



2017



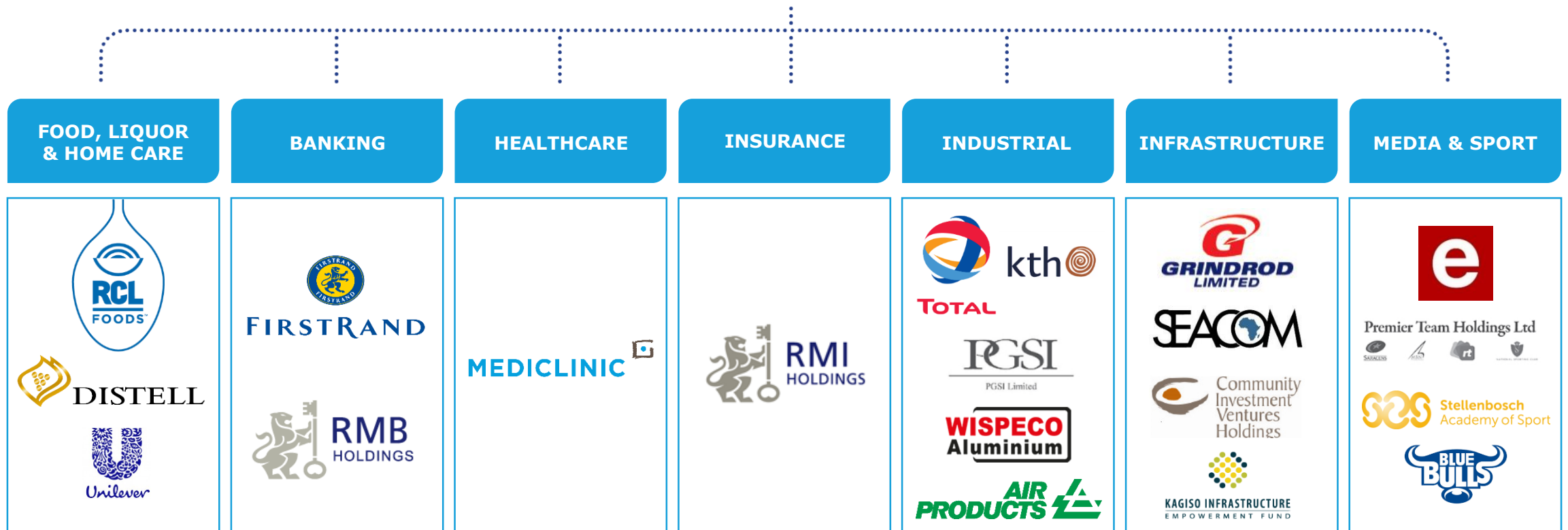
**INVESTOR PRESENTATION
APPENDICES**

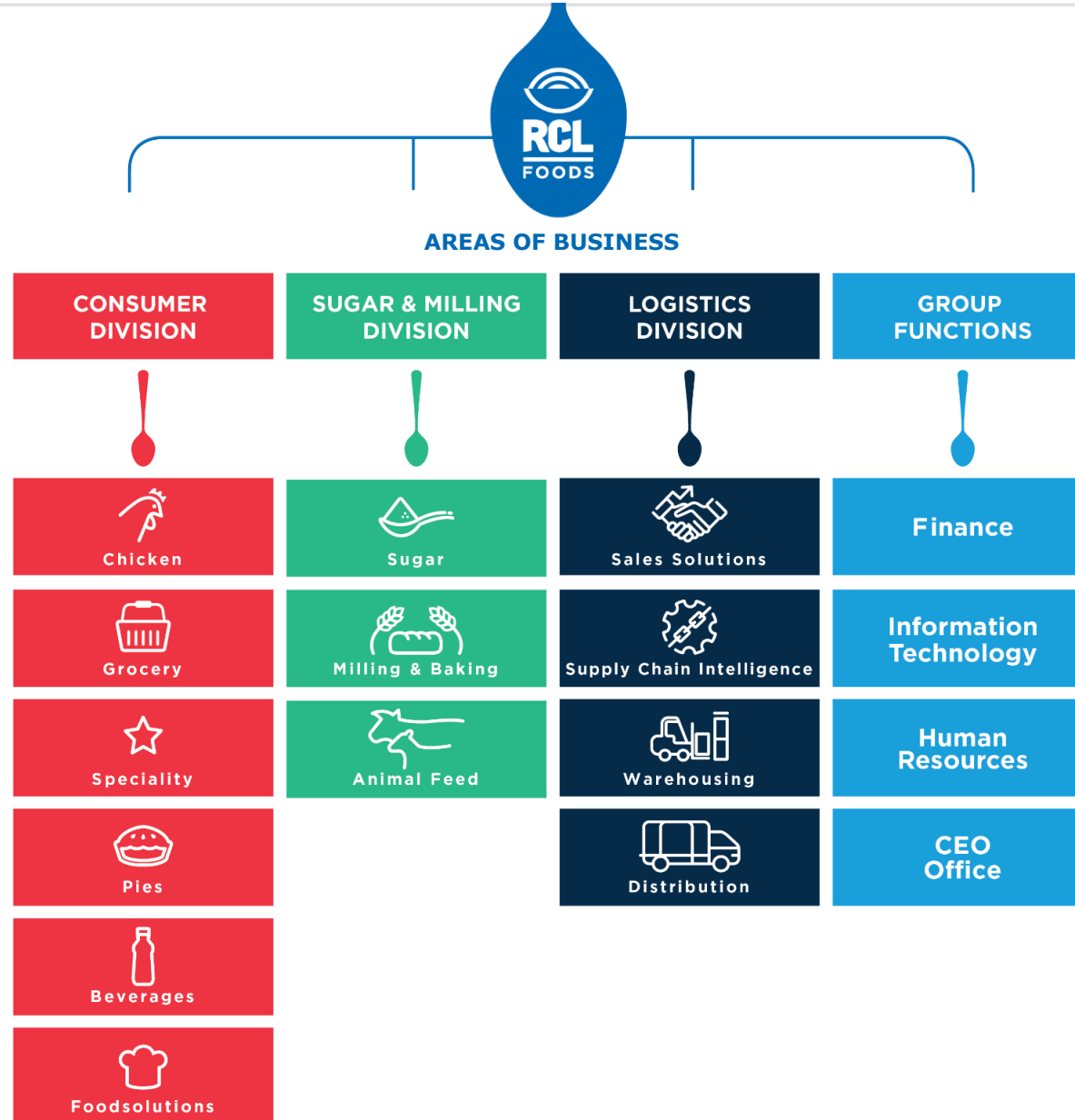
**RESULTS FOR THE YEAR
ENDED JUNE 2017**



