



RCL FOODS LIMITED
**NOTICE OF ANNUAL
GENERAL MEETING**
FOR THE YEAR ENDED JUNE
2023

NOTICE OF ANNUAL GENERAL MEETING

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 57th Annual General Meeting ("AGM") of shareholders of RCL FOODS will be held at Ten The Boulevard, Westway Office Park, Westville, KwaZulu-Natal on Thursday, 16 November 2023 at 08:30am subject to any cancellation, postponement or adjournment, to consider and, if deemed fit, to pass the ordinary and special resolutions set out in this notice of AGM ("Notice").

In terms of section 59(1)(a) of the 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 this Notice is Friday, 22 September 2023. 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 attend, participate in and vote at the Annual General Meeting is Friday, 10 November 2023. Accordingly, the last day to trade in order to be registered in the securities register of the Company and therefore be eligible to attend, participate in and vote at the Annual General Meeting is Tuesday, 7 November 2023.

ORDINARY BUSINESS

PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The Annual Financial Statements of the Company and the Group for the year ended June 2023, including the Report of the Directors, Report of the Audit Committee and the Independent Auditors Report are presented to shareholders in terms of the MOI, Companies Act and JSE Limited Listings Requirements. The auditors have issued an unqualified audit opinion in terms of the International Standards on Auditing. The complete audited Annual Financial Statements are available on our website at www.rclfoods.com/financial-results-and-reports-2023/.

ORDINARY RESOLUTIONS

1. ELECTION AND RE-ELECTION OF DIRECTORS

ORDINARY RESOLUTION NUMBER 1.1

Resolved that Mr PR Louw, 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 1.2

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

ORDINARY RESOLUTION NUMBER 1.3

Resolved that Mr GM Steyn, 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 1.4

Resolved that Mr GC Zondi, 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 1.5

Resolved that the appointment of Ms GP Dinga as a director of the Company, who was co-opted onto the board of directors ("Board") since the last Annual General Meeting, be and is hereby confirmed.

Biographical details of the above directors can be found on pages 56 and 57 of the Abridged Integrated Annual Report, available on our website at www.rclfoods.com/financial-results-and-reports-2023/. The Board supports the re-election of all the aforementioned directors.

2. APPOINTMENT OF EXTERNAL AUDITORS

ORDINARY RESOLUTION NUMBER 2

Resolved that Ernst & Young Inc. (“EY”) (with Ms Merisha Kassie as the individual registered auditor who will perform the function of auditor) be and are hereby appointed as the company’s auditors.

ADDITIONAL INFORMATION

Shareholders are reminded that at the 2021 AGM, a non-binding advisory vote was passed endorsing the proposed appointment of EY as the Company’s auditors for the financial year ending June 2024.

3. ELECTION OF MEMBERS OF THE AUDIT COMMITTEE

ORDINARY RESOLUTION NUMBER 3.1

Resolved that, subject to the passing of ordinary resolution 1.5, Ms GP Dinga, an independent non-executive director of the Company, be elected as a member of the Audit Committee until the next Annual General Meeting.

ORDINARY RESOLUTION NUMBER 3.2


Resolved that, 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 3.3

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 3.4

Resolved that, subject to the passing of ordinary resolution 1.3, 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.

 Biographical details of the above directors can be found on pages 56 and 57 of the Abridged Integrated Annual Report, available on our website at www.rclfoods.com/financial-results-and-reports-2023/.

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

ORDINARY RESOLUTION NUMBER 4

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, by way of 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 4 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 (being 110 989 477 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 4 is to provide such general authority, which shall remain subject to the provisions of the Companies Act, the Memorandum of Incorporation and the JSE Listings Requirements, to the extent applicable. The authority in terms of Ordinary Resolution Number 4 cannot be used to effect a specific issue for cash as contemplated in the JSE Listings Requirements.


5. ENABLING RESOLUTION

ORDINARY RESOLUTION NUMBER 5

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.

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

ORDINARY RESOLUTION NUMBER 6

 Resolved that the Remuneration Policy, as described in the Remuneration Report on pages 4 to 12, available on our website at www.rclfoods.com/financial-results-and-reports-2023/, 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”).

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

ORDINARY RESOLUTION NUMBER 7



Resolved that the Implementation Report contained in the Remuneration Report on pages 13 to 15, available on our website at www.rclfoods.com/financial-results-and-reports-2023/, 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 be and is hereby authorised, subject to section 44 of the Companies Act, the Memorandum of Incorporation of RCL FOODS and the JSE Listings Requirements, to 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.

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 to provide direct or indirect financial assistance as contemplated in section 45 of the Companies Act to a related or inter-related company or corporation, on the terms and conditions and for the amounts that the Board may determine.

