



RCL FOODS LIMITED
**UNAUDITED
INTERIM
RESULTS AND
CASH DIVIDEND
DECLARATION**

FOR THE SIX MONTHS ENDED DECEMBER

2024

FINANCIAL SUMMARY – CONTINUING OPERATIONS*

RCL FOODS delivers a pleasing half-year performance despite continued challenging market conditions

REVENUE

**R13,6
billion**

↑ 5.4%

EBITDA

**R1 549,8
million**

↑ 25.1%

UNDERLYING** EBITDA

**R1 388,0
million**

↑ 20.5%

HEADLINE
EARNINGS

**R975,7
million**

↑ 39.2%

HEADLINE EARNINGS
PER SHARE

**109.4
cents**

↑ 38.8%

UNDERLYING**
HEADLINE EARNINGS

**R890,1
million**

↑ 29.2%

UNDERLYING** HEADLINE
EARNINGS PER SHARE

**99.8
cents**

↑ 28.9%

TOTAL DIVIDEND
PER SHARE

**20.0
cents**

(DECEMBER 2023: NIL)

* Continuing operations relate to the remaining RCL FOODS business, comprising the Groceries, Baking, Sugar and Group (shared services) segments, post the Rainbow unbundling effected on 1 July 2024 and disposal of Vector Logistics in the 2024 financial year.

** 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 pages 10 and 11 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

- **Strong market shares maintained across the portfolio, despite subdued volume performance throughout the period**
- **Focus on continuous-improvement and net-revenue-management initiatives yielding tangible benefits**
- **Lower input costs contributed to improved margins in Groceries and Baking**
- **Off a high base, Sugar maintained its positive momentum**
- **Term debt package successfully refinanced at R1,5 billion**

This reporting period marks our inaugural set of results following the repositioning of our portfolio through the disposal of Vector Logistics and the unbundling of Rainbow. The completion of these transactions allows us to focus exclusively on growing what matters in a future fit, branded business that aims to deliver sustainable earnings and consistent value to all our stakeholders, whilst continuing to pursue growth opportunities to scale up and bolster the portfolio.

Whilst we have seen positive movements in key macroeconomic factors such as: the moderation of inflation to within the Reserve Bank's targeted range; the 50 basis point reduction in the repo rate during the period under review and the institution of the two-pot retirement system, the South African food market remains relatively subdued as these positive movements are yet to appreciably improve consumer food demand. Through this tough environment, our aim is to focus on the factors we can influence or control by leveraging our opportunities and driving sustainable growth through innovating, managing costs and restoring our margins.

RCL FOODS has specifically focused on driving profitable growth during the current period.

Through that approach, RCL FOODS has delivered a pleasing half-year performance despite continued challenging market conditions. Earnings before interest, taxes, depreciation, amortisation and impairments (EBITDA) increased by 25.1% to R1 549,8 million (December 2023: R1 238,7 million), largely driven by Baking (up R194,5 million) and Groceries (up R88,4 million).

We continue to focus on maximising our performance in terms of those factors under our influence and control. We are pleased with our progress in delivering on our continuous-improvement ("CI", previously referred to as Best-in-Class), cost-efficiency and net-revenue-management (NRM) initiatives, which have contributed positively to our underlying performance.

We have judiciously managed price increases, mindful of consumers' financial constraints and have begun to see some welcomed price relief in certain commodities such as wheat – though prices remain elevated. The absence of load-shedding in the current period under review has also had a positive effect on costs with lower fuel costs. Our market shares largely remain healthy, and are a sign of our continued relevance in the market and the validity of our strategic and management focus.

Ouma Rusks remains the country's most loved rusk brand, with a 60.0% market share in December 2024.

Our debt package, which expired in December 2024, was successfully refinanced at lower interest margins than the expiring package, a positive indicator of the financial market's view of our risk profile which supports their continued appetite and willingness to partner with RCL FOODS.

We are managing our energy, water-supply and logistical risks carefully to ensure we remain future fit. We have mitigation plans in place, supported by our site-by-site energy and water risk resilience strategy, and are investing where necessary to provide additional cover.

From a regulatory perspective, engagements with the Department of Trade, Industry and Competition (dtic) and Department of Agriculture, largely in respect of work on the Sugar Master Plan 2.0, are positive and ongoing.

Overall, we believe we have progressed well against our 2025 financial year priorities to date. Our strategy is clear, consistent and is delivering results despite a challenging operating environment.

