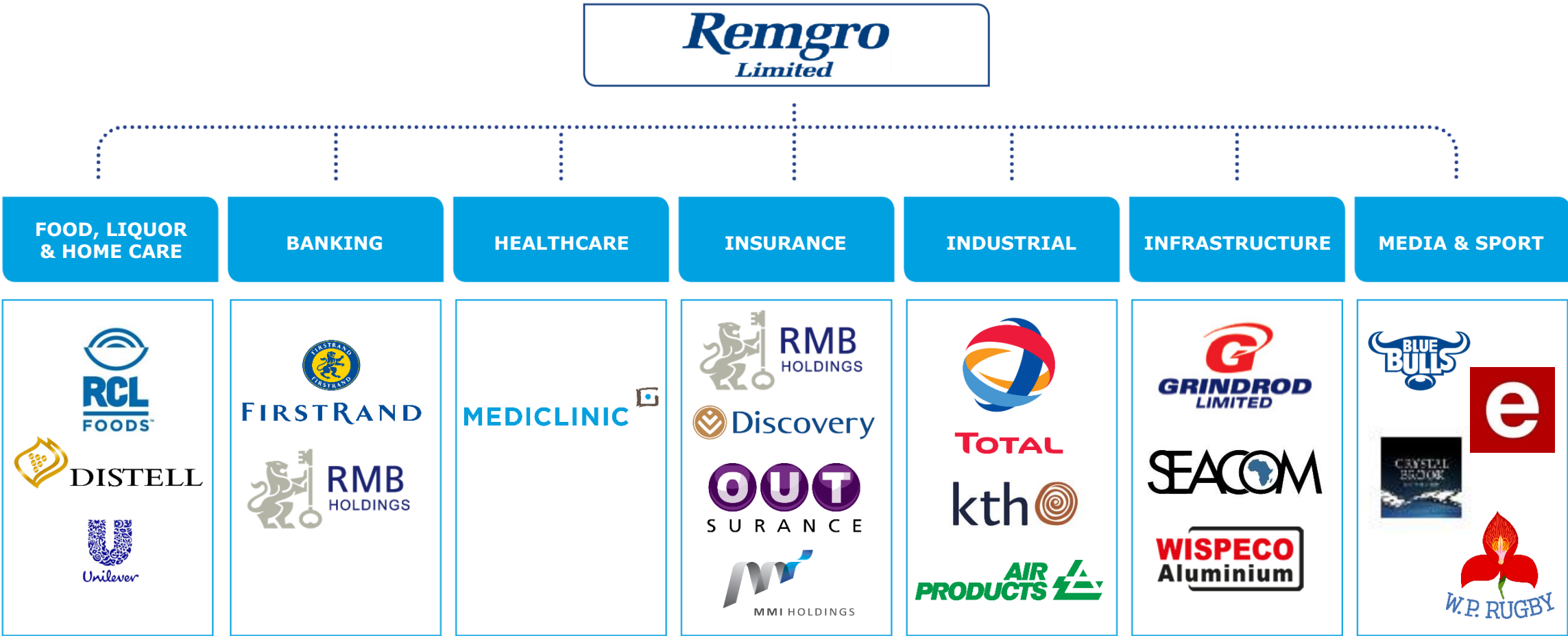


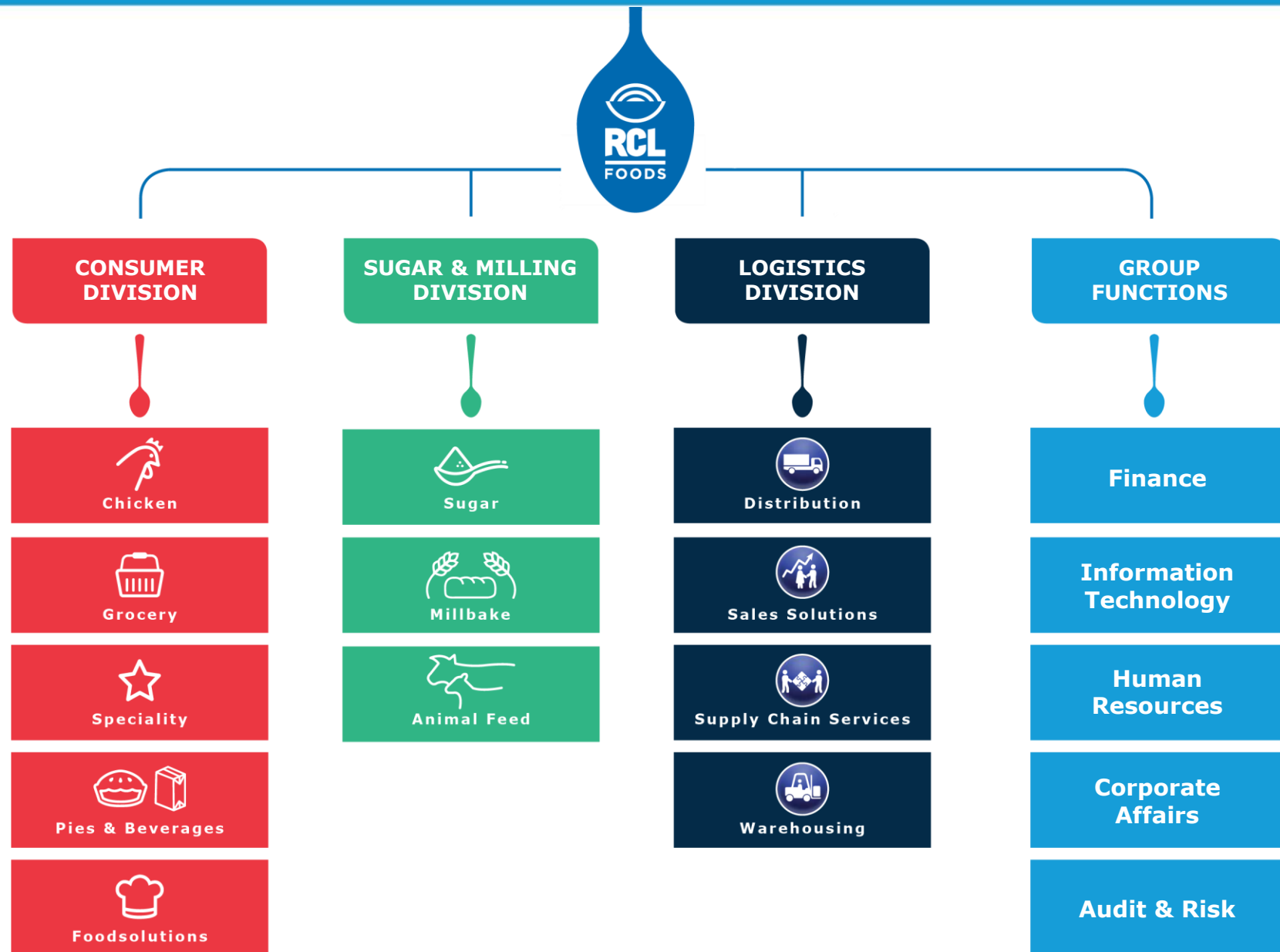
# RESULTS FOR THE YEAR ENDED 30 JUNE 2016

