

 Early Warning System

IFC-38743

Bounty



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## Quick Facts

<b>Countries</b>	South Africa
<b>Financial Institutions</b>	International Finance Corporation (IFC)
<b>Status</b>	Active
<b>Bank Risk Rating</b>	B
<b>Voting Date</b>	2017-03-24
<b>Borrower</b>	BOUNTY BRANDS
<b>Sectors</b>	Education and Health



## Project Description

### PROJECT DESCRIPTION

Bounty Brands Limited ("Bounty", "the Group" or the "company"), is a recently established South African based consumer brands company with a broad portfolio of market-leading products. Bounty is 100% owned by the South African investment group and its affiliates (C2C) an existing IFC client. IFC has recently concluded an equity investment in Ascendis Health (Project #38257), C2C's JSE listed pharmaceutical company. Bounty is focused on three divisions: food (36% of sales), personal care (37% of sales), and home care (27% of sales). The company is primarily engaged in the wholesale and direct selling of branded FMCG products, mainly in Sub-Saharan Africa and Eastern Europe, employing over 1,800 people, however its future focus will be in direct manufacturing. Its food business consists of three well recognized brands; Sonko, Rieses and Liberty. Sonko founded in 1989, is a leading producer of value-added rice products in Poland, and exports its products to 22 countries (direct processing of rice, groats and dry bread products). Liberty (founded in 2003), distributes a wide range of well-known brands of canned food into the South African food services segment, and Rieses (founded in 1993), are distributors of a selection of dried groceries, confectionary, and oils, into the South African retail segment; both export their products into other countries in Sub-Saharan Africa. The personal care division includes leading cosmetics, personal care and apparel brands, such as Annique, a well-known South African direct-selling business that locally produces rooibos-based skin and healthcare products (outsourced manufacturing), Cosmetix (CaribbeanTan, Essence and Catrice cosmetics), and Bounty Wear (Reviva, Musgrave, Nuance Brands and Footwear Trading ("FWT")- distributors of recognized international brands in South Africa- Vans, Diesel, Jeep, Fila, Hurley, Levi's, and SuperDry). The home care division includes brands such as Table Charm, a major direct-selling business founded in 1974 and trading in imported household goods (fragrances, healing products and homeware); Goldenmarc (household cleaning and kitchenware), Genesis (cleaning utensils and detergents), and Tuffy. Tuffy was established in 1989, manufactures and supplies branded and nonbranded 100% recycled refuse bags; food bags, carrier bags, foils, wraps, aprons and pegs which are supplied predominantly to the grocery retail channel. All current brands are ranked #1-3 in their respective markets (the various products and segments may be found on the group website [www.bb.co.za](http://www.bb.co.za)). The company occupies approximately 90,000sqm, comprising 22 warehouses (including offices) and production facilities. Sonko is one of only three subsidiaries within Bounty which manufactures its own products. The company operates a 7,200sqm A-class production and packaging plant, located on a site in Bielany Wroclawskie, close to the Wroclaw airport (Ryzowa plant). The Ryzowa plant is located on a plot of 39,500 sqm, which has at least 3,000sqm space still available for future expansion/ consolidation of the production base. The factory has five production lines producing: packaged rice, rice in boiling bags, groats (buckwheat and barley), rice-cakes, crisp bread and "PopCool" chips. The factory has a warehouse for raw materials (560 pallet places) and storage space for 2,200 metric tons of raw materials, supplemented with a finished goods warehouse of up to 750 pallet spaces. A second plant located in Magazynowa plant (nearby) has 2 production lines producing: rice cakes and PopCool chips. The Company leases a 6,100 sqm Central Warehouse at Magazynowa for finished goods with 10,964 pallet places. The Sonko range of wheat-based rusk and matzo production is outsourced to third parties, and is stored there. Sonko sources its raw materials from a diversified supplier base, depending on the current available price and quality. The majority of its rice (76% of all raw materials) is sourced from Asia, while other raw materials comprise groats (19%) and finished goods purchased from third parties (5%). The basic production process involves the following steps: raw material cleaning/sorting, preparation (mixing with water and seasoning, sieving/weighing), baking/extruding, and packaging. The Tuffy operations occupy five sites in Cape Town, South Africa - two Tuffy Manufacturing plants, Tuffy Flexibles (manufacturing), Tuffy Warehouse and Tuffy Head Office. Black bags and carrier bags made from 100% recycled plastic (>70% post-consumer waste) are manufactured in the first two sites and involve the following steps: delivery of the waste plastic, sorting, grinding, washing/cleaning, drying, agglomerating, compounding, pelletizing, and bagging/packing. Tuffy Flexibles manufactures zip-lock food bags, bin liners, cling-wrap, aluminum foil and disposable protective wear. The Tuffy Promotions/Head Office site produces promotional items



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## Investment Description

- International Finance Corporation (IFC)



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## Contact Information

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## ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at [CAO@worldbankgroup.org](mailto:CAO@worldbankgroup.org). You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org/>



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**Bank Documents**

- [project Information](#)