It is against this backdrop that the Board of directors has approved a cash dividend of 20.0 cents per share for the six-month period ended December 2024.

STRATEGIC PORTFOLIO REVIEW

As communicated in our year-end results for the 2024 financial year, the unbundling of Rainbow from the Group by way of a *pro rata* distribution *in specie* was effected on 1 July 2024. RCL FOODS is continuing to provide certain transitional services for a two-year period on an arm's length basis to enable the seamless operational separation of Rainbow from the Group.

FINANCIAL REVIEW

CONTINUING OPERATIONS

The results presented below represent continuing operations only, with the comparatives being restated in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations (IFRS 5) to reflect the Rainbow segment as a discontinued operation. The Vector Logistics segment was sold in August 2023 and already reported as a discontinued operation in the comparative period results. A non-cash gain of R198,5 million was accounted for in the current period on unbundling of the Rainbow segment, reported as part of the discontinued operations results.

INCOME STATEMENT

RCL FOODS' revenue for the current period increased 5.4% to R13,6 billion (December 2023: R12,9 billion). The increase was mainly attributable to higher realised prices across most categories in the Group. EBITDA increased by R311,1 million (25.1%) to R1 549,8 million (December 2023: R1 238,7 million).

The EBITDA by business unit is reflected in the table below:

Rm	December 2024	Margin %	December 2023	Margin %	% Change	Margin change (ppts)
EBITDA	1 549,8	11.4	1 238,7	9.6	25.1	1.8
Groceries	384,1	13.7	295,7	10.8	29.9	2.9
Baking	419,6	9.1	225,1	4.9	86.4	4.2
Sugar	750,4	12.4	732,5	12.9	2.4	(0.5)
Group	14,2		19,8		(28.0)	
Unallocated restructuring costs	(18,6)		(34,4)		46.0	

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

- Positive fair value adjustments on the Group's commodity raw material procurement positions, which increased EBITDA by R49,1 million (December 2023: R16,9 million). The R32,2 million year-on-year movement relates mainly to unrealised gains on open maize positions and gains in wheat procurement;
- Insurance proceeds of R40,3 million in respect of the February 2023 flood damage at the Nkomazi operations (December 2023: R70,2 million in respect of the fire damage at our Komatipoort raw sugar warehouse which occurred during the 2022 financial year); and
- A R72,3 million partial recovery of the sugar industry levy charged to RCL FOODS during the 2023 financial year, which resulted from Tongaat and Gledhow suspending payment of their industry obligations.

Refer to the "Reconciliation between unadjusted and underlying results" section provided on pages 10 and 11 of this announcement for further details.

FINANCIAL REVIEW CONTINUED

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

Rm	December 2024	Margin %	December 2023	Margin %	% Change	Margin change (ppts)
EBITDA	1 388,0	10.2	1 151,6	9.0	20.5	1.2
Groceries	341,7	12.2	264,6	9.7	29.1	2.5
Baking	412,9	8.9	239,3	5.2	72.5	3.7
Sugar	637,8	10.5	662,3	11.7	(3.7)	(1.2)
Group	14,2		19,8		(28.0)	
Unallocated restructuring costs	(18,6)		(34,4)		46.0	

Detailed commentary on the performance of the individual business units is included in the Operational Review section further below.

NET FINANCE COSTS

Net finance costs for the period increased by R24,0 million (35.3%) largely due to once-off transaction costs associated with the renewal of the term-funded debt package, as well as a higher net debt balance over the six months to December 2024 mainly due to the recapitalisation of Rainbow prior to its unbundling in the second half of the prior financial year. Net finance costs paid for the period of R67,9 million are R24,0 million lower than net finance costs expensed in the income statement mainly due to the non-cash IFRS 16 leases interest charge.

EQUITY ACCOUNTED INVESTMENTS

Share of profits of joint ventures and associates increased by a combined R18,2 million from the comparative period mainly driven by higher production in Royal Eswatini Sugar Corporation (RES) due to a catch-up on crushing days arising from weather delays at the beginning of the season.

TAXATION

The Group's effective tax rate, excluding joint ventures and associates, was 28.0% (December 2023: 32.2%). The current year effective tax rate was impacted by deferred tax assets not recognised in our 50% owned sugar cane-grower companies (R20,4 million tax impact), an increase in the deferred tax asset for future tax deductions on the Group's employee share schemes relating to unexercised share appreciation rights (SARs) awarded to employees (R13,9 million tax impact) and non-deductible listed company expenses (R5,0 million tax impact).