RCL FOODS IN CONTEXT

Remgro
Limited



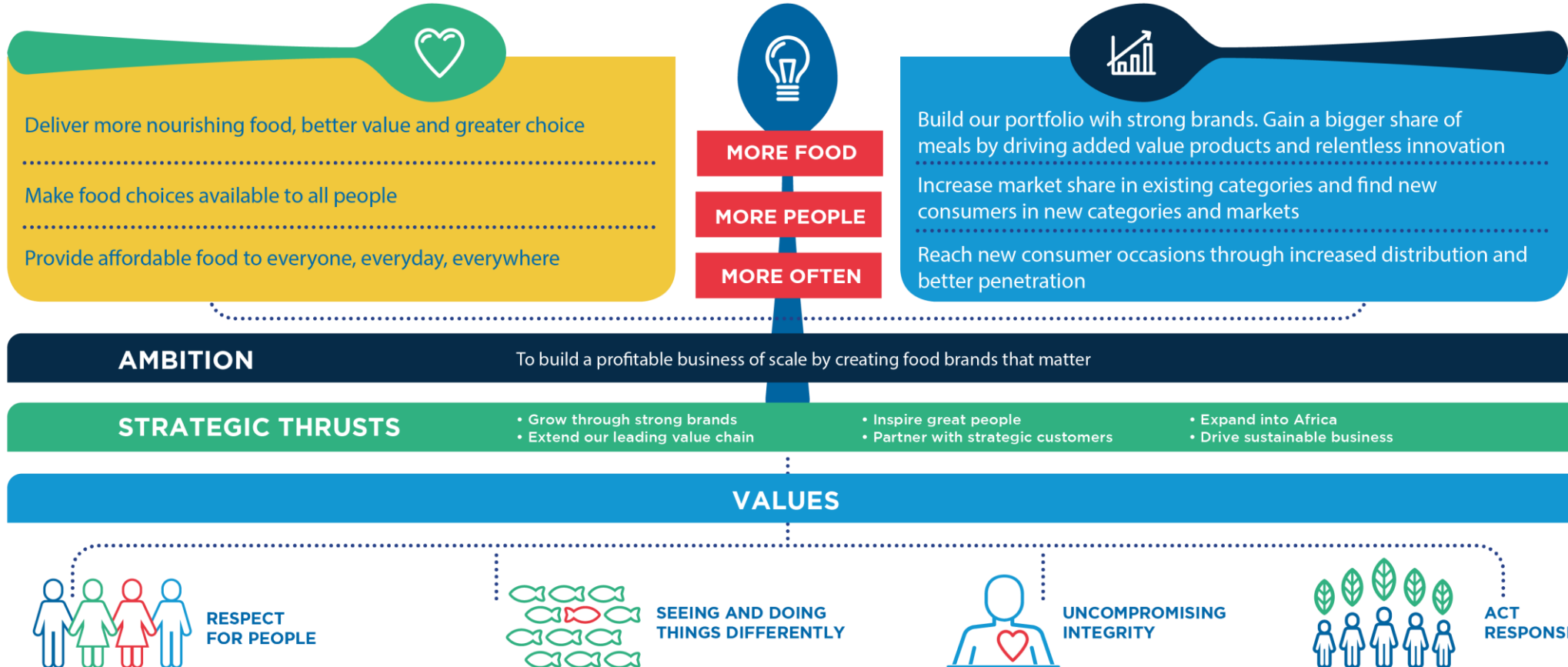




OUR PASSION

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!

STRATEGIC THRUSTS

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STRATEGIC GOALS TO 2020

GROW THROUGH STRONG BRANDS

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

PARTNER WITH STRATEGIC CUSTOMERS

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

EXTEND OUR LEADING VALUE CHAIN

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

EXPAND INTO AFRICA

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

INSPIRE GREAT PEOPLE

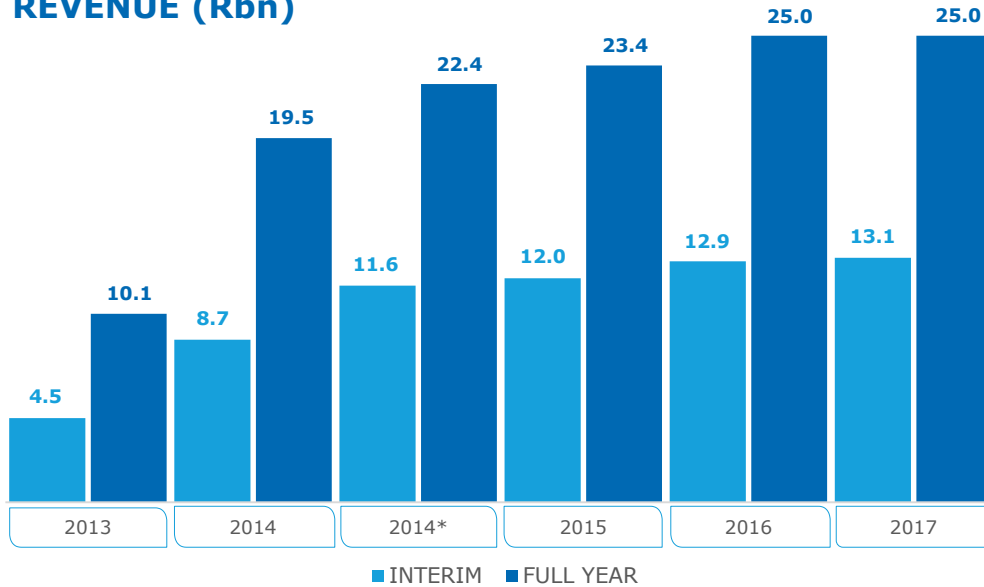
- Build RCL FOODS corporate brand
- Build leaders and develop talent to enable our growth ambition
- Drive performance culture and accountability to ensure delivery of results

DRIVE SUSTAINABLE BUSINESS

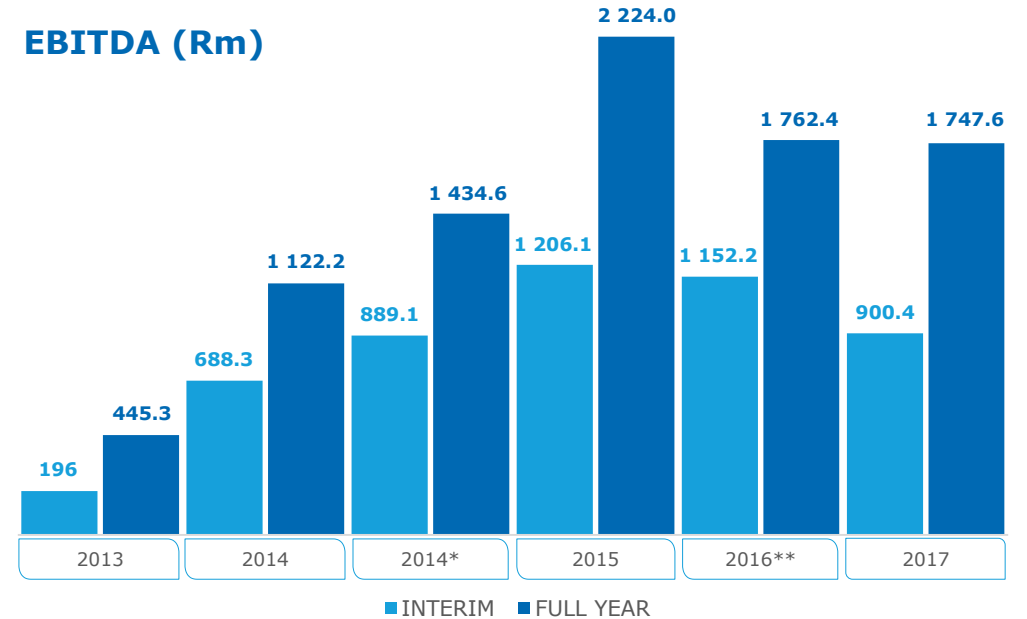
- Drive responsible consumption and production
- Build brands that matter

