



2018

**INVESTOR PRESENTATION:
APPENDICES
26 FEBRUARY 2018**

**RESULTS FOR THE SIX MONTHS
ENDED DECEMBER 2017**



RCL FOODS IN CONTEXT

Remgro
Limited

FOOD, LIQUOR
& HOME CARE

BANKING

HEALTHCARE

INSURANCE

INDUSTRIAL

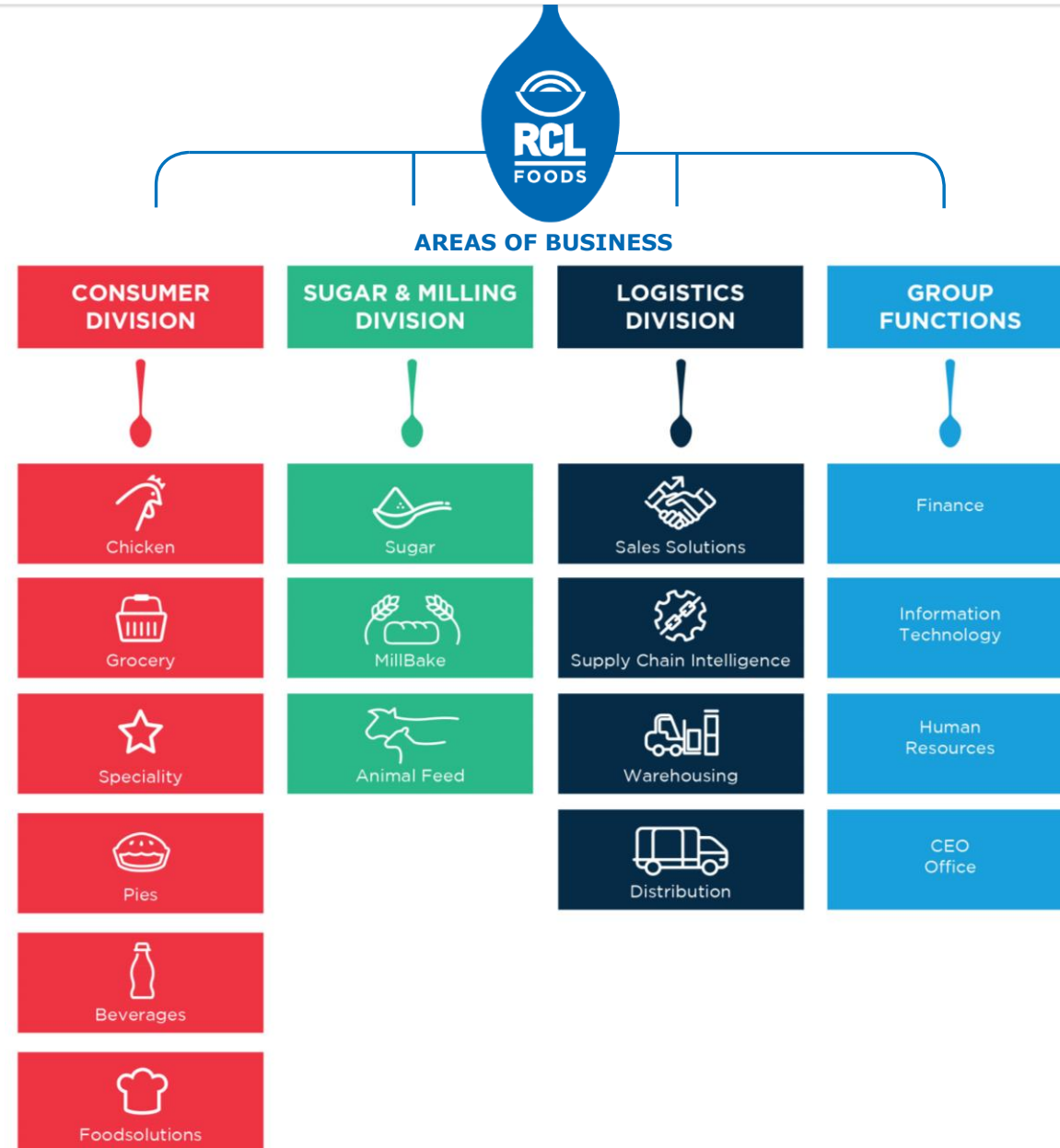
INFRASTRUCTURE

MEDIA & SPORT



FIRSTRAND



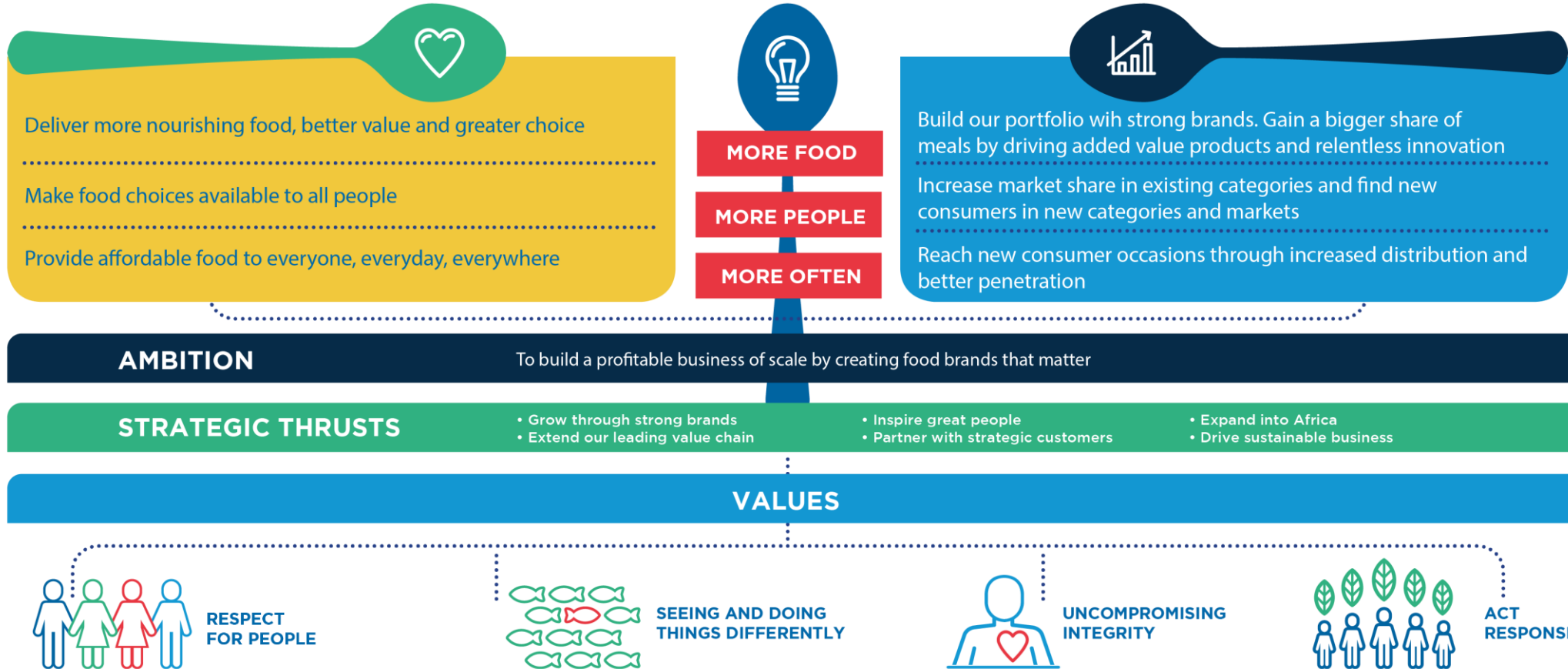




OUR PASSION

MORE FOOD TO MORE PEOPLE MORE OFTEN

WE BELIEVE IN DOING MORE... with a single minded passion to provide more food to more people, more often. We believe that by nourishing people while sustaining our resources, everyone wins. Communities will be enriched, employees inspired and our customers and shareholders will enjoy the benefits.





