RCL FOODS LIMITED

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS AND CASH DIVIDEND DECLARATION

FOR THE YEAR ENDED JUNE

2024

FINANCIAL SUMMARY – CONTINUING OPERATIONS*

REVENUE

R26,0 billion

↑ 6.8%

EBITDA

R2 300,5 million

↑ 36.8%

UNDERLYING** EBITDA

R2 216,1 million

↑ 15.5%

HEADLINE EARNINGS

R1 082,7 million

↑ 31.1%

HEADLINE EARNINGS PER SHARE

121.6 cents

↑ 31.0%

UNDERLYING** HEADLINE EARNINGS

R1 137,0 million

↑ 8.3%

UNDERLYING** HEADLINE EARNINGS PER SHARE

127,7 cents

↑ 8.3%

UNDERLYING** ROIC

12.5 %

↑ 2.1ppts

TOTAL DIVIDEND PER SHARE

35.0 cents

(2023: Nil)

* *Continuing operations relates to the remaining RCL FOODS business, post the Vector disposal in August 2023 and Rainbow unbundling effected post the end of the current financial year, on 1 July 2024. The remaining RCL FOODS business comprises the Groceries, Baking, Sugar and Group (shared services) segments.*

** *The underlying view of the results excludes material once-offs and accounting adjustments. Underlying results constitute pro-forma financial information in terms of the JSE Listings Requirements. Refer to the "Reconciliation between unadjusted and underlying results" section provided on page 20 of this announcement for further details and the applicable criteria and the basis on which this pro-forma financial information has been prepared.*

INTRODUCTION

KEY FEATURES

- Consumer demand remains under pressure
- Restoration of service levels in pet food drives improved Groceries profitability
- Baking volumes under pressure in a competitive environment
- Excellent Sugar performance driven by strong operational performance and higher sales prices
- Load-shedding suspension provides relief
- Strong cash generation and Vector Logistics disposal proceeds enabled recapitalisation of Rainbow prior to its unbundling
- Rainbow unbundled and separately listed effective 1 July 2024, classified as discontinued in this set of results

Maintaining an unrelenting focus on factors within its control, RCL FOODS has delivered a pleasing set of full-year results despite consumer demand coming under increased pressure in challenging market conditions.

Group revenue of R26,0 billion was 6.8% higher than the prior year (2023: R24,3 billion), mainly due to higher sales pricing necessitated in response to sustained high input costs. Earnings before interest, taxes, depreciation, amortisation and impairments (EBITDA) increased by 36.8% to R2 300,5 million (2023: R1 681,6 million), buoyed by a strong performance in Sugar, largely due to higher local and export prices, a more favourable sales mix and operational efficiencies. Recovery in volumes in the Pet Food category coupled with business-wide "best in class" efficiency initiatives contributed to an improved profit performance in Groceries, although partially offset by volume and margin challenges in the Culinary category. Baking was marginally down on the prior year, with improved margins in Milling and Speciality being offset by volume pressure across all operating units.

Volumes across the food industry were flat over the 12 months, with many consumers cutting back on spending due to the high cost of living, while unemployment rose to 33.5% at the end of June 2024. Food inflation, albeit moderated from the previous year, continued to exceed total consumer inflation for most of the year. Lower volumes, high input costs and an inability to fully recover these through price increases contributed to tight trading margins for many producers, RCL FOODS included. In this context, the reduction in load-shedding came as a welcome relief in the second half of the year, reducing disruptions to operations and running costs, as did the stabilisation in soft commodity input costs, although these remain elevated relative to historic levels.

At RCL FOODS our priority is to ensure the sustainability of our business in line with our Purpose, which includes continuing to provide affordable food to consumers, keeping our people employed and providing an acceptable return on investment. This entails carefully balancing revenue, margin and profit and managing trade-offs in the most responsible way possible, while remaining committed to our long-term strategy of creating enduring positive impact through three pillars: People First, Right Growth and Future Fit. In so doing, we focus on 'controlling the controllables' in our business environment – which in 2024 has been about restoring service levels, rebuilding volumes and market shares, driving efficiencies, preserving cash and responsibly executing on the unbundling and separate listing of Rainbow. Acknowledging consumers' search for value across the board, we have continued to leverage the various value tiers within our portfolio and brands to meet shopper needs and preferences.

With Rainbow's unbundling now complete, RCL FOODS has resumed the payment of dividends. The Board of directors has approved a cash dividend of 35.0 cents per share for the year-end June 2024. In approving this dividend, amongst other regulatory requirements, the Board has specifically considered the current profitability and financial capacity of the Group post the recapitalisation of Rainbow prior to its unbundling and the upcoming debt refinance process ahead of the expiry of the existing term-funded debt package in December 2024.

STRATEGIC REVIEW

PORTFOLIO RESHAPE

Since our strategic portfolio review was completed in the 2021 financial year, we have been on a journey to reshape our portfolio, centred around the value-added component of our business – and to unlock growth through sharper strategic focus and active investment. We are proud to have successfully delivered on two key objectives in our portfolio reshape, first with the disposal of Vector Logistics (in August 2023) and now Rainbow (on 1 July 2024) exiting the Group to pursue its own value-creation course.

Vector Logistics was disposed of on 28 August 2023 to EMIF II Investment Proprietary Limited, a subsidiary of Denmark-based A.P. Møller Capital. To ensure a smooth separation from the Group, RCL FOODS provided transitional services to Vector Logistics for a 12-month period which came to an end on 28 August 2024. Our relationship continues at arms length via various contractual agreements between Vector Logistics and some of our business units. This is a positive conclusion to an important strategic step for both parties and we wish the Vector Logistics team success on the road ahead.

The Rainbow business, which was separated internally from RCL FOODS in the 2022 financial year to prepare it for independent operation, was unbundled to shareholders. Rainbow was listed on the Main Board of Johannesburg Stock Exchange (JSE) on 26 June 2024. The unbundling of Rainbow from the RCL FOODS Group by way of a *pro rata* distribution *in specie* became effective from 1 July 2024. Rainbow has made significant progress with its turnaround strategy and has returned to profitability. While the business remains in a turnaround phase, the RCL FOODS Board believes it is now ready to stand alone with its own capital structure and investment proposition. To assist in ensuring a responsible exit from the Group and to allow sufficient time for Rainbow to capacitate, RCL FOODS is continuing to provide certain transitional services for a two-year period on an arm's-length basis. The unbundling represents a major milestone for both businesses which are now poised to grow in their respective areas of focus.

The scaling of our remaining business is a priority for RCL FOODS. While focusing on growing organically via expansion into adjacent categories and new geographical spaces, we have continued to investigate potential strategic bolt-on acquisitions. Our strategic clarity and cash generative operations place us in a strong position to consider appropriate acquisition opportunities as they arise. Our central business services platform remains a key strategic capability in this regard.

PROGRESS WITH OUR STRATEGY

People are the bedrock of our business and our Purpose, which is why **People First** is the first pillar of our strategy. Acknowledging the key role we play in growing what matters for our people and communities, we have invested a significant amount of time and energy during the year in embedding our Purpose and revised Values-in-action across the organisation and implementing our refreshed Diversity and Inclusivity framework. In so doing we have been seeking to build a high-performance, diverse and inclusive culture that is driven by a common Purpose. We also continue to invest in growing more resilient local communities through our economic and social development initiatives. Our partnerships with our 1 200 small-scale growers support local economic development in the Nkomazi region, and we were proud to invest a further R19,9 million during the period to flood-proof their irrigation infrastructure and ensure their long-term sustainability. Our DO MORE FOUNDATION has also continued to scale up its community-based and national programmes with young children in 33 communities across eight provinces now benefitting from fortified sorghum-based DO MORE Porridge and the Foundation supporting communities around every one of RCL FOODS' operations across South Africa. We have continued to invest in developing strategic capabilities such as consumer marketing insights, data management and manufacturing excellence, to enable us to win in a competitive and ever-evolving marketplace. From an employee perspective, our efforts to build a strong Safety, Health, Environment, Risk, Quality (SHERQ) culture – through initiatives like our new SHERQ Annual Recognition Awards and our Safety Month campaign – are bearing fruit, with a pleasing decline in Lost Time Injuries/Recordable Injuries. From a community perspective, our efforts to build community resilience through collaborative social and economic partnerships have continued to make an impact.

The separation of Vector Logistics and Rainbow was a key step towards repositioning our portfolio to drive **Right Growth** – the second pillar of our business strategy. It has also provided an opportunity for us to reevaluate and reaffirm the value of our central business services platform, which services not just our own business units but third party customers such as Siqalo Foods and LIVEKINDLY Collective Africa.

STRATEGIC REVIEW CONTINUED

In parallel with our business repositioning, we have also focused our energy on strengthening profitability and growing market share in our existing branded portfolio, while growing our revenue and continuing to leverage our value tier to meet the needs of cash-strapped consumers. We leveraged our enhanced consumer insights and digital capabilities to invest judiciously behind our brands to drive revenue and market share growth.

On the consumer-facing digital front, a highlight of the period was the launch of the virtual Wild Space shopper platform. Pets24, our digital pet community and South Africa's most trusted platform, is also gaining strong traction and adding real value for pet owners. In the exports space, we have continued to grow our revenues in the Southern African Development Community (SADC) region, and are reinvesting in this channel to grow our cross-border presence.

Turning to the third pillar of our strategy, **Future Fit**, a key focus of our efforts in the year has been to deliver cost efficiencies to become a "best in class" producer. With the "best in class" mindset now entrenched across the business, we are seeing improved momentum in the initiation and delivery of efficiency projects. In Sugar, which has long aspired to be the lowest cost producer in the South African market, this is playing a key role in enhancing its resilience. We also continue to focus on laying the foundations for our business to be sustainable from a social, environmental and financial perspective in order to create enduring value for all stakeholders. In addition to pursuing a higher Return on Invested Capital (ROIC), with which we are making good progress, we have focused on mitigating energy and water supply interruptions at our sites. Energy plans have been prioritised and have been put in place, and water risk assessments have been completed to inform mitigation plans in the new financial year.

Canine Cuisine and Feline Cuisine grew their market volume share by 6.2 and 4.7 percentage points respectively, in the 12 months to June 2024

CONTINUING OPERATIONS REVIEW

INCOME STATEMENT

RCL FOODS' revenue for the year ended 30 June 2024 increased 6.8% to R26,0 billion (2023: R24,3 billion). The increase was largely attributable to higher market prices in Sugar, the recovery in Pet Food volumes and the 12 month inclusion of the Sunshine Bakery business acquired in the second half of the prior financial year. Revenue by segment is reflected in the table below:

Rm	June 2024	June 2023	% Change
Revenue	**26 016,6**	24 349,1	6.8
Groceries	**5 313,0**	5 034,2	5.5
Baking	**9 136,9**	8 625,4	5.9
Sugar	**11 811,0**	11 101,4	6.4
Group	**281,1**	197,9	42.0
Sales between segments	**(525,4)**	(609,8)	(13.8)

EBITDA increased by R618,9 million (36.8%) to R2 300,5 million (2023: R1 681,6 million) at a margin of 8.8% (2023: 6.9%), largely driven by a strong performance in Sugar. Despite an easing of food inflation in the second half of the financial year, prices remain high compared to the prior periods with food inflation averaging 7.1% over the current period, resulting in sustained pressure on consumer spending. Price increases were necessitated in response to the input cost pressure and averaged 6.8% across the Groceries and Baking segments for the year. "Best in class" savings initiatives resulted in improved margins, mostly offsetting the impact of lower market demand. Lower levels of load-shedding also made a notable contribution towards the positive performance. By managing the relationship between volume, revenue and profit as judiciously as possible, we were pleased to see a positive upturn in our volumes in the last quarter, delivering a pleasing profit consequence.

