

Pimentel & Co., S.R.L.

Factoría de Arroz Santa Cruz

To whom it may concern:

Pimentel & Co., S.R.L. was founded in 1948 and is now one of the main producers and distributors of rice in the Dominican Republic, supplying over 5,000 clients through their sales force and direct distribution channels. Providing quality products and customer services is key to the business and it has redefined the client's customer service experience.

Between May 2017 and December 2017, Pimentel & Co. S.R.L developed, in conjunction with **London Consulting Group**, the "**Pimco Avanza**" project. Due to the good results we achieved during this project, we decided to implement a second and third phase which widened the project's scope. The new phases continued to focus on aligning our process to our objectives, implementing work systems orientated towards attaining results and continuous improvement. The main results we achieved were:

Commercial:

- 35% increase in the total number of sales in quintals (QQ).
- 242% increase in the amount of active clients.
- 20% increase in our own brand's penetration within the different sales channels by using cross selling.
- 20% reduction in goods returned.
- 19% reduction in accounts with outstanding payments of over 60 days.

Production y Maintenance:

- 116% increase in the Packaging department's OEE production efficiency.
- Implementing a production program which increase the production fulfillment rate by 38%.
- 37% reduction in the Packaging department's overtime costs per QQ sold ratio.
- 12% increase in the quality checks' fulfillment rate.

Supply and Logistics:

- 98% inventory reliability rate due to the implementation of inventory rotation procedures.
- 7% increase in our delivery truck's capacity utilization.
- 109% increase in our "ranchero" delivery truck's capacity utilization.
- 20% reduction in our "ranchero" delivery truck's transportation cost per dispatched QQ.

Human Resources:

- Implementing a personnel recruitment, selection and hiring model.
- Designing profiles for 52 positions within the company and establishing salary ranges.
- Implementing a work environment evaluation and the corresponding action plans.
- Implementing follow up indicators for personnel rotation and level of service.
- Implementing an internal communication model.
- Implementing a health, safety, and hygiene program.

Accounting and Finance:

- Implementing a follow up and cost control tool for payroll expenses.
- Implementing a follow up tool to monitor the raw material's utilization efficiency.
- Implementing monthly accounting cut off dates in order to generate the monthly operating statement.
- Designing the monthly and annual expense budgets.
- Implementing a costs committee that will follow up and ensure that the budget is adhered to.

The project was successfully concluded within the agreed time frame, generating a return on investment by the end of the third phase, April 2019, of **2.03 to 1** with a forecasted annualized return of **3.24 to 1**. We would like to acknowledge the commitment and professionalism displayed by **London Consulting Group's** personnel, as well as the worked carried out in conjunction with the Pimentel and Co., S.R.L.'s personnel, without whom we would not have been able to reach the project's objectives.

Sincerely,

Fausto Armando Pimentel
President