OUR WAY



WE'RE FOR MORE



We see and do things differently
We're restless, **often maverick**
We rattle complacency's cage, upset the status quo
Not just for the sake of it
But because **we want to make an impact**
One that matters

We want to do more and be more
We want people to lead **better lives**
We want business to do **better business**
We want relationships to be more resilient ...
We want to **embrace change, nurture longevity**

It's a big ask, but we're up for it
Because **our passion, our purpose** -
is simple and powerful:

MORE FOOD TO MORE PEOPLE MORE OFTEN

And we'll do this with **great people**.
Brave, curious, real, honest,
passionate, ideas people
Who break down barriers, build new bridges
and **change the rules**



**BECAUSE
ANYTHING LESS,
WON'T ACHIEVE
MORE**



OUR WAY



MORE IMPACT



MORE BRAVE



MORE CURIOUS



MORE OPEN



MORE SPEED



MORE YOU

PS. MORE FUN!

For the greatest impact, you need to face the brutal facts and clear the biggest hurdles.

Have the courage to do the right thing. Make bold decisions. Learn from your mistakes.

It's curious people who have game-changing ideas. Be curious!

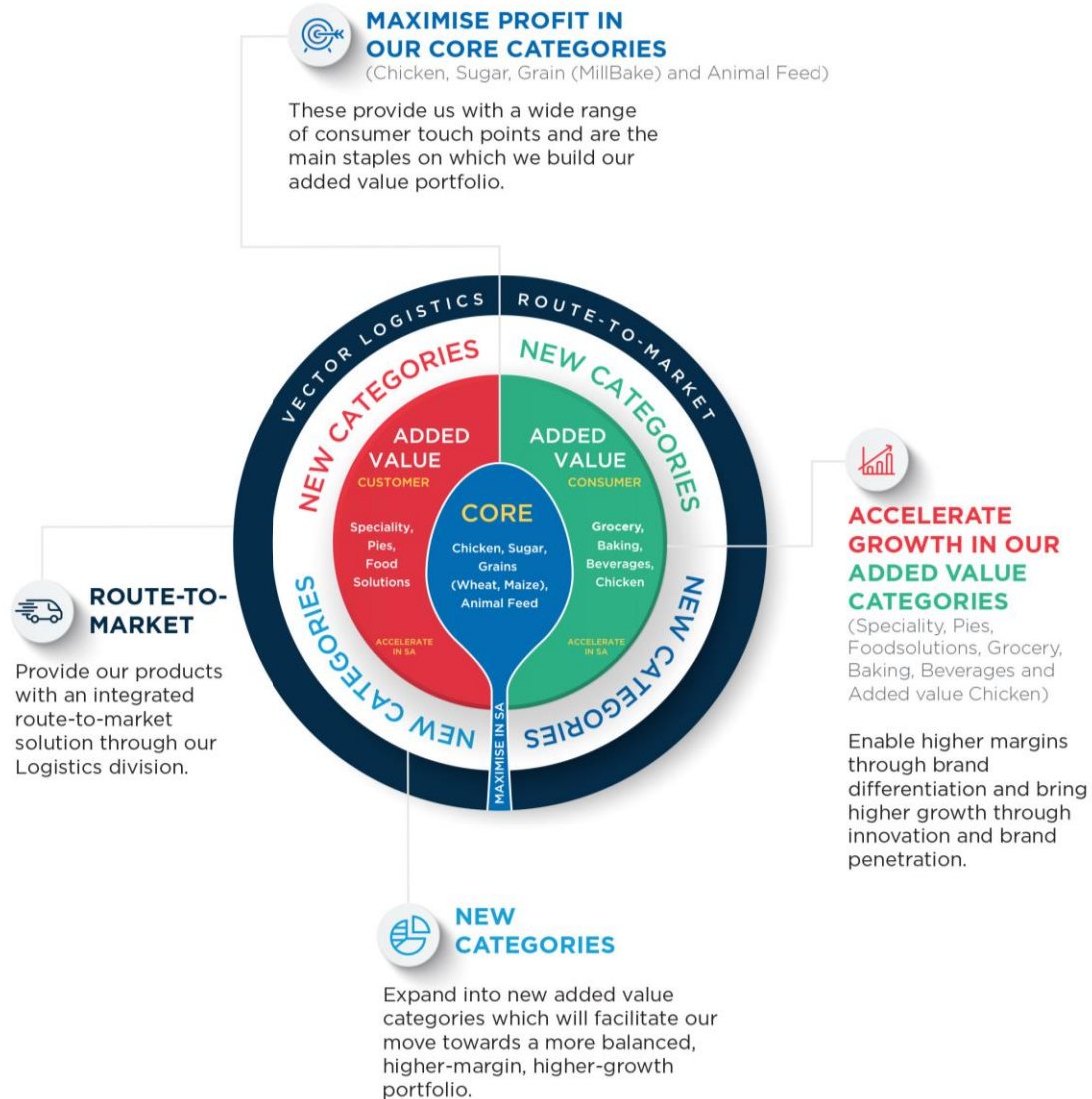
Be generous with knowledge, value the views of others, regardless of who they are.

Speed and simplicity go hand in hand - so be clear, stay lean, go fast.

Be yourself. Be authentic.
Be more you!

...because it's contagious!