The EBITDA by segment is reflected in the table below:

Rm	June 2024	Margin %	June 2023	Margin %	% Change	Margin change (ppts)
EBITDA	**2 300,5**	**8.8**	1 681,7	6.9	36.8	1.9
Groceries	**502,3**	**9.5**	389,3	7.7	29.0	1.7
Baking	**517,3**	**5.7**	527,9	6.1	(2.0)	(0.4)
Sugar	**1 409,3**	**11.9**	879,4	7.9	60.3	4.0
Group	**(19,7)**		(58,8)		(66.4)	
Unallocated restructuring costs	**(108,7)**		(56,1)		(93.7)	

The current and prior year EBITDA were materially impacted by the following once-off items and accounting adjustments:

- Insurance proceeds of R137,0 million in respect of the fire damage at our Komatipoort sugar warehouse which occurred during the 2022 financial year (2023: R60,0 million);
- Positive fair value adjustments on the Group's commodity raw material procurement positions, which increased EBITDA by R6,1 million (2023: R36,5 million decrease in EBITDA). The R42,6 million year-on-year movement relates mainly to the realisation of open Sunflower and Maize positions from June 2023;
- Advisor costs of R58,8 million incurred in the current year relating to the Rainbow and Vector separation processes (2023: R25,6 million relating to the Vector process); and
- The special levy raised by The South African Sugar Association (SASA) on Sugar as a result of Tongaat and Gledhow suspending payment of their industry obligations which had a net negative impact on EBITDA of R234,4 million in the prior year.

Refer to the "Reconciliation between unadjusted and underlying results" section provided on page 20 of this announcement for further details.

CONTINUING OPERATIONS REVIEW CONTINUED

The "underlying" EBITDA excluding the above items is reflected in the table below:

Rm	June 2024	Margin %	June 2023	Margin %	% Change	Margin change (ppts)
Underlying EBITDA	**2 216,1**	**8.5**	1 918,1	7.9	15.5	0.6
Groceries	**497,4**	**9.4**	405,8	8.1	22.6	1.3
Baking	**516,1**	**5.6**	547,9	6.4	(5.8)	(0.8)
Sugar	**1 272,3**	**10.8**	1 053,8	9.5	20.7	1.3
Group	**39,0**		(33,3)		217.1	
Unallocated restructuring costs	**(108,7)**		(56,1)		(93.8)	

More detailed commentary is included in the Review of Operations section below.

IMPAIRMENT

The Group has performed the mandatory impairment tests on the cash generating units (CGUs) with indefinite useful life assets and goodwill, as well as on the 50% owned community-based joint ventures (CBJV). No impairments or impairment reversals were considered necessary on any of the CGUs. A R54,4 million impairment was recognised on the right-of-use asset relating to the Group's national office building as a consequence of the Rainbow and Vector separations and their exit from the building.

NET FINANCE COSTS

Net finance costs decreased by R23,1 million (13.9%) to R143,4 million (2023: R166,5 million) largely driven by a lower net debt balance mainly due to the receipt of the Vector Logistics proceeds in August 2023 which assisted in enabling the recapitalisation of Rainbow prior to its unbundling, partially offset by higher interest rates over the period.

Net finance costs paid for the period of R99,1 million are R44,3 million lower than net finance costs expensed in the income statement due to the non-cash IFRS 16 *Leases* interest charge.

TAXATION

The Group's effective tax rate excluding joint ventures and associates, was 27.7% (2023: 38.6%). The current year effective tax rate was largely impacted by the non-deductible separation costs incurred. The prior year effective tax rate was impacted by deferred tax assets not recognised in our 50% owned sugar cane-grower companies (R45,7 million tax impact) and the fair value loss on the remeasurement of the Group's investment in The LIVEKINDLY Collective which is not deductible for tax purposes (R24,9 million tax impact), excluding which the effective tax rate for the prior year was 28.0%.

NON-CONTROLLING INTERESTS

Non-controlling interests relate mainly to the outside shareholders' share of profits in the CBJVs. 50% of the profit after tax of these entities are allocated to outside shareholders through the non-controlling interest line in the income statement. Profits allocated to non-controlling interests in the current year increased by R118,5 million to R38,9 million (2023: negative R79,6 million) with the gain largely attributable to higher cane income arising from higher sugar prices with the prior year also being negatively impacted by the CGU impairment.

CONTINUING OPERATIONS REVIEW CONTINUED

EQUITY-ACCOUNTED INVESTMENTS

ASSOCIATES

ROYAL ESWATINI SUGAR CORPORATION (RES) (ESWATINI)

RCL FOODS' share of RES's after-tax results for the year ended 30 June 2024 declined by R66,6 million to R120,1 million (2023: R186,7 million) largely due to lower cane yields resulting in lower volumes of sugar production. The business was negatively impacted by an almost month-long delay in the start of the crushing season due to heavy rainfall in Eswatini which hampered the ability of RES to deliver sugarcane from the farms to the mill. It is anticipated that the delayed cane will still be milled in the 2025 season.

LIVEKINDLY COLLECTIVE AFRICA (LKCA) (SOUTH AFRICA)

RCL FOODS' share of after-tax profit was R5.5 million for the 2024 financial year (2023: R1,7 million) with the improvement driven by a reduction in overheads from right-sizing initiatives as well as an improvement in sales volumes.

JOINT VENTURES

AKWANDZE AGRICULTURAL FINANCE (AKWANDZE) (SOUTH AFRICA)

RCL FOODS' share of after-tax profit was R12,7 million for the 2024 financial year (2023: R1,8 million). The improvement was mainly due to the release of a provision relating to a fraud event which arose during the 2021 financial year which has subsequently been expunged.

MANANGA SUGAR PACKERS (MANANGA) (ESWATINI)

RCL FOODS' share of after-tax profit was R20,7 million for the 2024 financial year (2023: R34,4 million). The decline was largely driven by lower volumes due to lower demand as well as the non-availability of sugar from RES as a result of the delayed season start.

CONTINUING OPERATIONS REVIEW CONTINUED

OPERATIONAL REVIEW

GROCERIES (GROCERY, BEVERAGES)

	2024	2023	% change
Revenue (Rm)	**5 313,0**	5 034,2	5.5
EBITDA (Rm)	**502,3**	389,3	29.0
EBITDA margin (%)	**9.5**	7.7	1.8ppts
Underlying EBITDA (Rm)	**497,4**	405,8	22.6
Underlying EBITDA margin (%)	**9.4**	8.1	1.3ppts

Grocery's improved performance is mostly attributable to a better sales mix as well as improved Pet Food margins and service levels. Cost of production has also been reduced due to lower levels of load-shedding in the second half of the current financial year.

In Grocery's Culinary segment, volumes remained flat in a competitive landscape. Nola Mayonnaise, Yum Yum Peanut Butter and Ouma Rusks have remained the market leaders in their respective categories, with Nola growing its volume market share strongly in the last quarter. Our Nola Street Style Mayonnaise and Yum Yum Peanut Spread offerings continue to do well as competitively-priced value innovations.

Strong market share and margin gains for premium retail pet brands Canine Cuisine and Feline Cuisine

The Pet Food segment generated a significantly improved result as service levels and margins recovered from the impact of sustained load-shedding in the prior year. Sales mix changes are supporting higher margins, and the front-end recovery programme is yielding improved sales volumes despite softer demand especially in the economy retail category. On an annualised basis, Pet Food volumes were 3.8% higher than the prior year. Canine and Feline Cuisine both continue to outperform the premium retail market, while Bobtail and Catmor's market shares are recovering steadily. The Bobtail Specialised Diets range extended further into the mainstream retail segment this year and Optimizor Special Diets was launched in March 2024 into the non-grocer channel – with both being first-to-market specialised offerings in their categories

The **Beverage** business delivered an improved performance despite a 2.2% volume decline. The improvement was driven by an improved sales mix and operational efficiencies, including lower stock returns. Within its core Number 1 brand, the business launched a new Boost innovation which targets a younger and more active consumer.

BAKING (BREAD, BUNS & ROLLS, MILLING, PIES, SPECIALITY)

Within the Baking business unit, gains in Speciality and Milling were offset by a disappointing performance in the Bread, Buns & Rolls operating unit. The Sunshine Bakery business has been successfully integrated into the Baking business unit and its results are included in the results below.

	2024	2023	% change
Revenue (Rm)	**9 136,9**	8 625,4	5.9
EBITDA (Rm)	**517,3**	527,9	(2.0)
EBITDA margin (%)	**5.7**	6.1	(0.4) ppts
Underlying EBITDA (Rm)	**516,1**	547,9	(5.8)
Underlying EBITDA margin (%)	**5.6**	6.4	(0.8) ppts

The **Bread, Buns & Rolls** operating unit faced intense competition, margin pressure and a volume decline of 1.1% compared to the prior year. A significant increase in input costs, notably sustained high wheat costs, necessitated a price increase in October 2023 which led to a decrease in sales volumes. In recent months, Sunbake sales volumes have shown signs of recovery.

The **Milling** operating unit achieved an improved result through better cost control in production and distribution, as well as an enhanced product and channel sales mix. Milling volumes sold over the period were largely in line with the prior year but have increased in recent months, following the Sunbake lead.

In the **Pies** operating unit, substantial work was done in the year to resolve service level challenges and improve margins. While production has stabilised, volumes remain under significant pressure due to lower demand in the Retail and Forecourt channels. Overall volumes were down 6.9% *versus* the prior year. The business continues to drive its increasingly popular retail freezer range, as well as accelerate innovation.

Despite a 2.1% decline in volumes, **Speciality** delivered a good performance, maintaining margins. This was achieved through cost savings and efficiencies resulting from continuous improvement initiatives. Recently, there has been a notable volume recovery due to innovations in smaller formats and more competitive price points.

CONTINUING OPERATIONS REVIEW CONTINUED

SUGAR (SUGAR, MOLATEK MOLASSES-BASED ANIMAL FEED)

	2024	2023	% change
Revenue (Rm)	**11 811,0**	11 101,4	6.4
EBITDA (Rm)	**1 409,3**	879,4	60.3
EBITDA margin (%)	**11.9**	7.9	4.0ppts
Underlying EBITDA (Rm)	**1 272,3**	1 053,8	20.7
Underlying EBITDA margin (%)	**10.8**	9.5	1.3ppts

The strong underlying performance in the Sugar business unit was largely attributable to higher prices in both the local and export markets, an improved agricultural performance, as well as an outstanding result in Molatek Animal Feed due to improved production efficiencies offsetting a higher molasses price. Sugar sales volumes were down 8% relative to the prior year where the market bought in ahead of the June 2023 price increase. This disparity was exacerbated by competitive local market pricing in the 2024 financial year which impacted volumes mainly in the first half. Volumes improved in the second half as demand recovered. Effective hedging policies at industry level protected the local market and positively influenced the price received for exports during the year.

Sugar production decreased by 11.8%, hampered by a difficult start to the crushing season due to delays caused by heavy rain. Sugar agriculture is delivering positive results via its "back-to-basic" initiative and is seeing increased yields and improved cane quality in the current growing season. The suspension of load-shedding allowed for regular irrigation scheduling which is supporting cane yields.