PLATFORM FOR GROWTH

REVENUE (Rbn)



EBITDA (Rm)



 **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



1.4 MILLION 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

INTEGRATED ORGANISATION



CONSUMER DIVISION

BUSINESS UNITS

Chicken, Speciality, Grocery,
Pies, Beverages



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 (12 Months to June 2017)

6 BRANDS OVER R1bn



3 BRANDS OVER R500m



11 BRANDS OVER R100m



10 BRANDS UNDER R100m



MARKET SHARES

VOLUME SHARE % FOR THE PERIOD	6MM June17	12MM June17	12MM June16	SOURCE
Dogfoods (RCL Brands)	26.5	26.8	27.1	Aztec*
Catfoods (RCL Brands)	20.9	20.4	16.2	Aztec
Yum Yum Peanut Butter	31.0	31.2	29.7	Aztec
Nola Mayonnaise	43.2	42.8	41.8	Aztec
Sorghum (RCL Brands)	30.2	28.6	27.4	Aztec
Ouma Rusks	47.1	47.6	46.2	Aztec
Mageu	63.7	67.4	73.9	Aztec
Freezer to Fryer	39.8	34.1	23.7	Aztec
Polony (RCL Brands)	9.8	9.3	10.1	Aztec
Viennas (RCL Brands)	20.6	19.6	18.6	Aztec
Selati	27.0	28.8	29.5	Aztec
Pies and Rolls (RCL Brands)	8.5	7.5	5.1	Aztec
EPOL	13.9	14.4	15.4	Internal estimates – share of AFMA**
Molatek	4.2	4.4	5.3	Internal estimates – share of AFMA
Supreme Flour	11.9	12.9	14.2	SAGIS***
Sunbake	9.1	9.1	8.9	SAGIS

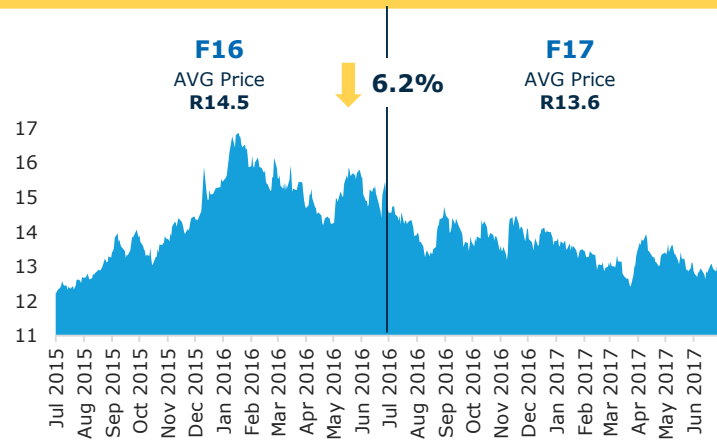
*Aztec is a provider of market measurement and related services for consumer packaged goods

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

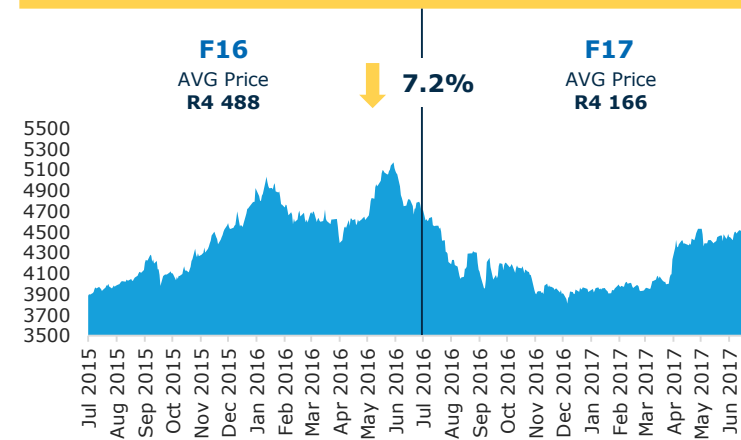
*** SAGIS is a South African grain information service that supplies market information to the grain and oil seeds industry

COMMODITY PRICES

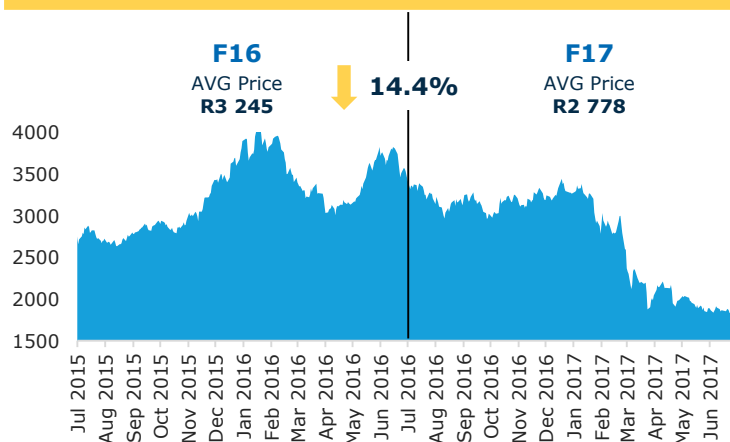
RAND/USD



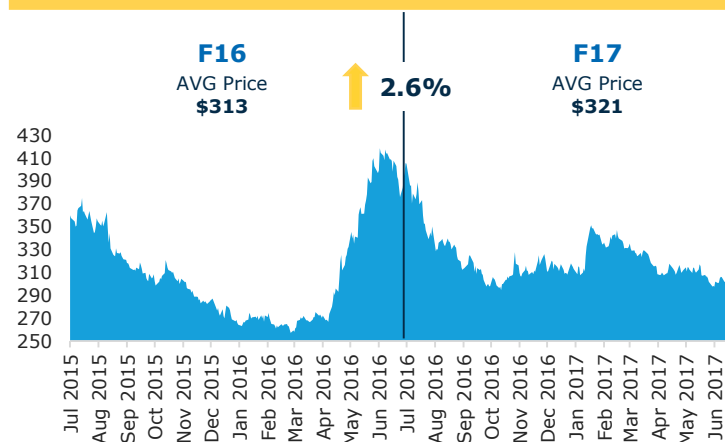
SAFEX WHEAT PRICE (R/ton)