OUR BUSINESS MODEL



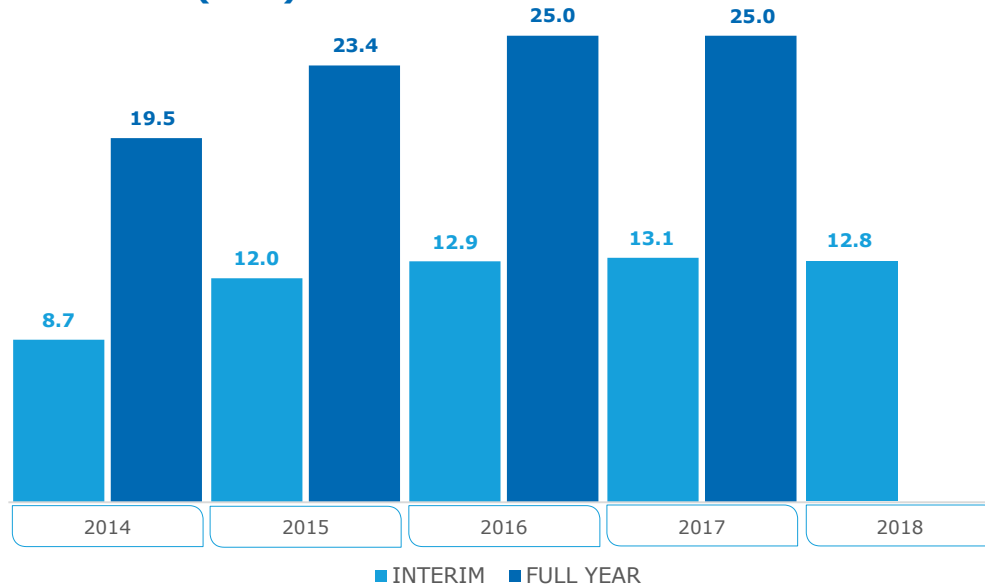
OUR STRATEGIC THRUSTS

Our business model is delivered through our six strategic thrusts

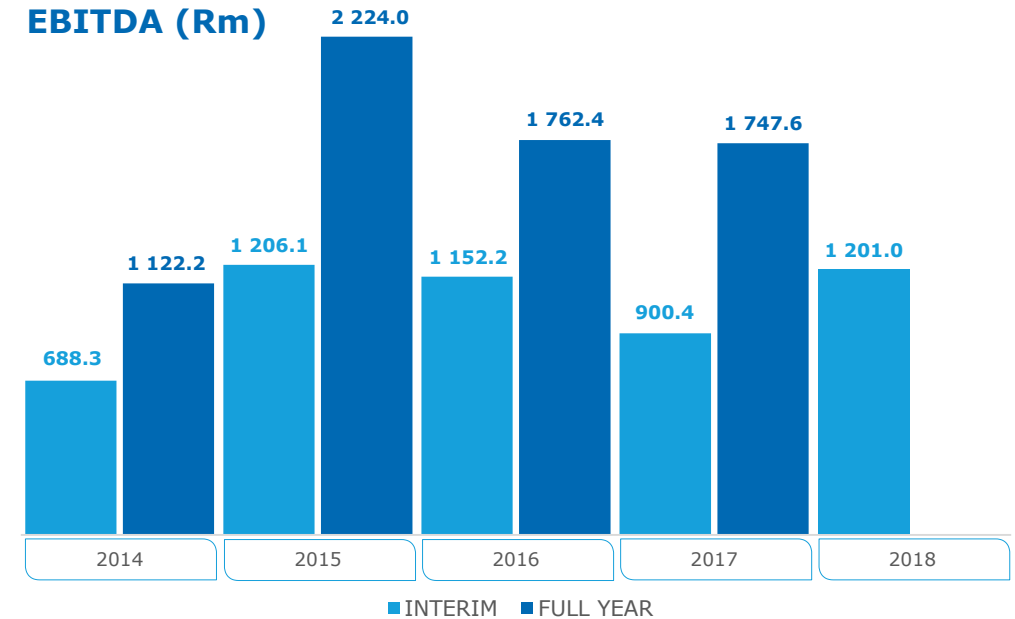


PERFORMANCE

REVENUE (Rbn)



EBITDA (Rm)



**OVER
20 000
EMPLOYEES**



**AROUND
700 000
TONS OF SUGAR
PER YEAR**



**100 TONS
OF MAYONNAISE
SOLD DAILY**



**MORE THAN
1 500
DELIVERY
VEHICLES**



**500 000 TONS
OF FLOUR AND MAIZE
MILLED PER YEAR**



**400 000
PIES PER DAY**



**875 000
TONS OF ANIMAL
FEED PER YEAR**



**MORE THAN 20
WELL KNOWN &
MUCH LOVED BRANDS**



**500 000
LOAVES OF
BREAD PER DAY**



**24 MILLION
CHICKENS ON THE
GROUND AT ANY TIME**

OUR BRANDS

RELATIVE SALES (12 Months to December 2017)

6 BRANDS OVER R1bn



4 BRANDS OVER R500m



10 BRANDS OVER R100m



10 BRANDS UNDER R100m



MARKET SHARE

VOLUME SHARE % FOR THE PERIOD	6MM Dec 17	12MM Dec 17	12MM Dec 16	SOURCE
Dogfoods (RCL Brands)	28.3	27.4	26.9	Aztec*
Catfoods (RCL Brands)	25.4	23.1	18.8	Aztec
Yum Yum Peanut Butter	29.6	30.3	31.1	Aztec
Nola Mayonnaise	40.9	41.9	41.9	Aztec
Sorghum (RCL Brands)	28.5	29.4	27.0	Aztec
Ouma Rusks	48.2	47.7	47.9	Aztec
Mageu	71.7	71.2	72.1	Aztec
Freezer to Fryer	35.8	37.8	26.0	Aztec
Polony (RCL Brands)	10.1	10.0	9.3	Aztec
Viennas (RCL Brands)	20.2	20.4	18.8	Aztec
Selati	26.6	26.8	29.7	Aztec
Pies and Rolls (RCL Brands)	8.7	8.4	5.6	Aztec
EPOL	12.7	13.3	15.2	Internal estimates – share of AFMA**
Molatek	4.8	4.5	4.8	Internal estimates – share of AFMA

VOLUME SHARE % AT	Dec 17	Dec 16	SOURCE
Supreme Flour	12.7	11.6	SAGIS***
Sunbake	10.6	10.2	SAGIS

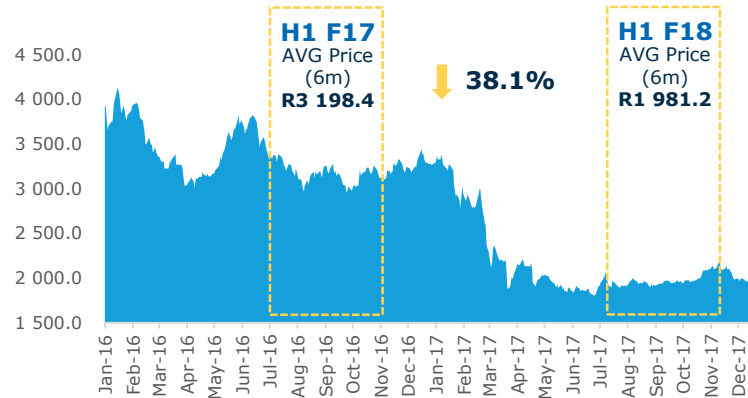
*Aztec is a provider of market measurement and related services for consumer packaged goods

**AFMA refers to the Animal Feed Manufacturers Associations, which represents approximately 60-65% of the total feed market

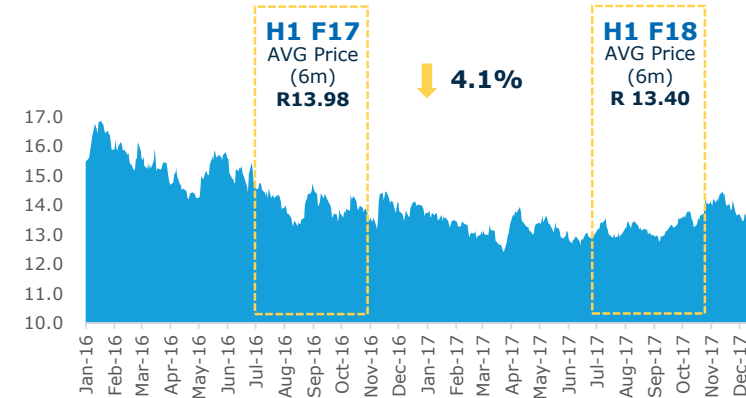
*** SAGIS is a South African grain information service that supplies market information to the grain and oil seeds industry