The resilience of the Sugar business unit has been substantially strengthened in the past year through ongoing operational improvements and cost saving initiatives. Changing from in-house transport to an outsourced arrangement and shortening the outbound supply chain have unlocked significant savings and focused expense management in the agricultural and factory space.

Our small-scale growers play a key role in our Sugar supply chain and in sustaining the livelihoods of rural communities. Through TSGRO Farming Services Proprietary Limited (TSGRO) and Akwandze, we partner with the growers to improve their cane yields and financial sustainability.

The Sugar business unit continues to work with Eskom and the National Energy Regulator of South Africa (NERSA) to achieve grid code compliance at both the Pongola and Komati mills for the export of renewable electricity via the national grid. This is expected to be completed during the 2025 year, enabling them to join the Malalane mill in exporting excess power produced during sugar cane processing.

The new Komatipoort raw sugar warehouse, which was destroyed in a fire in October 2021, was commissioned in June 2024. This will reduce Sugar's supply chain costs and significantly derisk the business.

The Molatek operating unit delivered a record year, driven by a sales mix geared toward higher-margin product sales, strong operational efficiencies and cost savings. Overall volumes declined due to internal raw material availability challenges in the first half of the year.

SUGAR INDUSTRY MATTERS

SUGARCANE VALUE CHAIN MASTER PLAN

Work towards a Sugar Industry Master Plan 2.0 progresses, with the Department of Trade Industry and Competition (DTIC) supporting a delay in changes to the Health Promotion levy while the industry explores diversification opportunities. In parallel, discussions continue regarding how price increases will be managed into the future so that the industry remains sustainable, balanced with affordability for downstream users of sugar. Given the recent change in government and the DTIC leadership change, the industry will be engaging with government on intentions with the Master Plan.

SOUTH AFRICAN SUGAR INDUSTRY

There has been progress in dealing with the uncertainty surrounding the future of the South African sugar industry this year. This uncertainty was caused by Tongaat Hulett Sugar (Tongaat) and Gledhow Sugar (Gledhow) commencing business

CONTINUING OPERATIONS REVIEW CONTINUED

rescue proceedings and defaulting on industry payments, which had to be funded by the rest of the industry. In March 2024, the Durban High Court dismissed the declaratory application by the Business Rescue Practitioners (BRPs) of Tongaat for an order that they are entitled to suspend obligations arising from the Sugar Industry Agreement. The judgement confirmed that SASA levies and redistribution payments are a cost of doing business and cannot be suspended. Following the dismissal of an application for leave to appeal the judgement, the BRPs have petitioned the Supreme Court of Appeal, which granted leave to appeal.

We remain committed to playing our part to ensure a sustainable sugar industry, which is a key employer in rural areas, especially in KwaZulu-Natal. In this context, we are hopeful that the business rescue processes of both Tongaat and Gledhow will be successful and speedily concluded. RCL FOODS will continue to actively participate in defending the appeal to ensure that growers, millers, SASA and the broader industry are paid the monies due to them under the Sugar Industry Agreement.

CASH FLOW AND WORKING CAPITAL

Cash generated by operations of R1 993,8 million (2023: R1 286,6 million) is R707,1 million higher than the prior year, largely due to the improved profitability and favourable working capital movements.

Included in the non-cash items/adjustments of R171,9 million are addbacks of depreciation, amortisation and impairment charges of R662,7 million and non-cash IFRS 2 (*Share-based Payment*) charges of R60,3 million. This was offset by the deduction of a positive fair value adjustment on biological assets (R395,5 million), the profit earned on disposal of the Siyathuthuka farm (R45,1 million) as well as the reallocation of the Komati insurance proceeds to investing activities (R137,0 million).

Cash inflows from investing activities increased by R1 150,5 million to R138,5 million in the current year and mainly relates to the disposal of Vector Logistics (R1 250,0 million), receipt of the Komati insurance proceeds in respect of the fire (R137,0 million), partially offset by capital expenditure (including intangibles) of R882,6 million (2023: R743,7 million) and by the deconsolidation of Vector cash on hand.

The net cash outflow from financing activities of R1 335,1 million relates mainly to the repayment of the bank overdraft of R865,0 million, the settlement of the Akwandze loans of R339,1 million and payments on lease liabilities of R133,1 million.

CAPITAL COMMITMENTS

An amount of R304,4 million has been contracted and committed, but not spent, whilst a further R257,7 million has been approved but not contracted. The most material spends include:

- the replacement of the desolventiser toaster which enables the extraction of oil at the Grocery solvent plant (R38,8 million); and
- expenditure related to new capability in bread production for Sunbake (R33,8 million).

RETURN ON INVESTED CAPITAL

ROIC remains a key metric used by the Group to measure its efficiency and effectiveness of capital allocation. ROIC and underlying ROIC are non-defined International Financial Reporting Standards (IFRS) measures, and are therefore considered to be *pro forma* financial information in terms of the JSE Listings Requirements. The compilation thereof has been opined on by Ernst & Young Inc. and this report is available for inspection as published on the RCL FOODS website, www.rclfoods.com/financial-results-and-reports-2024/. Refer to the Reconciliation between unadjusted and underlying results" section provided on page 20 of this announcement for further details on *pro forma* financial information. ROIC is calculated using net operating profit after tax, including share of profits/losses of associates and joint ventures (NOPAT), divided by invested capital. Unadjusted ROIC is reflected in the table below. ROIC has been calculated on a continuing operations basis and hence excludes Vector Logistics and Rainbow for June 2024 and June 2023.

UNADJUSTED ROIC

	June 2024	June 2023	Change
Continuing operations	**12.2%**	8.2%	4.0 ppts

The improvement in ROIC is primarily driven by the higher operating profits generated during the year.

ROIC has been impacted by once-off items and accounting adjustments that impacted NOPAT as highlighted in the reconciliation between unadjusted and underlying results on page 20 of the announcement. In addition, invested capital has been distorted by the impact of cut-off on the trade and other receivables and payables balances as highlighted in the statement of financial position commentary section on pages 11 and 12.

Excluding the impact of these items, "underlying" ROIC is reflected in the table below to enable a like-for-like comparison between the current and prior period, thereby enabling investors and shareholders to gain a more meaningful view of the business' underlying operational performance.

UNDERLYING ROIC

	June 2024	June 2023	Change
Continuing operations	**12.5%**	10.4%	2.1 ppts

STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION (COMPARISON TO JUNE 2023 *PRO FORMA* STATEMENT OF FINANCIAL POSITION)

The Rainbow segment is classified as a disposal group held for sale as at 30 June 2024 and represented a separate major line of business of RCL FOODS. Accordingly, Rainbow has been classified as a discontinued operation. Vector Logistics was classified as a discontinued operation in the prior year with the sale being finalised in August 2023.

As a result, in accordance with the requirements of IFRS 5 Non-current Assets Held for Sale and Discontinued Operations (IFRS 5), both the Rainbow and Vector Logistics segments have been reported as discontinued operations in the current financial year with comparatives in the statement of comprehensive income and statement of cash flows restated. Comparative amounts in the statement of financial position (SOFP) are however not restated.

In order to provide users with comparable information, a *pro forma* SOFP is presented on pages 23 and 24 of this announcement for 2024 and 2023.

The Group *pro forma* SOFP has been prepared on the basis that the Vector Logistics segment is external to the Group in the comparative period which results in intercompany eliminations on the SOFP between Vector and the balance of the Group being reversed in the *pro forma* version. In addition, the current period *pro forma* statement of financial position has been prepared to reverse the disclosure of Rainbow as held for sale and hence includes Rainbow in the individual SOFP lines. **As such, presentation of the *pro forma* SOFP is different to the balance of this announcement, where the income statement and cash flow commentary relates only to continuing operations, the SOFP includes Rainbow and seeks to enable a more useful like for like comparison.**

Commentary on movements within the SOFP balances below is provided against the *pro forma* SOFP for 2024. For a full reconciliation of the IFRS SOFP to the *pro-forma* SOFP, refer to pages 23 and 24 of this announcement.

Property, plant and equipment increased by R512,2 million from 2023 mainly driven by capital expenditure of R1 259,2 million, partially offset by depreciation of R703,4 million.

Capital expenditure (including intangibles of R13,9 million) for the year ended June 2024 was R1 273,1 million. Significant spend items include:

- the raw sugar warehouse rebuild at Komatipoort post the fire destruction in October 2021, funded by insurance proceeds (R167,9 million);
- the refurbishment of the boilers at the Sugar mills (R48,7 million);
- replant and irrigation spend at our Sugar farms (R65,6 million);
- conversion of the Rainbow Zuurplaat facility from a broiler to a breeder farm to mitigate the risk of avian influenza (AI) in the North (R24,0 million);
- replacement of the 4 ton gyro at Rainbow's Hammarsdale plant (R22,8 million); and
- further spend related to the reinstatement of the second shift at the Rainbow Hammarsdale P2 processing facility to build capacity (R21,3 million).

The remaining spend consists of smaller items individually less than R20,0 million.

Right-of-use assets decreased by R50,1 million from June 2023 largely driven by depreciation of R112,0 million and the national office building impairment of R54,4 million, partially offset by capitalisations.

Investment in associates increased by R62,1 million to R1 004,4 million (2023: 942,3 million) driven mainly by profits capitalised in RES of R120,1 million, offset by dividends received from RES of R64,5 million.

Investment in financial asset which relates solely to RCL FOODS minority shareholding in The Livekindly Collective decreased by R35,7 million to R114,2 million (2023: R149,9 million) due to the write downs processed at year end.

Net working capital (including biological assets) has decreased by R295,7 million from the prior year and from 12.7% to 11.1% as a percentage of revenue.

Trade and other receivables and trade and other payables increased by R901,9 million and R1 461,3 million respectively, with the absolute balances impacted by year end cut off which fell on Sunday 30 June 2024. The year-end cut-off for current year reporting, aligned with calendar month end date of Sunday 30 June 2024, and since being a non-banking day, resulted in R1 749,2 million of receipts (Continuing: R641,3 million and Rainbow: R1 107,9 million) being collected and R907,3 million of payments (Continuing: R294,2 million and Rainbow: R613,1 million) being processed on 1 July 2024, post the year-end reporting cut-off date. The impact of the 1 day "delay" was an R841,9 million increase in net trade receivables (continuing: R347,1 million and Rainbow: R494,8 million). The prior year year-end cut-off date was Sunday 2 July 2023, post calendar month end date of 30 June 2023 and as a result the prior year net trade and other receivables and payables was not materially impacted by cut-off. Excluding the impact of cut-off, net trade and other payables were up R1 401.3 million, largely attributable to a decline in trade and other receivables in Rainbow due to renegotiated payment terms with their primary debtor Vector Logistics. In addition, trade and other payables increased in the

STATEMENT OF FINANCIAL POSITION CONTINUED

continuing operations due to higher prices in Sugar and an accrual for a refund of sale proceeds in terms of the Vector Logistics disposal agreement.

Inventory balances increased by R261,4 million from 2023 due to higher Sugar and Baking stock valuations (pricing related) and higher wheat stockholdings within Milling.

