
SATI
SOUTH AFRICAN TABLE
GRAPE INDUSTRY

Agenda

Phase 1 Review

- Why a prescriptive logistics model?
- Scenarios
- Key Insights

Phase 2 Tactical Model Overview:

- Tactical model review
- Plan vs actual for the season

Stock Review

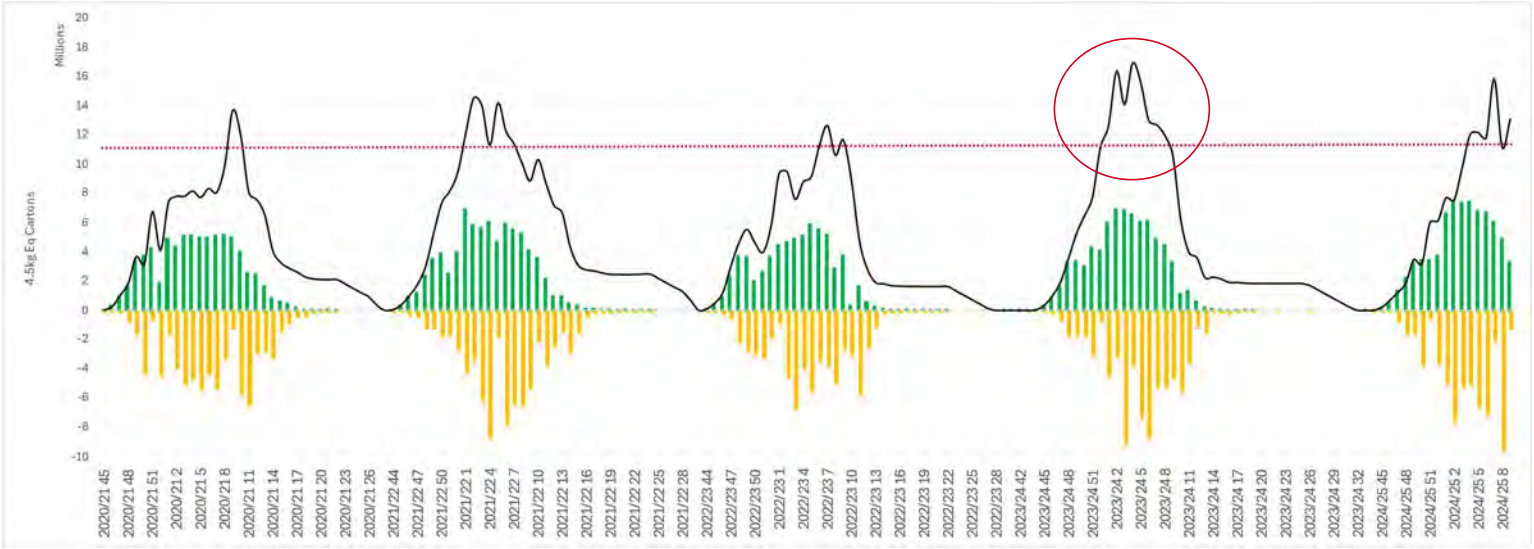
- Plan vs actual review
- Agrihub analysis

Next Steps

- Pre Season
- Season 25/26

Logistics prescriptive model

Phase 1 – Build prescriptive model replicating Season 23/24 baseline and identify key insights and opportunities



Historical

17m

Max stock (cartons)

Excess stock build up creates significant pressure on the local supply chain

1.6bn

Est. claims in 23/24

Delays in exports result in higher claims and poorly serviced markets

72%↓

Down from 92% prev.

Reefer volumes though CT

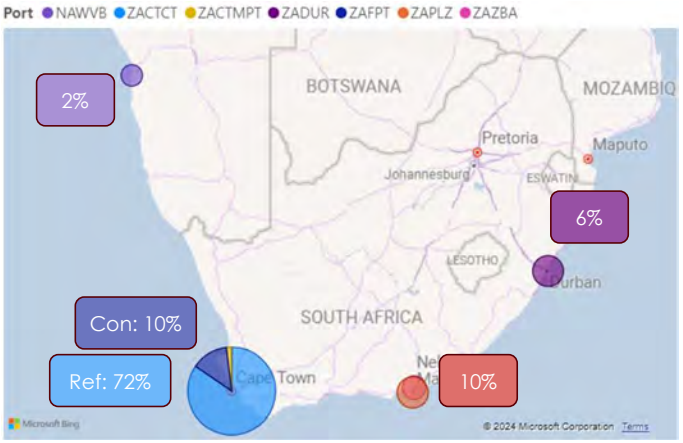
Reduced volume at optimal port results in higher cost and increase age of product at market

Prescriptive logistics model to build answer "What's right?"