Excluding the above items, the effective tax rate for the current period was 27.0%

NON-CONTROLLING INTERESTS

Losses allocated to non-controlling interests decreased by R8,7 million (19.2%) to R36,8 million in the current period (December 2023: R45,5 million), largely attributable to higher cane income due to higher realised prices in the 50% owned sugar cane-grower companies and insurance proceeds received in respect of the Nkomazi flood damage.

STATEMENT OF FINANCIAL POSITION

The Rainbow segment was classified as a disposal group held for sale at 30 June 2024 and disposed of through unbundling on 1 July 2024, the first day of the current financial period.

In accordance with the requirements of IFRS 5, the statement of comprehensive income and statement of cash flows for the comparative six-month period has been restated to reflect the Rainbow segment as a discontinued operation. Comparative amounts for 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 12 and 13 of this announcement for December 2023.

The December 2023 *pro forma* SOFP has been prepared on the basis that the Rainbow segment is external to the Group, which results in intercompany eliminations on the SOFP between Rainbow and the balance of the Group being reversed in the *pro forma* version.

Where relevant, commentary on movements within the SOFP balances below is provided against the *pro forma* SOFP which exclude the Rainbow segment. For a full reconciliation of the unadjusted SOFP to the *pro forma* SOFP, refer to pages 12 and 13 of this announcement.

Property, plant and equipment increased R70,0 million from June 2024, largely driven by capital expenditure of R340,1 million, partially offset by depreciation of R256,5 million.

Capital expenditure including intangibles for the six months to December 2024 was R341,7 million (December 2023: R352,7 million). Material spend items included:

- expenditure relating to risk and compliance across the Group (R52,4 million); and
- replant and irrigation expenditure at our Sugar farms (R13,3 million).

The remaining spend consists of individually smaller items.

FINANCIAL REVIEW CONTINUED

An amount of R443,6 million (December 2023: R516,5 million) has been contracted and committed, but not spent, whilst a further R306,2 million (December 2023: R159,2 million) has been approved but not contracted. The most material spends include:

- agricultural replant and irrigation expenditure at our Sugar farms (R71,5 million);
- infrastructure related expenditure that enables the refurbishment of the spiral freezers at the Pies plant (R52,3 million); and
- expenditure related to new capability in bread production for Sunbake (R27,5 million).

Right-of-use assets capitalised under IFRS 16 Leases increased by R93,6 million from June 2024, mainly driven by additions of R117,8 million mainly relating to a new lease agreement for Milling's inland distribution and was partially offset by depreciation of R40,8 million.

Investment in associates increased by R111,9 million from June 2024 driven mainly by profits capitalised from RES of R145,9 million partially offset by dividends received from RES of R36,3 million.

Current net working capital increased by R104,3 million (3.2%) from the *pro forma* December 2023 SOFP, but decreased to 12.6% as a percentage of revenue in the current period (December 2023: 13.0%). Inventory balances increased by R259,5 million from the *pro forma* December 2023 SOFP largely attributable to Sugar.

Trade and other payables and trade and other receivables increased by R600,0 million and R465,4 million respectively from the *pro forma* December 2023 SOFP, with the absolute balances impacted by the timing of the reporting date cut-off which fell on Sunday 29 December 2024 with the comparative period falling on Sunday 31 December 2023. The cash impact of cut-off on the current period was R876,2 million on trade and other payables (December 2023: R226,2 million) and R1 194,6 million on trade and other receivables (December 2023: R641,3 million) resulting in a R318,4 million decrease in net trade payables (December 2023: R415,0 million). Excluding the impact of cut-off, net trade and other payables were up R38,0 million.

Total interest-bearing liabilities decreased R169,2 million from June 2024, largely due to a R175,0 million reduction in the term-funded debt package to R1,5 billion on refinancing in December 2024. The lower R1,5 billion term debt package is considered appropriate for the RCL FOODS portfolio, post the exits of Vector and Rainbow.

The term-funded debt package requires that the Group comply with the specific financial covenants. For the current period the Group was within the limits of its financial covenants. The covenants have been calculated in accordance with the terms of the recently refinanced debt package and are unchanged.