INVESTOR PRESENTATION:  
31 AUGUST 2016  
APPENDICES



# RCL FOODS IN CONTEXT



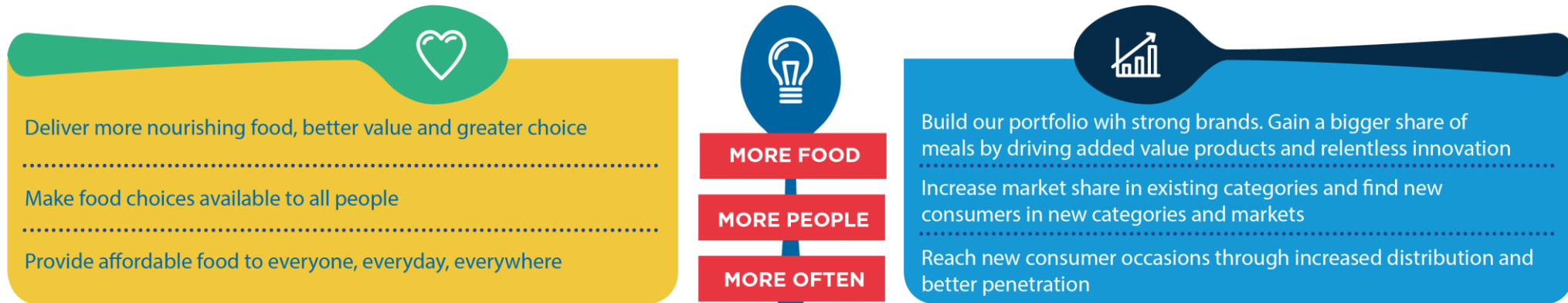




# OUR PASSION

## 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.



**AMBITION** To build a profitable business of scale by creating food brands that matter

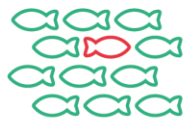
**STRATEGIC THRUSTS**

- Grow through strong brands
- Extend our leading value chain
- Inspire great people
- Partner with strategic customers
- Expand into Africa
- Drive sustainable business