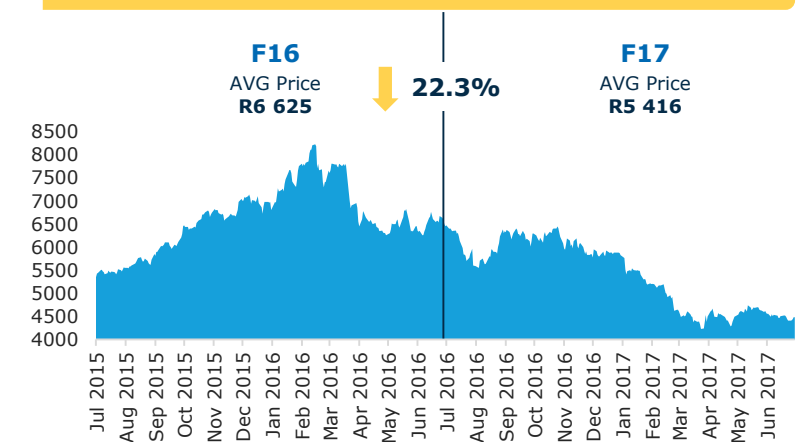
YELLOW MAIZE PRICE (R/ton)



CME SOYA (\$/ton)

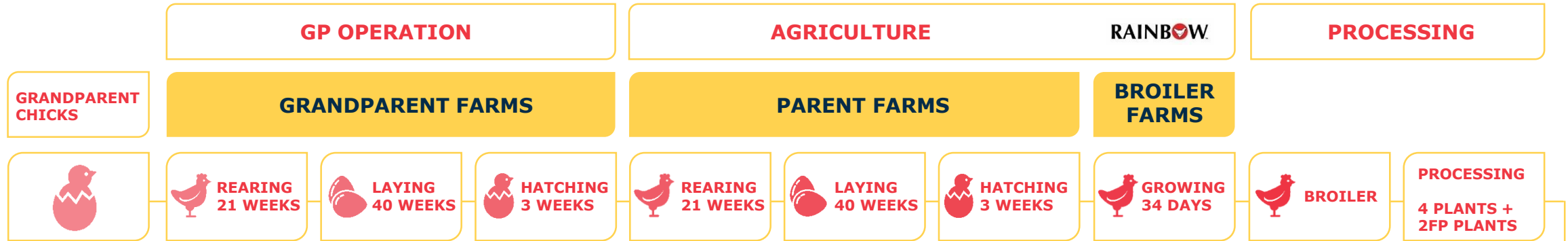


SAFEX SUNFLOWER SEED PRICE (R/ton)

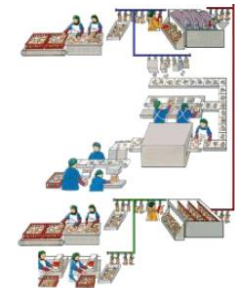


CONSUMER: CHICKEN

INTEGRATED SUPPLY CHAIN FROM "FARM TO FORK"

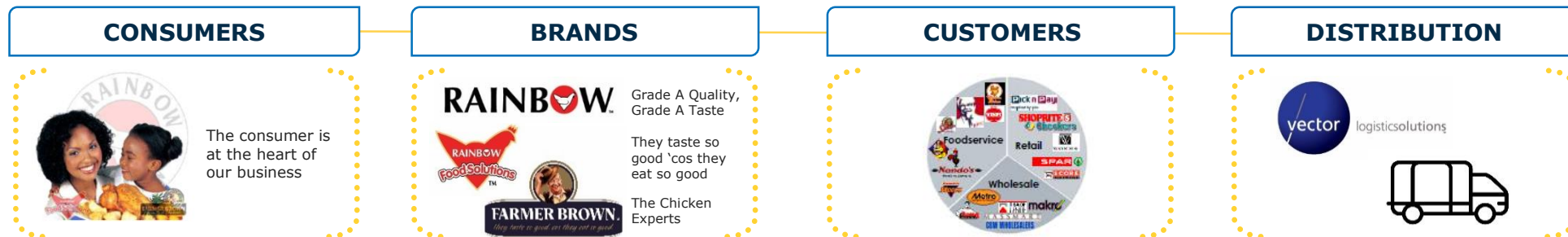


- World's oldest pedigree broiler breed
- Located in Carolina and East London to ensure optimal bio-security
- 3 broad agricultural regions: Northern, KZN, W Cape