Financial Covenants	Required	December 2024
Senior leverage ratio	< 3.0:1	0.6
Senior interest cover	> 3.5:1	18.3

Current tax liabilities increased R193,3 million from the *pro forma* December 2023 SOFP, largely due to the reporting date cut-off of 29 December 2024, with provisional tax payments being processed post cut-off.

CASH FLOW AND WORKING CAPITAL

Cash generated by operations of R593,5 million (December 2023: R77,7 million) is R515,8 million higher than the prior year largely due to the improved profitability and the impact of cut-off at December and June reporting dates.

Provisional tax payments processed post reporting date cut-off of 29 December 2024 was R171,9 million.

The cash outflows from investing activities for the six months to December 2024 of R854,8 million is mainly due to the deconsolidation of the Rainbow cash on hand and cash invested in the Group at unbundling date of 1 July 2024 (R476,4 million), capital expenditure (including intangibles) of R341,7 million (December 2023: R352,7 million) and a R100,0 million refund of sale proceeds in terms of the Vector Logistics disposal agreement which was fully provided for in the comparative period. The comparative period included the proceeds on disposal of the Vector Logistics segment (R1 320,0 million), offset by the deconsolidation of Vector cash on hand.

The net cash outflow from financing activities of R236,2 million relates mainly to the repayment on reduction of the expiring term-funded debt package (R175,0 million) as well as payments on lease liabilities.

RCL FOODS ended the period in a positive cash position of R149,8 million, R956,3 million lower than June 2024, which is expected given the cyclical stock build to December in the Sugar business unit ahead of their off-crop maintenance period. This stock is expected to unwind in the six months to June 2025. The six-month cash flows to December 2023 include the receipt of the Vector proceeds, with the Rainbow recapitalisation occurring in the second half of the prior financial year.

FINANCIAL REVIEW CONTINUED

RETURN ON INVESTED CAPITAL

Return on invested capital (ROIC) remains a key metric used by the Group to measure its efficiency and effectiveness of capital allocation. ROIC is calculated using a rolling 12-month 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.

UNADJUSTED ROIC

	December 2024	December 2023	% change
Continuing operations (%)	13.2	9.0	4.2 ppts

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 11 of this 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 page 5. 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

	December 2024	December 2023	% change
Continuing operations (%)	12.8	10.8	2.0 ppts

The 2.0% increase in the Group underlying ROIC is largely attributable to the improved profitability.

OPERATIONAL REVIEW

GROCERIES

	December 2024	December 2023	% change
Revenue (Rm)	2 804,3	2 734,9	2.5
EBITDA (Rm)	384,1	295,7	29.9
EBITDA margin (%)	13.7	10.8	2.9
Underlying EBITDA (Rm)	341,7	264,6	29.1
Underlying EBITDA margin (%)	12.2	9.7	2.5

Groceries delivered an improved result driven by a favourable product mix in pet food with more focus placed on premium brands, improved margins resulting from lower raw material input costs, savings initiatives, production efficiencies and reduced load-shedding.

Within the **Grocery** operating unit, Pet Food delivered a significantly improved performance as a result of suspended load-shedding, continued cost savings and margin improvement. Volumes were 7.4% lower than the prior period with pressure on the total pet food basket. With service levels ahead of target, our focus is now on executing our sustainable volume-recovery plans.

We have worked to strengthen our key Culinary brands by investing in improving brand equity, defending market leadership, maintaining a strong margin profile and improving profitability. In a challenging market environment with constrained volume growth, we continued to focus on core growth, exports and Quick Service Restaurants (QSR) channel growth. Volumes across our Culinary business were down 5.4% in the current period.

Beverage volumes were 13.4% lower than the comparative period largely following the decision to discontinue certain unprofitable product lines. Despite this, the business delivered an improved result mainly driven by cost savings and a shift in the sales mix. With volumes expected to remain soft, there will be continued focus on driving further cost savings.

BAKING

	December 2024	December 2023	% change
Revenue (Rm)	4 634,7	4 587,2	1.0
EBITDA (Rm)	419,6	225,1	86.4
EBITDA margin (%)	9.1	4.9	4.2
Underlying EBITDA (Rm)	412,9	239,3	72.5
Underlying EBITDA margin (%)	8.9	5.2	3.7

Our Baking business unit has delivered an improved performance, despite muted volumes in most categories.

