



Keimoes-Upington N14, 2km, Keimoes, Northern Cape, South Africa
PO Box 767, Keimoes, 8860, South Africa
Tel: +27 (0)54 337 8660
Email: info@redsuns.co.za www.redsuns.co.za



REDSUN RAISIN REPORT #3 – 2020
SOUTH AFRICAN RAISIN CROP MARCH 2020

HIGHLIGHTS FROM THIS REPORT

Corona Virus (COVID-19) and Redsuns operations

The Quality of Goldens

The 2020 Raisin Intake is Progressing

WP Sultanas

Corona Virus (COVID-19) and Redsuns operations

We at Redsuns are watching the Corona Virus (COVID-19) developments with concern. Due to the unknown nature of the virus, we are limited in the preventative measures that we can take in order to ensure the uninterrupted delivery of our product, to our customers.

Redsuns can give our undertaking that we will take whatever measures are possible to ensure the health of our employees.

In addition, the following measures are in place;

1. We see the greatest impact being the availability of food grade shipping containers to ship our products to our customers. We have communicated with MSC and they have assured us it is not a problem at present. Their mail is included at the end of this article.
2. There have been four reported confirmed incidences of the Corona virus in South Africa. All confined to the same travel group party that has returned from Italy. They are presently in self imposed isolation, as is their doctor.
3. The Redsuns factory is located at the Northern Cape Province, which is the most sparsely populated province in South Africa. Two per cent of SA population live in the province that is 30% of the land mass in SA. Fortunately, there are not large numbers of people living in confined spaces. Furthermore, our temperatures are at present averaging 33°C.
4. All our staff (153 people) are obliged to undergo a medical examination every year, as part of our BRC procedures. Redsuns has brought that examination earlier than originally planned. The examination of our staff was done during the period Feb 25 to Feb 28th 2020). Everyone was declared free of any trace of any virus or illness. (Including Corona).
5. We will introduce a fever temperature monitoring device to screen staff and visitors as they enter the Redsuns premises.
6. Training has been given to our staff with specific preventative measures for contracting the Corona Virus. Furthermore, we are training them regarding the Corona Virus symptoms and asking them to report any symptoms displayed by family members at home. Should there be an occurrence at the home of any staff member, Redsuns will pay for the family member to be tested by a private clinic in Keimoes.
7. There are already 18 hand sanitising stations throughout the Redsuns factory. Redsuns will be adding an additional 6 sanitising stations at different points, particularly at the raisin buying station where farmers are interacting with the Redsuns staff.

We are however watching developments very carefully. We do not foresee any problems with our supply obligations at this stage.

This is the mail received from our shippers MSC.

From: kerry.budd@msc.com [<mailto:kerry.budd@msc.com>]

Sent: Monday, February 24, 2020 4:38 PM

To: mkfrt@icon.co.za

Cc: stephen.phetlho@msc.com; lindokuhle.mokwena@msc.com; nompilo.ndlela@msc.com

Subject: RE: QUESTION

Good Day Caren,

I have spoken to management and they have advised that at this present moment we do not foresee any issues with availability of the food grade containers.

Should the situation change we will advise.

Kind Regards

Kerry Budd

Export Client Services Assistant

MEDITERRANEAN SHIPPING COMPANY (PTY) LTD.

MSC House, 81 Grayston Drive, Morningside Ext. 6, Sandton, 2196, Johannesburg, South Africa

T: +27 11 263 4014 **W:** www.msc.com

As agent only for MSC Mediterranean Shipping Company S.A., Geneva

The Quality of Goldens

The 2020 SA crop of goldens is affected by the exceptionally large crop volume and the rainfall. Most goldens in South Africa are produced in the zone where heavy rain showers have fallen. This region is from Friersdale on the west to Upington on the east along the Orange River. There are no goldens made in Vredendal.

As mentioned on several occasions, the quality of South African goldens is created on the farm. The factory can do very little to improve the quality of a poor golden. What are the elements that affect the quality of a golden sultana?

1. The colour - must be golden yellow in colour.
2. There must be no skin damage on the berry (black marks).

The biggest quality problem in 2020 relates to colour. So far at Redsun we have graded 50% of the intake at choice, with 39% standard grade. The problem for the farmer is if there is not a minimum of 60% choice within any delivery, the whole delivery gets downgraded to standard grade. Therefore, we find a lot of 'good quality' standard grade goldens which is made up of about 55% choice grade.

The colour has been affected by the size of the grape bunches. Due to the size, the crown of the bunch is ripe and ready to harvest, while the bottom part of the bunch is not yet fully ripe. The farmer must harvest, because the top part will start becoming over ripe, before the bottom part is ripe. When the farmer makes a golden, the top part makes a beautiful golden colour (choice grade), while the bottom part shows a greenish yellow colour because the sugar content is still too low.

With the rain, the berries absorbed rain droplets from the outside of the berries, due to the high sugar content. The berries became swollen, and extra weight of water places strain on the capstem as it attaches to the bunch. The additional water is no problem, because that will

dry off on the trays, but the skin remains bruised. This bruising creates black rings around the capstem.

Please be assured that we are taking good care that if an order has been placed for choice grade goldens, choice grade is what will be delivered.

The overall effect is there will be fewer choice grade goldens available this year, and standard grade will be of a good quality standard.



Golden farmer's stock graded as choice grade



Golden Farmer's stock graded as standard grade.

The 2020 Raisin Intake is Progressing

As at 10 March, Redsun has received 7000 mt of farmers stock at our factory in 16,320 bins. That is a little over half way to our target of 13,000mt. We are optimistic that we will achieve our goal.

Despite the problems with the quality of the goldens, we have very nice quality averages from Thompsons, currants, and Flames.

The South African Industry as a whole is now 45% through delivering the 2020 crop to factories, at 36,000mt. Redsun finds it interesting that Raisins SA, the South African Statutory

body managing the raisin industry have not changed the original crop estimate as yet. Their estimate remains at 81,000mt for the 2020 crop.

WP Sultanas

Due to the rain, the farmers are now making more WP sultanas than originally anticipated. Redsun has been approached by a number of farmers who normally make only goldens, to inquire if it is in order if they convert some of their delivery to WP Sultanas. Redsun has agreed and therefore, we will have more WP Sultanas available than in a normal year. At this stage it could be as much at 500-1000mt more WP Sultanas than the 250mt originally estimated by Redsun.

It seems that as at 9th March, there have been a total of 3,500mt of WP sultanas delivered over all the SA factories. (Source Raisins SA). So this will be a good year for WP sultanas.

Please let us know if we can assist with any further information.

Peter Kuilman

peter@redsun.co.za