



# NOTICE TO SHAREHOLDERS

## RCL FOODS LIMITED

(Incorporated in the Republic of South Africa)  
Registration number: 1966/004972/06  
Share code: RCL  
ISIN: ZAE000179438  
("RCL FOODS" or "the Company" or "the Group")

Notice is hereby given that the 56th Annual General Meeting of shareholders of RCL Foods Limited will be held at Ten The Boulevard, Westway Office Park, Westville, KwaZulu-Natal on Wednesday, 9 November 2022 at 08:30am to consider and, if deemed fit, to pass the following ordinary and special resolutions with or without modification, and to transact such other business as may be transacted at an Annual General Meeting.

In terms of section 59(1)(a) of the South African Companies Act, No 71 of 2008, as amended, ("the Companies Act") the record date for the purpose of determining which shareholders of the Company are entitled to receive notice of the Annual General Meeting is Friday, 16 September 2022. In terms of section 59(1)(b) of the Companies Act, the record date for the purpose of determining which shareholders of the Company are entitled to participate in and vote at the Annual General Meeting is Friday, 4 November 2022. Accordingly, the last day to trade in order to be registered in the register of members of the Company and therefore be eligible to participate in and vote at the Annual General Meeting is Tuesday, 1 November 2022.

## ORDINARY RESOLUTIONS

### 1. ADOPTION OF ANNUAL FINANCIAL STATEMENTS

#### ORDINARY RESOLUTION NUMBER 1

Resolved that the audited Annual Financial Statements of the Company and the Group, including the Report of the Directors, Report of the Audit Committee and Independent Auditor's Report, for the year ended June 2022 be received and adopted.

### 2. ELECTION AND RE-ELECTION OF DIRECTORS

#### ORDINARY RESOLUTION NUMBER 2.1

Resolved that Mr HJ Carse, who retires by rotation in accordance with the Memorandum of Incorporation of the Company and who, being eligible, has offered himself for re-election, be re-elected as a non-executive director of the Company.

#### ORDINARY RESOLUTION NUMBER 2.2

Resolved that Mr RH Field, who retires by rotation in accordance with the Memorandum of Incorporation of the Company and who, being eligible, has offered himself for re-election, be re-elected as an executive director of the Company.

#### ORDINARY RESOLUTION NUMBER 2.3

Resolved that Mr NP Mageza, who retires by rotation in accordance with the Memorandum of Incorporation of the Company and who, being eligible, has offered himself for re-election, be re-elected as a non-executive director of the Company.

#### ORDINARY RESOLUTION NUMBER 2.4

Resolved that Mr GCJ Tielenius Kruythoff, who retires by rotation in accordance with the Memorandum of Incorporation of the Company and who, being eligible, has offered himself for re-election, be re-elected as a non-executive director of the Company.

#### ORDINARY RESOLUTION NUMBER 2.5

Resolved that Mr PD Cruickshank, having been appointed since the last Annual General Meeting, be elected as an executive director of the Company.

*Note: Mrs CJ Hess, who retires by rotation in accordance with the Memorandum of Incorporation of the Company, has indicated that she will not be making herself available for re-election, and will step down as a director at the conclusion of the AGM.*

Biographical details of the above directors can be found on pages 58 to 59 of this Abridged Integrated Annual Report, of which this notice forms part.



## NOTICE TO SHAREHOLDERS CONTINUED

### 3. RE-APPOINTMENT OF EXTERNAL AUDITORS

#### ORDINARY RESOLUTION NUMBER 3

Resolved that the re-appointment of PricewaterhouseCoopers Incorporated as the Company's auditors, as nominated by the Company's Audit Committee, be approved. In accordance with the tenure and rotation requirements, to note that the individual registered auditor during the financial year ending June 2023 is Mr Rodney Klute.

#### EXPLANATION

*Subject to the passing of this resolution the incumbent external auditors, PricewaterhouseCoopers Incorporated will continue to act as external auditors of the Company for the financial year ending June 2023. Shareholders are reminded that at the 2021 Annual General Meeting, a non-binding advisory vote was passed endorsing the potential appointment of Ernst & Young as the Company's auditors for the financial year ending June 2024, as required by the rule relating to Mandatory Audit Firm Rotation. Should the Audit Committee ultimately make the recommendation to appoint Ernst & Young, the matter will be included to be voted on at the Company's Annual General Meeting in 2023.*

### 4. ELECTION OF MEMBERS OF THE AUDIT COMMITTEE

#### ORDINARY RESOLUTION NUMBER 4.1

Resolved that, subject to re-election under Ordinary Resolution 2.3, Mr NP Mageza, an independent non-executive director of the Company, be re-elected as a member of the Audit Committee until the next Annual General Meeting.