Phase 1 -Review

Baseline

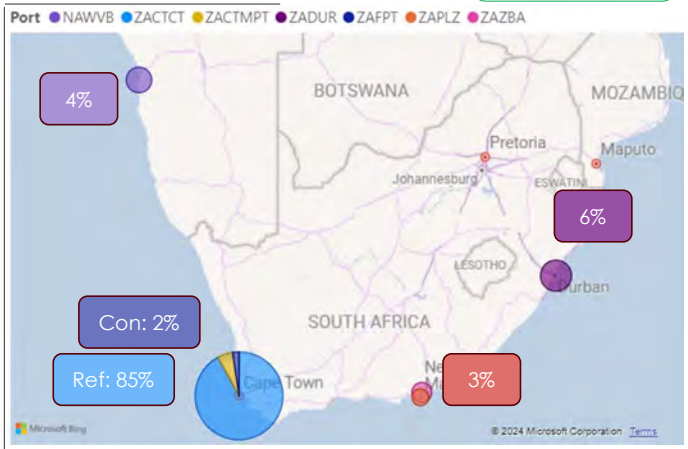
Used to validate model behaviour



37 days age at market | **R1.6bn** claims | **17m** max inventory

Optimised Baseline

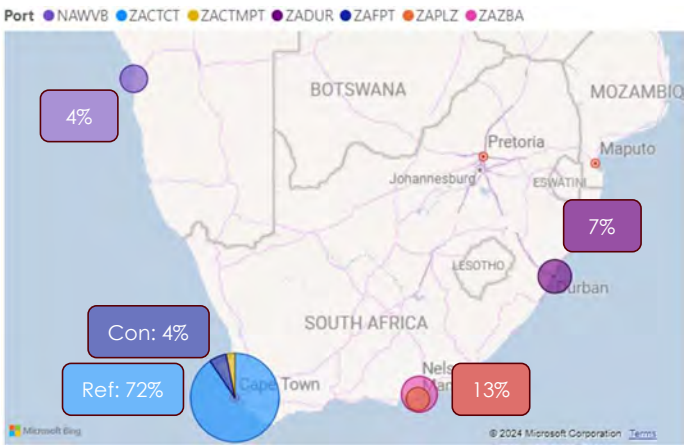
Evaluate opportunities and impact of varying CTCT capacity



32 days age at market | **R1.3bn** claims | **12m** max inventory

Optimised Network

Evaluate best options given 23/24 CTCT capacity



32 days age at market | **R1.3bn** claims | **13m** max inventory

Key Objectives Achieved

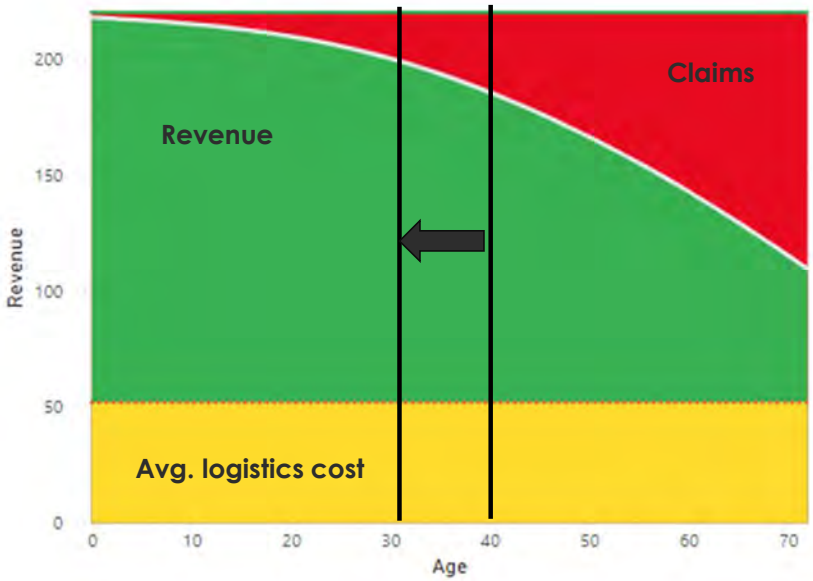
- Build a prescriptive logistics model.
- Baseline the model using 2023/4 season.
- Identify the optimal plan given the constraints.
- Identify the impact of the constraints.
- Provide an initial 2024/25 season plan.

