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## PG Bison rises to the challenge to address the MDF (SupaWood) shortage in Southern Africa

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Supply of locally produced medium-density fibreboard (MDF) in the Southern African market has been constrained for many years. That is set to change in July 2024, when PG Bison's supply of MDF from their R1,875bn MDF Contiroll line investment in Mkhondo increases their installed capacity of MDF up to 1,180 cubic metres per day across its two MDF plants (Boksburg and Mkhondo).



The new MDF line and recently completed particleboard line will position the PG Bison Mkhondo cluster as a globally competitive site for the production of wood-based panel products in Southern Africa. The manufacturing facility will soon be the only one in Africa to house a particleboard line, an MDF line, upgrading facilities, resin manufacturing and paper treaters on one site.

"Our Proudly South African quality products are cost-effective compared to imports," says PG Bison's CEO Gerhard Victor. "They enable our customers to hold lower stock levels, which means better stock turns and improved cash flow, rather than tying up working capital in large tranches of imported products. Locally produced products have significantly better lead times than importing, so our customers can meet the growing demand for MDF substrate products well into the future."

Localisation is a critical consideration in PG Bison's investment strategy. "As trends evolve, consumers look for newer and more exciting products," says Victor. "If PG Bison cannot supply the products needed to make those trends a reality, the demand does not go away. Instead, customers downstream turn to imports. The sad reality is that these imports are more likely to be finished products, putting many fabricator and installer jobs within the local industry at risk."

PG Bison's Boksburg plant has been the business's only MDF site for many years, but when the time came to green-light the investment for another MDF line, Mkhondo was chosen thanks to the site's proximity to critical raw materials and

existing infrastructure. These factors greatly assist in managing input costs and improving overall cost competitiveness.

Although there have been some rumours regarding the future of the MDF plant in Boksburg, PG Bison has made it clear there is no intention of mothballing it. PG Bison will produce MDF at two sites as it already does with its particleboard. The Mkhondo and Boksburg plants are well-placed to serve the growing MDF demand across PG Bison's local and export markets.

Site preparation for the MDF expansion project at Mkhondo began in April 2021, with construction and installation following in March 2023. Victor confirms that the project is on track to meet its committed start-up date of July 2024.

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## PG Bison

PG Bison is the leading producer of wood-based decorative panels in Africa, servicing the retail,

PG BISON construction, furniture/kitchen manufacturing, and residential development markets, primarily in southern Africa.

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