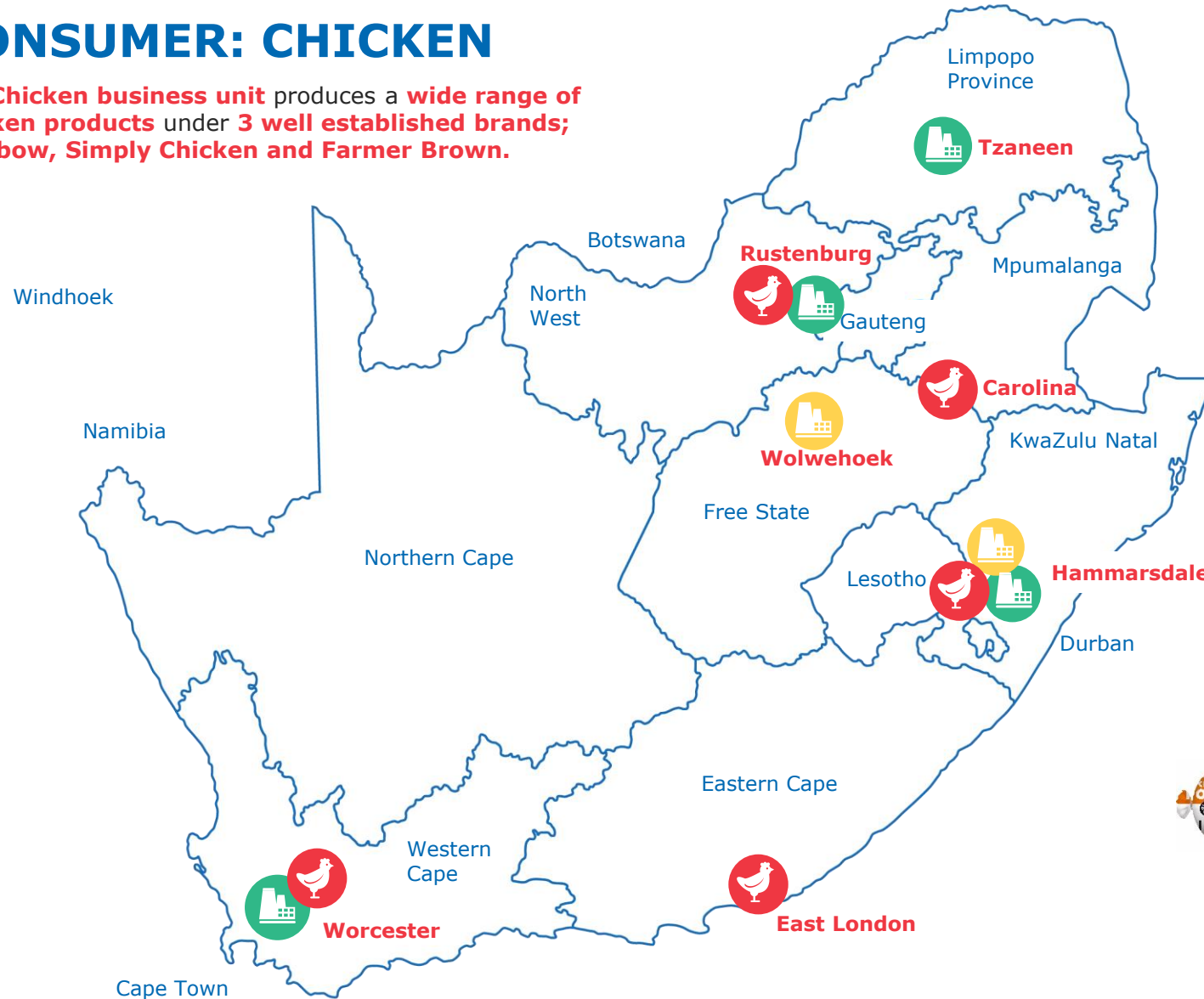
FEED SUPPLY

5 feed mills producing 1,1m tons pa



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

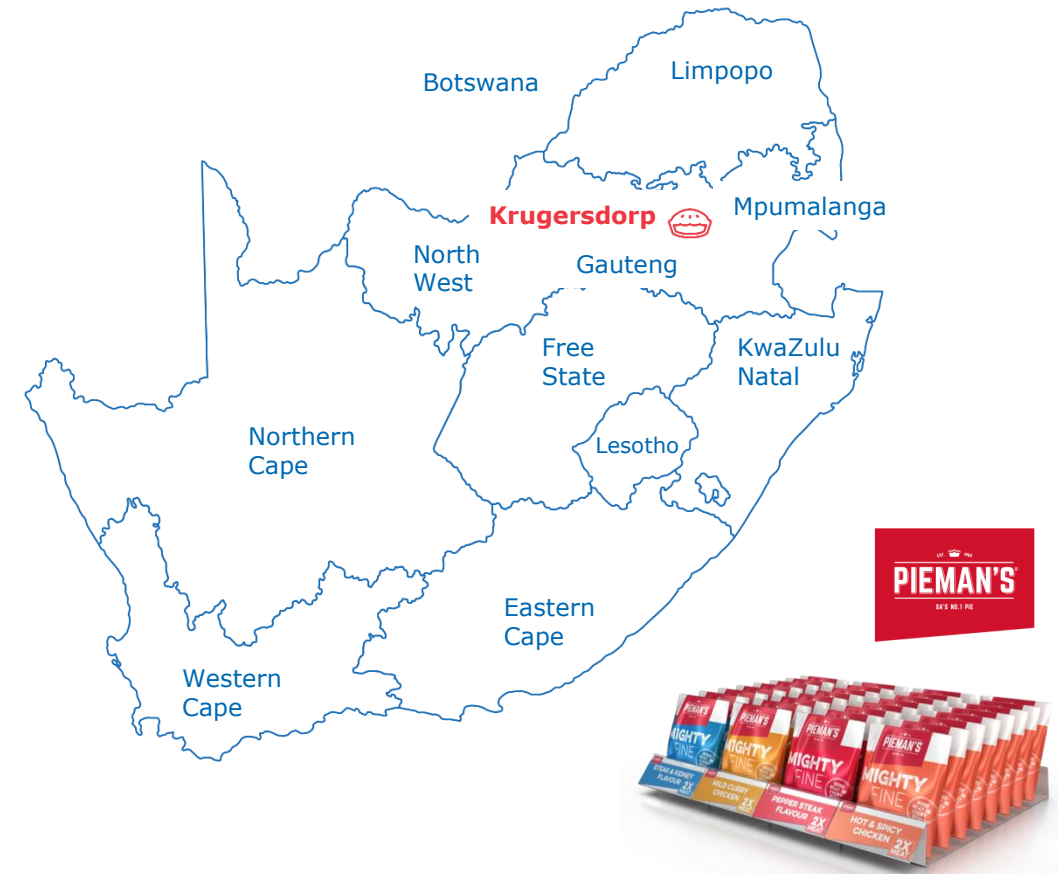


4 primary processing plants



2 further processed plants

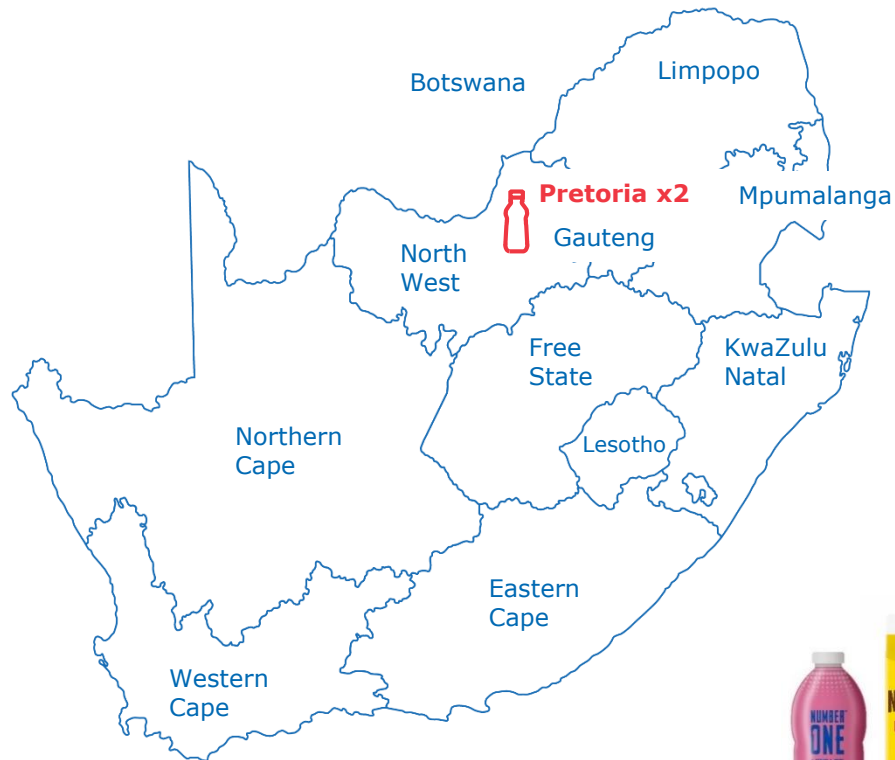




CONSUMER: GROCERIES

BEVERAGES