Total interest-bearing liabilities of R1 968,7 million are R365,5 million lower than last year largely due to the repayment of the loans advanced to the 50% owned cane grower companies by Akwandze Agricultural Finance Proprietary Limited, being replaced with internal funding. The Group's term debt package of R1 675,0 million is unchanged from the comparative period, with the repayment date renegotiated to December 2024 whilst the Rainbow separation was in progress. The Group's refinancing of the debt package will seek to ensure an optimal mix of debt and equity remains in the capital structure.

Cash on hand, net of overdrafts, increased by R1 746,7 million to R1 106,1 million at June 2024. Detail on the material drivers resulting in the improvement in cash is provided in the cash flow section on pages 10 and 18.

CONTINUING OPERATIONS PROSPECTS

The economic environment is expected to remain challenging for both consumers and food producers. Key downside risks include volatility in the Rand/Dollar exchange rate and continued high commodity input costs. Locally, consumers are expected to remain under pressure amidst sustained high interest rates, household debt and unemployment, all of which could impact further on local sales volumes and price realisations. As RCL FOODS we remain cognizant of the role we play in keeping South Africans fed and employed, and we will continue to prioritise affordability while safeguarding the sustainability of our business.

We are proud to have demonstrated resilience over an extended period of tough trading conditions, enabled by our focused strategy, supportive culture and pragmatic approach. The successful execution of our reshaped portfolio shift gives us further energy to pursue our long-term goals.

While acquisition opportunities continue to be explored, a major focus in the coming year will be to unlock savings to manage the temporary overheads dyssynergy arising from the Vector Logistics and Rainbow separations. A strong cash focus will remain key to enable investment in growth opportunities as and when they present themselves.

While market prices remain elevated, we are encouraged by some recent recovery in market volumes. We will continue to focus on execution of front-end recovery programmes in Grocery and Baking, while shifting gear to drive strategic growth in Speciality Pet and Exports.

Despite being exposed to variables outside our control, such as the world sugar price, our Sugar business anticipates improved agricultural yields and further cost saving initiatives will support results into the future, however world market prices are expected to come under pressure in the forthcoming year.

There remains significant uncertainty around the future of the sugar industry in South Africa and we will continue to support SASA and government in endeavours to ensure its long term sustainability.

BOARD AND COMMITTEE CHANGES

As per the SENS announcement, published on 30 August 2024, the following changes to the Board and committee members will take place, effective from 3 September 2024:

- Mr Jannie Durand retires as Chairperson of the Board, and simultaneously resigns as a non-executive director, and accordingly as a member of the Remuneration and Nominations Committee;
- Mr Hein Carse retires as a non-executive director;
- Mr Pieter Louw retires as a non-executive director;
- Mr Peter Mageza retires as a non-executive director;
- Mr Richard Rushton was appointed as an independent, non-executive director and was also appointed as a member of the Risk Committee;
- Ms Lwanda Zingitwa was appointed as a non-executive director;
- Mr Carel Vosloo (formerly an alternate non-executive director) was appointed as a non-executive director and will serve as a member of the Remuneration and Nominations Committee;
- Mr George Steyn (previously the lead independent director) was elected as the chairperson of the Board. Consequent on that appointment he steps down as a member of the Audit Committee. He continues to serve as a member of the Risk Committee and the Remuneration and Nominations Committee, where he will continue to chair Nomination matters; and
- Dr Penny Moumakwa (an independent non-executive director) was appointed as the chairperson of the Remuneration and Nominations Committee.

CASH DIVIDEND DECLARATION

The Board of directors have approved a gross cash dividend (number 97) of 35.0 cents per share (28.0 cents per share net of dividend withholding tax) for the year-end June 2024.

The dividend has been declared from income reserves.

A dividend withholding tax of 20% will be applicable to all shareholders who are not exempt.

The issued share capital at the declaration date is 890 296 405 ordinary shares. The company's income tax reference number is 9950019712.

The salient dates for the dividend will be as follows:

Publication of declaration data	Monday, 2 September 2024
Last day of trade to receive a dividend	Tuesday, 15 October 2024
Shares commence trading "ex" dividend	Wednesday, 16 October 2024
Record date	Friday, 18 October 2024
Payment date	Monday, 21 October 2024

Share certificates may not be dematerialised or rematerialised between Wednesday, 16 October 2024 and Friday, 18 October 2024, both days inclusive.

DISCONTINUED OPERATIONS REVIEW

Rm	June 2024	June 2023	% Change
Profit from discontinued operation attributable to equity holders	**439,2**	(200,0)	319.6
Vector Logistics	**253,8**	73,4	245.8
Rainbow	**185,4**	(273,4)	167.8

Rm	June 2024	June 2023
Cash flows from operating activities	**948,3**	(588,3)
Vector Logistics	**(261,4)**	(197,2)
Rainbow	**1 209,7**	(391,1)
Cash flows from investing activities	**(397,2)**	(592,9)
Vector Logistics	**(10,2)**	(178,6)
Rainbow	**(387,0)**	(414,3)
Cash flows from financing activities	**(91,8)**	(172,1)
Vector Logistics	**(16,9)**	(125,6)
Rainbow	**(74,9)**	(46,5)
Net Cash flows	**459,2**	(1 353,2)
Vector Logistics	**(288,6)**	(501,3)
Rainbow	**747,8**	(851,9)

VECTOR LOGISTICS

Vector Logistics reported a profit attributable to equity holders of R253,8 million for the period to disposal date (28 August 2023) which includes the R243,9 million profit arising from the disposal of the Vector Logistics segment. The decrease of R11,8 million between the abovementioned profit of R243,9 million and the R255,7 million as published in the December 2023 interim results announcement is due to a contractual price adjustment relating to the achievement by Vector Logistics of certain EBITDA targets in their 2023 and 2024 financial years (maximum adjustment of R100,0 million) and the settlement of the RCL FOODS share option liabilities. This is expected to be finalised during the 2025 financial year.

The net cash outflow of R288,6 million relates to the 2 month period until disposal date (28 August 2023) and is largely attributable to the disposal date falling before calendar month end which resulted in an unfavourable working capital position for Vector Logistics.

DISCONTINUED OPERATIONS REVIEW CONTINUED

RAINBOW

Considering Rainbow's separate listing and the limited disclosure as a discontinued operation in our results, additional information for Rainbow has been included in this announcement.

INCOME STATEMENT

Rainbow	Reported			Underlying		
Rm	June 2024	June 2023	% Change	June 2024	June 2023	% Change
Revenue	**14 527,4**	13 463,9	7.9	**14 527,4**	13 463,9	7.9
EBITDA	**629,7**	29,8	2 013.1	**672,1**	81,0	729.8
EBITDA Margin %	**4.3**	0.2	4.1ppts	**4.6**	0.6	4.0ppts
EBIT	**350,9**	(240,3)	246.0			
Share of profit of associate		4,9	(100.0)			
Net Finance Costs	**(127,6)**	(170,8)	25.3			
Taxation	**(53,7)**	106,3	(150.5)			
Profit/Loss for the period	**169,6**	(299,9)	156.6			
Non-controlling interest	**(15,8)**	(26,5)	40.4			
Profit/Loss attributable to equity holders	**185,4**	(273,4)	167.8	**216,4**	(236,1)	191.7
Headline adjustments	**0,1**	(13,1)	100.8			
Headline earnings attributable to equity holders	**185,5**	(286,5)	164.7	**216,5**	(249,2)	186.9

Rainbow's revenue for the year ended June 2024 increased 7.9% to R14,5 billion (2023: R13,4 billion). The increase was largely attributable to higher volumes in the retail wholesale channel and higher realised pricing. EBITDA increased by R599,9 million to R629,7 million (2023: R29,8 million) at a margin of 4.3% (2023: 0.2%). Rainbow's underlying EBITDA increased by R591,2 million to R672,1 million, despite the R202,6 million impact of Avian Influenza (AI) during the period. The overall gain compared to the prior year can be ascribed to an enhanced agricultural performance, higher processing yield, effective cost management, improved pricing, increased retail and wholesale channel volumes, relief in commodity prices (albeit still at elevated levels) as well as reduced load-shedding costs.

The underlying adjustments comprise negative fair value adjustments on Rainbow's commodity raw material procurement positions, which decreased EBITDA by R42,4 million (2023: R51,1 million decrease in EBITDA). Refer to the "Reconciliation between unadjusted and underlying results" section provided on page 20 of this announcement for further details.

Net finance costs decreased by R43,2 million which was largely due to the benefit of the recapitalisation from RCL FOODS executed during February and May 2024. Rainbow's effective tax rate was 24.0%, which was impacted by a prior year over provision relating to unclaimed learnerships excluding which the effective tax rate for the current year was 28.3%. Non-controlling interests relate mainly to the outside shareholders' share of profits in Rainbow's waste-to-value operation (Matzonox) of which 50% of the profit after tax is allocated to outside shareholders through the non-controlling interest line in the income statement. Losses allocated to non-controlling interests in the current year decreased by R10,7 million to R15,8 million (2023: R26,5 million loss), driven by an improved performance in Matzonox owing to the successful trade of renewable energy certificates and better energy production.

OPERATIONAL REVIEW

The turnaround at Rainbow is now well advanced, with every component of the process yielding positive results. At the core of the transformation is the aim to farm as efficiently and as cost-effectively as possible, with support from a change in breed. The transition to the Indian River breed began more than two years ago and is complete, although the full impact of the breed change will only be realised in the 2025 financial year. The new breed, a less energy-dense feed and a focus on husbandry basics are driving delivery on all agricultural key performance indicators.

The doubling of the capacity at the Hammarsdale processing plant was implemented successfully, which resulted in increased volumes, lower processing costs and the creation of 489 direct and indirect job opportunities.

DISCONTINUED OPERATIONS REVIEW CONTINUED

Despite having to cull a significant number of breeder birds, the impact of AI was partially mitigated by the extension of layer flocks, improved agricultural performance and the importation of eggs. The R202,6 million AI impact mainly relates to the import of hatching eggs, feed costs for extended flocks, safe disposal of culled birds, extra cleaning and the loss associated with the down placement of broiler birds. To mitigate the risk of a further significant outbreak of AI, Rainbow relocated its Midrand breeder facilities to a less densely populated region in record time. While a vaccination programme has been approved by Government in principle to better protect the national flock, practical implementation of the programme is currently prohibitive due to complexity and cost.

While a constrained consumer continued to put pressure on the front end, particularly in the Quick-Service Restaurant (QSR) channel, this was balanced by consistent agricultural outperformance and the strong pricing performance of secondary and tertiary products. The high cost of living continues to be a concern, compounded by a recent upswing in agricultural commodity input costs after some respite in the third quarter. The profitability of the poultry industry relies on optimising the value derived from chicken through customer and product mix, reducing costs, and innovating to expand the market. Rainbow's resilient performance, supported by a sound strategy and leading brands, demonstrate its ability to diversify and expand despite challenging conditions.

The Animal Feed business achieved satisfactory profitability by focusing on improving external margins and driving an optimal sales mix. External volumes remained under significant pressure due to excess production capacity in the market.

Simply Chicken retains its position as South Africa's top Vienna and Freezer to Fryer brand in Modern Trade, achieving record market shares.

DISCONTINUED OPERATIONS REVIEW CONTINUED

POULTRY INDUSTRY MATTERS

POULTRY SECTOR MASTER PLAN

The progress of the Poultry Sector Master Plan has been slow, despite substantial investment in capacity by the industry. Rainbow and its growers have invested over R500,0 million in Hammarsdale to double processing and grow capacity and have recovered 489 jobs.