**VALUES**



**RESPECT FOR PEOPLE**



**SEEING AND DOING THINGS DIFFERENTLY**



**UNCOMPROMISING INTEGRITY**



**ACT RESPONSIBLY**





# 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.

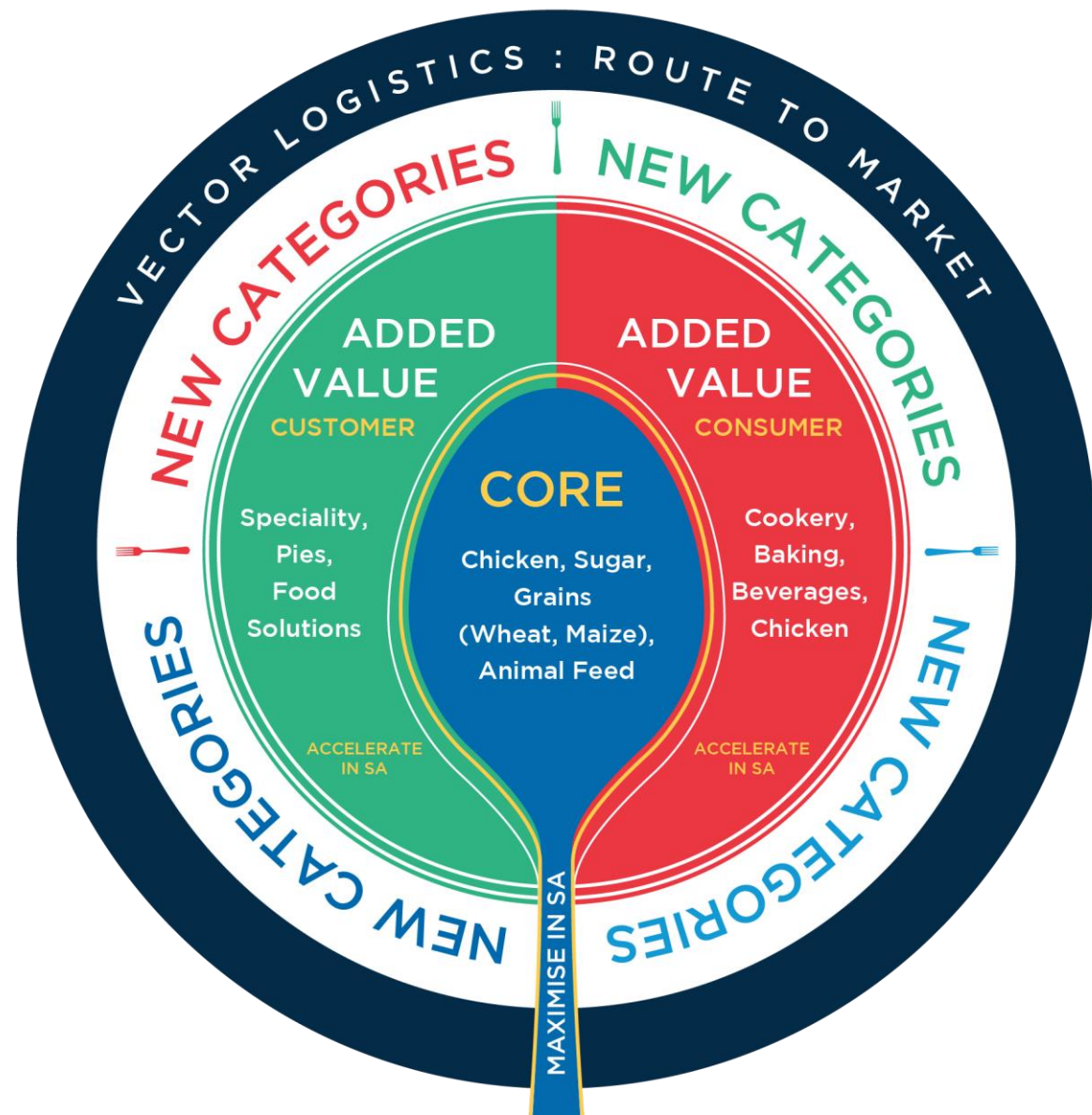


Be yourself. Be authentic.  
Be more you!



...because it's contagious!

# OUR BUSINESS MODEL



# STRATEGIC THRUSTS

## STRATEGIC THRUSTS

## STRATEGIC GOALS F16-F20

### GROW THROUGH STRONG BRANDS

- Invest behind brands, grow key markets and our shares
- Accelerate added Value, maximise core categories in South

### PARTNER WITH STRATEGIC CUSTOMERS

- Partner with strategic customers, driving common growth & profit ambitions

### EXPAND INTO AFRICA

- Build core and added value categories (priority 2) in rest of Africa

### EXTEND OUR LEADING VALUE CHAIN

- Optimise resources and costs
- Leverage our unique route to market capability with Vector Logistics
- Drive synergies and opportunities through implementation of integrated IT systems

### INSPIRE GREAT PEOPLE

- Build RCL FOODS corporate brand
- Build leaders and develop talent to enable our growth ambition
- Drive performance culture and accountability to ensure delivery of results

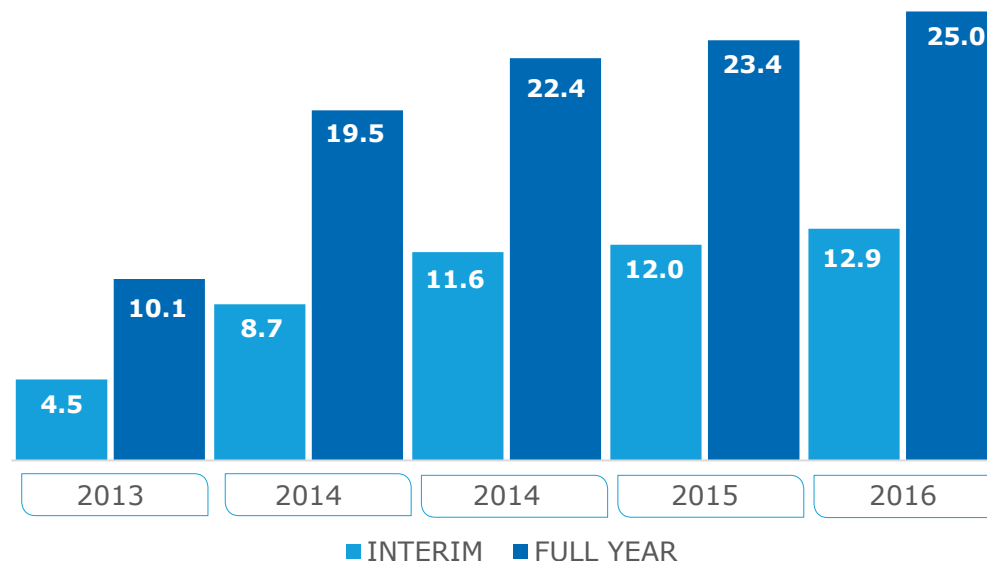
### DRIVE SUSTAINABLE BUSINESS

- Drive responsible consumption and production
- Build brands that matter

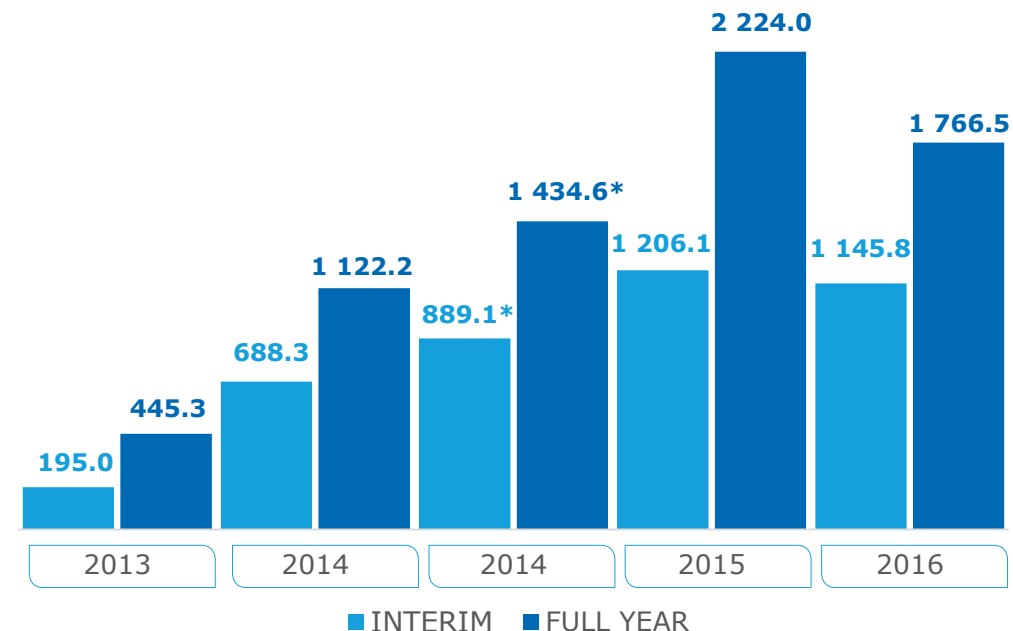


# PLATFORM FOR GROWTH

REVENUE (Rbn)