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



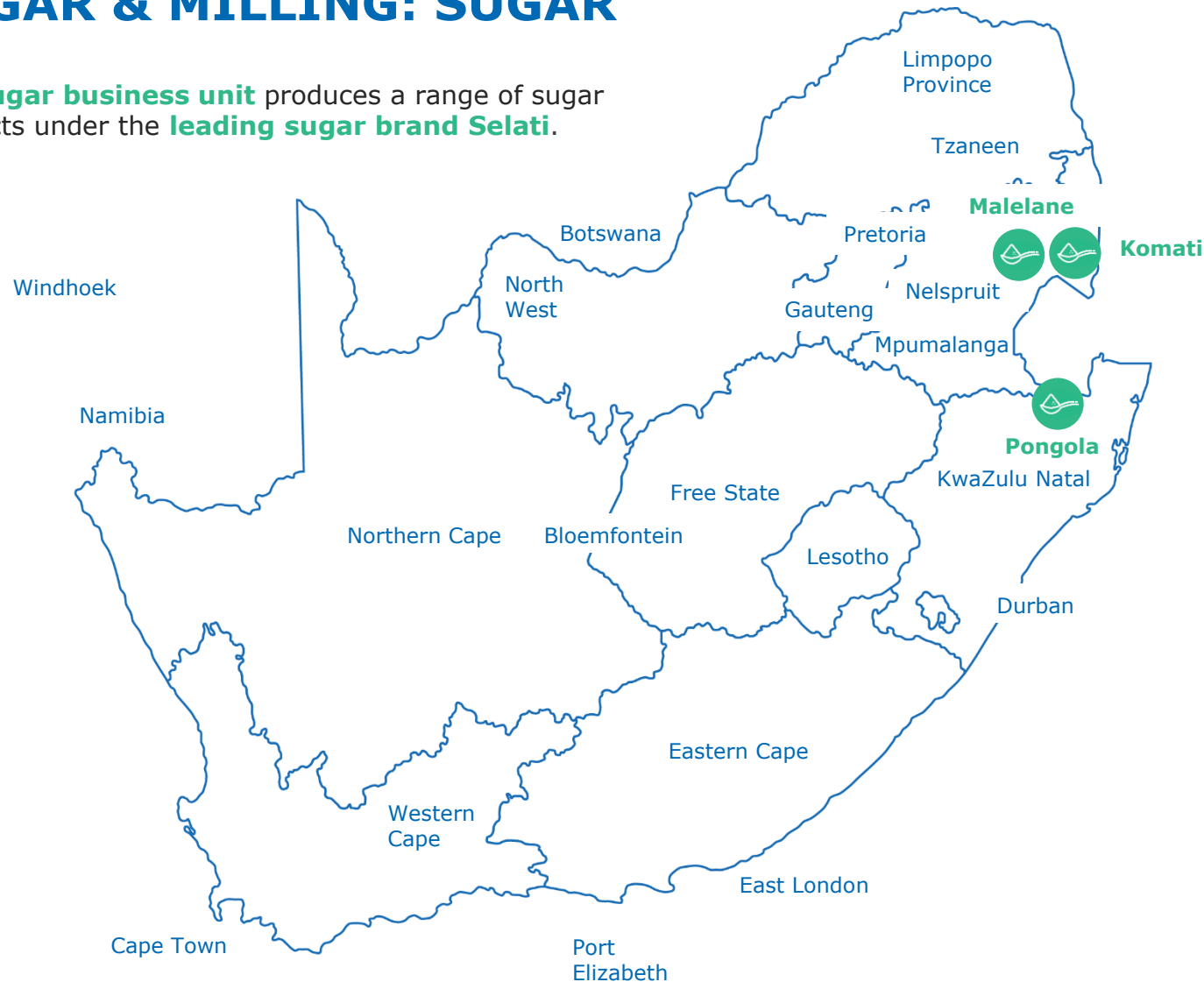
SPECIALITY

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



SUGAR & MILLING: SUGAR

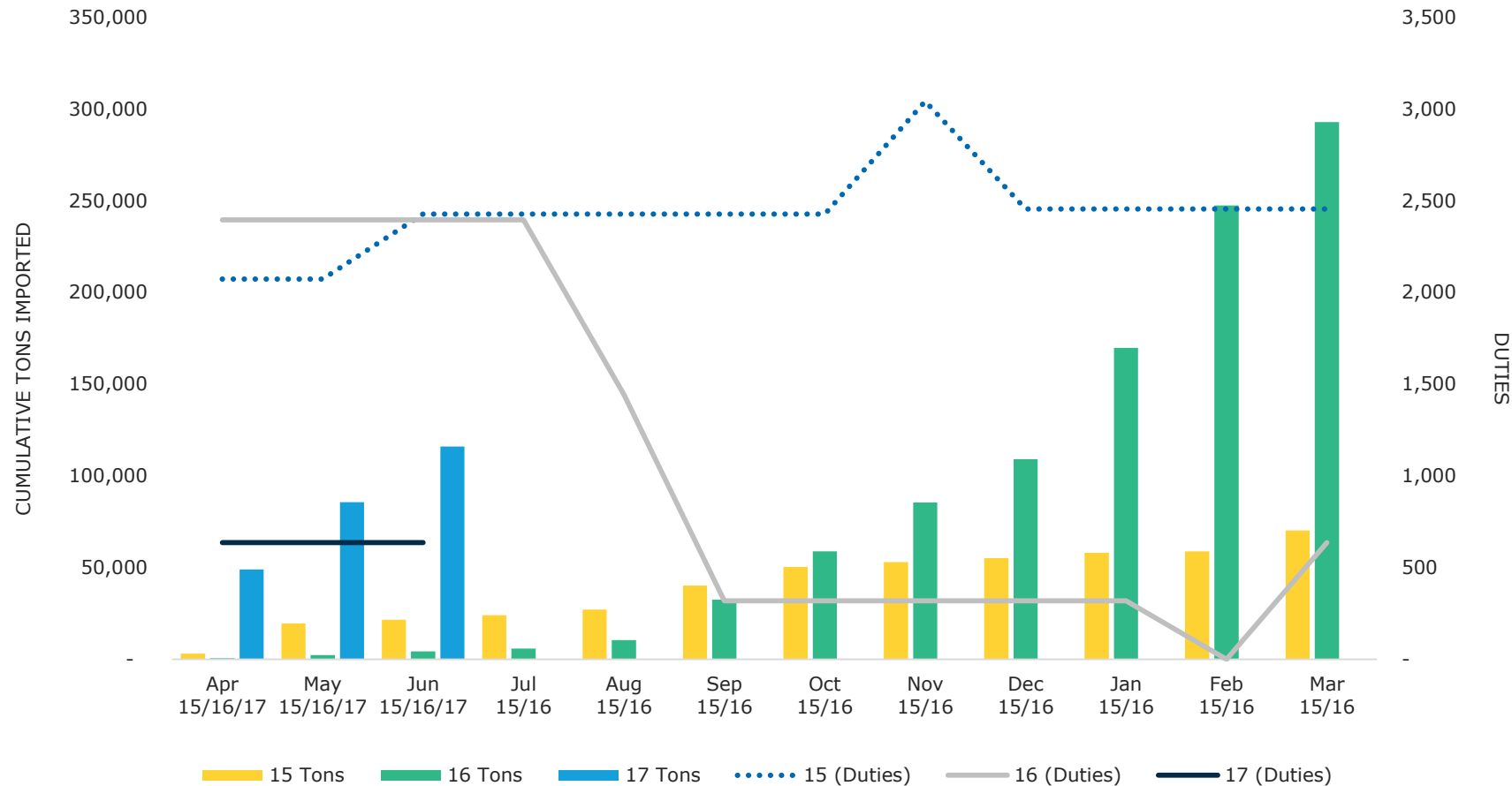
The **Sugar business unit** produces a range of sugar products under the **leading sugar brand Selati**.