Another critical aspect of the Master Plan is to expand the market and support exports. However, the industry requires greater and more urgent support from the Government to access export markets.

Trade measures to support the local industry are a third pillar of the Plan. Anti-dumping duties on chicken imports from Brazil and four European Union countries (Denmark, Ireland, Poland and Spain) were only reimposed in August 2023 after a year-long delay in implementation.

Following the AI outbreak in South Africa in late 2023, Minister Patel directed the International Trade Administration Commission (ITAC) to consider the creation of a temporary rebate provision on imported chicken to account for potential local market shortages due to AI. In January 2024 ITAC recommended that certain rebates of duties on frozen poultry imports be implemented based on its assessment. The Industry has worked more closely with ITAC to ensure that no further rebate permits will be issued without also considering information supplied by the South African Poultry Association (SAPA) on whether a shortage does or does not exist.

COMPETITION COMMISSION ENQUIRY

The Competition Commission of South Africa announced in February 2024 that it was launching an investigation into both the broiler and the layer industries. This was due to concerns about the concentrated structure of the industry potentially leading to anti-competitive behaviour and hindering transformation. The investigation is wide in scope and is likely to take an extended time to complete. Comments were invited and SAPA provided considered input by the due date of 15 March 2024. There have been no new developments on this matter. With Minister Parks Tau having been appointed as Minister Ebrahim Patel's successor in the Department of Trade, Industry and Competition (DTIC), an update is expected in due course.

CASH FLOW

Cash flows from operating activities of R1 209,7 million (2023: negative R391,1 million) is R1 600,8 million higher than the prior year, largely due to the improved profitability, favourable working capital movements and lower net finance costs arising from the benefit of the recapitalisation from RCL FOODS.

Cash outflows from investing activities decreased by R27,3 million to R387,0 million in the current year and consists mainly of capital expenditure (including intangibles) of R390,5 million (2023: R416,8 million).

The net cash outflow from financing activities of R74,9 million relates mainly to the payments on lease liabilities. Intercompany eliminations have been processed between continuing and discontinued operations resulting in net cash outflows of R792,1 million (2023: R742,6 million net cash inflows) being eliminated from Rainbow's cash flows from financing activities. The current year outflow of R792,1 million related to higher investments by Rainbow with RCL FOODS Treasury following Rainbow's favourable cash generated from operating activities during the current year. At 30 June 2024, Rainbow had a net investment with RCL FOODS Treasury of R463,8 million which was settled in cash by RCL FOODS Treasury on 1 July 2024 (date of unbundling).

DISCONTINUED OPERATIONS REVIEW CONTINUED

CAPITAL COMMITMENTS

An amount of R39,9 million has been contracted and committed, but not spent, whilst a further R34,6 million has been approved but not contracted.

RETURN ON INVESTED CAPITAL

UNADJUSTED ROIC

	June 2024	June 2023	Change
Rainbow	**6.7%**	-3.6%	10.3 ppts

The improvement in ROIC for Rainbow is primarily driven by the higher operating profits generated during the year. The impact of classifying Rainbow as held for sale and as a result halting depreciation from date of classification was R18,4 million (post-tax) for the current year and resulted in a 0.4% improvement in Rainbow ROIC.

ROIC has been impacted by once-off items and accounting adjustments that impacted NOPAT as highlighted in the reconciliation between unadjusted and underlying results on page 22 of the announcement. In addition, invested capital has been distorted by the impact of cut-off on the trade and other receivables and payables balances as highlighted in the statement of financial position commentary above on pages 11 and 12.

Excluding the impact of these items, "underlying" ROIC is reflected in the table below.

UNDERLYING ROIC

	June 2024	June 2023	Change
Rainbow	**8.6%**	-2.8%	11.4 ppts

RAINBOW PROSPECTS

Despite the consumer being severely under pressure and commodity prices remaining elevated, Rainbow's performance in the coming year will benefit from its improved agricultural performance and higher volumes. Its focus now will be on bedding down the separation from RCL FOODS, demonstrating ongoing profitability through the commodity cycles, remaining vigilant in terms of risks, protecting agricultural performance and continuing to innovate.

BASIS OF PREPARATION

The summarised consolidated financial statements have been prepared in accordance with IFRS, the information required by IAS 34 Interim Financial Reporting, IFRIC interpretations, SAICA financial reporting guides and circulars, Financial Pronouncements as issued by the Financial Reporting Standards Council and in compliance with the Companies Act of South Africa and the Listings Requirements of the JSE Limited, under the supervision of the Chief Financial Officer, Robert Field CA(SA). The accounting policies comply with IFRS and are consistent with those applied in the previous year. These results are extracted from audited information, but are not themselves audited. The consolidated financial statements were audited by Ernst & Young Inc., who expressed an unqualified opinion thereon. The audited consolidated financial statements and the auditor's report thereon are available for inspection on request and shareholders are advised that, in order to obtain a full understanding of the nature of the auditor's engagement, they should obtain a copy of the auditor's report together with the accompanying financial information. A copy of the audited consolidated financial statements and auditor's report can be obtained by contacting the Company Secretary on +27 31 242 8600 or at lauren.kelso@rclfoods.com. The auditor's report does not necessarily report on all the information contained in this announcement. The directors take full responsibility for the preparation of these results and confirm that the financial information has been correctly extracted from the underlying consolidated financial statements. The Integrated Annual Report will be made available to shareholders on RCL FOODS' website on or before 27 September 2024.

RECONCILIATION BETWEEN UNADJUSTED AND UNDERLYING RESULT

The underlying results ("underlying results") show the impact of excluding material once-off and accounting adjustments to the EBITDA, profit for the period attributable to equity holders of the Company, earnings per share (EPS), headline earnings and headline earnings per share (HEPS). The underlying results is considered *pro forma* financial information in terms of the JSE Listings Requirements and has been presented for illustrative purposes only, to provide users with relevant information and measures used by the Group to assess performance for the period under review. The preparation and presentation of the *pro forma* financial information are the responsibility of the board of directors. The underlying view of results is a non-IFRS measure and, due to its nature, therefore may not fairly present the Group's financial position, changes in equity, results of operations or cash flows for the periods presented. The June 2024 statement of financial position reversing the effect of reflecting Rainbow as a disposal group held for sale and the June 2023 statement of financial position reflecting Vector as external to the Group, also represents *pro forma* financial information in terms of the Listings Requirements of the JSE Limited. EBITDA is a non-IFRS measure and is calculated as operating profit before depreciation, amortisation and impairments and represents earnings before interest, tax, depreciation, amortisation and impairments of property, plant and equipment, right of use assets, intangible assets and goodwill. Shareholders are advised that this metric may not align with metrics used by other organisations.

Unadjusted information has been extracted without adjustment from the consolidated annual financial statements for the year ended June 2024, published on 2 September 2024.

For the year ended June 2023, the unadjusted information was extracted, without adjustment from the consolidated annual financial statements which were audited by another firm (PricewaterhouseCoopers Inc.).

The adjustments to the unadjusted information have been extracted from the Group's accounting records for the year ended June 2024 and June 2023.

Ernst & Young Inc., the current external auditor of the Group has issued a report on the compilation of the *pro forma* financial information, which is available for inspection as published on the RCL FOODS website, www.rclfoods.com/financial-results-and-reports-2024/.

CONTINUING OPERATIONS – STATEMENT OF COMPREHENSIVE INCOME

June 2024 (Rm)	Unadjusted results	IFRS 9[1]	Separation costs[2]	Special levy[3]	Komati fire[4]	CGU impairments[5]	Underlying results
EBITDA	**2 300,5**	(6,1)	58,8		(137,0)		**2 216,2**
Groceries	**502,3**	(4,9)					**497,4**
Baking	**517,3**	(1,2)					**516,1**
Sugar	**1 409,3**				(137,0)		**1 272,3**
Group	**(19,7)**		58,8				**39,1**
Unallocated restructuring costs	**(108,7)**						**(108,7)**
Profit for the period from continuing operations attributable to equity holders of the Company	**1 185,2**	(4,5)	58,8		(100,0)	39,7	**1 179,2**
EPS from continuing operations (cents)	**133,1**	(0,5)	6,6		(11,2)	4,5	**132,5**
Headline earnings from continuing operations	**1 082,7**	(4,5)	58,8				**1 137,0**
HEPS from continuing operations (cents)	**121,6**	(0,5)	6,6				**127,7**

June 2023 (Rm)	Unadjusted results	IFRS 9	Separation costs	Special levy	Komati fire	CGU impairments	Underlying results
EBITDA	1 681,7	36,5	25,6	234,4	(60,0)		1 918,2
Groceries	389,3	16,5					405,8
Baking	527,9	20,0					547,9
Sugar	879,4			234,4	(60,0)		1 053,8
Group	(58,8)		25,6				(33,2)
Unallocated restructuring costs	(56,1)						(56,1)
Profit for the period from continuing operations attributable to equity holders of the Company	816,2	26,7	25,6	171,1	(43,8)	34,4	1 030,2
EPS from continuing operations (cents)	91,7	3,0	2,9	19,2	(4,9)	3,9	115,8
Headline earnings from continuing operations	826,1	26,7	25,6	171,1			1 049,5
HEPS from continuing operations (cents)	92,8	3,0	2,9	19,2			117,9

DISCONTINUED OPERATIONS – STATEMENT OF COMPREHENSIVE INCOME

June 2024 (Rm)	Unadjusted results	IFRS 9	Vector profit[6]	Underlying results
EBITDA	**656,5**	42,4		**698,9**
Vector	**26,8**			**26,8**
Rainbow	**629,7**	42,4		**672,1**
Profit for the period attributable to equity holders of the Company	**439,2**	31,0	(243,9)	**226,3**
Vector	**253,8**		(243,9)	**9,9**
Rainbow	**185,4**	31,0		**216,4**
Headline earnings from discontinued operations	**182,1**	31,0		**213,1**
Vector	**(3,4)**			**(3,4)**
Rainbow	**185,5**	31,0		**216,5**

June 2023 (Rm)	Unadjusted results	IFRS 9	Vector profit	Underlying results
EBITDA	345,0	51,1		396,1
Vector	315,2			315,2
Rainbow	29,8	51,1		80.9
Profit for the period attributable to equity holders of the Company	(200,0)	37,3		(162,7)
Vector	73,4			73,4
Rainbow	(273,4)	37,3		(236,1)
Headline earnings from discontinued operations	(217,9)	37,3		(180,6)
Vector	68,6			68,6
Rainbow	(286,5)	37,3		(249,2)

Underlying results represent the results after taking into account the below adjustments:

1. IFRS 9 fair value adjustments relate to the fair value gains and losses on commodity contracts entered into as part of the Group's raw material procurement strategy.
2. Advisor costs incurred in the current year and prior year relating to the Rainbow and Vector separation processes;
3. Special levy relates to the net impact of additional levies raised by SASA on the Sugar business unit as a result of Tongaat and Gledhow suspending payment of their industry obligations in the prior year;
4. Komati fire relates to insurance proceeds accounted for in the current and prior year in respect of the fire damage at our Komatipoort sugar warehouse;
5. Impairments relate to net impairments processed in the current and prior period. The current year amount relates to the impairment recognised on the Group's national office building right-of-use asset and the prior year relates to the CGU impairment recognised in our Sugar business.
6. The profit arising from the disposal of the Vector Logistics segment.

