

MARKET NOTICE

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- Relates to:
- Equity Market
 - Equity Derivatives Market
 - Commodity Derivatives Market
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 - Interest Rate Derivatives Market
 - Bond Market
 - Bond ETP Market

Date: 7 February 2023

SUBJECT: PROPOSED LOCATION DIFFERENTIALS FOR SUNFLOWER SEEDS FOR THE 2023-24 MARKETING SEASON AND FINAL STORAGE RATE

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Dear Client,

The JSE has once again relied on the same updated distances to Randfontein and then maintained the principle that as the delivery point gets further away from the reference point the differential increases.

1. Proposed sunflower seeds location differentials for 2023/24 marketing season

This notice provides the provisional location differential rates for sunflower seeds (SUNS) for the 2023/24 marketing season. Adopted a formula-based approach to determine the location differentials for sunflower seeds as follows:

$$RPT = \frac{Distance * RLF * RPK}{Payload}$$

Where:

Distance is distance in km's to the reference point,
RLF is the return load factor,

RPK is the Rand per kilometre based on the contributions received from the market, which we shall refer to cost per kilometre (CPK). Payload is in tons and remains unchanged at 33 tons.

The new base cost per kilometre (CPK) rates as indicated below reflect the increase in diesel prices over the past year and inflationary cost adjustments made. The result of these two components resulted in a 12% increase to the cpk rates of last year. Whilst we appreciate not every logistics company will record these exact rates, the JSE

encourages participants to review them and provide their constructive feedback to the group email commodities@jse.co.za by Tuesday, 14 February 2023.

The RPK and RLF used in this model are as follow:

| KM | CPK | KM | CPK | Distance | Load factor |
|------------|--------|------------|-------|------------|-------------|
| 0-10 km | 572.42 | 221-230 km | 24.36 | <330 km | 2 |
| 11-20 km | 269.63 | 231-240 km | 24.36 | 331-345 km | 1.95 |
| 21-30 km | 139.62 | 241-250 km | 23.91 | 346-360 km | 1.90 |
| 31-40 km | 105.78 | 251-260 km | 23.81 | 361-375 km | 1.85 |
| 41-50 km | 79.48 | 261-270 km | 23.61 | 376-390 km | 1.75 |
| 51-60 km | 57.41 | 271-280 km | 23.37 | 391-405 km | 1.70 |
| 61-70 km | 50.06 | 281-290 km | 23.17 | >406 km | 1.60 |
| 71-80 km | 43.74 | 291-300 km | 22.96 | | |
| 81-90 km | 40.52 | 301-310 km | 22.78 | | |
| 91-100 km | 37.62 | 311-320 km | 22.69 | | |
| 101-110 km | 35.04 | 321-330 km | 22.49 | | |
| 111-120 km | 31.67 | 331-340 km | 22.30 | | |
| 121-130 km | 29.22 | 341-350 km | 22.30 | | |
| 131-140 km | 26.86 | 351-360 km | 22.30 | | |
| 141-150 km | 24.89 | 361-370 km | 22.30 | | |
| 151-160 km | 26.92 | 371-380 km | 22.29 | | |
| 161-170 km | 25.22 | 381-390 km | 22.29 | | |
| 171-180 km | 25.22 | 391-400 km | 22.29 | | |
| 181-190 km | 25.21 | 401-410 km | 22.29 | | |
| 191-200 km | 25.21 | 411-420 km | 22.29 | | |
| 201-210 km | 24.94 | 421-430 km | 22.29 | | |
| 211-220 km | 24.73 | >430 km | 22.29 | | |

2. Standard storage rate for sunflower seeds

The standard storage rate for marketing season 1 March 2023 – 29 February 2024, will be adjusted based on the December 2022 published PPI rate, which is 15%. The standard storage rate applied to outstanding storage in completion of a futures contract will increase to R2.15 per ton per day. Please ensure that when making delivery of JSE silo receipts issued in the previous marketing season, all storage is paid up to and including 28 February 2023.

The market is also reminded as from 1 March 2023, the following foreign origins will be accepted for delivery in completion of futures contracts at zero-origin discount.

- Argentina
- Botswana
- European Union
- Russia
- Ukraine

Should you have any queries regarding this Market Notice, please e-mail commodities@jse.co.za

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