our farm silo network has already been approved and accepted by several large financial institutions as approved storage sites for financed grain commodities.

QUALIFICATION CRITERIA

Farm silo's that have been accredited by the neXgro Graanbestuur farm silo management network, boasts the following accreditation criteria:

- A successful assessment of the silo storage facility and recommendations on renovations, maintenance and security to ensure that the facility is fit for purpose and complies with industry standards;
- Assessment of compliance to HACCP standards;
- Grain traded from a network silo is grade and quantity verified, with each verification valid for a period of 7 (seven) days;
- Assessment and verification of loading capacity;
- An inventory and management system that facilitates stock management, including training for system users;
- Monthly onsite inspections assessing the overall condition of the facility, including water, drainage and hygiene;

neXgro® (A registered trademark of neXgro Holdings (Pty) Ltd)

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www.nexgro.co.za (For a full overview of our POPIA policy, list of Group companies and respective directors)



- Stock grading and confirmations;
- Testing and calibration of weighbridges;
- Compilation of a health and safety file and training of personnel on health and safety as well as food quality management;
- Advice on the correct method of fumigation;
- Silo accreditation certificates are issued on an annual basis, whereafter the silo is re-evaluated for continued compliance;
- Each storage facility is independently assessed and accredited, providing assurance as to its condition, practices, and operational effectiveness.

COMMERCIAL FARM SILO NETWORK

neXgro Graanbestuur farm silo network currently consists nationally of 20 accredited silo's, and due to its strategic value proposition not only for the producers, but also to other industry partners, the interest is rapidly and vastly expanding.

The operation of these accredited farm storage facilities is done in accordance with high international industry standards and competes highly with other known commercial silo's in South Africa.

The industry rule relating to no screening deduction, as applied to grain stored at commercial silo's, has become the norm due to the trusted grain management practices applied by these commercial silo's. This rule is equally applicable to all the neXgro farm silo network accredited storage sites, since the grain management practices applied at these sites, equals and even exceeds the practices applied at known commercial storage sites. Our clients nationally have become accustomed to and satisfied with the standards applied, and the application of the no-screening deduction has been widely accepted in respect of the neXgro accredited farm storage sites.

FURTHER INFORMATION

We trust that the information provided satisfies your requirements, but should you feel the need to contact us please do not hesitate to reach out to Morne Moolman on 072 035 5407 or electronically at morne.moolmann@nexgro.co.za.

The updated list of accredited silo's will be available on www.nexgro.co.za under the "Legal" button or can be requested by email from silo.admin@nexgro.co.za.

Yours faithfully.

A handwritten signature in black ink, appearing to read 'Wimpe Bouwer', is positioned above a horizontal line.

neXgro GRAANBESTUUR
PER/: WIMPIE BOUWER
HEAD: GRAIN MANAGEMENT AND STORAGE