The earnings and headline earnings impact of the underlying adjustments in the table above differs from EBITDA mainly due to the impact of taxation.

For a detailed reconciliation of profit for the period to headline earnings for both the current and prior year, refer to pages 27 and 28 of this announcement.

STATEMENT OF FINANCIAL POSITION

	Unadjusted June 2024 R'000	June 2024 Rainbow[1] R'000	June 2024 Adjustments R'000	June 2024 *Pro Forma* June 2024 R'000	June 2023 Unadjusted June 2023 R'000	June 2023 Adjustments June 2023 R'000	June 2023 *Pro Forma* June 2023 R'000
ASSETS							
Non-current assets							
Property, plant and equipment	**4 458 851**	1 978 489	19 379[2]	6 456 719	**5 944 523**		5 944 523
Right of use asset	**254 596**	94 716	5 229[2]	354 541	**404 680**		404 680
Investment property		14 219	180[2]	14 399			
Intangible assets	**1 553 993**	27 488	445[2]	1 581 926	**1 621 858**		1 621 858
Investment in joint ventures	**227 398**			227 398	**211 240**		211 240
Investment in associates	**1 004 391**			1 004 391	**942 333**		942 333
Deferred income tax asset	**16 910**	52 808	(6 813)[2]	62 905	**42 288**		42 288
Loans receivable	**12 000**			12 000	**12 000**		12 000
Trade and other receivables	**6 279**			6 279			
Investment in financial asset	**114 196**			114 196	**149 936**		149 936
Goodwill	**1 931 236**	19 315		1 950 551	**1 950 551**		1 950 551
	9 579 850	2 187 035	18 420	11 785 305	**11 279 409**		11 279 409
Current assets							
Inventories	**2 940 930**	1 042 604		3 983 534	**3 722 105**		3 722 105
Biological assets	**389 881**	929 712		1 319 593	**1 317 386**		1 317 386
Trade and other receivables	**2 977 117**	2 466 888	(3 093)[3]	5 440 912	**2 157 318**	(2 381 671)[7]	4 538 989
Derivative financial instruments	**9 119**	10 881		20 000	**28 144**		28 144
Tax receivable					**14 761**		14 761
Loan receivable	**2 435**			2 435	**59 233**		59 233
Loan receivable from RCL FOODS Treasury		463 828	(463 828)[4]				
Cash and cash equivalents	**1 093 497**	48 438		1 141 935	**224 373**		224 373
	7 412 979	4 962 351	(466 921)	11 908 409	**7 523 320**	(2 381 671)	9 904 991
Assets of disposal group classified as held for sale	**6 701 458**	(7 149 386)	448 500	572	**6 498 631**	2 381 671	4 116 960

STATEMENT OF FINANCIAL POSITION CONTINUED

	Unadjusted June 2024 R'000	June 2024 Rainbow[1] R'000	June 2024 Adjustments R'000	June 2024 *Pro Forma* June 2024 R'000	June 2023 Unadjusted June 2023 R'000	June 2023 Adjustments June 2023 R'000	June 2023 *Pro Forma* June 2023 R'000
Total assets	**23 694 287**			23 694 287	**25 301 360**		25 301 360
EQUITY							
Capital and reserves	**13 441 041**			13 441 041	**11 721 305**		11 721 305
LIABILITIES							
Non-current liabilities							
Deferred income					**3 277**		3 277
Interest-bearing liabilities		116 262		116 262	**371 066**		371 066
Lease liabilities	**391 313**	45 527		436 840	**436 134**		436 134
Deferred income tax liabilities	**789 368**	275 671	6 913[5]	1 071 952	**1 006 332**		1 006 332
Retirement benefit obligations	**27 383**	18 486		45 869	**65 974**		65 974
Share Option Liability		27 357	(27 357)[5]				
Trade and other payables	**34 669**	89 688		124 357	**10 858**		10 858
	1 242 733	572 991	(20 444)	1 795 280	**1 893 641**		1 893 641
Current liabilities							
Trade and other payables	**4 058 626**	2 265 090	(72 497)[6]	6 251 219	**4 594 257**	(195 684)[7]	4 789 941
Deferred income	**4 445**			4 445	**2 211**		2 211
Interest-bearing liabilities	**1 711 748**	140 639		1 852 387	**1 963 037**		1 963 037
Lease liabilities	**93 264**	57 166		150 430	**160 255**		160 255
Derivative financial instruments	**2 245**	47 386		49 631	**3 670**		3 670
Current income tax liabilities	**111 775**	2 236		114 011	**100 894**		100 894
Bank overdraft		35 844		35 844	**865 000**		865 000
	5 982 103	2 548 361	(72 497)	8 457 967	**7 689 324**	(195 684)	7 885 008
Liabilities of disposal group classified as held for sale	**3 028 409**	(3 121 352)	92 943		**3 997 091**	195 684	3 801 407
Total liabilities	**10 253 245**			10 253 245	**13 580 056**		13 580 056
Total equity and liabilities	**23 694 286**			23 694 286	**25 301 361**		25 301 361

1 *Reinstatement of Rainbow's SOFP at 30 June 2024, resulting in disclosure of their assets (R7, 149 million) and liabilities (R3, 121 million) by individual line item. Rainbow's equity equals R4, 028 million at 30 June 2024.*
2 *The impact of classifying Rainbow as held for sale and as a result halting depreciation from date of classification and related deferred tax impact.*
3 *Elimination of intergroup trade and other receivables balances included in Rainbow's trade and other receivables balance reinstated, currently eliminated in the assets of disposal group held for sale line in the IFRS SOFP (the unadjusted SOFP).*
4 *Elimination of Rainbows' reinstated loan receivable from the Group treasury company currently eliminated within the disposal group held for sale in the IFRS SOFP (the unadjusted SOFP). The balance on this loan at unbundling date of 1 July 2024, was settled in cash between the parties.*
5 *Rainbow's share option liability which is eliminated on consolidation due to the shares being settled in RCL FOODS shares and equity settled at a Group level, and reversal of the related deferred tax liability.*
6 *Elimination of intergroup trade and other payables balances included in Rainbow's trade and other payables balance reinstated, currently eliminated in the assets of disposal group held for sale line in the IFRS SOFP (the unadjusted SOFP).*
7 *Net intergroup trade and other receivables and trade and other payables balances owing from/to Vector Logistics by the balance of the Group. Previously eliminated in preparing the June 2023 consolidated SOFP, shown as external for pro-forma purposes following Vector's disposal during the current financial year.*

For and on behalf of the Board

JJ Durand
Non-executive Chairman

PD Cruickshank
Chief Executive Officer

Westville
2 September 2024

Sponsor
RAND MERCHANT BANK (A division of FirstRand Bank Limited)

CORPORATE INFORMATION

Directors: JJ Durand (Non-executive Chairman), PD Cruickshank (CEO)[1], HJ Carse, RH Field[1], GP Dingaan, GCJ Tielenius Kruythoff[2], PR Louw, NP Mageza, PM Moumakwa, DTV Msibi, GM Steyn, CPF Vosloo[3], PJ Neethling[4] and GC Zondi.

[1]Executive directors; [2]Dutch; [3]Appointed as Alternate director 16 November 2023, [4]Resigned 14 November 2023

Company secretary: LG Kelso

Registration number: 1966/004972/06

JSE share code: RCL

ISIN: ZAE000179438

Registered office: RCL Foods Limited, Ten The Boulevard, Westway Office Park, Westville, 3629

Transfer secretaries: Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196

Auditors: Ernst & Young Inc.

Sponsor: RAND MERCHANT BANK (a division of FirstRand Bank Limited)

Bankers: Absa Bank Limited, FirstRand Bank Limited, Investec Bank Limited, Nedbank Limited, Capitec Bank Limited and The Standard Bank of South Africa Limited

Website: www.rclfoods.com

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30 June 2024 R'000	2 July 2023 R'000
ASSETS		
Non-current assets		
Property, plant and equipment	**4 458 851**	5 944 523
Right-of-use assets	**254 596**	404 680
Intangible assets	**1 553 993**	1 621 858
Investment in joint ventures	**227 398**	211 240
Investment in associates	**1 004 391**	942 333
Deferred income tax asset	**16 910**	42 289
Loans receivable	**12 000**	12 000
Trade and other receivables	**6 279**	
Investment in financial asset	**114 196**	149 936
Goodwill	**1 931 236**	1 950 551
	9 579 850	11 279 410
Current assets		
Inventories	**2 940 930**	3 722 105
Biological assets	**389 881**	1 317 386
Trade and other receivables	**2 977 117**	2 157 318
Derivative financial instruments	**9 119**	28 144
Tax receivable		14 761
Loans receivable	**2 435**	59 233
Cash and cash equivalents	**1 093 497**	224 373
	7 412 979	7 523 320
Assets of disposal group classified as held for sale	**6 701 458**	6 498 631
Total assets	**23 694 287**	25 301 361
EQUITY		
Capital and reserves	**13 441 041**	11 721 305
LIABILITIES		
Non-current liabilities		
Deferred income		3 277
Interest-bearing liabilities		371 066
Lease liabilities	**391 313**	436 134
Deferred income tax liabilities	**789 368**	1 006 332
Retirement benefit obligations	**27 383**	65 974
Trade and other payables	**34 669**	10 858
	1 242 733	1 893 641
Current liabilities		
Trade and other payables	**4 058 626**	4 594 257
Deferred income	**4 446**	2 211
Interest-bearing liabilities	**1 711 748**	1 963 037
Lease liabilities	**93 264**	160 255
Derivative financial instruments	**2 245**	3 670
Current income tax liabilities	**111 775**	100 894
Bank overdraft		865 000
	5 982 104	7 689 324
Liabilities of disposal group classified as held for sale	**3 028 409**	3 997 091
Total liabilities	**10 253 246**	13 580 056
Total equity and liabilities	**23 694 287**	25 301 361

CONSOLIDATED INCOME STATEMENT

	Year ended June 2024 R'000	*Restated Year ended June 2023 R'000
Continuing Operations		
Revenue**	**26 016 566**	24 349 141
Operating profit before depreciation, amortisation and impairments^ (EBITDA)	**2 300 495**	1 681 643
Depreciation, amortisation and impairments^	**(662 657)**	(654 611)
Operating Profit	**1 637 838**	1 027 032
Finance costs	**(171 568)**	(177 456)
Finance income	**28 149**	10 959
Share of profits of joint ventures	**33 525**	36 185
Share of profits of associates	**125 562**	188 458
Profit before tax	**1 653 506**	1 085 178
Income tax expense	**(429 362)**	(348 617)
Profit for the period from continuing operations	**1 224 144**	736 561
Profit for the period from discontinued operation	**425 552**	(223 652)
Profit for the period	**1 649 696**	512 909
Attributable to:		
Equity holders of the Company	**1 624 394**	616 238
– from continuing operations	**1 185 204**	816 198
– from discontinued operation	**439 190**	(199 960)
Non-controlling interests	**25 302**	(103 329)
– from continuing operations	**38 940**	(79 638)
– from discontinued operation	**(13 638)**	(23 691)
HEADLINE EARNINGS		
Continuing operations		
Profit for the period attributable to equity holders of the Company	**1 185 204**	816 197
Profit on disposal of property, plant and equipment	**(17 096)**	(25 411)
Loss on disposal of property, plant and equipment	**19 232**	23 335
Insurance proceeds	**(100 015)**	(22 228)
Impairments of fixed assets and intangible assets	**65 004**	34 426
Profit on disposal of TSGRO	**(25 272)**	
Profit on disposal of asset held for sale	**(45 145)**	
(Profit)/loss on disposal of property, plant and equipment included in equity-accounted earnings of associates	**(9)**	(201)
Net impairments included in equity accounted earnings of associates	**792**	
Headline earnings from continuing operations	**1 082 695**	826 118