#### ORDINARY RESOLUTION NUMBER 4.2

Resolved that, Mr DTV Msibi, an independent non-executive director of the Company, be re-elected as a member of the Audit Committee until the next Annual General Meeting.

#### ORDINARY RESOLUTION NUMBER 4.3

Resolved that, Mr GM Steyn, an independent non-executive director of the Company, be re-elected as a member of the Audit Committee until the next Annual General Meeting.

*Note: As indicated under ordinary resolution 2, Mrs CJ Hess will not be making herself available for re-election as a director, and as a consequence will not be available for re-election to the Audit Committee.*

### 5. GENERAL AUTHORITY TO PLACE 10% OF THE UNISSUED ORDINARY SHARES UNDER THE CONTROL OF THE DIRECTORS

#### ORDINARY RESOLUTION NUMBER 5

Resolved that the unissued ordinary shares in the authorised share capital of the Company be placed under the control of the directors, who are hereby authorised, as a general authority in terms of the Company's Memorandum of Incorporation, to issue such shares at such times and upon such terms and conditions as they in their sole discretion may determine, subject to the provisions of the Companies Act, the Memorandum of Incorporation and the JSE Listings Requirements to the extent applicable, provided that this approval shall be valid only until the next Annual General Meeting of the Company and that the aggregate number of ordinary shares to be allotted and issued in terms of this ordinary resolution number 5 is limited to 10% of the number of the unissued ordinary shares in the authorised share capital of the Company at the date of this notice of Annual General Meeting (being 104 670 163 ordinary shares).

#### EXPLANATION

*Clause 6.7 of the Memorandum of Incorporation provides that the Board may resolve to issue authorised shares, but only to the extent that such issue has been approved by the shareholders in a general meeting, either by way of a general or specific authority. The purpose of Ordinary Resolution Number 5 is to provide such general authority, which shall remain subject to the provisions of, and all limitations contained in, the Companies Act, the Memorandum of Incorporation and the JSE Listings Requirements, to the extent applicable. The authority in terms of Ordinary Resolution Number 5 cannot be used to issue shares for cash as contemplated in the JSE Listings Requirements.*



## 6. ENABLING RESOLUTION

### ORDINARY RESOLUTION NUMBER 6

Resolved that any director of the Company and/or the Company Secretary be and is hereby authorised to do all such things and sign all such documents as may be necessary for or incidental to the implementation of any of the ordinary and special resolutions adopted at the meeting.

## 7. NON-BINDING ADVISORY VOTE IN RESPECT OF THE REMUNERATION POLICY

### ORDINARY RESOLUTION NUMBER 7

Resolved that the Remuneration Policy, as described in the Remuneration Report on pages 5 and 15, available on our website at [www.rclfoods.com/financial-results-and-reports-2022](http://www.rclfoods.com/financial-results-and-reports-2022), is hereby endorsed by way of a non-binding advisory vote, as recommended in the King IV Report on Corporate Governance for South Africa 2016 (King IV).

## 8. NON-BINDING ADVISORY VOTE IN RESPECT OF THE REMUNERATION IMPLEMENTATION REPORT

### ORDINARY RESOLUTION NUMBER 8

Resolved that the Implementation Report contained in the Remuneration Report on pages 16 to 18, available on our website at [www.rclfoods.com/financial-results-and-reports-2022](http://www.rclfoods.com/financial-results-and-reports-2022), is hereby endorsed by way of a non-binding advisory vote, as recommended in King IV.