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 2015, 2016 and 2017 (start of industry year)
- A total of 292 696 tons have been imported for the 12 months ended 31 March 2017 (March 2016: 70 142 tons)
- Imports have risen following the decrease in duties
- Imports for the 3 months ended June 2017 are already high at 115 892 tons, 111 673 higher than the comparative period
- Average duties per month for the industry year ended March 2017 was R1 105 per ton compared to R2 427 per ton in the comparative

SUGAR & MILLING: MILLBAKE

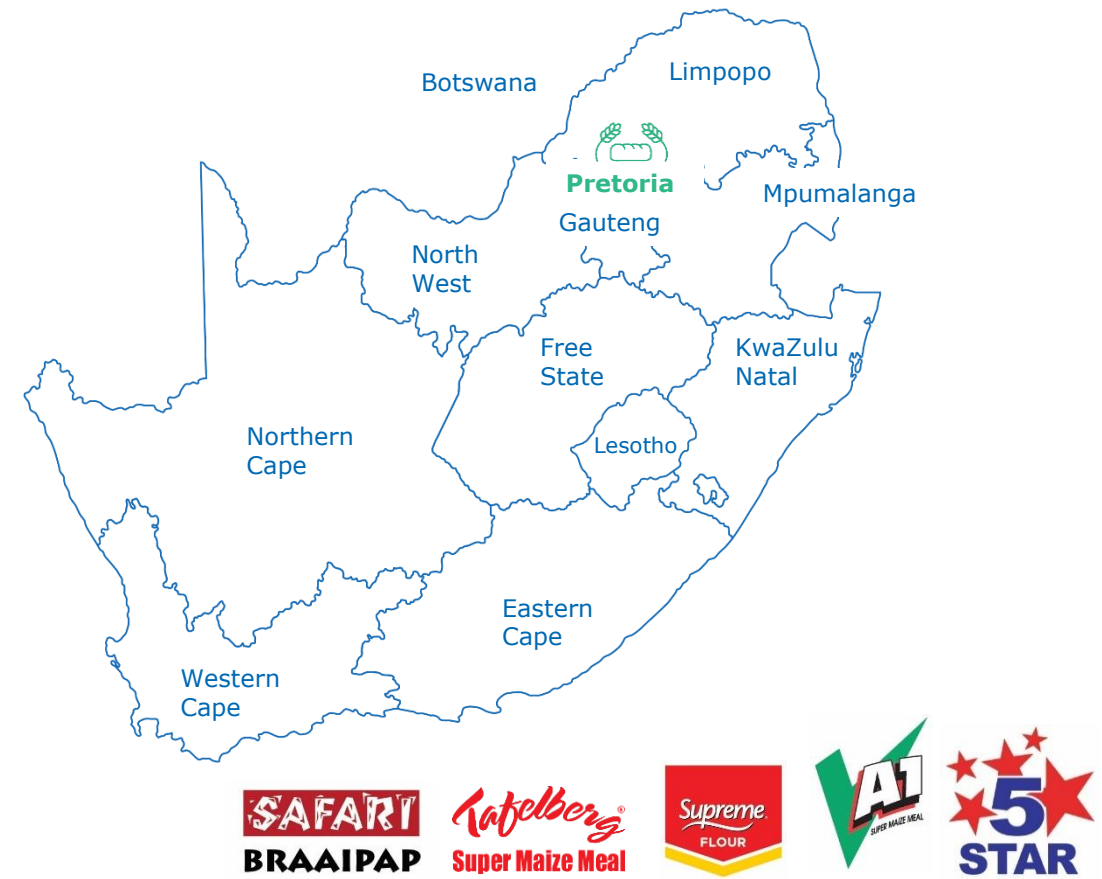
BAKING

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



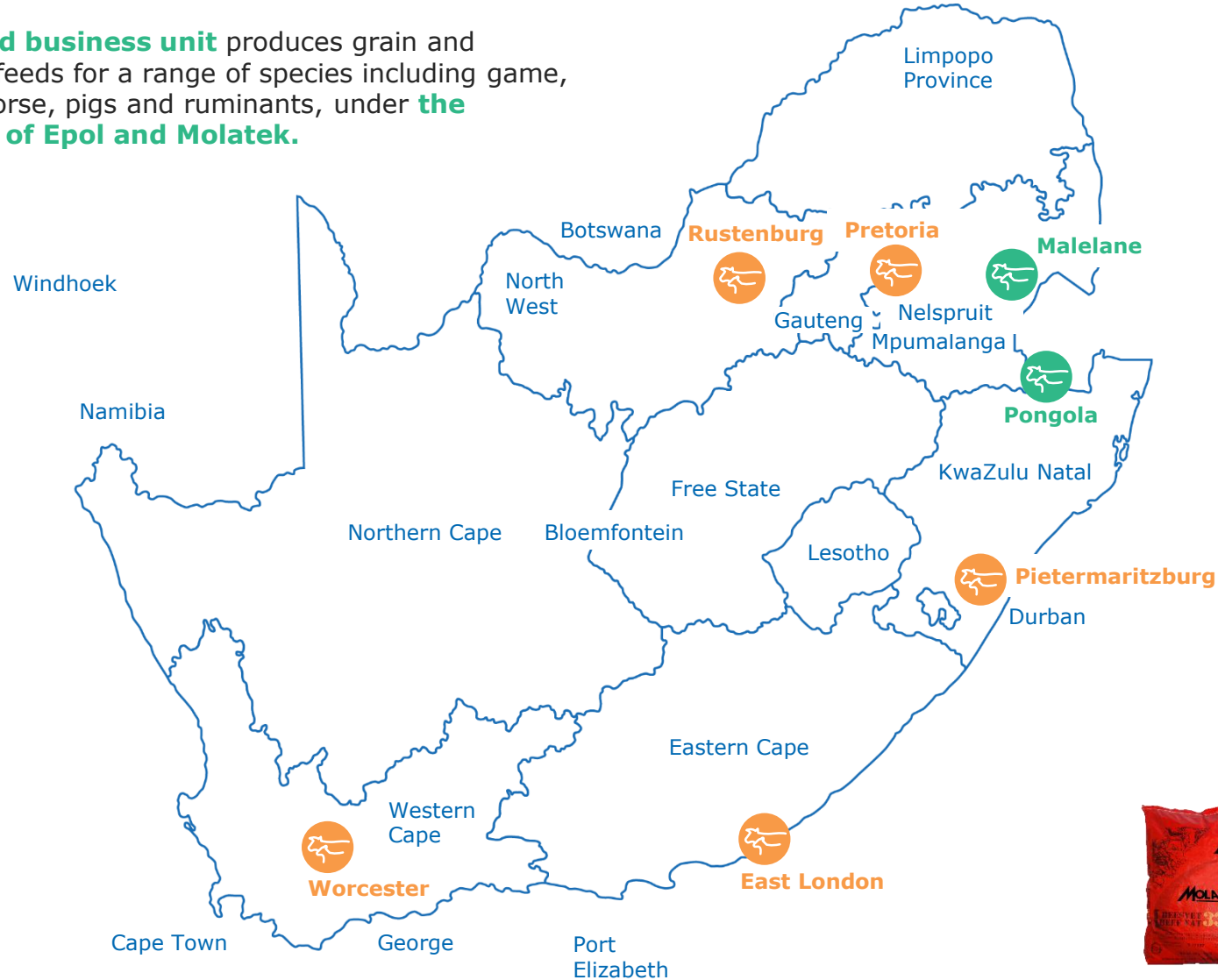
MILLING

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 320 000 tons per year