Outcomes and learnings

- Phase 1 provided critical insight and **created visibility** on the impact of the constraint, most notably an estimated **R300m** additional claim and an estimated additional **R150m** cost incurred in logistics and storage costs.
- Phase 1 provided the ability for **enhanced engagements** between stakeholders with the port authorities and shipping operators.

Phase 1 –Key Insights

Claims Impact on Revenue for 1 Carton



Fresher for longer

R18bn
Potential Revenue
@R220 per Carton

R2,1bn
Shipping Spend

12%
Cost saving opportunity

R1.6bn
23/24 Season Claims

R350m
Claims Savings Opportunity

R150m
Inland costs savings opportunity

9%
Loss

R4,9bn
SC est. Cost (including claims)

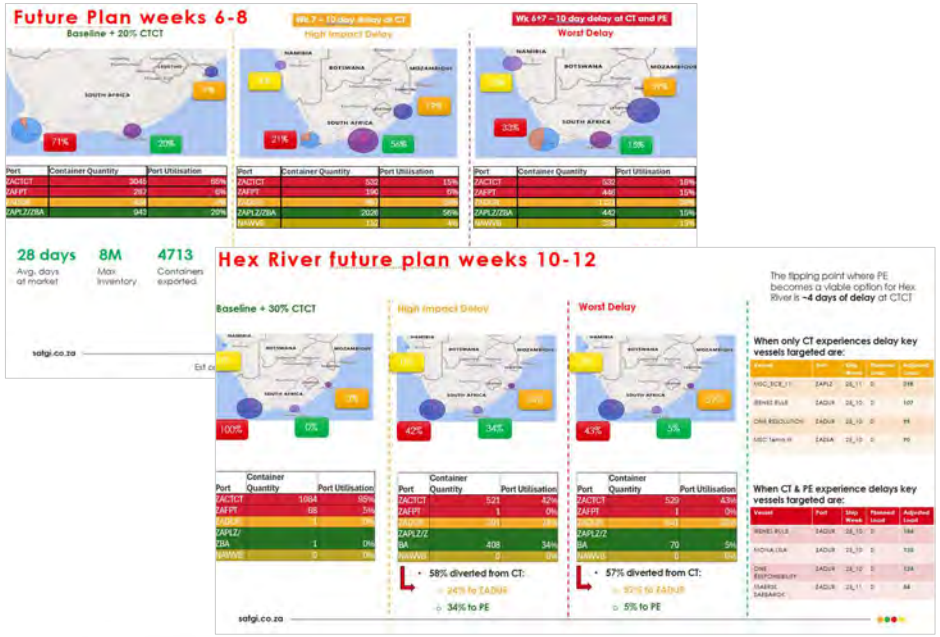
5m
Reduction in max inventory opportunity