COMMODITY PRICES

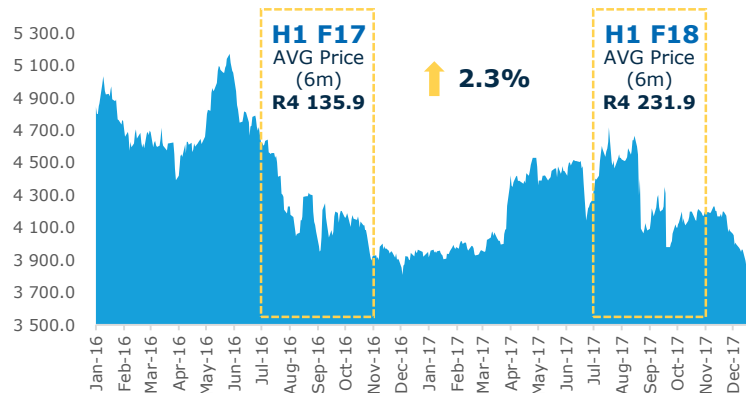
YELLOW MAIZE PRICE (R/Ton)



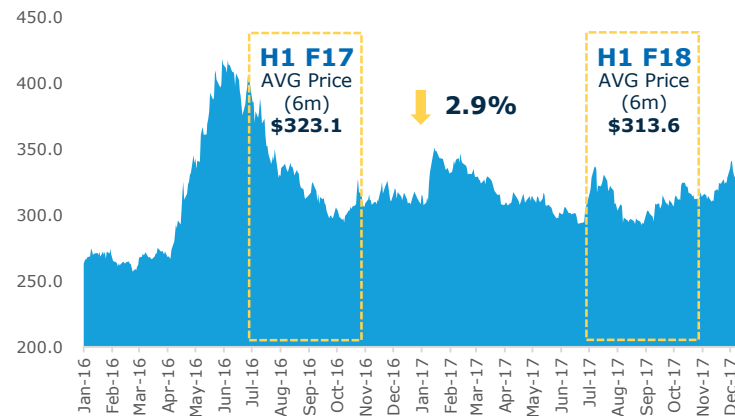
RAND/USD



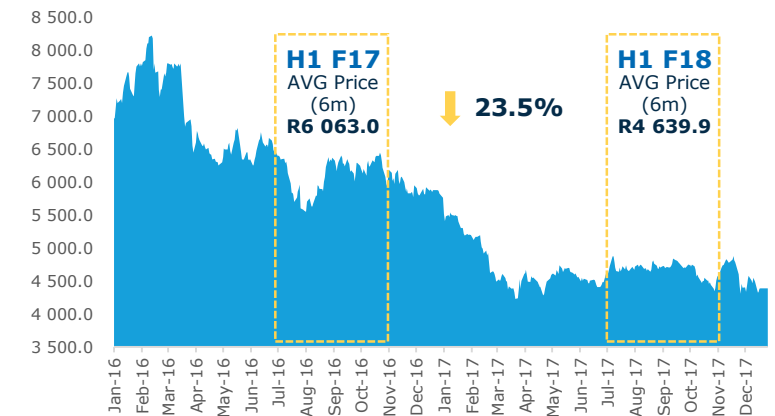
SAFEX WHEAT PRICE (R/Ton)



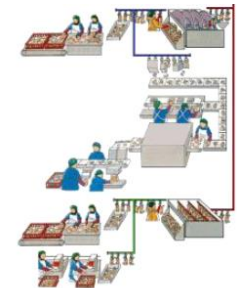
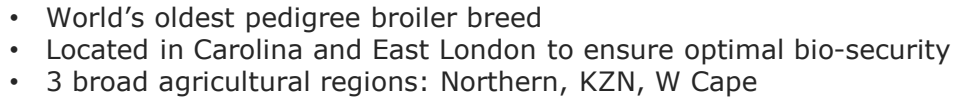
CME SOYA PRICE (\$/Ton)



SAFEX SUNFLOWER PRICE (R/Ton)



INTEGRATED SUPPLY CHAIN FROM "FARM TO FORK"

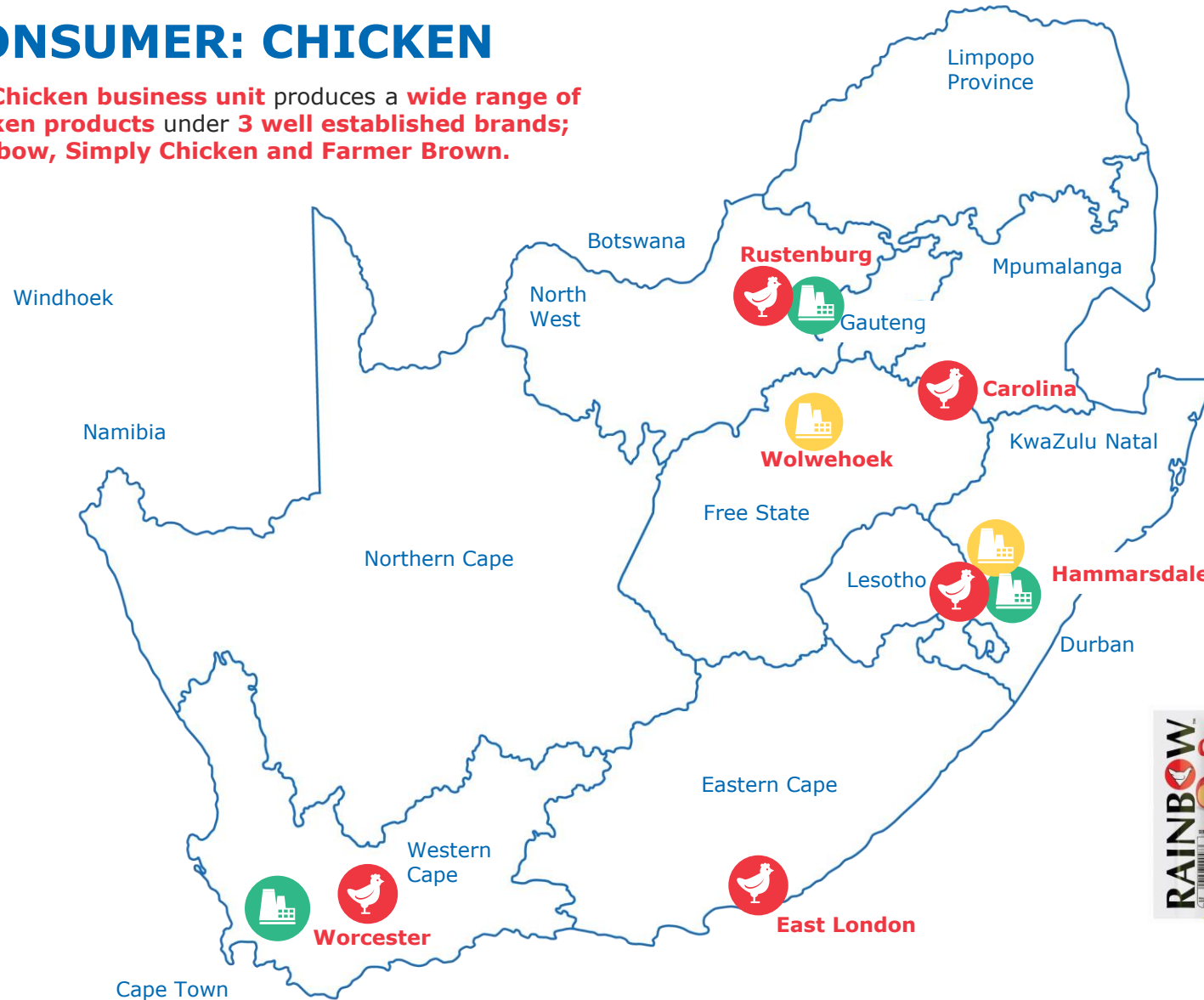


5 feed mills producing 875 000 tons pa



CONSUMER: CHICKEN

The **Chicken business unit** produces a **wide range of chicken products** under **3 well established brands**; **Rainbow, Simply Chicken and Farmer Brown.**



