27th Annual General Meeting of





The Southern African Grain Laboratory NPC

CHAIRMAN'S REPORT 2023 - 2024

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FOREWORD BY THE CHAIRMAN

It is an honour to deliver the 27th Chairmans's Report of the SAGL for the 2023/2024 financial year. To assist the SAGL to continue focusing on developing the laboratory's capacity to align with the needs of the grain and oilseed value chain, the industry initiated and funded an independent review of the SAGL's business and operations. The aim of this study was to review the business and revenue model to improve the organisation's sustainability, with a particular focus on maintaining its stature as a reference laboratory of preference. While the SAGL's financial performance has been sound over time, it has been inadequate to fund the capital replacement

The findings of the review confirmed industry's unanimous need for the SAGL and its services. The SAGL Board of Directors considered the recommendations in the report and is currently busy with the implementation.

The laboratory successfully maintained a reliable measurement system to support the industry with quality assurance and compliance. In the changing regulatory environment, the SAGL must continue to provide technical support and measurement services to ensure compliance in areas of trade, food safety and food security. The agricultural sector relies on the SAGL's measurement solutions, calibration services and proficiency schemes for testing grains and associated food and feed products.

Quality assurance testing becomes even more critical with the increasing global food chains, networks and the availability of numerous raw material sources. The recent crisis involving contaminated food products highlighted the importance of quality assurance testing.

> The laboratory's core activities remain the Crop Quality Surveys on wheat, maize, soybeans, sunflower seed and grain sorghum. These surveys, conducted with the financial support from the Agricultural Trusts, provide evidence of the industry's commitment to food safety through the maintenance of unique and valuable databases.

> > This information gathered through the surveys is essential for informed decision-making in both local and international trade. The SAGL's collaboration in research projects provides a basis for recommendations to improve the grain and oilseed value chains.

> > > The Crop Protection Division of the SAGL, established in 2016, has proven to be a successful expansion of services to ensure compliance of agricultural remedies with regulations.

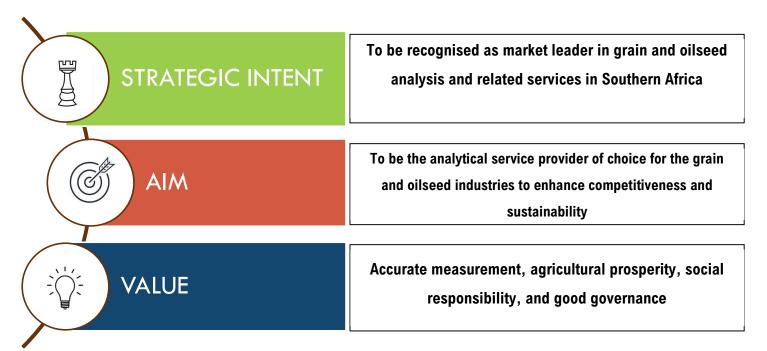
> > > > Compliance with OECD GLP Principles and ISO 17025 Accreditation positioned the laboratory as an independent service provider to the broader agricultural industry.

> > > > > The SAGL once again received an unqualified audit opinion for the 2023/24 fiscal year, maintaining the laboratory's clean audit record.

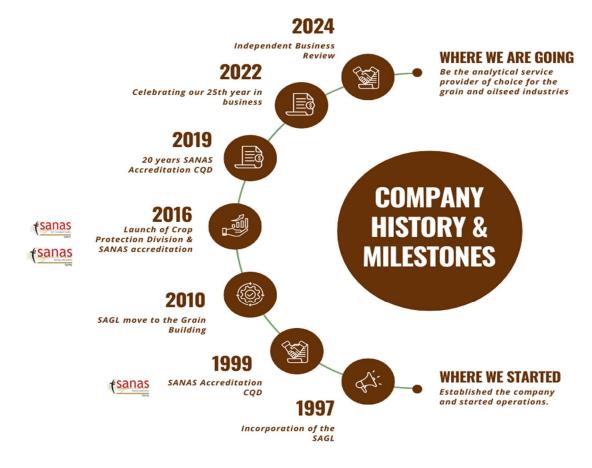
Mr. Boikanyo Mokgatle Chairman 2023/2024

STRATEGIC INTENT, AIM AND VALUE

The Southern African Grain Laboratory NPC is an ISO 17025 accredited institution. The focus of the laboratory is grain and oilseed quality testing conducted in the Crop Quality Division. The Plant Protection Product testing is done in the Crop Protection Division.