## SPECIAL RESOLUTIONS

### 1. GENERAL AUTHORITY TO PROVIDE FINANCIAL ASSISTANCE IN TERMS OF SECTION 44 OF THE COMPANIES ACT

#### SPECIAL RESOLUTION NUMBER 1

Resolved as a special resolution (which will be in place for a period of two years from the date of adoption of this special resolution number 1) that the Board may, subject to section 44 of the Companies Act, the Memorandum of Incorporation of RCL FOODS and the JSE Listings Requirements, authorise RCL FOODS to provide direct or indirect financial assistance as contemplated by section 44 of the Companies Act, by way of loan, guarantee, the provision of security or otherwise to any person for the purpose of, or in connection with, the subscription for any option, or any securities, issued or to be issued by RCL FOODS, or any related or inter-related company, or for the purchase of any securities of RCL FOODS, or of any related or inter-related company, on the terms and conditions and for the amounts that the Board may determine.

#### EXPLANATION

*Section 44 of the Companies Act empowers the board of a company to provide direct or indirect financial assistance for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the company or a related or inter-related company, or for the purchase of any securities of the company or a related or inter-related company or corporation pursuant to a special resolution of the shareholders of the company adopted within the previous two years.*

*The reason for and effect of special resolution number 1 is to grant the directors of the Company the authority to enable the Company to provide financial assistance in appropriate circumstances. The financial assistance will be provided where the board of directors of the Company is satisfied that immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test, and that the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company. In the circumstances and in order to, inter alia, ensure that the Company's subsidiaries and other related and inter-related companies and corporations have access to financing, it is necessary to obtain the approval of shareholders, as set out in special resolution number 1.*



## NOTICE TO SHAREHOLDERS CONTINUED

### 2. GENERAL AUTHORITY TO PROVIDE FINANCIAL ASSISTANCE IN TERMS OF SECTION 45 OF THE COMPANIES ACT

#### SPECIAL RESOLUTION NUMBER 2

Resolved as a special resolution (which will be in place for a period of two years from the date of adoption of this special resolution number 2) that the Board may, subject to section 45 of the Companies Act, the Memorandum of Incorporation of RCL FOODS and the JSE Listings Requirements, authorise RCL FOODS or any of its subsidiaries to provide direct or indirect financial assistance as contemplated in section 45 of the Companies Act to a director or prescribed officer of the Company or of a related or inter-related company, or to a related or inter-related company or corporation, or to a member of a related or inter-related corporation, or to a person related to any such company, corporation, director, prescribed officer or member, on the terms and conditions and for the amounts that the Board may determine.

#### EXPLANATION

*Section 45 of the Companies Act empowers the board to provide financial assistance pursuant to a special resolution of the shareholders of the company adopted within the previous two years. The Company and its subsidiaries provide loan financing, guarantees, and other support as envisaged in section 45 of the Companies Act, from time to time in the ordinary course of the Group's business.*

*The reason for and effect of special resolution number 2 is to enable the Company and its subsidiaries to effectively manage their internal financial administration. It would be impractical to obtain shareholder approval each time the Company or a subsidiary wished to provide financial assistance as contemplated above. The financial assistance will be provided where the board of directors of the Company or the relevant subsidiary is satisfied that immediately after providing the financial assistance, the solvency and liquidity test is satisfied, and that the terms under which the financial assistance is proposed to be given are fair and reasonable.*

### 3. APPROVAL OF NON-EXECUTIVE DIRECTORS' REMUNERATION

#### SPECIAL RESOLUTION NUMBER 3

Resolved as a special resolution that, unless otherwise determined by the Company in a general meeting, the annual fees (excluding VAT where applicable), payable by the Company to its non-executive directors with effect from 1 October 2022 be approved as follows:

	Current Rands per annum	Proposed Rands per annum
<b>Board</b>		
Chairperson	354 558	<b>374 059</b>
Members	354 558	<b>374 059</b>
<b>Audit Committee</b>		
Chairperson	295 973	<b>312 252</b>
Members	148 715	<b>156 894</b>
<b>Remuneration and Nominations Committee</b>		
Chairperson	174 959	<b>184 582</b>
Members	109 349	<b>115 363</b>
<b>Risk Committee</b>		
Chairperson	174 959	<b>184 582</b>
Members	109 349	<b>115 363</b>
<b>Social and Ethics Committee</b>		
Chairperson	125 388	<b>132 284</b>
Members	75 816	<b>79 986</b>

#### EXPLANATION

*Section 66(9) of the Companies Act requires that a Company may pay remuneration to its directors for their services as directors only in accordance with a special resolution approved by the shareholders within the previous two years.*