187 rearing, laying and broiler farms and hatcheries
24m birds on the ground



3 primary processing plants



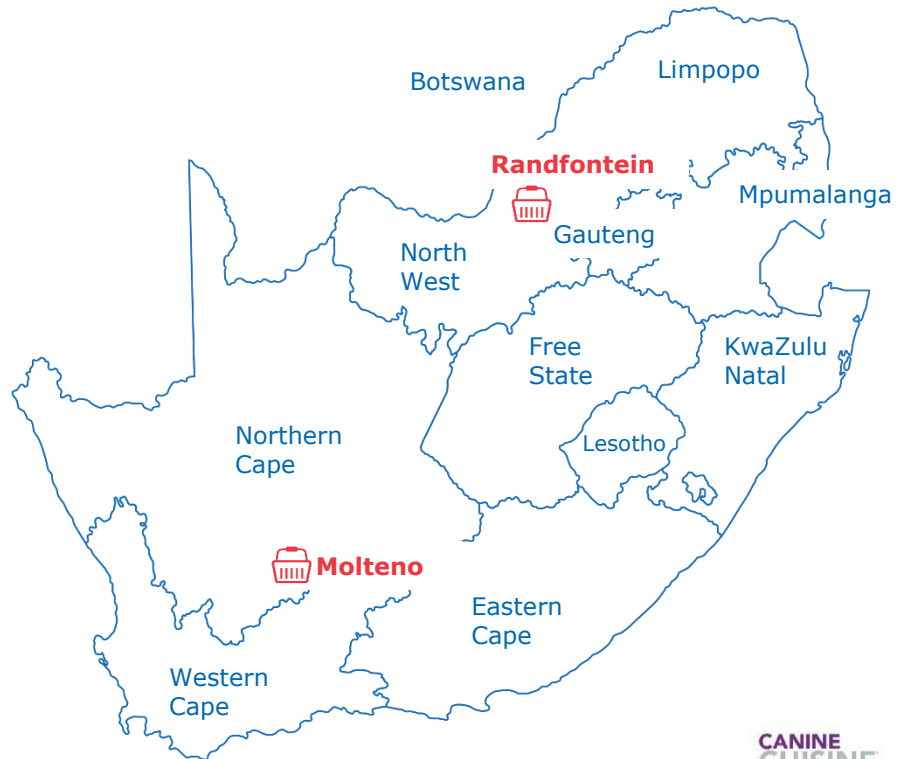
2 further processing plants



CONSUMER: GROCERIES

GROCERY

The **Grocery business unit** consists of a portfolio of **leading South African brands** spanning staples to top end offerings across a range of **food and animal product categories**.



YUM YUM

NOLA

MONATI
SUPER
MABELA

OUMA

Bobtail

SCIENCE
ULTRA DOG
PERMANENT DOGSCANINE
CUISINE
OPTI
MIZORbonzo
catmor.
Dogmor.

PIES

The **Pies business unit** produces a range of **high quality pies under the Pieman's brand** in frozen unbaked, frozen baked and chilled baked formats.

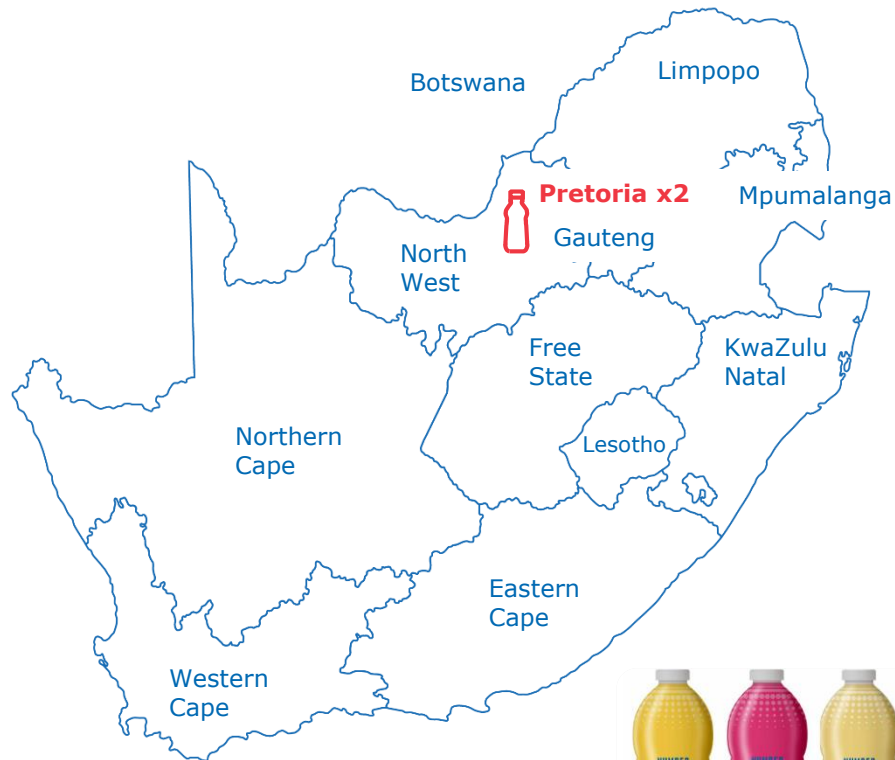




CONSUMER: GROCERIES

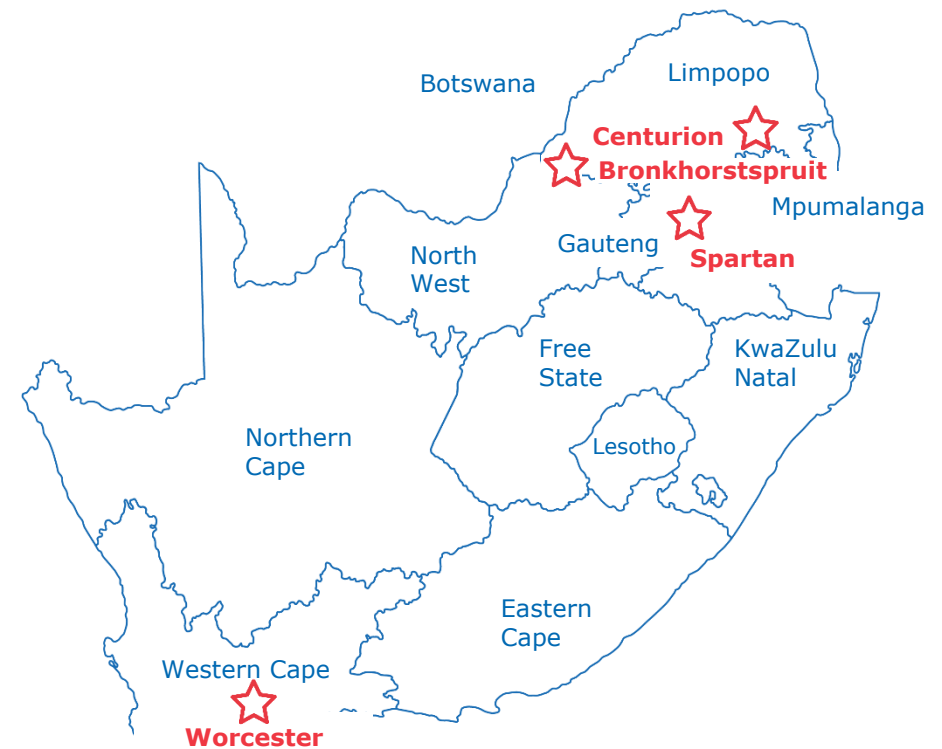
BEVERAGES

The **Beverages business unit** produces a **maize-based drink** under the **Mageu No 1**, **Smooth** and **Mnandi** brands.