COMPANY HISTORY AND MILESTONES



BOARD OF DIRECTORS





DR DIRK STRYDOM PRODUCTION: WHEAT

MR BOIKANYO MOKGATLE PROCESSING: MAIZE MILLING



DR ERHARD BRIEDENHANN RESEARCH



MR CRAIG BINNION PROCESSING: BAKING



DR ANDRÉ VAN DER VYVER TRADING



MR WILLEM GROOTHOF PRODUCTION: MAIZE



MR WESSEL LEMMER STORAGE & HANDLING



MR ERWIN POTGIETER PROCESSING: WHEAT MILLING



MR GERRIT ROOS PRODUCTION: SOYBEAN

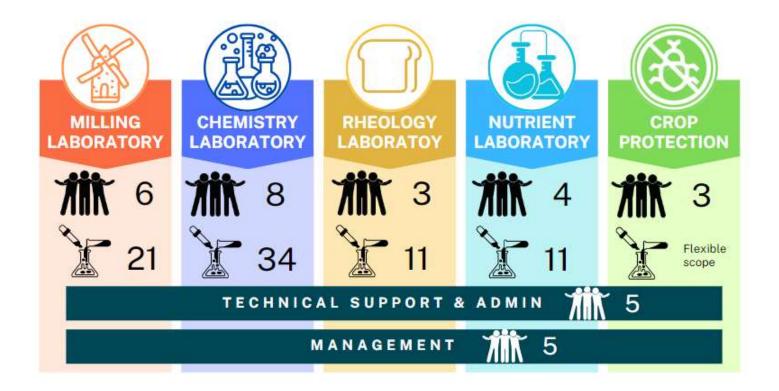


MS LIESL BREYTENBACH PROCESSING: ANIMAL FEED

CORE BUSINESS, CAPABILITIES AND FOCUS AREAS

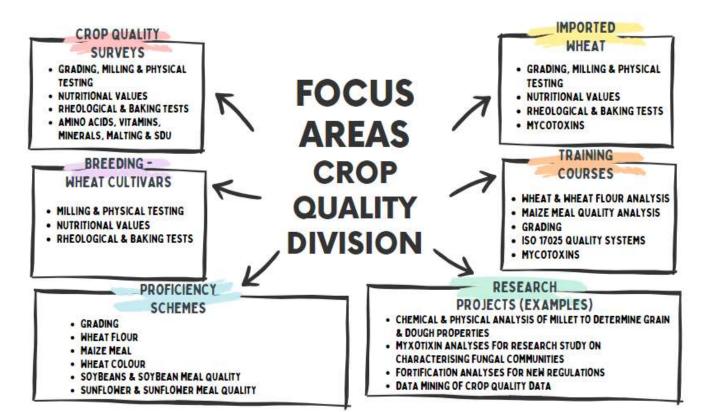
The Southern African Grain Laboratory (SAGL) complies with the requirements of the international ISO/IEC 17025 standard for testing laboratories as well as the OECD Principles of Good Laboratory Practice. With this accreditation, the laboratory can provide fit-for-purpose, accurate and internationally accepted measurement results.

Each of the five testing areas specialises in a different range of analyses, using specific skills to execute the validated methods.



The scope of testing in the crop quality and the crop protection divisions is focused on the needs of the agricultural industry and in line with an increasingly dynamic regulatory environment. It is expandable to ensure continued compliance in the agricultural industry in South Africa.

FOCUS AREAS (Continued)



SURVEYS LAUNCHED SINCE INCORPORATION



The focus areas of the Crop Protection Division:

PHYSICAL AND CHEMICAL STUDIES ON FORMULATED PLANT PROTECTION PRODUCTS



toxical significance) are quantified to ensure compliance with international specifications



5-batch testing is a regulartory requirement Globally Conducted according to OECD GLP and Complinance monitoring



- Egyptian Delegation: SAGL's services and available information February 2024
- Tanzanian Delegation: Laboratory tour and services offered to the industry March 2024
- US Wheat Associates: Good laboratory practices and services offered by the SAGL June 2024
- SAAFoST Breakfast Lecture: The amazing maize story July 2024
- Mycotoxin collaborative training courses R Biopharm & SAGL September 2024
- Sorghum Forum Meeting October 2024
- Wheat Forum Meeting October 2024
- Maize Forum Meeting October 2024
- Presentations at Industry Technical Committee Meetings