Phase 2 – Tactical model Review

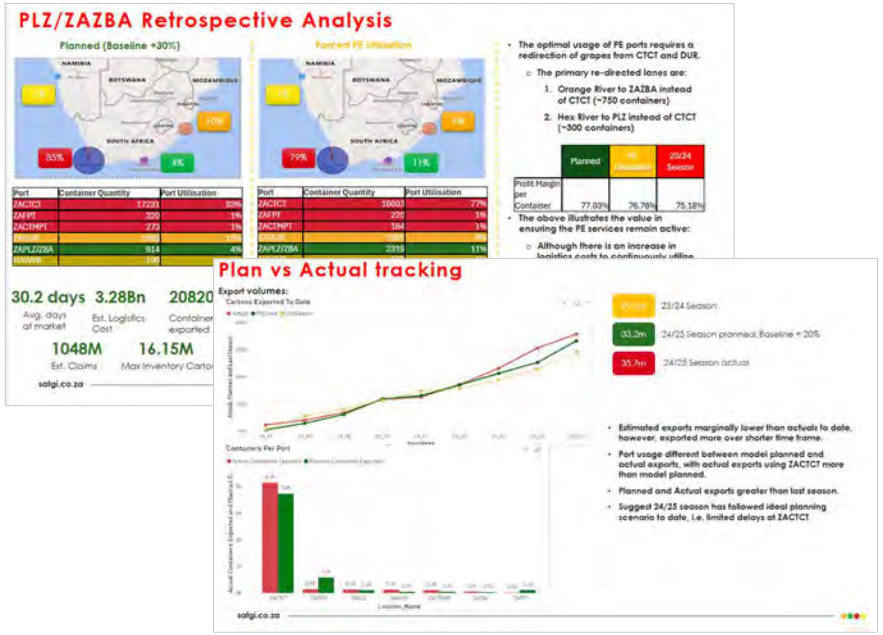
The phase 2 model represented a fundamental shift from phase 1 into a proactive, tactical planning over smaller horizons. The primary goals of phase 2 included:

- Provide clarity to grape carriers through future-facing 2-3 week plans, outlining optimal grape network movements given a variety of constraints across SA ports.
- Quantify the effect of failing to react to delays at SA ports.
- Provide a retrospective view of the season-to-date performance compared to an optimal performance as well as last season's performance.
- Provide a retrospective view of "what-if" scenarios against the actual season-to-date performance and quantify the effect of the scenarios should they have occurred.

Example of National and Regional plans presented at Bi-Weekly JMF sessions:



Example of season-to-date performance:



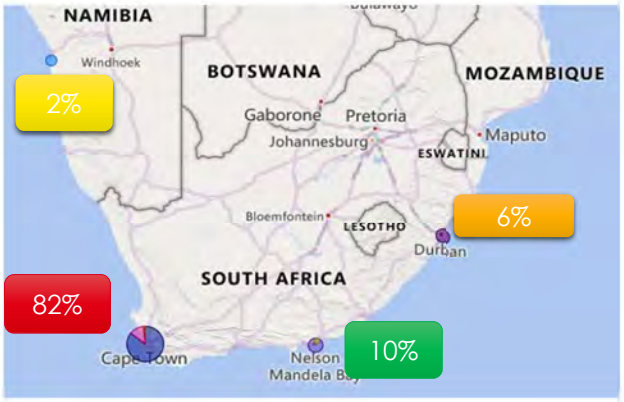
Plan vs Actual tracking estimated financials (Season 24/25)

	Containers Exported	Est. Transport & Shipping Costs	Est. Revenue Realised	Est. Claims	Est. Gross Profit margin/Container Exported (only considering transport and shipping costs)	
23/24 Actual	23 181	R3 287 585 110	R15 246 281 375	R1 648 018 123	78.44%	-4% vs 24/25
24/25 Baseline +30%	23 870	R2 625 703 864	R16 270 892 847	R1 306 859 115	83.86%	+1% vs 24/25
24/25 Actual	23 927	R2 740 693 415	R15 928 550 426	R1 270 721 921	82.80%	

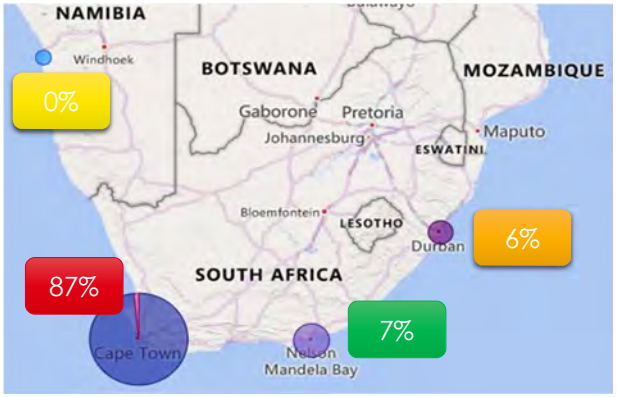
Estimated season financial performance:

- ~4% improvement in profitability/container vs last season
  - Above value neglects holding costs incurred which lessens actual improvement (see next slide)
- ~16% improvement in total costs, driven by transport reductions
  - Can be seen below by more focussed usage of CT vs 23/24