MNANDI
**MAGEU
NUMBER 1
Smooth**
**NUMBER
ONE**

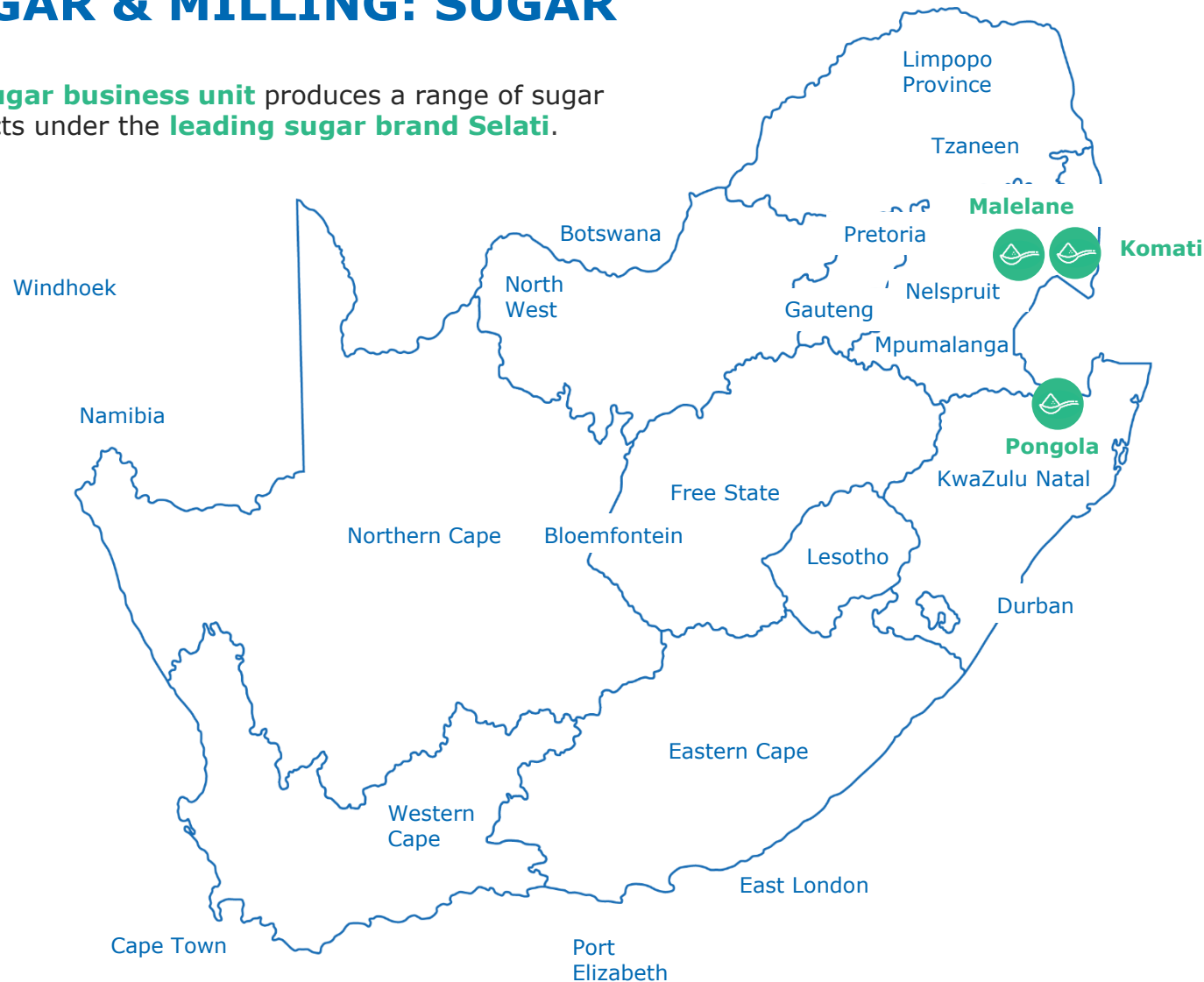

SPECIALITY

The **Speciality business unit** produces a range of **superior ready to eat products**, including **speciality breads**, mainly for Woolworths.



SUGAR & MILLING: SUGAR

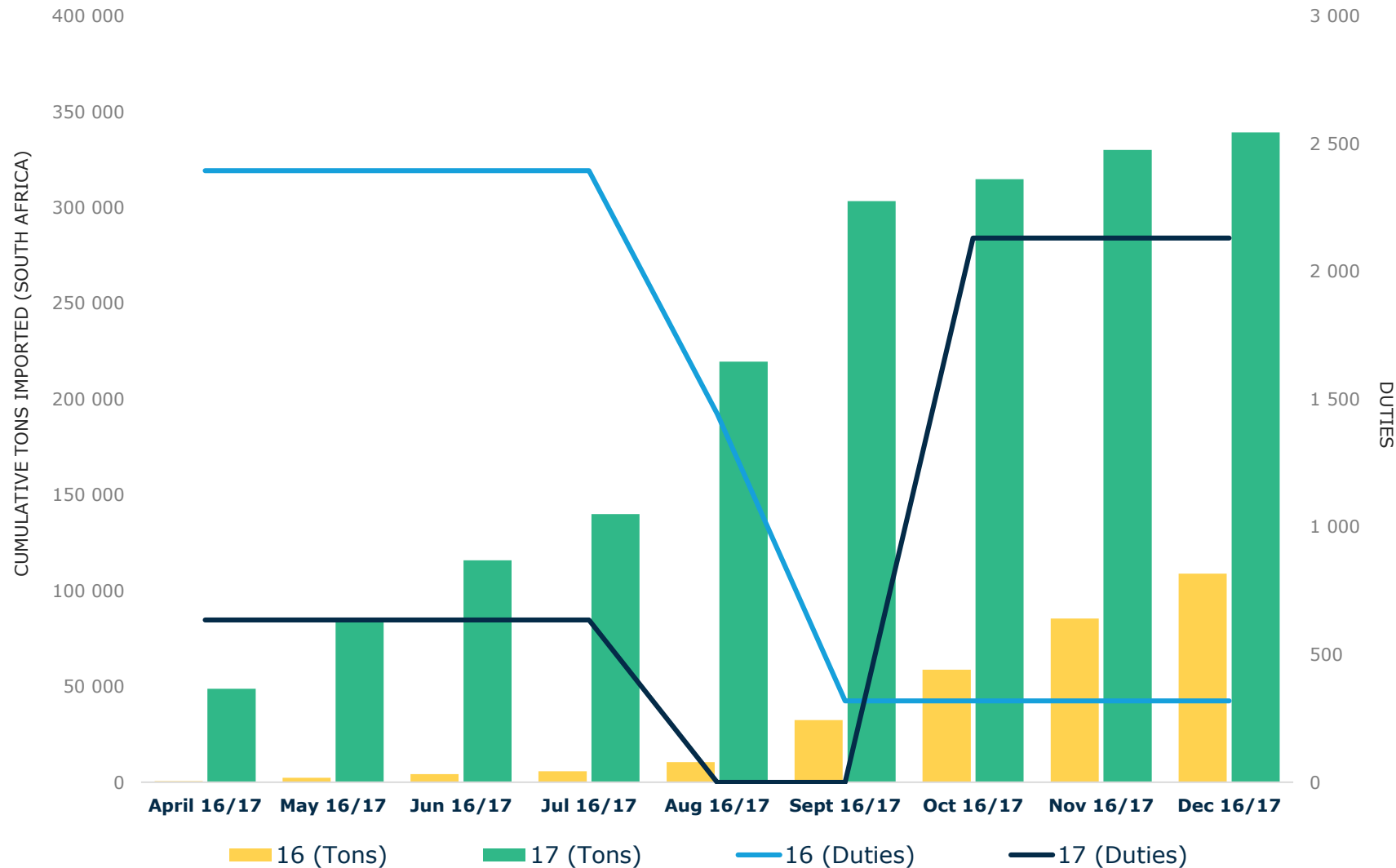
The **Sugar business unit** produces a range of sugar products under the **leading sugar brand Selati**.