* *The prior year numbers have been restated as required by IFRS 5 to reflect the Rainbow segment as a discontinued operation.*
** *Revenue from contracts with customers" has changed to "Revenue". Refer to the Disaggregation of Revenue section for further detail.*
^ *Impairments relate only to impairments of property, plant and equipment, right of use assets, goodwill and intangible assets.*

CONSOLIDATED INCOME STATEMENT CONTINUED

	Year ended June 2024 R'000	*Restated Year ended June 2023 R'000
HEADLINE EARNINGS		
Discontinued operation		
Profit for the period attributable to equity holders of the Company	**439 190**	(199 960)
Profit on disposal of property, plant and equipment and assets held for sale	**(1 965)**	(6 895)
Loss on disposal of property, plant and equipment and assets held for sale	**592**	2 605
Impairments of fixed assets and intangible assets	**1 904**	1 417
Insurance proceeds	**(439)**	(7 406)
Foreign currency translation reserve recycled into profit and loss	**(13 185)**	(9 654)
Loss on disposal of associate		1 955
Profit on disposal of subsidiary classified as held for sale (Vector Logistics)	**(243 948)**	
Headline earnings from discontinued operation	**182 149**	(217 938)
– from Rainbow	**185 521**	(286 548)
– from Vector Logistics	**(3 372)**	68 610
Headline earnings from total operations	**1 264 844**	608 180

	Cents	Cents
Earnings per share from continuing and discontinued operations attributable to equity holders of the Company		
Basic earnings per share	**182.4**	69.3
– from continuing operations	**133.1**	91.7
– from discontinued operation	**49.3**	(22.4)
Basic earnings per share – diluted	**181.9**	68.6
– from continuing operations	**132.7**	91.0
– from discontinued operation	**49.2**	(22.4)
Headline earnings per share	**142.1**	68.3
– from continuing operations	**121.6**	92.8
– from discontinued operation	**20.5**	(24.5)
Headline earnings per share – diluted	**141.7**	67.6
– from continuing operations	**121.3**	92.1
– from discontinued operation	**20.4**	(24.5)

* *The prior year numbers have been restated as required by IFRS 5 to reflect the Rainbow segment as a discontinued operation.*

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended June 2024 R'000	*Restated Year ended June 2023 R'000
Profit for the period from continuing operations	**1 224 144**	736 561
Other comprehensive income		
Items that will not be reclassified to profit and loss		
Remeasurement of retirement medical obligations – net of tax	**3 470**	5 256
Share of associates other comprehensive income	**972**	229
Other comprehensive income for the period – net of tax	**4 442**	5 485
Total comprehensive income for the period – continuing operations	**1 228 586**	742 045
Total comprehensive income for the period attributable to:		
Equity holders of the Company – Continuing Operations	**1 189 646**	821 683
Non-controlling interests – Continuing Operations	**38 940**	(79 638)
	1 228 586	742 045
Profit for the period from discontinued operations	**425 552**	(223 652)
Other comprehensive income		
Items that will not be reclassified to profit and loss		
Remeasurement of retirement medical obligations – net of tax	**571**	5 057
Items that may subsequently be reclassified to profit and loss		
Currency translation differences	**12 286**	10 161
Foreign currency translation reserve recycled into profit and loss	**(14 788)**	(9 654)
Other comprehensive income for the period – net of tax	**(1 931)**	5 564
Total comprehensive income for the period – discontinued operations	**423 620**	(218 088)
Total comprehensive income for the period attributable to:		
Equity holders of the Company – Discontinued Operations	**437 258**	(194 706)
Non-controlling interests – Discontinued Operations	**(13 638)**	(23 382)
	423 620	(218 088)

* *The prior year numbers have been restated as required by IFRS 5 to reflect the Rainbow segment as a discontinued operation.*

CONSOLIDATED CASH FLOW INFORMATION

	June 2024 R'000	*Restated June 2023 R'000
OPERATING PROFIT	**1 637 838**	1 027 032
Non-cash adjustments and reallocations to other areas of cash flow	**171 938**	522 151
OPERATING PROFIT BEFORE WORKING CAPITAL REQUIREMENTS	**1 809 776**	1 549 183
Working capital requirements		
Movement in inventories	**(327 403)**	(416 264)
Movement in biological assets	**314 446**	353 787
Movement in trade and other receivables	**(462 291)**	66 413
Movement in trade and other payables	**659 245**	(266 483)
CASH GENERATED BY OPERATIONS	**1 993 773**	1 286 636
Net finance cost	**(99 134)**	(132 950)
Tax paid	**(406 691)**	(292 357)
CASH AVAILABLE FROM OPERATING ACTIVITIES	**1 487 948**	861 329
Dividend received	**81 842**	40 876
Dividends paid	**(2 000)**	(268 939)
Net cash inflow from operating activities – continuing operations	**1 567 790**	633 266
Net cash inflow/(outflow) from operating activities – discontinued operation	**948 309**	(588 285)
NET CASH INFLOW FROM OPERATING ACTIVITIES	**2 516 099**	44 981
CASH FLOWS FROM INVESTING ACTIVITIES		
Replacement property, plant and equipment	**(745 595)**	(587 445)
Expansion property, plant and equipment	**(123 725)**	(138 723)
Intangible asset additions	**(13 272)**	(17 538)
Acquisition of business		(214 892)
Net proceeds on non-current assets held for sale	**827 599**	
Receipts from interest-bearing loans advanced	**61 346**	6 000
Advances of interest-bearing loans	**(22 627)**	(78 870)
Insurance proceeds from fixed assets	**137 007**	
Proceeds on disposal of property, plant and equipment and intangible assets	**17 785**	19 467
Net cash inflow/(outflow) from investing activities – continuing operations	**138 518**	(1 012 001)
Net cash outflow from investing activities – discontinued operation	**(397 231)**	(592 894)
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	**(258 713)**	(1 604 895)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of interest-bearing liabilities (including bank overdraft settled in current year)	**(1 340 682)**	(491 627)
Advances of interest-bearing liabilities (including bank overdraft advanced in prior year)		925 000
Additional capital contribution by non-controlling interest	**5 568**	8 692
Shares repurchased		(2 204)
Net cash (outflow)/inflow from financing activities – continuing operations	**(1 335 114)**	439 861
Net cash outflow from financing activities – discontinued operations	**(91 803)**	(172 012)
NET CASH (OUTFLOW)/INFLOW FROM FINANCING ACTIVITIES	**(1 426 917)**	267 849
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	**830 474**	(1 292 065)
Cash and cash equivalents at the beginning of the period	**275 617**	1 565 808
Exchange rate translation from discontinued operation		1 874
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD[1]	**1 106 091**	275 617
Cash and cash equivalents at the end of the period – continuing operations	**1 093 498**	224 373
Cash and cash equivalents at the end of the period – discontinued operations	**12 593**	51 244

* *The prior year numbers have been restated as required by IFRS 5 to reflect the Rainbow segment as a discontinued operation.*

[1] *Includes cash and cash equivalents disclosed as part of the disposal group held for sale for both the current and prior year and excludes bank overdraft deemed a financing activity in the prior year only.*

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Company							
	Stated capital R'000	Share-based payments R'000	Other reserves R'000	Common control reserve R'000	Retained earnings R'000	Controlling interest total R'000	Non-controlling interest R'000	Total R'000
Balance at 3 July 2022	10 334 136	863 744	1 995	(1 919 832)	2 169 240	11 449 283	(59 951)	11 389 332
Profit for the period								
– from continuing operations					816 197	816 197	(79 638)	736 559
– from discontinued operation					(199 960)	(199 960)	(23 691)	(223 651)
Other comprehensive income for the period								
– from continuing operations					5 486	5 486		5 486
– from discontinued operation			507		5 057	5 564	308	5 871
Shares repurchased	(2 204)					(2 204)		(2 204)
Value of employee services		70 390				70 390		70 390
Equity component of tax on share-based payments		(231)				(231)		(231)
Exercise of employee share options	8 833	(8 833)						
Additional capital contribution by non-controlling interest							8 692	8 692
Ordinary dividend paid					(267 039)	(267 039)	(1 900)	(268 939)
Balance at 2 July 2023	10 340 765	925 070	2 502	(1 919 832)	2 528 981	11 877 486	(156 180)	11 721 306
Profit for the period								
– from continuing operations					1 185 204	1 185 204	38 940	1 224 144
– from discontinued operation					439 190	439 190	(13 638)	425 552
Other comprehensive income for the period								
– from continuing operations					4 442	4 442		4 442
– from discontinued operation			(2 502)		571	(1 931)		(1 931)
Loss of control of Vector Logistics							(9 225)	(9 225)
Employee share option scheme:								
Value of employee services		72 645				72 645		72 645
Exercise of employee share options	2 044	(1 502)				542		542
Additional capital contribution by non-controlling interest							5 568	5 568
Ordinary dividend paid							(2 000)	(2 000)
Balance at 30 June 2024	**10 342 809**	**996 213**		**(1 919 832)**	**4 158 388**	**13 577 578**	**(136 535)**	**13 441 043**

SUPPLEMENTARY INFORMATION

	June 2024 R'000	*Restated June 2023 R'000
Capital expenditure contracted and committed – Continuing Operations	**304 407**	236 689
Capital expenditure approved but not contracted – Continuing Operations	**257 721**	300 897
Capital expenditure contracted and committed – Discontinued Operation	**39 928**	177 144
Capital expenditure approved but not contracted – Discontinued Operation	**34 589**	105 472

** The prior year numbers have been restated to reflect the Rainbow segment as a discontinued operation.*

STATISTICS

		June 2024	June 2023
Statutory ordinary shares in issue	(000's)	**890 296**	890 097
Ordinary shares in issue for accounting purposes	(000's)	**890 296**	890 097
Weighted average ordinary shares in issue	(000's)	**890 155**	889 990
Diluted weighted average ordinary shares in issue	(000's)	**892 919**	896 873
Net asset value per share	(cents)	**1 509.7**	1 316.9
Ordinary dividends per share:			
Interim dividend declared	(cents)	**Nil**	Nil
Final dividend declared	(cents)	**35.0**	Nil
Total dividends	(cents)	**35.0**	Nil

RELATED PARTY TRANSACTIONS

Related party relationships exist between RCL Foods Limited, its subsidiaries, associates, joint ventures and Remgro Limited and its subsidiaries, associates and joint ventures. Remgro Management Services Limited provides treasury services to the Group.

The ultimate controlling party of the Group is Remgro Limited.

Details of transactions and balances with related parties are disclosed in the Annual Financial Statements for the year ended 30 June 2024.