EBITDA (Rm)



\*Pro-forma



**OVER  
20 000  
EMPLOYEES**



**400 000  
PIES PER DAY**



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



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



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



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



**100 TONS  
OF MAYONNAISE  
PRODUCED DAILY**



**MORE THAN  
1 500  
DELIVERY  
VEHICLES**



**500 000  
LOAVES OF  
BREAD PER DAY**



**1.4 MILLION  
TONS OF ANIMAL  
FEED PER YEAR**

# INTEGRATED ORGANISATION



## CONSUMER DIVISION

### BUSINESS UNITS

Chicken, Speciality, Grocery, Pies & Beverages, FoodSolutions



## SUGAR & MILLING DIVISION

### BUSINESS UNITS

Sugar, Millbake, Animal Feed



## LOGISTICS DIVISION

### BUSINESS UNITS

Logistics business responsible for Group-wide Route to Market



# OUR BRANDS

## RELATIVE SALES

### 8 BRANDS UNDER R100m



### 9 BRANDS OVER R100m



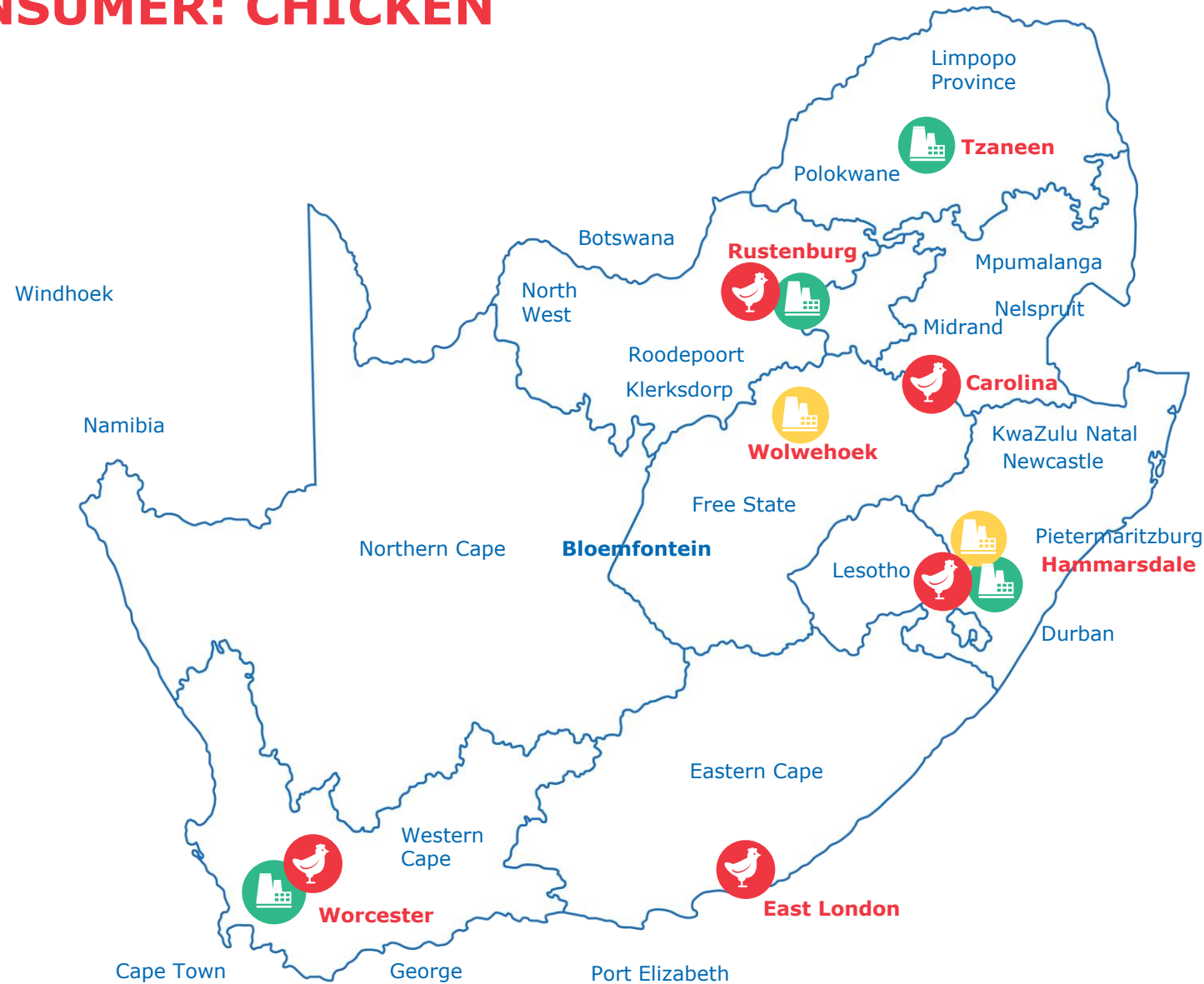
### 5 BRANDS OVER R500m



### 6 BRANDS OVER R1bn



# CONSUMER: CHICKEN



209 rearing, laying and broiler farms and hatcheries  
27m birds on the ground



4 primary processing plants nearly  
250m birds per year

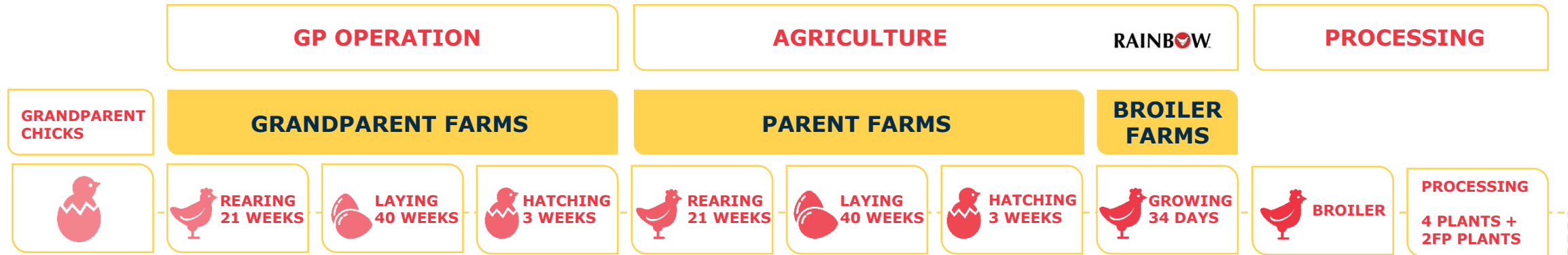


2 further processed plants  
27,000 tons per year



# CONSUMER: CHICKEN

## INTEGRATED SUPPLY CHAIN FROM "FARM TO FORK"

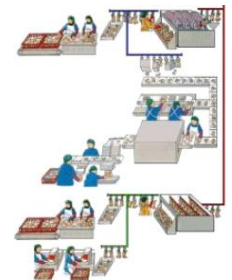


- World's oldest pedigree broiler breed
- Located in Carolina East London to ensure optimal bio-security
- 3 broad agricultural regions: Northern, KZN, W Cape