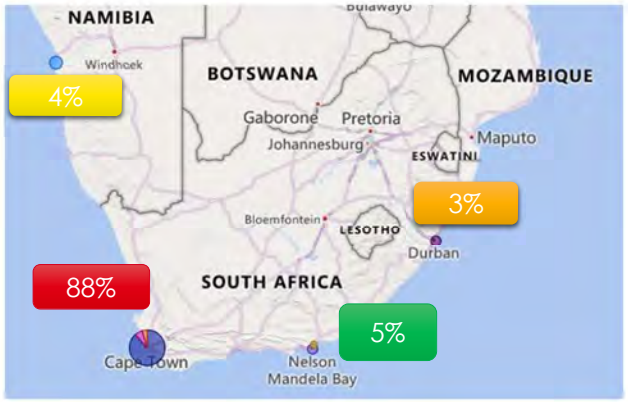
23/24 Season



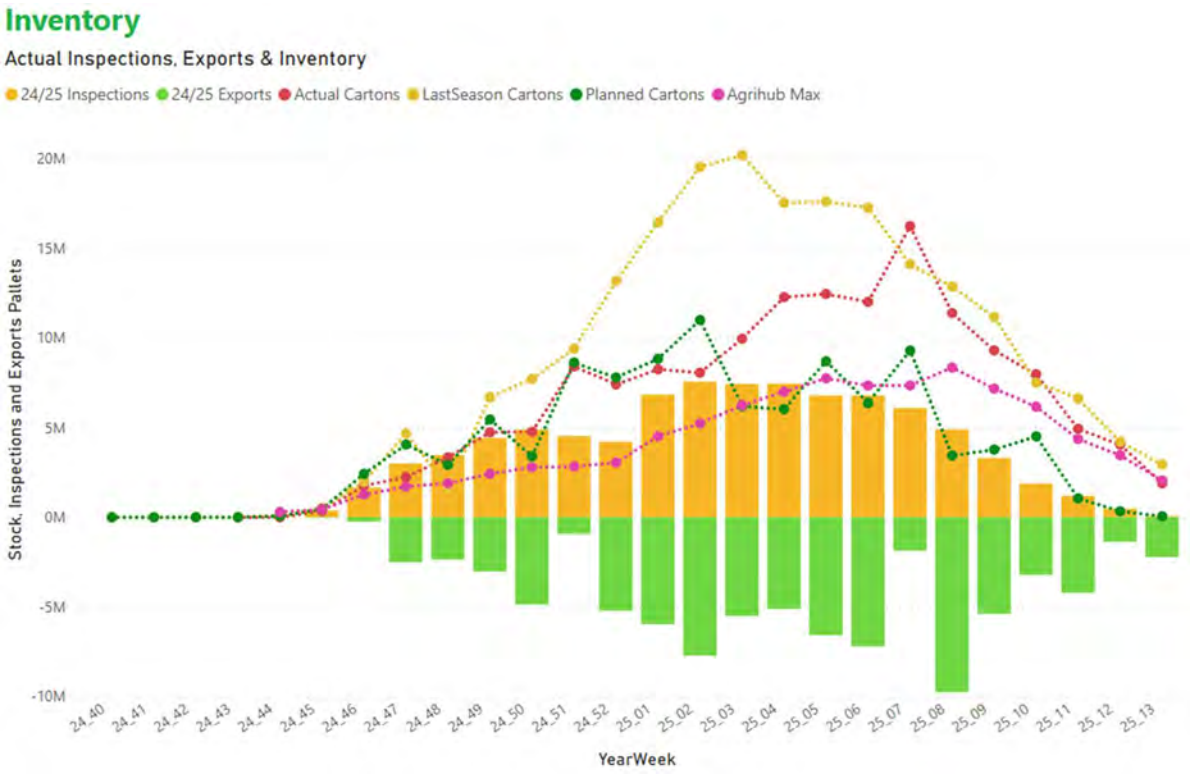
Baseline + 30% CTCT



Actual



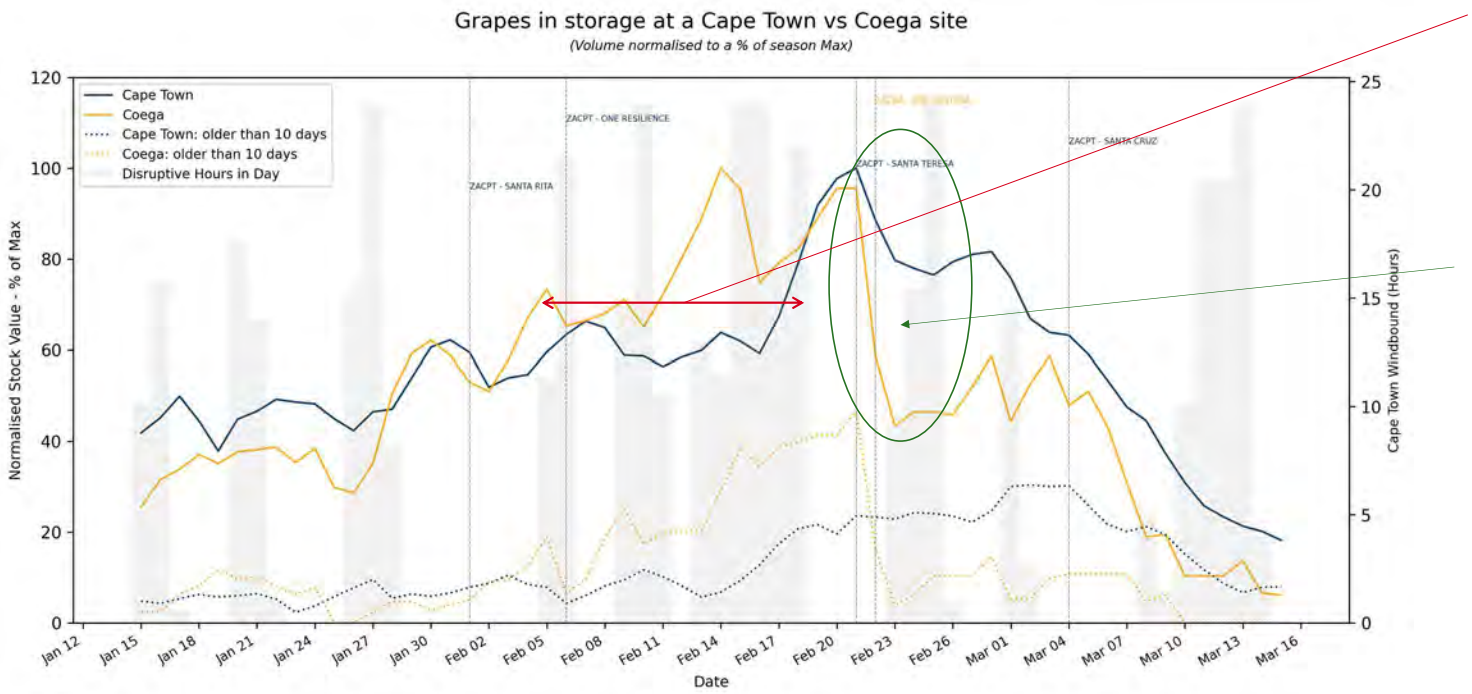
Stock levels Analysis 2025 vs 2024



2.9m	23/24 Season
0.05m	24/25 Season planned: Baseline + 30%
1.89m	24/25 Season actual
2.05m	24/25 Agrihub Coldstore Stock

- **Actual 24/25 network inventory lower than 23/24 season values:**
  - **Due to consistently improved weather conditions, primarily at ZACTCT.**
  - **Slight build up in inventory until week 7 due to weather, however large drop experienced thereafter:**
    - **Santa Teresa @ CTCT (ATD 21 February) targeted as a key vessel**

Stock levels Analysis 2025 vs 2024 Cont.



