

THE AFGRI VALUE CHAIN

DIRECT SUPPLIERS

The manufacture of primary agricultural inputs (functions such as seed multiplication, fertiliser and chemical production) is one aspect of the food and agricultural value chain in which AFGRI does not wish to participate in. It believes the risk to, and extent of, the capital applied prior to the commencement of the growing season is excessive to the returns.

AFGRI AGRI SERVICES

Retail & Mechanisation

During the growing season AFGRI's Retail and Mechanisation services provide the farmer with all primary inputs necessary for a successful crop. From seed and fertilizers to tractors, planters and combine harvesters. These key inputs can be sourced through the Group's retail branches or delivered directly from the manufacturer or distributor. Advisory services and mechanisation spares and servicing support the farmer throughout the season.

Grain Management

The storage facilities provided by AFGRI's Grain Management division allow both producers and consumers of grain to manage their pricing. Farmers are able to settle their seasonal finance. AFGRI's advanced logistics management system allows it to more accurately match production and consumption demands in specified locations, while a trading function undertakes physical trades and their execution.

AFGRI FOODS

Animal Protein

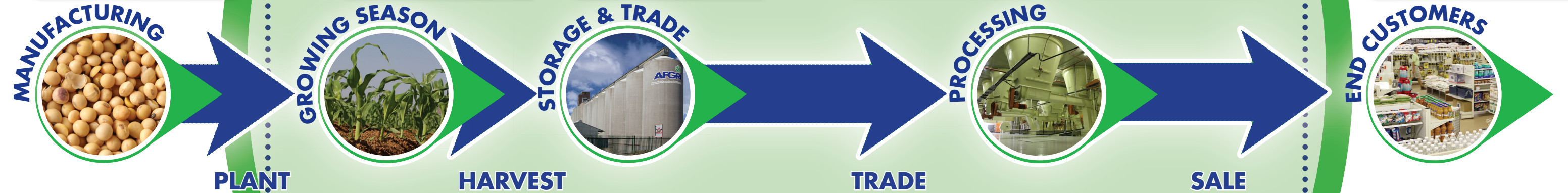
AFGRI Foods plays a vital role in converting the raw grain, together with other key elements of protein and energy, into balanced feed for the livestock and dairy industries. At AFGRI Poultry this is taken one step further with the integrated poultry operation producing frozen whole and IQF portions from its own day-old chicks. Expansion of AFGRI Foods will be through strengthening the industrial food processing capability.

Oil and Protein

Nedan processes cotton seed and soya beans into various oils and proteins. Nedan is a bulk supplier to the industrial food and related industries in South Africa with substantial processing capacity. It produces edible oils and fats, protein meal or cake for animal feeds, high protein defatted soya flour and texturised soya protein for human consumption.

RETAIL

AFGRI's goal is to provide high quality products and services throughout the food and agricultural value chain, supporting the farmer and consumer of primary agricultural production. Its retail (Town & Country and FarmCity) operations attract limited members of the general public.



AFGRI FINANCIAL SERVICES

Before planting AFGRI Capital provides the farmer with the necessary confidence of finance throughout the growing season by providing seasonal finance. Throughout the growing season the farmer is supported by various products including secure and convenient credit card transacting and short, medium and long term facilities. AFGRI Capital looks for other opportunities to provide finance into the food and agricultural value chain. Subsequent to planting and post emergence, AFGRI Insurance is able to provide crop and hail insurance, further providing peace of mind to the farmer. The service offering is easily extended to health and life insurance, financial and estate planning, as well as investments.

Enhancing the agricultural cycle in South Africa, GroCapital is the leading provider of specialised finance to corporates involved in the agricultural value chain. Tailor-made financial solutions are provided through excellent customer service in order to ensure customer profitability. Financial needs are always meticulously matched with the best suited financial solutions. Throughout the year, AFGRI Broking, the single largest trader of agricultural commodities on the JSE SAFEX exchange, is involved in the buying and selling of derivative commodity insurance instruments on behalf of producers and consumers of grain. AFGRI Broking by means of various instruments mitigates risk in foreign exchange, interest rates and commodities.