**FEED SUPPLY**

- 5 feed mills producing 1,1m tons pa
- Around 70% of production to Rainbow

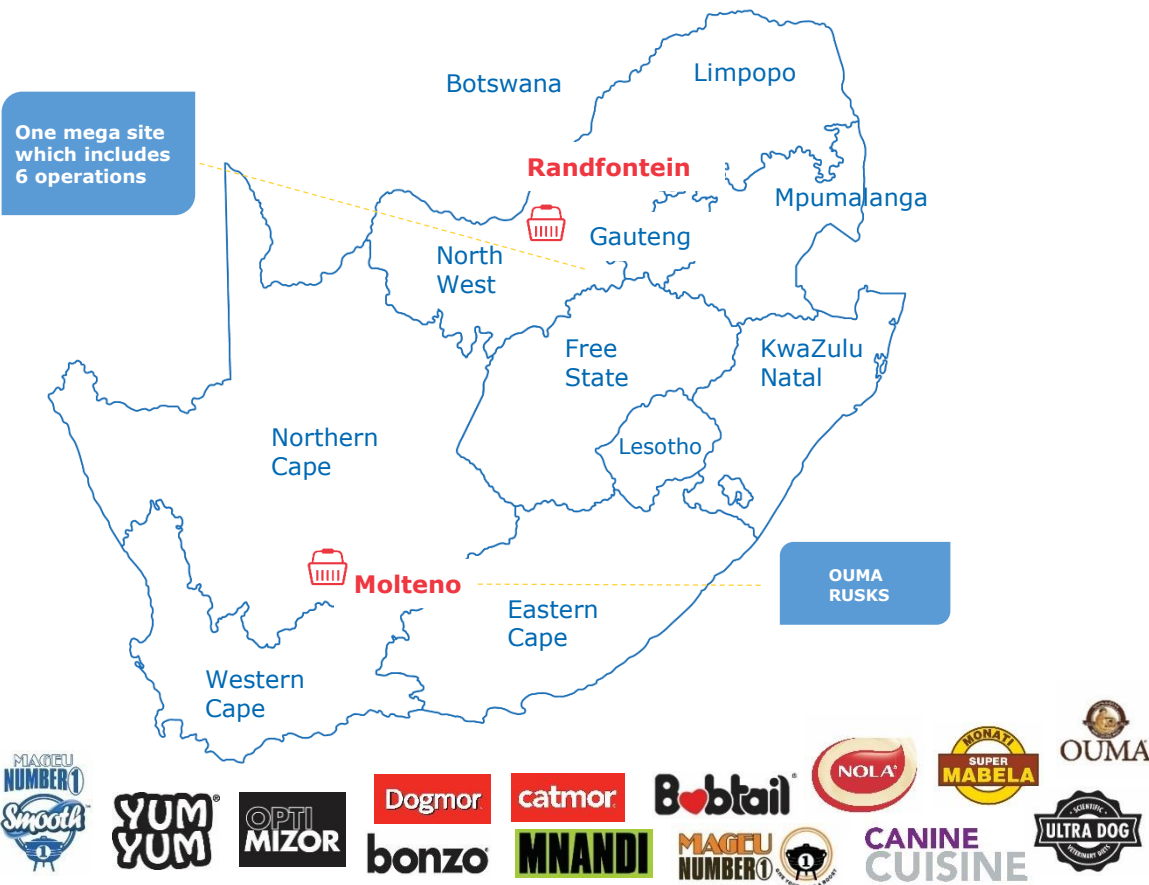


# CONSUMER: GROCERIES

## GROCERY

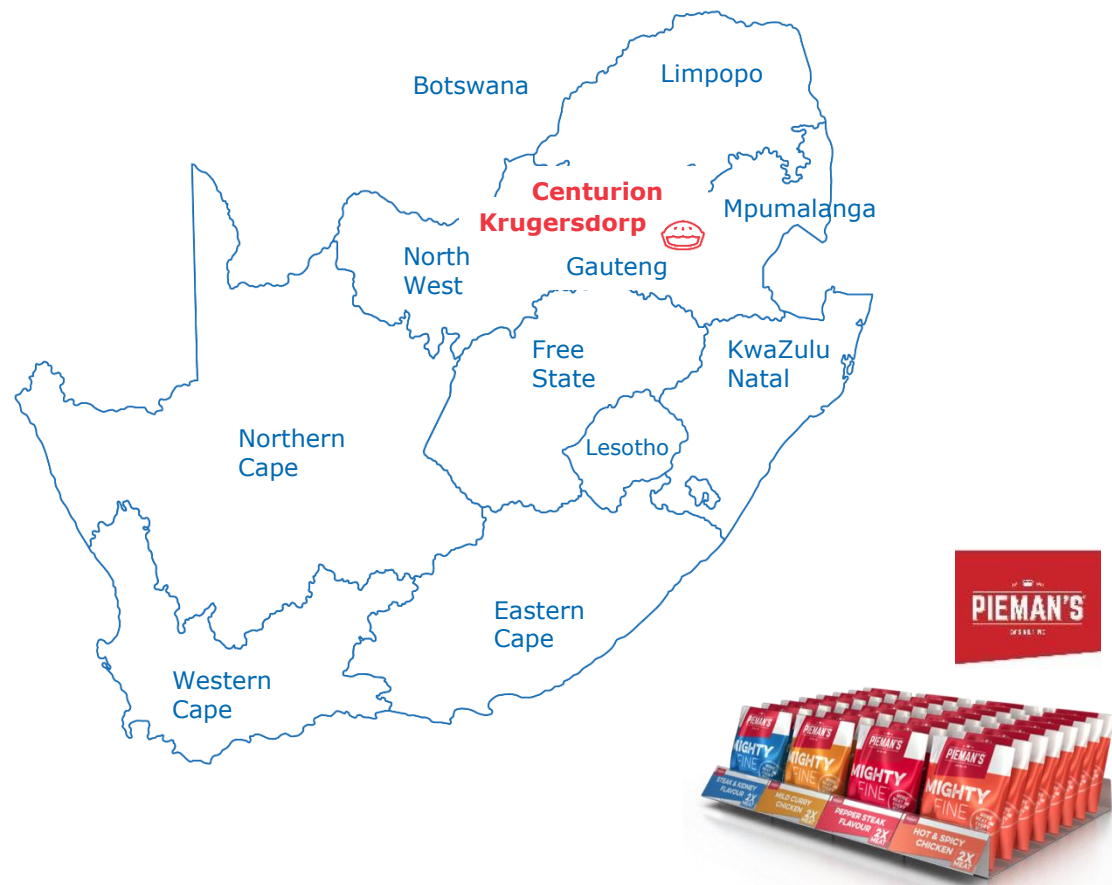
The Grocery Division consists of a portfolio of well recognised brands with **market leading positions**.

Includes a wide range of grain and edible oil based products, sorghum, peanut butter, rusks, a range of pet foods, as well as salad dressings, dips and spreads.