POPULAR ARTICLES

PROFESSIONAL AFFILIATIONS

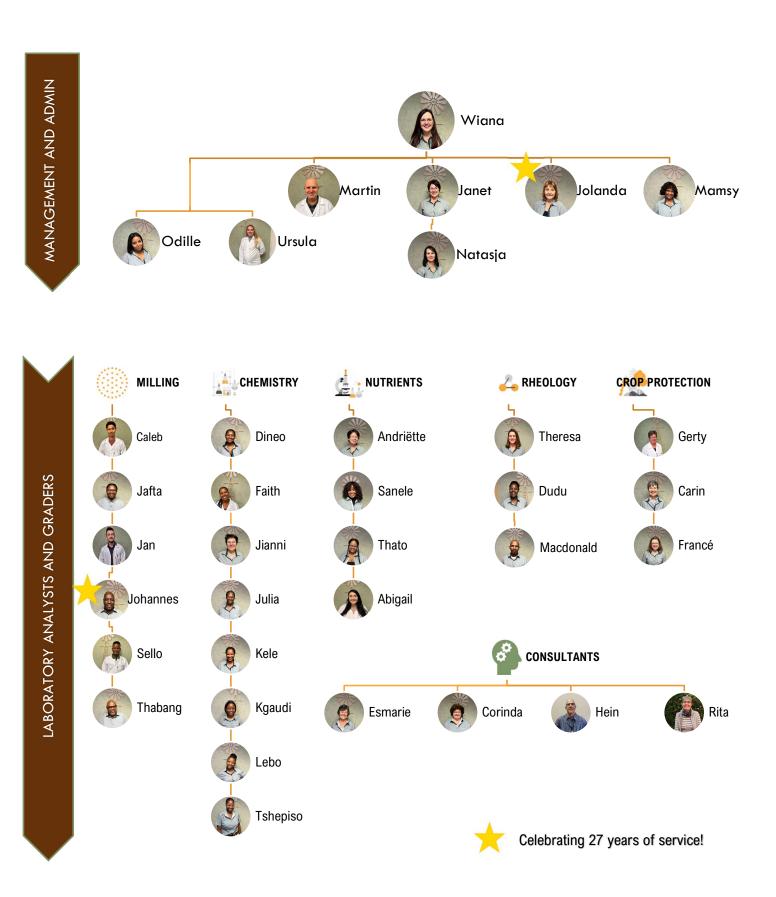


COMMITTEES:

Co-opted on various Industry Technical Committees Wheat Focus Editorial Committee SA-RFTL Forum: SA-Regulatory Food Testing Laboratory Forum Technical Committees of the SA Winter Cereal Industry Trust (SAWCIT)

HUMAN CAPITAL

MEET THE SAGL TEAM



PROFICIENCY TESTS OFFERED

In its capacity as reference laboratory for grains and oilseeds, SAGL offers proficiency testing to participants from South Africa and other countries in Africa.

The participants use the Proficiency testing as independent assessments of their quality control measures to monitor equipment, personnel competency and analytical methods. These proficiency tests serve as a powerful tool for a laboratory or testing facility to demonstrate competency to stakeholders in the grain and oilseed sector. The proficiency tests offered by the SAGL are detailed below.

Please contact us for our price list and more information on check samples which we have available.