*The reason for and effect of special resolution number 3 is to grant the Company the authority to pay fees to its non-executive directors for their services as directors.*



## 4. GENERAL AUTHORITY TO REPURCHASE SHARES

### SPECIAL RESOLUTION NUMBER 4

Resolved as a special resolution that the Board be and is hereby authorised, by way of a renewable general authority in terms of the provisions of the JSE Listings Requirements, to approve the purchase by the Company of its own ordinary shares, or to approve the purchase of ordinary shares in the Company by any subsidiary of the Company, in terms of section 48 of the Companies Act from time to time on such terms and conditions and in such amounts as the Board may determine, provided that:

1. this general authority shall be valid until the Company's next Annual General Meeting or for 15 months from the date of passing of this resolution, whichever period is shorter;
2. the ordinary shares be purchased through the order book operated by the JSE Limited trading system and done without any prior understanding or arrangement between the Company and/or the relevant subsidiary and the counterparty (reported trades are prohibited);
3. an announcement complying with paragraph 11.27 of the JSE Listings Requirements be made by the Company (i) when the Company and/or its subsidiaries have cumulatively repurchased 3% of the ordinary shares in issue as at the time when this general authority was given (the initial number) and (ii) for each 3% in the aggregate of the initial number of the ordinary shares acquired thereafter by the Company and/or its subsidiaries;
4. the repurchase by the Company of its own ordinary shares shall not in the aggregate in any one financial year exceed 10% of the Company's issued ordinary share capital of that class as at the beginning of the financial year, provided that the acquisition of ordinary shares as treasury shares by the subsidiaries of the Company shall not be effected to the extent that in aggregate more than 10% of the number of issued ordinary shares of the Company at the relevant times are held by or for the benefit of the subsidiaries of the Company taken together;
5. repurchases must not be made at a price more than 10% above the weighted average of the market value of the ordinary shares for the five business days immediately preceding the date on which the transaction is effected;
6. at any point in time the Company may only appoint one agent to effect any repurchase on the Company's behalf or on behalf of any subsidiary of the Company;
7. the Company and its subsidiaries will not repurchase ordinary shares during a prohibited period (as defined in the JSE Listings Requirements) unless they have in place a repurchase programme where the dates and quantities of the shares to be traded during the relevant period are fixed (not subject to any variation) and full details of the programme (as required by the JSE Listings Requirements) have been submitted to the JSE in writing prior to the commencement of the prohibited period. The Company will instruct an independent third party, which makes its investment decisions in relation to the Company's securities independently of, and uninfluenced by the Company, prior to the commencement of the prohibited period;
8. a resolution has been passed by the Board that it has authorised the repurchase, that the Company and its subsidiaries have passed the solvency and liquidity test contemplated in the Companies Act, and that since the test was performed there have been no material changes to the financial position of the Group; and
9. such repurchases will be subject to the applicable provisions of the Companies Act, the Memorandum of Incorporation, the JSE Listings Requirements and the Exchange Control Regulations 1961.

### STATEMENT OF THE BOARD'S INTENTION

The Board has no specific intention at present to use this authority to repurchase any of the Company's shares, however, the Board is of the opinion that this authority should be in place should it become appropriate, in their opinion, to undertake a share repurchase in the future.



## NOTICE TO SHAREHOLDERS CONTINUED

### STATEMENT BY THE DIRECTORS

The Company's directors undertake that they will not implement any such repurchase/s unless:

1. the Company and the Group will be able, in the ordinary course of business, to pay its debts for a period of 12 months after the date of the repurchase;
2. the assets of the Company and the Group will exceed their liabilities for a period of 12 months after the date of the repurchase. For this purpose, the assets and liabilities are recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements;
3. the Company and the Group will have adequate share capital and reserves for ordinary business purposes for a period of 12 months after the date of the repurchase; and
4. the working capital of the Company and the Group will be adequate for ordinary business purposes for a period of 12 months after the date of the repurchase.

### ADDITIONAL INFORMATION

For the purposes of considering this special resolution number 4 and in compliance with paragraph 11.26 of the JSE Listings Requirements, the information listed below has been included in the Abridged Integrated Annual Report (of which this notice forms part) in the places indicated:

1. Major shareholders of the Company – page 101 of the Abridged Integrated Annual Report; and
2. Share capital of the Company – page 113 of the Abridged Integrated Annual Report.