5 grain based feed mills producing almost 1.1m 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

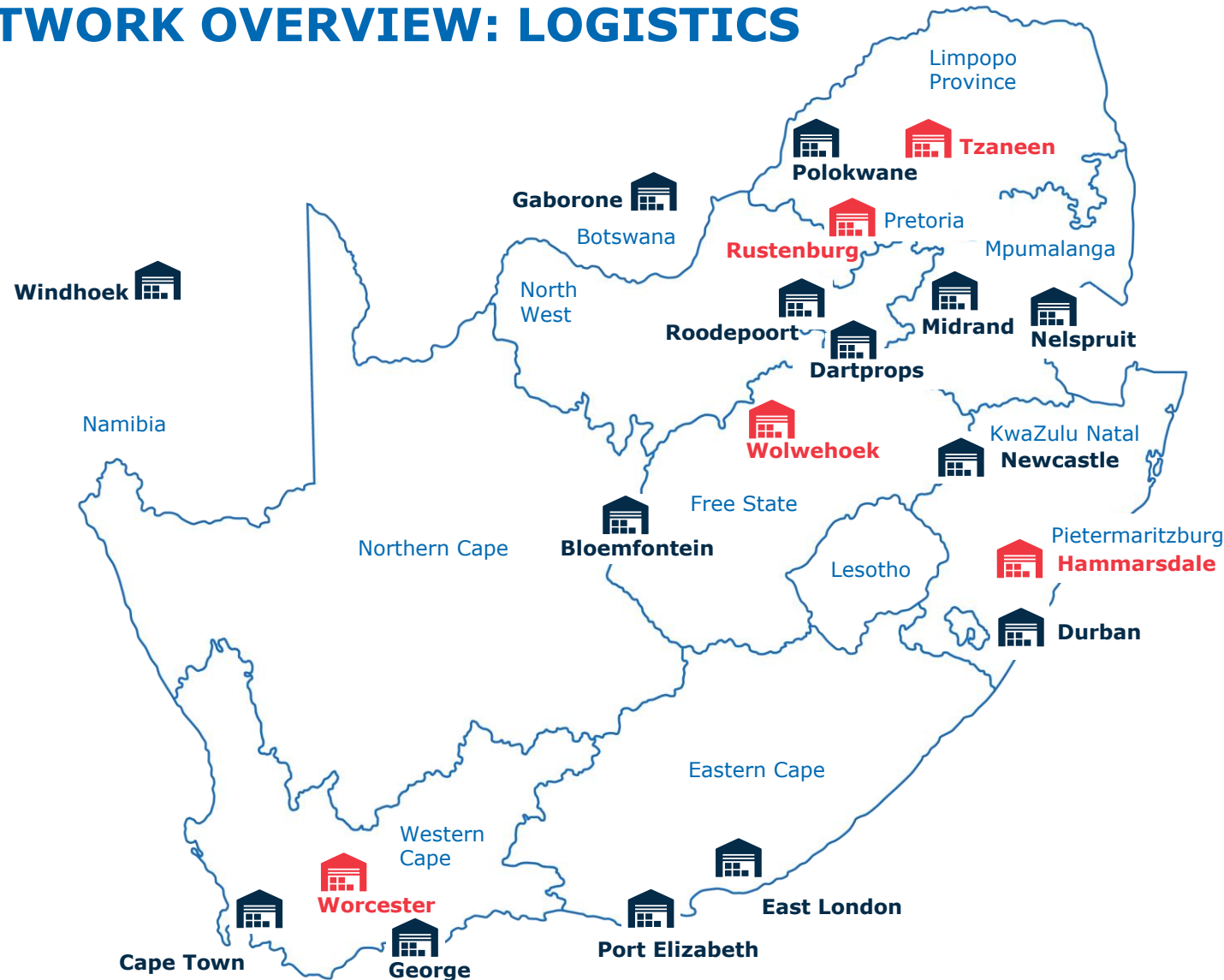


PRINCIPAL SECONDARY DISTRIBUTION (PSD)

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



NETWORK OVERVIEW: LOGISTICS



National footprint including Namibia and Botswana

- 5 plant-based cold stores
- 14 distribution sites
- Capacity 100 608 pallets
- Employees 3 930
- Customer Drop Points 7 014
- 216 664 cases delivered daily (58m cases pa)
- Tonnage 596 000 tons pa
- Fleet of 330 vehicles (primary 80 / secondary 250)
- ISO 22000 accreditation for all Warehouses
- ISO 14001 and OHSAS 18001 across Midrand, Thekwini, Peninsula and Roodepoort



Plant-based cold stores



Distribution sites