Contact Person: Theresa de Beer

Email: Theresa.deBeer@sagl.co.za

Tel: +27 12 807 4019

DESCRIPTION	INTERVAL	PRODUCT	LOCAL	INTERNATIONAL	COUNTRIES	TOTAL
			PARTICIPANTS	PARTICIPANTS		
SAGL Soybean grading	Quarterly	Soybeans	9 (grading)	-	-	15
and Quality			13 (quality)			
SAGL Soybean Meal	Quarterly	Soybean Meal	18	-	-	18
SAGL Sunflower	3 times per	Sunflower	9 (whole seed)	-	-	17
Quality	year		9 (milled seed)			
SAGL Sunflower Meal	3 times per	Sunflower Meal	16	-	-	16
Quality	year					
SAGL Minolta Dry	Bi-monthly	White bread flour &	10	1	Botswana	11
Colour Proficiency Test		Cake flour				
SAGL Maize Grading	Quarterly	2 x White Maize	10	4	Lesotho, Zambia,	14
Proficiency Test		2 x Yellow Maize			Tanzania & Namibia	
SAGL Maize Meal	Quarterly	2 x Super Maize	3	7	Eswatini, Lesotho,	10
Quality Proficiency		Meal			Namibia, Botswana,	
Test		2 x "Special" Maize			Zambia, Zimbabwe,	
		Meal			Tanzania	
SAGL Wheat Grading	Quarterly	Wheat	16	3	Lesotho & Namibia	19
Proficiency Test						
SAGL Wheat and Flour	Quarterly	Wheat, Wheat flour	18	15	Ghana, Nigeria,	33
Proficiency Test		& Brown bread flour			Lesotho, Swaziland,	
					Senegal, Namibia,	
					Cameroon, Botswana,	
					Zambia, Zimbabwe	

COMPLIANCE AND MEMBERSHIP CERTIFICATES



PROFICIENCY TESTING PROGRAMS

ISO 17025 ACCREDITATION AND OECD GLP COMPLIANCE

The scope of SAGL's accreditation is aligned with the needs of the industry. It expanded over the years as regulatory requirement and needs changed.

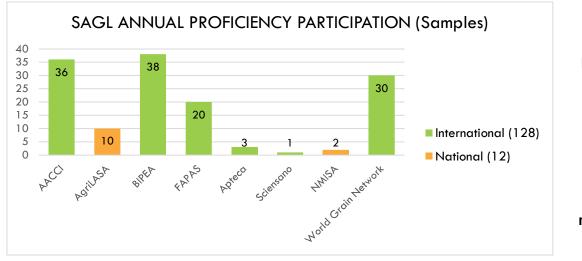
Technical Signatories form the backbone of a successful quality system and the development and training of laboratory personnel to become technical signatories remains a primary focus of the SAGL since 1999 when the laboratory achieved its accreditation. SAGL prides itself on maintaining this solid foundation.



SAGL ACCREDITATION AND COMPLIANCE

SANAS accreditation certificates:

- Crop Protection Division ISO 17025 valid until 22 August 2027
- Crop Quality Division ISO 17025 valid until 31 October 2024
- Crop Protection Division OECD GLP valid until 26 July 2027

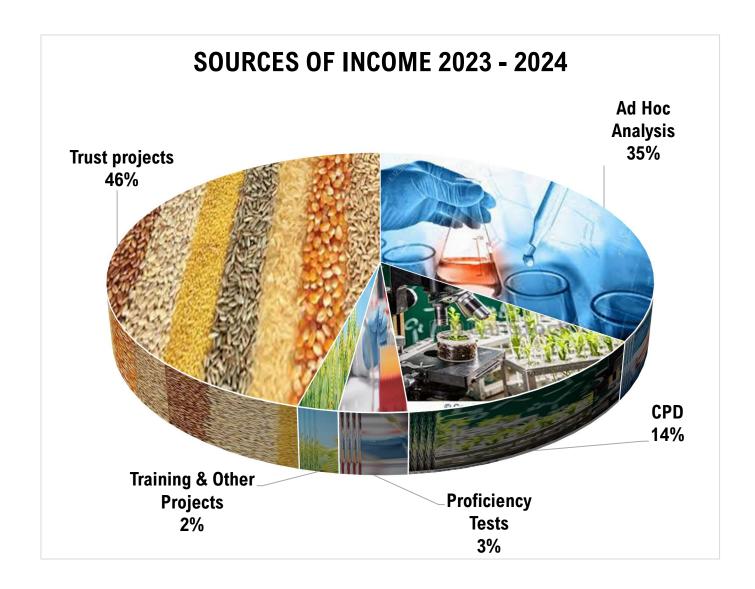


Participation in proficiency schemes, to demonstrate competence, is used as the laboratory's benchmark to the international measurement system.