SEGMENTAL ANALYSIS

	June 2024 R'000	*Restated June 2023 R'000
Continuing Operations		
Revenue	**26 016 566**	24 349 141
Groceries	**5 313 008**	5 034 203
Baking	**9 136 930**	8 625 417
Sugar	**11 810 978**	11 101 417
Group#	**281 072**	197 910
Sales between segments:		
Groceries sales to Baking	**(7 706)**	(7 999)
Groceries sales to Sugar	**(2 125)**	(3 064)
Groceries sales to Rainbow	**(173 743)**	(226 648)
Groceries sales to Group	**(1 892)**	(1 925)
Baking sales to Groceries	**(81 913)**	(79 192)
Baking sales to Sugar	**(1 359)**	(1 813)
Baking sales to Rainbow	**(108 673)**	(152 480)
Baking sales to Group	**(3 011)**	
Sugar sales to Groceries	**(107 157)**	(95 263)
Sugar sales to Baking	**(31 289)**	(34 749)
Sugar sales to Rainbow	**(6 412)**	(6 673)
Sugar sales to Group	**(142)**	
Operating profit before depreciation, amortisation and impairments+ (EBITDA)	**2 300 495**	1 681 643
Groceries	**502 307**	389 286
Baking	**517 271**	527 879
Sugar	**1 409 329**	879 437
Group^z	**(19 744)**	(58 847)
Unallocated restructuring costs	**(108 668)**	(56 112)
Depreciation, amortisation and impairments+	**(662 657)**	(654 611)

* *The prior year numbers have been restated as required by IFRS 5 to reflect Rainbow as a discontinued operation.*

\# *Group revenue relates to management fees earned for shared services performed for Siqalo Foods Proprietary Limited, Livekindly Collective Africa Proprietary Limited and Vector Logistics Proprietary Limited (since the effective date of disposal).*

+ *Impairments relate only to impairments of property, plant and equipment, right-of-use assets, goodwill and intangible assets.*

z *Includes the operating costs of RCL Foods Limited and RCL Group Services Proprietary Limited (shared services portion only), the fair value and foreign exchange adjustments relating to the Group's investment in the Livekindly Collective, losses/gains on the Group's self-insurance arrangement and profit from management fees earned on shared services functions for Siqalo Foods Proprietary Limited, Livekindly Collective Africa Proprietary Limited and Vector Logistics Proprietary Limited.*

SEGMENTAL ANALYSIS CONTINUED

	June 2024 R'000	*Restated June 2023 R'000
Continuing Operations		
Operating profit	**1 637 838**	1 027 032
Groceries	**403 610**	282 853
Baking	**294 482**	302 065
Sugar	**1 161 199**	592 298
Group[z]	**(58 358)**	(94 072)
Unallocated restructuring costs	**(163 095)**	(56 112)
Finance costs	**(171 568)**	(177 456)
Finance income	**28 149**	10 959
Share of profits of joint ventures	**33 525**	36 185
Sugar	**33 525**	36 185
Share of profits of associates	**125 561**	188 458
Sugar	**120 080**	186 717
Livekindly Collective Africa	**5 481**	1 741
Profit before tax	**1 653 505**	1 085 178

* *The prior year numbers have been restated as required by IFRS 5 to reflect Rainbow as a discontinued operation.*

z *Includes the operating costs of RCL Foods Limited and RCL Group Services Proprietary Limited (shared services portion only), the fair value and foreign exchange adjustments relating to the Group's investment in the Livekindly Collective, losses/gains on the Group's self-insurance arrangement and profit from management fees earned on shared services functions for Siqalo Foods Proprietary Limited, Livekindly Collective Africa Proprietary Limited and Vector Logistics Proprietary Limited.*

SEGMENTAL ANALYSIS CONTINUED

	June 2024 R'000	June 2023 R'000
Discontinued Operation[1]		
Revenue from contracts with customers	**14 973 769**	16 500 395
Rainbow	**14 527 425**	13 463 861
Chicken	**12 746 473**	11 627 989
Feed	**7 186 161**	7 761 021
Waste-to-value	**96 484**	62 145
Sales between segments:		
Chicken to Feed	**(86 914)**	(106 358)
Feed to Chicken	**(5 339 705)**	(5 820 971)
Waste-to-Value to Chicken	**(75 074)**	(59 965)
Vector	**657 015**	4 195 151
Sales between continuing and discontinued operations		
Rainbow sales to Groceries	**(25 658)**	(22 768)
Rainbow sales to Sugar	**(7 174)**	(7 286)
Vector Logistics sales to Groceries	**(24 668)**	(146 736)
Vector Logistics sales to Baking	**(20 159)**	(166 511)
Vector Logistics sales to Sugar	**(6 953)**	(38 471)
Sales between discontinued operations		
Vector Logistics sales to Rainbow	**(126 059)**	(776 845)
Operating profit before depreciation, amortisation and impairments+ (EBITDA)	**656 487**	344 990
Rainbow	**629 700**	29 814
Chicken	**568 143**	(10 860)
Feed	**29 598**	37 771
Waste-to-value	**31 959**	2 903
Vector	**26 787**	315 176
Profit on disposal of discontinued operations (Vector Logistics)	**243 948**	
Depreciation, amortisation and impairments+	**(278 775)**	(424 716)
Operating Profit	**621 660**	(79 726)
Rainbow	**350 924**	(240 299)
Chicken	**333 727**	(232 971)
Feed	**14 533**	21 858
Waste-to-value	**2 664**	(29 186)
Vector	**270 735**	160 574
Finance costs	**(178 976)**	(287 067)
Finance income	**32 028**	36 166
Share of profits of joint ventures		12 333
Vector		12 333
Share of profits of associates		4 903
Rainbow		4 903
Profit before tax	**474 711**	(313 390)
– from Rainbow	**223 320**	(406 241)
– from Vector Logistics**	**251 391**	92 851

1 *Relates to Vector Logistics and Rainbow segments.*
** *Includes 2 months of results for Vector Logistics until the date of disposal of 28 August 2023 for the current year.*
+ *Impairments relate only to impairments of property, plant and equipment, right of use assets, goodwill and intangible assets.*

SEGMENTAL ANALYSIS CONTINUED

	30 June 2024 R'000	2 July 2023 R'000
ASSETS		
Groceries	**3 559 627**	3 199 393
Baking	**6 091 593**	5 553 007
Sugar	**6 011 769**	5 216 967
Rainbow[1]		6 547 735
Unallocated Group assets[v]	**1 284 993**	612 216
Livekindly Collective Africa	**156 766**	151 284
Set-off of inter-segment balances	**(111 919)**	(2 451 069)
Sub-total – Pre assets held for sale	**16 992 829**	18 829 533
Rainbow[1] – disposal group held for sale	**6 700 886**	
Sugar – disposal group held for sale	**572**	
Vector Logistics[2] – disposal group held for sale		6 471 828
Total per statement of financial position	**23 694 287**	25 301 361
LIABILITIES		
Groceries	**1 379 775**	1 076 436
Baking	**1 863 004**	1 649 314
Sugar	**1 928 887**	1 918 098
Rainbow[1]		2 322 261
Unallocated Group liabilities[1]	**2 121 554**	2 892 720
Set-off of inter-segment balances	**(68 384)**	(274 847)
Sub-total – Pre liabilities held for sale	**7 224 836**	9 583 982
Rainbow[1] – disposal group held for sale	**3 028 409**	
Vector Logistics[2] – disposal group held for sale		3 996 074
Total per statement of financial position	**10 253 245**	13 580 056

[v] *Includes assets and liabilities of the Group treasury and shared services company and consolidation entries.*
[1] *Classified as a disposal group held for sale in the current year.*
[2] *Classified as a disposal group held for sale in the prior year.*

REVENUE

	June 2024 R'000	*Restated June 2023 R'000
Disaggregation of revenue		
Revenue from contracts with customers[1]	**24 599 882**	23 013 113
Continuing operations		
Groceries	**5 313 008**	5 034 203
Groceries	**4 758 654**	4 275 700
Sundry sales[z]	**554 354**	758 503
Baking	**9 136 930**	8 625 417
Sugar	**10 394 295**	9 765 389
Group[#]	**281 072**	197 910
Sales between segments	**(525 423)**	(609 806)
Timing of revenue recognition[2]	**24 599 882**	23 013 113
Point in time	**24 382 182**	22 801 926
Over time	**217 700**	211 187
Receipt from SASA	**1 416 683**	1 336 028
Total Revenue	**26 016 565**	24 349 141

[z] *Sundry sales consist of sunflower-oil and cake. The sale of these items arise in the course of the Group's ordinary activities, but are considered cost recoveries as they are by-products of the Group's core operations.*
[#] *Group revenue relates to management fees earned for shared services performed for Siqalo Foods Proprietary Limited, Livekindly Collective Africa Proprietary Limited and Vector Logistics Proprietary Limited (since the effective date of disposal).*
* *The prior year numbers have been restated as required by IFRS 5 to reflect the Rainbow segment as a discontinued operation.*
[1] *An agreement between two or more parties that creates enforceable rights and obligations. Can be written, oral or implied by customary business practices.*
[2] *Revenue recognised at a point in time relates to the sale of goods whilst revenue recognised over time relates to the sale of services.*

The presentation of local market redistribution receipts from SASA has been revisited and has resulted in the June 2023 results being restated to remove these receipts from "Revenue from contracts with customers", due to SASA not meeting the definition of a customer as per IFRS 15.

REVENUE CONTINUED

	June 2024 R'000	*Restated June 2023 R'000
Disaggregation of revenue		
Revenue from contracts with customers[1]	**14 973 769**	16 500 395
Discontinued operations		
Rainbow	**14 527 425**	13 463 861
Chicken	**12 746 473**	11 627 989
Chicken	**12 450 400**	11 190 186
Sundry sales[z]	**296 073**	437 803
Feed	**7 186 161**	7 761 021
Waste-to-value	**96 484**	62 145
Sales between segments	**(5 501 693)**	(5 987 294)
Vector	**657 015**	4 195 151
Sales between continuing and discontinued operations	**(84 612)**	(381 772)
Sales between discontinued operations	**(126 059)**	(776 845)
Timing of revenue recognition[2]	**14 973 769**	16 500 395
Point in time	**14 973 769**	16 500 395
Total Revenue	**14 973 769**	16 500 395

[z] *Sundry sales consist of poultry by-products. The sale of these items arise in the course of the Rainbow's ordinary activities but are considered cost recoveries as they are by-products of the Rainbow's core operations*

[1] *An agreement between two or more parties that creates enforceable rights and obligations. Can be written, oral or implied by customary business practices.*

[2] *Revenue recognised at a point in time relates to the sale of goods whilst revenue recognised over time relates to the sale of services.*

FAIR VALUE OF FINANCIAL INSTRUMENTS

The Group's investment in financial asset, which represents a minority shareholding in The LiveKindly Collective, is measured at fair value through profit or loss and is a Level 3 financial instrument under the fair value hierarchy as per IFRS 13 Fair Value. Level 3 valuation inputs are not based on observable market data (that is, unobservable inputs).

For the year ended June 2024, the investment in financial asset was valued at R114.2 million (2023: R149.9 million). RCL FOODS holds a 1.58% shareholding in The Livekindly Collective. As a result of the minority shareholding, access to financial information is limited. The fair value of the investment at June 2024 has been based on the Rand cost of the investment. A review of publicly available information on the company and industry, their latest financial statements and enquiries of Livekindly Collective management supported our conclusion that no further impairment of the asset was required.

A reconciliation of the investment in financial asset is presented below.

	June 2024 R'000	June 2023 R'000
At the beginning of the year	**149 936**	241 976
Foreign exchange gains		35 406
Fair value adjustments recorded in profit or loss	**(35 740)**	(127 446)
At the end of the year	**114 196**	149 936

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