3 Sugar Mills based in Malelane, Komati and Pongola, were established in 1968, 1993 and 1954 respectively produce approximately 700 000 tons of sugar per year.



SUGAR IMPORTS AND DUTIES



- Cumulative tons imported from 1 April 2016 and 2017 (start of industry year)
- A total of 223 425 tons have been imported for the six months ended December 2017, up 113.3% (H1 2017: 104 724 tons)
- Imports have risen following the decrease in duties. Duty free periods in August and September 2017, resulted in record high imports being reported
- Duty of R2,131/ton implemented in September 2017, following which imports have decreased
- Despite the tariff, global sugar surpluses and rand strength means imports remain a significant threat

SUGAR & MILLING: MILLBAKE

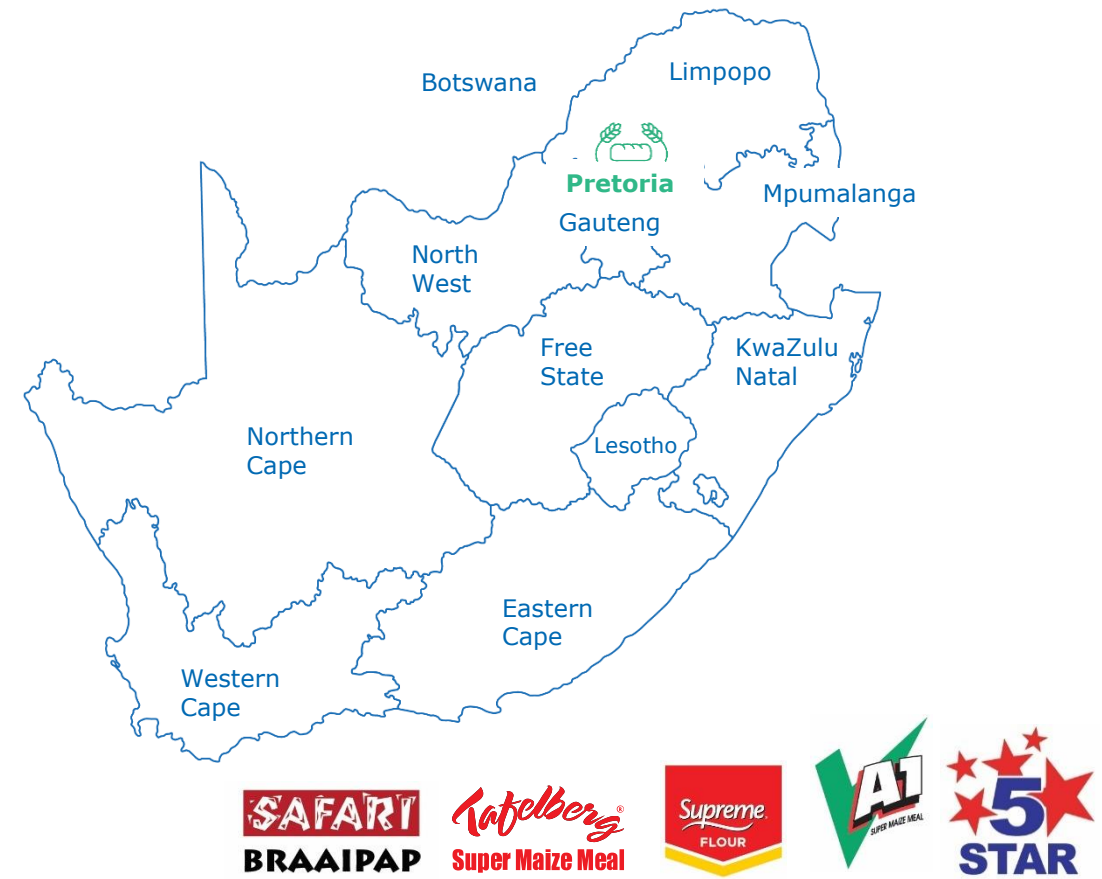
BAKING

The **Baking operations** produce a range of **bread products** under the **Sunbake** brand - the **fourth largest bread brand nationally**.