Stock increased in the supply chain between 5 Feb and 18 Feb due to a prolonged period of windbound in Cape Town. During this time, Cape Town experienced 57% down time (193 of the 336 hours available)

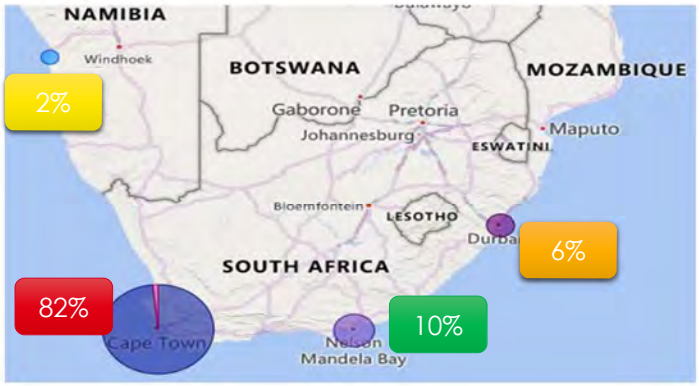
MSC PANTERA calling at PE significantly reduced the pressure on the network.

This is important as it deepens our understanding of disruptive event mitigation strategies - if we know a large vessel is visiting Cape Town in peak wind periods, an alternative vessel via another port is an effective mitigation strategy.

Privacy: Analysis provided by Agrihub, specific cold store data was not shared.

Risk mitigation strategy driver – identify the impact of no Walvis and PE

23/ 24 Baseline

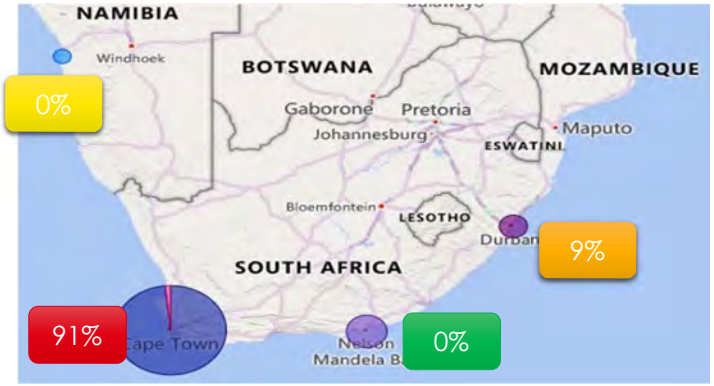


Port	Port Utilisation
ZACTCT	70%
ZAFPT	10%
ZACTMPT	2%
ZADUR	6%
ZAPLZ/ ZBA	10%
NAWVB	2%

17M
Max inventory

97%
% of inspections exported

No PE/NAWVB



Port	Port Utilisation
ZACTCT	86%
ZAFPT	2%
ZACTMPT	3%
ZADUR	9%
ZAPLZ/ ZBA	0%
NAWVB	0%

22M
Max inventory

96%
% of inspections exported

Evaluate 23/24 season baseline vs a model with no capacity at Walvis or PE

Inventory spike at **22m** cartons, this is **30%** higher than the max seen in 23/24

Profit margin per container is reduced by **3%.**

Est minimum loss of **R123m** in profit based on none exported product.
(This is over and above the +-450m cost incurred due to the constraints of 23/24)

Note: The "No PE/NAWVB" is still an optimisation model, this means this is BEST case in this scenario, in reality this would most likely be worse

Next Steps

Continuous improvements out of season

Continued engagements with key stakeholder to enhance s26 planning

- Port authorities.
- Western Cape government.
- Producers, freight forwarders, exporters.

Data enhancements and automation

- Enhance interactions with Crickmay and other key data providers
- Work closely with Agrihub and align with the data upgrade to:
  - Improve data accuracy.
  - Automate data collection and import into the logistics model.

Investigate further supply chain risk mitigation strategies

- Industry commitments to alternative port services.
- Natural attraction vs funding mechanism.
- Dry port usage (e.g. Belcon)

S26 Strategic Model

Key inputs

- Season inspection estimates.
- Updated network constraints and updated estimated costs.
- Latest known shipping schedules.
- Updated capacities.
- New/updated port equipment.
- Updated cold stores capacity (e.g. new Maersk cold store at Belcon).

Outputs

3 – 4 Scenarios, given various constraint expectations.
Port capacity constraints across the entire network.
New port access (e.g. Maputo).
Recommended optimal shipping schedules.
Confidence indexing
- if volumes increase/constraint increase in specific weeks.
at what point does the system 'break'.

S26 Tactical Model

Key inputs

- In season updated inspection estimates.
- In season constraint.
- Latest known shipping schedules.
- Updated capacities.

Outputs

- Improved regional level focused information.
- Improved turn around on scenarios given higher level of automated data.