EXPLANATION

Section 45 of the Companies Act empowers the board of a company to authorise the company to provide financial assistance to related and inter-related companies and corporations 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 wished to provide financial assistance as contemplated above. The financial assistance will be provided where the board of directors of the Company, 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, the annual fees (excluding VAT where applicable), payable by the Company to its non-executive directors with effect from 1 October 2023 be approved as follows:

	Current Rands per annum	Proposed Rands per annum
Board		
Chairperson	374 059	396 503
Members	374 059	396 503
Audit Committee		
Chairperson	312 252	330 987
Members	156 894	166 308
Remuneration and Nominations Committee		
Chairperson	184 582	195 657
Members	115 363	122 285
Risk Committee		
Chairperson	184 582	195 657
Members	115 363	122 285
Social and Ethics Committee		
Chairperson	132 284	140 221
Members	79 986	84 785

EXPLANATION

Section 66(9) of the Companies Act provides 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 Company and its subsidiaries be and are hereby authorised, by way of a general authority in terms of the JSE Listings Requirements, to acquire the Company's issued shares from time to time on such terms and conditions and in such amounts as the Board may determine, subject to the Companies Act, the Company's Memorandum of Incorporation and the JSE Listings Requirements 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 special resolution number 4, 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 acquired 3% of ordinary shares in issue as at the time when this general authority was given (the initial number) and (ii) for each 3% in aggregate of the initial number of the ordinary shares acquired thereafter by the Company and/or its subsidiaries;
4. the acquisition of shares shall not in aggregate in any one financial year exceed 10% of the Company's issued ordinary share capital as at the beginning of the financial year, provided that in the case of acquisitions by subsidiaries, such acquisitions, together with shares held by all subsidiaries of the Company, shall be limited to an aggregate maximum of 10% (ten percent) of the Company's issued ordinary shares;
5. acquisitions may 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 acquisition on the Company's behalf or on behalf of any subsidiary of the Company; and
7. the Company and its subsidiaries will not acquire 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 to execute the repurchase programme.

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 its opinion, to undertake a share repurchase in the future.

STATEMENT BY THE DIRECTORS

In accordance with paragraph 11.26 of the JSE Listings Requirements, the board states that:

1. having considered the effect of the maximum number of ordinary shares that may be acquired pursuant to the general authority under special resolution number 4, a resolution has been passed by the Board authorising the repurchase and confirming that the Company and its subsidiaries have passed the solvency and liquidity test and that since the test was done there have been no material changes to the financial position of the Group; and
2. having considered the effect of the maximum number of ordinary shares that may be acquired pursuant to the general authority under special resolution number 4, for a period of at least 12 months following the date of this Notice:
 - the Company and the Group will be able, in the ordinary course of business, to pay its debts;
 - the assets of the Company and the Group will exceed their liabilities. For this purpose, the assets and liabilities are recognised and measured in accordance with the accounting policies used in the latest audited Annual Financial Statements;
 - the Company and the Group will have adequate share capital and reserves for ordinary business purposes; and
 - the working capital of the Company and the Group will be adequate for ordinary business purposes.

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 Annual Financial Statements, available on our website at www.rclfoods.com/financial-results-and-reports-2023/, on the pages indicated below:



- Major shareholders of the Company - page 138;
- Share capital of the Company - page 138;

The directors 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 a general authority for the Company or its subsidiaries to acquire ordinary shares in the Company 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.

NOTICE OF ANNUAL GENERAL MEETING CONTINUED

NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

APPROVALS REQUIRED FOR RESOLUTIONS

Ordinary resolutions numbers 1 to 5 contained in this Notice require the approval of more than 50% of the voting rights exercised on each such resolution by Shareholders present or represented by proxy at the Annual General Meeting.

Ordinary resolutions numbers 6 and 7 contained in this Notice are non-binding advisory votes. In the event of either of the resolutions being voted against by 25% or more of the votes exercised on each such resolution by Shareholders present or represented by proxy at the Annual General Meeting, the Company shall engage with Shareholders as to the reasons therefore, as set out in the Remuneration Report available on our website at

www.rclfoods.com/financial-results-and-reports-2023/

Special resolutions numbers 1 to 4 contained in this Notice require the approval of at least 75% of the voting rights exercised on each such resolution by Shareholders present or represented by proxy at the Annual General Meeting.

ATTENDANCE AND VOTING BY SHAREHOLDERS OR PROXIES

Shareholders 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 AGM. Any such Shareholder may appoint a proxy/proxies to attend, speak and vote in their stead (on a poll) at the AGM. A proxy need not be a Shareholder. 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 Tuesday, 14 November 2023 for administrative purposes, or alternatively handed to the Company Secretary of the Company or the Chairperson of the Annual General Meeting in sufficient time prior to the appointed proxy exercising any of the Shareholder's rights at the AGM to enable the transfer secretaries to verify to their reasonable satisfaction the right of the person to attend at and participate in the meeting (in accordance with section 63(1) of the Companies Act).

Any ordinary shares held by a Company 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.

Voting will take place by way of a poll, and accordingly every Shareholder shall have one vote for every share held in the Company.

Shareholders 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 AGM, to obtain the necessary authority to do so.

Shareholders or their proxies may participate in the AGM by electronic means, if they wish to do so must contact the transfer secretaries, Computershare Investor Services Proprietary Limited at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, or proxy@computershare.co.za by no later than 08:30am on Tuesday, 14 November 2023, in order to enable the identity of the shareholder to be verified, and if verified further details on using the electronic communication facility will be provided. The costs of participation in the AGM by electronic communication will be for the expense of the Shareholders or their proxies, and by choosing to participate electronically the participant acknowledges that he/she will have no claim against the Company or its representatives arising out of the use of the electronic services and/or connections linking the participant to the AGM, or any failure thereof.

We encourage certificated Shareholders and dematerialised Shareholders with "own-name" registration attending either in-person or via electronic communication to cast their votes in respect of the resolutions set out in this Notice in advance by completing and returning a proxy form. This will ensure that your vote will be counted whether or not you attend the AGM.

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 for such shareholder or proxy to attend at and participate in 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.



Company Secretary

1 September 2023

Registered office

Ten The Boulevard Westway Office Park Westville, 3629

www.rclfoods.com