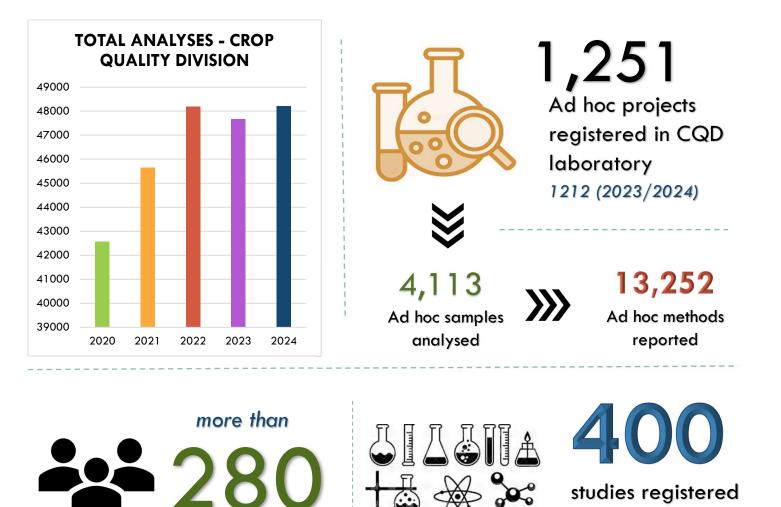
FINANCIAL POSITION

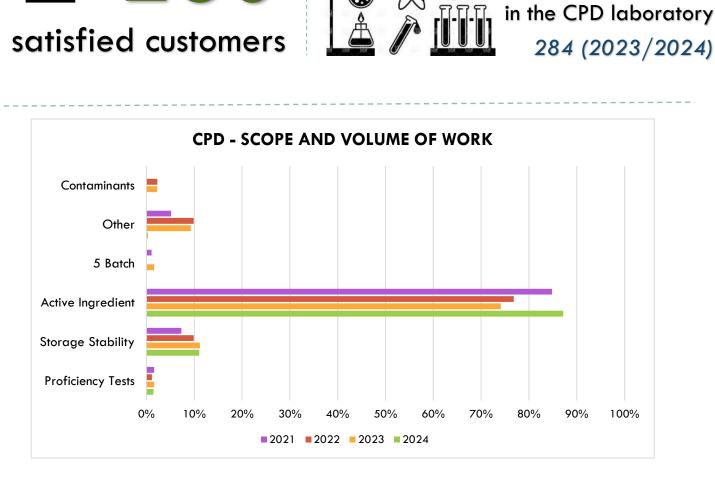
The annual financial statements were prepared on the basis of accounting policies applicable to a going concern. The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. However, Capex is required to sustain the organisation. The directors are not aware of any material noncompliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

The Independent Auditors' Report indicates no material inconsistencies between the Directors' Report and the audited financial statements.



FINANCIAL POSITION (Continued)

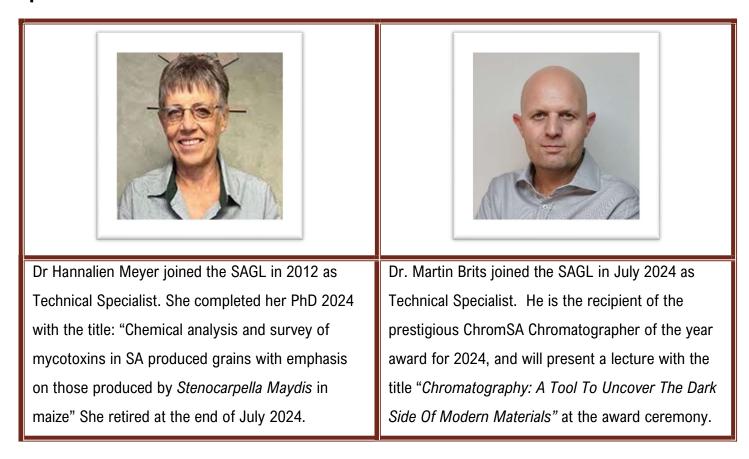




studies registered

WALL OF FAME

The SAGL is proud to announce the achievements of its past and present personnel.



CONCLUSION AND ACKNOWLEDGEMENTS

The SAGL, as proud reference laboratory of choice, will continue to serve the industry with commitment, dedication, integrity and excellence.

The independent review confirmed the industry's solid support to ensure the sustainability of the organisation and its structures to build on the success of the last 27 years.

Gratitude to fellow Board members for being generous with their time and wisdom in ensuring that the SAGL remains committed to its strategic intent, aim and value.

To the Executive Committee members, thank you for all the sacrifices, commitment, support and hard work.

Lastly, I would like to acknowledge the management team and staff for their efforts in ensuring that the SAGL continues to achieve its strategic objectives as the organisation grows from strength to strength.

All the best to Wiana and the management for the next financial years to follow.