The **Bread, Buns and Rolls** operating unit continues to face a highly competitive market but has reported an encouraging improvement on the prior period aided by our focus on restoring margins. Wheat-flour price relief, reduced load-shedding and a continued decline in the fuel price further aided the improvement.

The **Pies** operating unit experienced a challenging six months to December 2024, with volumes under continued pressure (down 5.4% compared to the prior period) as a result of increasing cheaper alternatives and lower foot traffic through the forecourts. Profitability has however improved, in line with our broad focus on margin restoration through continuous improvement initiatives as well as an improved sales mix.

The **Milling** operating unit delivered a good result driven by strong cost management and execution of their continuous improvement plan. Volumes and sales mix have also improved, and several innovation projects are starting to deliver promising results. We remain focused on delivering cost savings identified through the CI and NRM initiatives, allowing for investment back into price and promotional activity.

After a period of volume declines, the **Speciality** operating unit achieved a solid result for the period driven by improved volume performance in the Cake category. Margins have been protected through a solid CI program and strong promotional support to recover lost volumes. Whilst Speciality bread volumes remain muted, promotional support through price contributed to some volume uplift at the end of the current period.

OPERATIONAL REVIEW CONTINUED

SUGAR

	December 2024	December 2023	% change
Revenue (Rm)	6 075,8	5 670,9	7.1
EBITDA (Rm)	750,4	732,5	2.4
EBITDA margin (%)	12.4	12.9	(0.5)
Underlying EBITDA (Rm)	637,8	662,3	(3.7)
Underlying EBITDA margin (%)	10.5	11.7	(1.2)

After two consecutive years of record financial performance, Sugar continued to deliver strong results. Despite lower world market pricing and increased sugar imports, RCL FOODS benefited from a higher share of the local industry through a bigger RCL FOODS Sugar crop and a drop in the KwaZulu-Natal's coastal crop.

Production costs were well contained despite an overall increase in sugar production supported by a bigger cane crop within the Nkomazi region. The rebuilt Komati warehouse has contributed to operational efficiencies.

Milling performance improved in terms of sugar production and packaging throughput, with a significant improvement in the refinery performance supported by work performed in the previous off-crop maintenance period.

Despite higher sales volumes, Molatek was down on the prior period mainly driven by a less favourable sales mix and rising input costs.

Our "back-to-basics" agricultural turnaround plan is starting to deliver results, contributing to improvements in yields.

SUGAR INDUSTRY

SUGAR MASTER PLAN 2.0

Work towards a Sugar Industry Master Plan 2.0 progresses, with the dtic supporting a delay in changes to the Health Promotion levy while the industry explores diversification opportunities.

Industry is currently seeking a review of the mechanism used in determining the import duty, which is a regular occurrence over time as duties of this nature become ineffective. Given the level of subsidies offered internationally and the conducive climatic conditions in key exporters, we hope to receive an outcome from the review that levels the playing field.

BUSINESS RESCUE PROCESSES AT TONGAAT HULETT SUGAR

The Supreme Court of Appeal has granted Tongaat Hulett (Tongaat) business-rescue practitioners leave to appeal the finding that they were unable to suspend certain statutory obligations during business-rescue proceedings. Tongaat must file the record of proceedings by the end of February 2025 whereafter Heads of Argument will be exchanged by the litigating parties. We expect the appeal to be set down for hearing during the last quarter of the 2025 calendar year.

During the current period RCL FOODS accounted for a partial recovery (R72,3 million) of the R234,4 million special industry levy charged to RCL FOODS in our 2023 financial year. This partial recovery was facilitated through the South African Sugar Association (SASA). RCL FOODS continues to actively participate in defending the Tongaat appeal to ensure that SASA and RCL FOODS are paid the balance of monies due.

OUTLOOK

While we are still seeing volatile demand across most categories, improving macroeconomic factors are a positive sign and, if sustained, should translate into stronger demand over time. In addition, GDP growth is expected to increase marginally in 2025 and should support a gradual recovery in consumer spending and associated volume growth.

However, it is likely that the consumer will remain under pressure for a period, and we envisage tough trading conditions to continue in the short to medium term. Therefore, we are cautiously optimistic that our improved trajectory will sustain itself through the second half of the financial year. We will continue to execute our growth plans, whilst enhancing our margins to offset the impact of any shortfall in volumes.