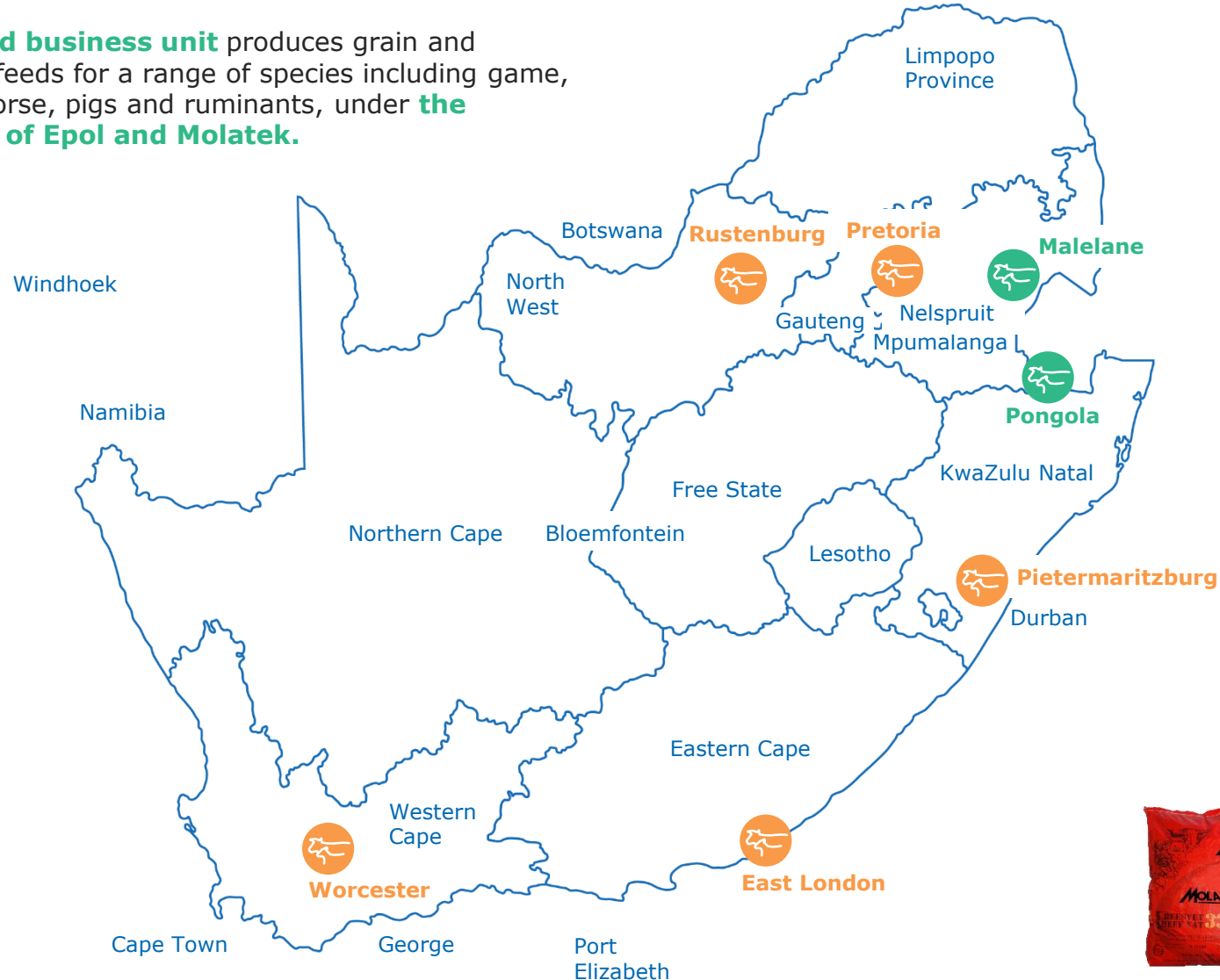
MILLING

The **Milling operation** produces **flour and a range of maize meal products** at its flour mill - **the largest single site flour mill in Southern Africa**.



SUGAR & MILLING: ANIMAL FEED

The **Animal Feed business unit** produces grain and molasses based feeds for a range of species including game, dairy, poultry, horse, pigs and ruminants, under **the leading brands of Epol and Molatek**.



2 molasses based feed mills producing almost 300 000 tons per year



5 grain based feed mills producing almost 875 000 tons per year



CUSTOMER OVERVIEW: LOGISTICS

CUSTOMER SECONDARY DISTRIBUTION (CSD)

Vector is contracted by the customer to deliver their full basket of products directly to the outlets

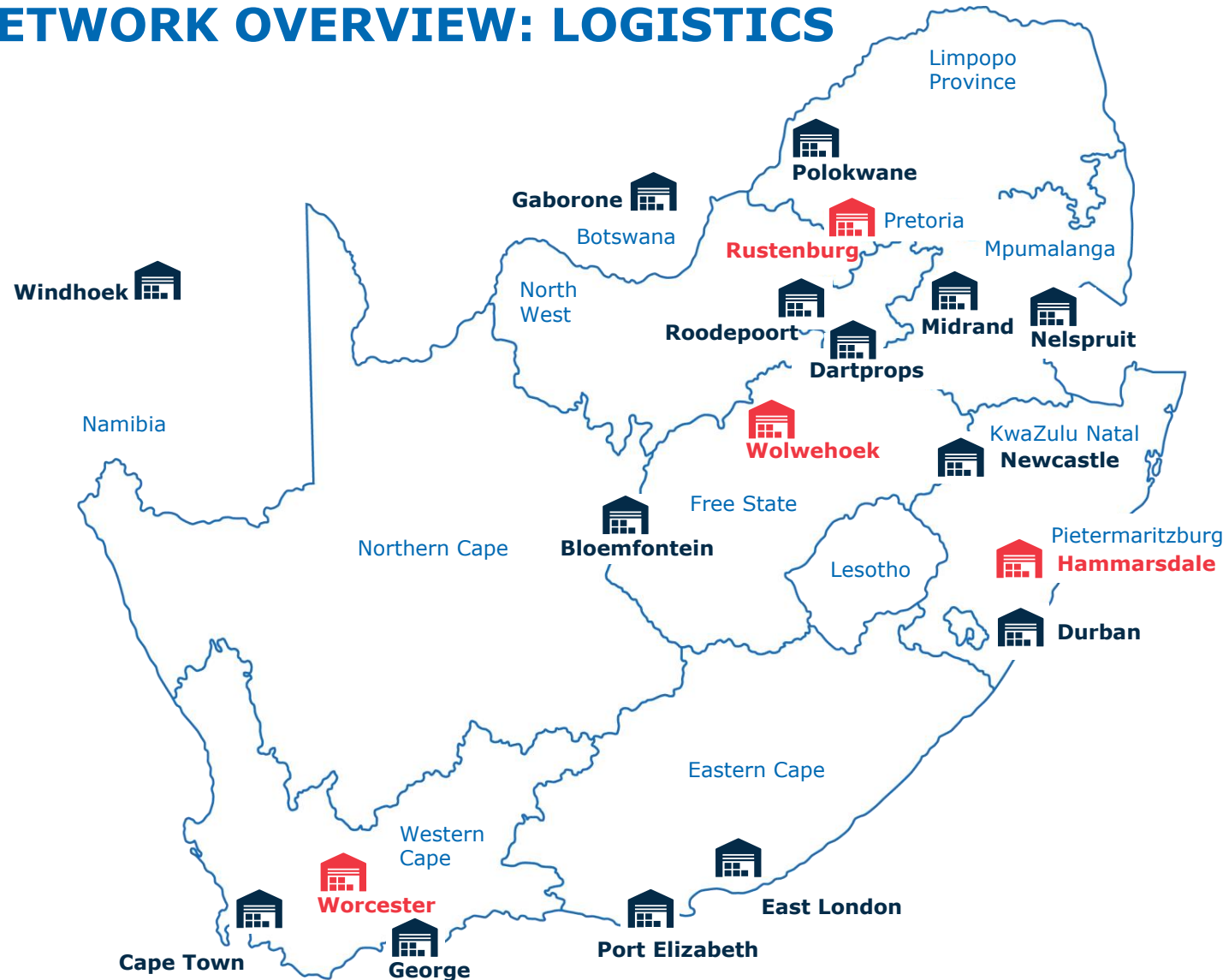


PRINCIPAL SECONDARY DISTRIBUTION (PSD)

Vector is contracted by the principal to deliver to all retailers, wholesalers and general trade



NETWORK OVERVIEW: LOGISTICS



National footprint including Namibia and Botswana

- 4 plant-based cold stores
- 14 distribution sites
- Capacity 100 608 pallets
- Over 3900 employees
- Customer drop points over 8 121
- Over 216 000 cases delivered daily (58m cases pa)
- Tonnage more than 560 000 tons pa
- Fleet of 330 vehicles (primary 80 / secondary 250)
- ISO 22000(Food safety management system) accreditation for all Warehouses
- ISO 14001(Environmental management standards) and OHSAS 18001 across Midrand, Thekwini, Peninsula and Roodepoort



Plant-based cold stores



Distribution sites