## PIE

The **Pie Division produces a range of high quality, predominantly meat pies under the Piemans brand** that are solid in these formats: frozen unbaked, frozen baked and chilled baked.



# CONSUMER: GROCERIES

## BEVERAGE

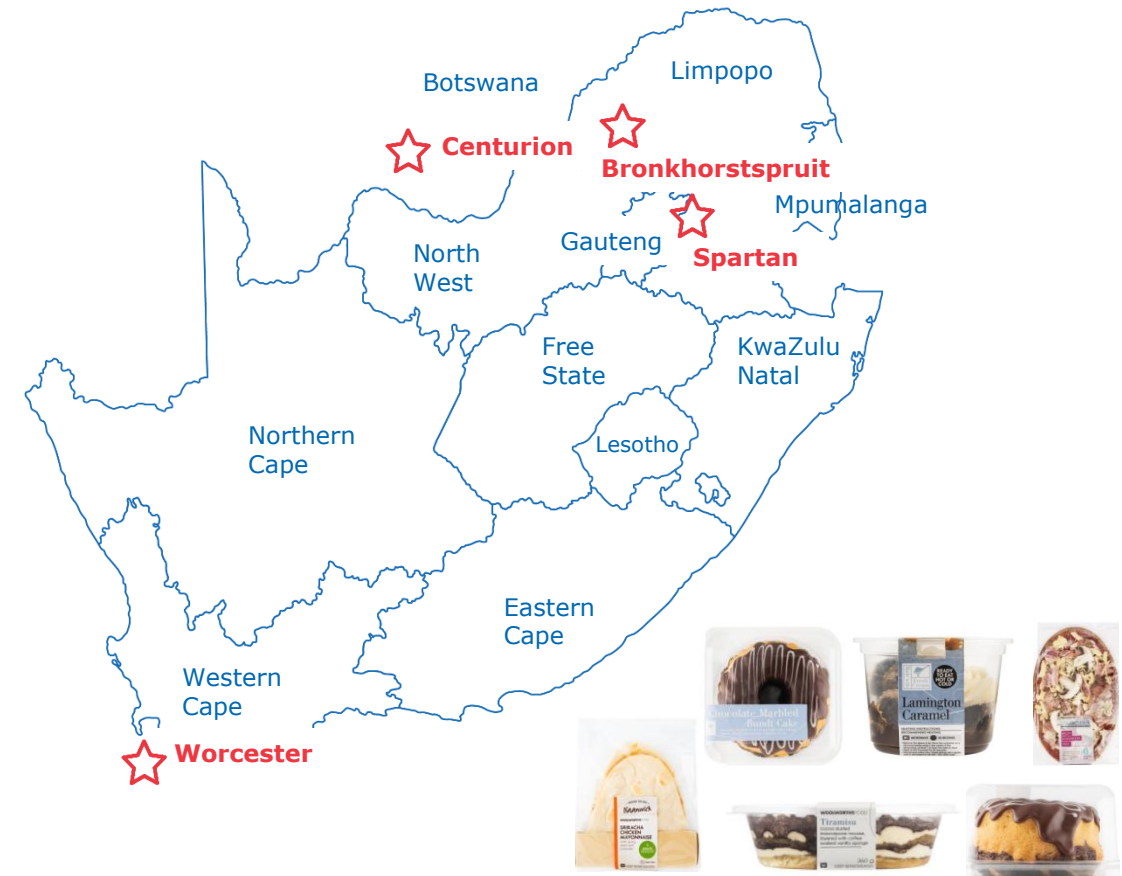
The Beverage Division produces a **maize-based health drink** under the Mageu No 1, Smooth, Phuzimpilo and Mnandi brands.



