

1. Background

- a) A division of Foskor with operations in Richards Bay.
- b) Foskor is seeking the assistance of an experienced and knowledgeable company to assist the Procurement Department in the valuation of the identified Asset (NPK Plant).

Make: A.J. Sackett & Sons

Process: Batch process blending system.

Type: Tower blending system.

Throughput: 100 tons/hour bagged product.

2. Objective

- 2.1 Determine the Fair Market Value of the NPK Blending Plant that can be attained on the market
- 2.2 To provide alternative bases where applicable (e.g. Forced Sale Value, Orderly Liquidation Value, Replacement Value)
- 2.3 Advise on the most appropriate disposal strategy

3. Specifications

- a) Conditioning in feeding system 150 ton Capacity
- b) Screening system 2 X 75 ton capacity.
- c) Overs and fines transfer removal capacity.
- d) Electrically operated Spouting system.
- e) Holding system (150 ton), Six (6) Major bins & two (2) Minor bins.
- f) Weigh Hopper system.
- g) High intensity Mixer (HIM) 2500kg capacity includes Liquid and Powder additive capacities.
- h) Twin 50kg Duplex open mouth Baggers 100 ton /hr.
- i) Ton Bagging Machine.
- j) Automatic Batch Controller system.
- k) Full automation Package.

NB! The plant is not assembled.

4. Scope of Work

- I. The Valuer shall provide the following services to **Foskor (PTY) LTD.**

4.1 Asset Verification & Inspection

▪ Consultation and planning

- a) Conduct a physical inspection of all NPK Plant components.
- b) Verify asset condition and completeness against available documentation.

4.2 Valuation Methodology

- a) The Valuer must clearly define and apply appropriate methodologies, including:
- b) Market Comparable Approach
- c) Depreciated Replacement Cost (DRC)
- d) Forced Sale / Liquidation Benchmarks

The report must state:

- a) Assumptions made
- b) Limitations
- c) Market conditions considered

4.3 Market Assessment

- d) Identify potential buyer markets.
- e) Assess demand for second-hand fertilizer blending plants.
- f) Consider scrap value vs operational resale value.

4.4 Deliverables

1. A detailed Valuation Report including:
 - Executive Summary
 - Asset Register
 - Condition assessment
 - Photographic evidence
 - Value conclusion per asset and total plant value
 - Sensitivity analysis (if applicable)
2. Value breakdown including:
 - Fair Market Value (FMV)
 - Forced Sale Value (FSV)
 - Scrap Value
3. Commercial Recommendation:
 - Valuer
 - Timing considerations
4. Presentation to Foskor Management (if required)

4.5 Compliance Requirements

- a) Demonstrate experience in industrial plant & machinery valuation.
- b) Provide evidence of similar fertilizer, chemical, or bulk materials handling plant valuations.
- c) Maintain professional indemnity insurance.

3. EVALUATION DATE

- a) The Valuer shall advise Foskor on the suitable date of the valuation.

4. SAFETAY REQUIREMENTS

The successful Bidder shall comply with all applicable safety, health, environmental, and security requirements of the warehouse or storage facility where the asset is located, as well as all relevant statutory and regulatory requirements, for the duration of the work

5. GENERAL

- a) The valuer is to complete and submit the attached Valuing questionnaire attached hereto as Annexure B.

6. EVALUATION CRITERIA

- a) This bid will be evaluated in four stages, i.e. functionality, mandatory requirements, administrative compliance, and point scoring system.

7. SERVICE LEVEL

- a) An experienced national account representative(s) is required to work with Foskor's procurement department. [No sales representatives are needed for individual department or locations].
- b) Additionally, there shall be a minimal number of people, fully informed and accountable for this agreement.
- c) Foskor reserves the right to request that any member of the Valuers team involved on the Foskor account be replaced if deemed not to adding value for Foskor.

The Valuer shall achieve a minimum service level of 95% for the on-time delivery of valuation reports and deliverables, measured against the agreed delivery dates

- d) Random checks on compliance with scope of work or terms of the reference.
- e) Foskor reserves the right to impose penalties for non- performances.
- f) Foskor reserves the right to cancel the contract if services are not fit for purpose.
- g) The Valuer must provide a telephone number for customer service calls.
- h) Failure of the Valuer to comply with stated service level requirements will give Foskor the right to cancel the contract in whole, without penalty to Foskor, giving 30 days' notice to the Valuer of its intention to do so.
- i) Payment of evaluation proceeds will be made in full within 30 days after the Valuer with a detailed settlement statement listing all agreed deductions.

Acceptance of Service Levels

Yes	
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No	
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8. RISK

The Valuer must describe control measures relating to:

- a) Independence and conflict of interest
- b) Data accuracy verification
- c) Market volatility assumptions
- d) Business continuity and resource availability

8.1 Quality of Services delivered:

8.2 Continuity of the provision of Service:

Annexure B

Valuer Questionnaire

1. Provide detail of products/asset group knowledge:

2. Provide details of estimation, valuation, and appraisal capabilities:

3. Provide details of staff complement to be part of evaluation (qualifications)

4. **Provide details of Valuer methods i.e. elaborate on strategies, Valuer planning and minimum standards that are adhered to:**

5. **Provide details of other professional affiliations: SAIA, or Other.**

6. **Indicate number of Valuer sales conducted in the last 24 months with gross asset sale values per Valuer:**

Valuer Advertisement Platform

1. Is the Valuer platform you use your property or third party?

2. Where is the platform hosted?

3. How many active buyers currently utilise your platform for asset valuation and/or disposal opportunities?

4. Does the platform support transactions involving multiple currencies to accommodate potential local and international buyers?

5. Is the platform multilingual and if so what languages?

6. How many photographs per lot can you capture on each lot?

7. Can you attach downloadable documents to individual lots?

8. Does the platform support the uploading and hosting of videos as part of an asset listing to provide potential buyers with additional visibility of the asset?