There has been no material change in the financial or trading position of the Company and the Group that has occurred since the end of the last financial period for which either audited Annual Financial Statements or unaudited interim reports have been published.

The directors, whose names are set out on pages 58 and 59 of the Abridged Integrated Annual Report, collectively and individually, accept full responsibility for the accuracy of the information contained in this special resolution number 4 and certify that, to the best of their knowledge and belief, there are no other facts the omission of which would make any statement in relation to this special resolution number 4 false or misleading, and that they have made all reasonable enquiries in this regard and that this special resolution number 4 contains all information required by law and the JSE Listings Requirements.

### EXPLANATION

*The purpose of special resolution number 4 is to grant the Board a general authority to approve the repurchase by the Company or its subsidiaries of its own ordinary shares on the terms and conditions and in such amounts to be determined from time to time by the Board, subject to the terms of this special resolution number 4.*

### APPROVALS REQUIRED FOR RESOLUTIONS

Ordinary resolutions numbers 1 to 6 contained in this notice require the approval of more than 50% (fifty percent) of the voting rights exercised on the resolution by members present or represented by proxy at the Annual General Meeting.

Ordinary resolutions numbers 7 and 8 are required to be endorsed, through a non-binding advisory vote, by members present or represented by proxy at the Annual General Meeting. In the event of the resolutions being voted against by 25% or more of the votes exercised on them, the Company shall engage with members as to the reasons therefor, as set out in the Remuneration Report.

Special resolutions numbers 1 to 4 contained in this notice require the approval of at least 75% (seventy-five percent) of the voting rights exercised on the resolutions by members present or represented by proxy at the Annual General Meeting.



## ATTENDANCE AND VOTING BY MEMBERS OR PROXIES

Ordinary members who have not dematerialised their ordinary shares or who have dematerialised their ordinary shares with own name registration, are entitled to attend and to vote at the meeting. Any such member may appoint a proxy/proxies to attend, speak and vote in their stead (on a poll) at the meeting. A proxy need not be a member of the Company. Forms of proxy should be completed and returned to the transfer secretaries Computershare Investor Services Proprietary Limited at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, or posted to Private Bag X9000, Saxonwold, 2132, or emailed to proxy@computershare.co.za to be received by 08:30am on Monday, 7 November 2022 for administrative purposes, or alternatively handed to the Company Secretary of the Company or the Chairperson of the Annual General Meeting prior to the commencement of the meeting at 08:30am on Wednesday, 9 November 2022.

Any shares held by a share trust or scheme will not have their votes at the Annual General Meeting taken into account for the purposes of resolutions proposed in terms of the JSE Listings Requirements. In terms of section 48(2)(b)(ii) of the Companies Act, no voting rights may attach to any shares held in treasury.

On a show of hands, every member of the Company present in person or represented by proxy shall have one vote only. On a poll, every member of the Company shall have one vote for every share held in the Company by such member.

Ordinary members who have dematerialised their ordinary shares other than with "own name" registration, should contact their Central Securities Depository Participant (CSDP) or broker in the manner and time stipulated in their agreement:

- to furnish them with their voting instructions; or
- in the event that they wish to attend the meeting, to obtain the necessary authority to do so.

Shareholders or their proxies may participate, but not vote, by electronic communication in all or part of the meeting and, if they wish to do so must contact the Company Secretary (by email at the address: Lauren.Kelso@rclfoods.com) by no later than 08:30am on Tuesday, 1 November 2022 in order to facilitate participation. The electronic communication is at the expense of the shareholders or proxy.

## PROOF OF IDENTIFICATION REQUIRED

The Companies Act requires that any person who wishes to attend or participate in a shareholders' meeting must present reasonably satisfactory identification at the meeting. Any shareholder or proxy who intends to attend or participate at the Annual General Meeting must be able to present reasonably satisfactory identification at the meeting for such shareholder or proxy to attend and participate at the meeting. A valid identification document (green ID book or smart ID card) issued by the South African Department of Home Affairs, a valid driver's licence or a valid passport will be accepted as sufficient identification.

**LG Kelso**  
*Company Secretary*

2 September 2022

**Registered office**  
Ten The Boulevard, Westway Office Park, Westville, 3629