## SPECIALITY

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

The product range includes sandwiches, muffins, desserts, snack foods, scones, rye breads, cake products, pastries and croissants.



# SUGAR & MILLING: MILLBAKE

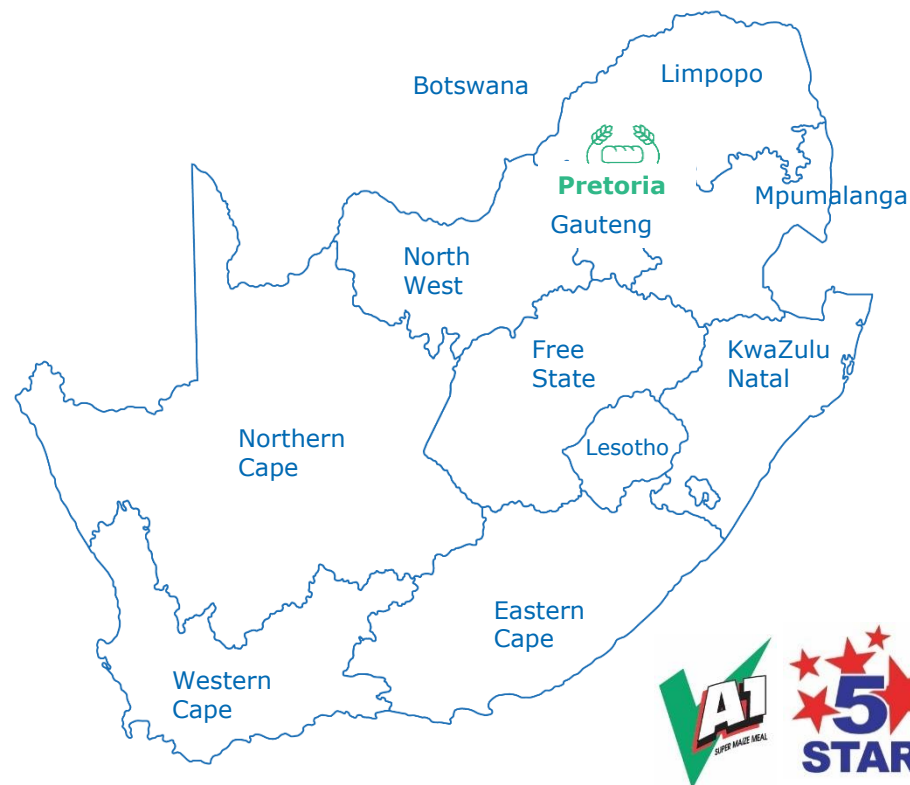
## BAKING

The Baking Division is the **fourth largest bakery group in the country**, operating seven bakeries and **distributing its products in five of the country's provinces**.



## MILLING

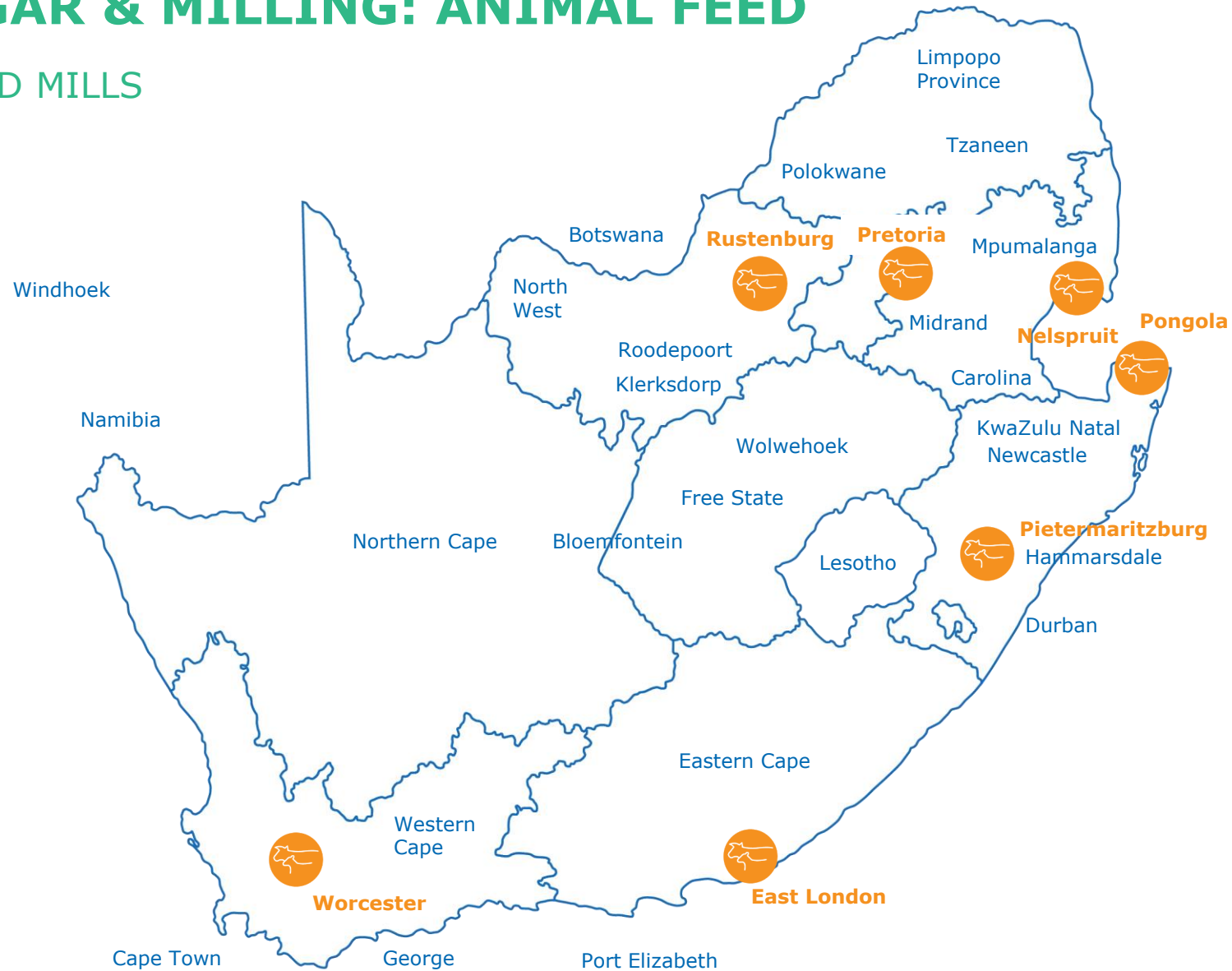
The Milling Division operates **the largest single site flour mill in Southern Africa** and a maize mill, both based at the same site in Pretoria.





