

GWK invests R400 million in South African agri-processing

GWK Farm Foods unveils technologically advanced wheat mill, pasta plant and biscuit factory

7 April 2016, Johannesburg – [GWK](#) affirmed its confidence in the future of the South African agriculture sector today at the unveiling of the new [GWK Farm Foods](#) factory, one of the most modern and technologically advanced new food production facilities on the African continent.

The farmer-owned South African agribusiness operating from the Northern Cape, invested R400 million to complete development of the new GWK Farm Foods wheat mill, pasta plant and biscuit factory at Modder River in the Northern Cape.

Of the R400 million, a total of R60 million was invested in expanded silo capacity at the plant to service the new facility, which boasts the latest and most advanced milling, pasta and biscuit manufacturing technology imported from Italy and Switzerland.

GWK Farm Foods is a subsidiary of GWK, and will initially produce wheat flour, pasta and biscuits under the new Nature's Farms brand in addition to its already established maize meal products. The product names and packaging design showcase GWK's origin on the farm, and the new product offering is a clear response to consumers' growing interest in knowing where their food comes from.

"We ensured that we thoroughly understood the size of the category for pasta and what needed to be done from a product development point of view. For biscuits we made absolutely sure that we have the right flavours, cutting-edge innovation and the best taste profiles. For our wheat flour, understanding the results required for the baker was pivotal in all our planning. We will continue to innovate our maize meal to ensure that we stay ahead in the category," says Pieter Spies, GWK's Managing Director.

Other food products from GWK farms also be brought to market under the new Nature's Farms brand as consumer demand dictates – or where the GWK team identifies opportunities to enter more categories with new products.

Spies says GWK is very selective in its route to market for the new product line. "Alignment with the correct partners up to and onto the shelf is absolutely crucial. "Our brands are premium products with authentic origin, therefore top-end retail is key. As part of GWK's business strategy, implementing the best technology to produce Nature's Farm products and honouring the farmer produce was crucial in the planning phase. This has allowed us to take ownership of the value chain, implement product diversification and produce premium goods while keeping cost as low as possible."

According to Tom Meintjes, General Manager: Grain Products at GWK, the new facility was commissioned at full capacity, two and a half years after construction started. The project was completed on time and within a deviation of less than 2% of original cost projections.

More than 400 temporary employment opportunities were created during construction with 88 contractors and 48 subcontractors involved at different times, while more than 100 permanent jobs have been created at the new plant.

The new agri-processing plant boasts a capacity of 25 tons per hour for wheat flour, 1.3 tons per hour for biscuits and 1 ton per hour for pasta. The wheat used at the plant is sourced from irrigation farms that produce premium grains and are known for their high quality in the GWK production area.

The new GWK Farm Foods plant creates a close-to-source offset for wheat produced in the area and directly impacts positive economic development for affiliated industries including, amongst others distribution and service trades.

The unveiling of the new plant and product line comes shortly after GWK announced record financial results for the 2015 financial year, which include a more than 50% year-on-year increase in profit.

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About GWK

GWK is a public, farmer-owned company, operating from its head office in Douglas in the Northern Cape, with offices also in the Western Cape, Eastern Cape, Northwest, Free State and KwaZulu-Natal. GWK is involved in grain products, specialist crops and meat and auction services amongst others, providing farmers with the inputs they need, supporting them with the best solutions on the farm and ensuring the best channels to market for their products, locally and abroad. GWK's premium branded foods are manufactured with a plough-to-plate philosophy, linking consumers with farmers through sustainably manufactured products from the farm.

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