# SUGAR & MILLING: ANIMAL FEED

7 FEED MILLS



- 5 produce grain based feeds
- 2 produce molasses based feeds
- 1.4m tons of feed produced per year



# SUGAR & MILLING: SUGAR

## SUGAR MILLS

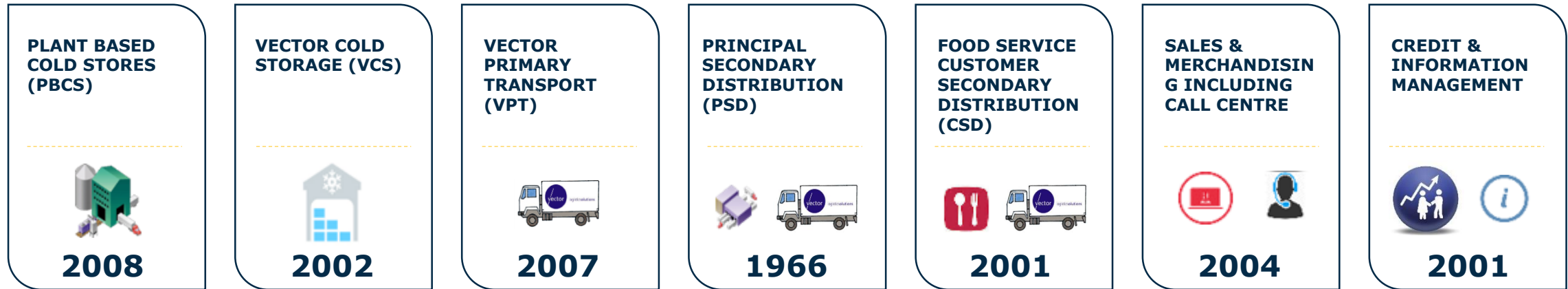
SUGAR MILLS	MILL	ESTABLISHED	NOTES
Nkomazi	Malalane	1968	Nkomazi produces approximately 560 000 tons of sugar per year
	Komati	1993	
Pongola	Pongola	1954	Pongola produces approximately 140 000 tons of sugar per year



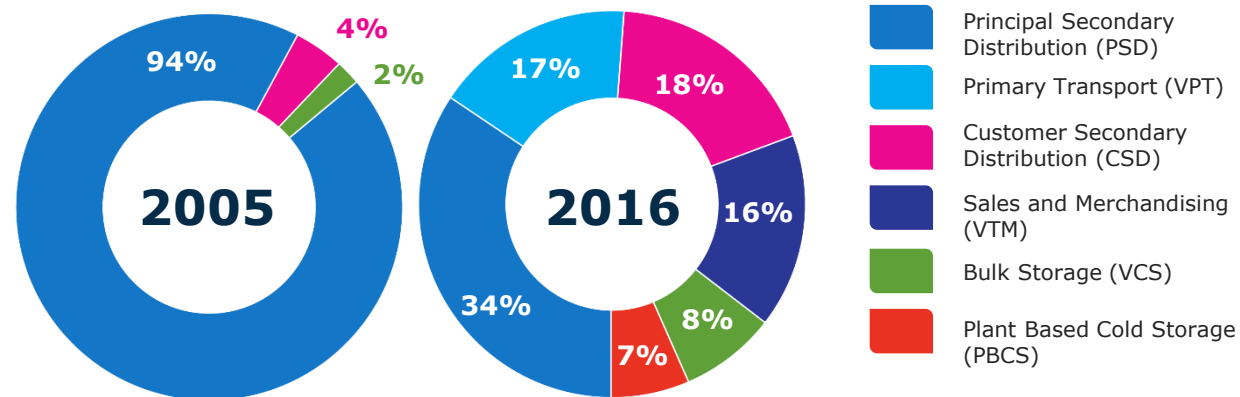
MALALANE MILL

# OPERATIONAL REVIEW: LOGISTICS

## SERVICES



## PROPORTION OF MIX



**In December 2004 Rainbow acquired the Vector business which comprised 94% Principal Secondary Distribution.**

### Currently:

- Vector manages the entire RCL FOODS Consumer – Chicken Outbound Supply Chain is expanding into other areas within the group.
- Vector offers a fully integrated and cost effective outbound supply chain to customers and principles.
- The business is balanced and diversified with service offerings covering the full outbound supply chain.

# OPERATIONAL REVIEW: LOGISTICS

## CUSTOMER SECONDARY DISTRIBUTION (CSD)

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



## PRINCIPLE SECONDARY DISTRIBUTION (PSD)

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





# OPERATIONAL REVIEW: LOGISTICS

## INFRASTRUCTURE



- Vector infrastructure
- National footprint including Windhoek
- 6 plant-based cold stores
- 13 distribution sites
- Capacity 100 608 pallets
- Employees 4 676
- Customer Drop Points 6 913
- 232 500 cases delivered daily (60.5m cases pa)
- Tonnage 610 000 tons pa
- Fleet of 372 vehicles (primary 80/secondary 292)
- ISO 22000 and ISO 22002 accreditation for all Warehouses
- ISO 14001 and OHSAS 18001 across Peninsula, Midrand, Thekwini and Roodeport



**Plant-based cold stores**



**Distribution sites**