We are optimistic about Sugar's continued strong performance, but are cognisant of lower international prices and increasing imports due to inadequate import protection. A hot and dry period towards the end of the 2024 calendar year could still pose challenges for the output of next season's crop, however, recent rains have been a welcome relief.

Whilst we are cautious, we are confident that with our heightened emphasis on brilliant basics, the acceleration of margin-enhancement initiatives and a clear growth strategy, we are well positioned for a continued strong performance in the remainder of the 2025 financial year.

CASH DIVIDEND DECLARATION

The Board of directors have approved a gross cash dividend (number 98) of 20.0 cents per share (16.0 cents per share net of dividend withholding tax) for the six-month period ended December 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 894 454 298 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, 3 March 2025
Last day of trade to receive a dividend	Tuesday, 6 May 2025
Shares commence trading "ex" dividend	Wednesday, 7 May 2025
Record date	Friday, 9 May 2025
Payment date	Monday, 12 May 2025

Share certificates may not be dematerialised or rematerialised between Wednesday, 7 May 2025 and Friday, 9 May 2025, both days inclusive.

BASIS OF PREPARATION

The summarised consolidated financial statements have been prepared in accordance with International Financial Reporting Accounting Standards (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 and corresponding interim period.

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 December 2023 statement of financial position reflecting Rainbow 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.

RECONCILIATION BETWEEN UNADJUSTED AND UNDERLYING RESULT CONTINUED

CONTINUING OPERATIONS – STATEMENT OF COMPREHENSIVE INCOME

December 2024 (Rm)	Unadjusted results	IFRS 9 ¹	Nkomazi flood ²	Special levy ³	Underlying results
EBITDA	1 549,8	(49,1)	(40,3)	(72,3)	1 388,0
Groceries	384,1	(42,5)			341,7
Baking	419,6	(6,7)			412,9
Sugar	750,4		(40,3)	(72,3)	637,8
Group	14,2				14,2
Unallocated restructuring costs	(18,6)				(18,6)
Profit for the period from continuing operations attributable to equity holders of the Company	1 006,4	(35,9)	(25,0)	(49,7)	895,9
EPS from continuing operations (cents)	112,8	(4,0)	(2,8)	(5,6)	100,4
Headline earnings from continuing operations	975,7	(35,9)		(49,7)	890,1
HEPS from continuing operations (cents)	109,4	(4,0)		(5,6)	99,8

December 2023 (Rm)	Unadjusted results	IFRS 9 ¹	Komati fire ⁴	Underlying results
EBITDA	1 238,7	(16,9)	(70,2)	1 151,6
Groceries	295,7	(31,1)		264,6
Baking	225,1	14,2		239,3
Sugar	732,5		(70,2)	662,3
Group	19,8			19,8
Unallocated restructuring costs	(34,4)			(34,4)
Profit for the period from continuing operations attributable to equity holders of the Company	779,7	(12,3)	(51,2)	716,2
EPS from continuing operations (cents)	87,6	(1,4)	(5,8)	80,4
Headline earnings from continuing operations	701,1	(12,3)		688,8
HEPS from continuing operations (cents)	78,8	(1,4)		77,4

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. Nkomazi flood relates to insurance proceeds received in respect of the February 2023 flood damage at the Nkomazi operations;
3. Special levy relates to a partial recovery of the 2023 special sugar industry levy which resulted from Tongaat and Gledhow suspending payment of their industry obligations; and
4. Komati fire relates to insurance proceeds in respect of the fire damage at our Komatipoort sugar warehouse.

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 page 16 of this announcement.

PRO FORMA STATEMENT OF FINANCIAL POSITION

	Unadjusted December 2024 R'000	December 2023			June 2024
		Unadjusted December 2023 R'000	Rainbow ¹ R'000	Adjustments R'000	Pro Forma December 2023 R'000
					Unadjusted June 2024 R'000
ASSETS					
Non-current assets					
Property plant and equipment	4 528 846	6 107 891	1 903 847	4 204 044	4 458 851
Right of use assets	348 239	332 801	127 740	205 061	254 596
Investment property		13 401	13 401		
Intangible assets	1 533 297	1 609 512	31 346	1 578 166	1 553 993
Investment in joint ventures	242 376	216 964		216 964	227 398
Investment in associates	1 116 287	1 053 558		1 053 558	1 004 391
Deferred income tax asset	24 379	48 864	47 289	1 575	16 910
Loans receivable	12 889	12 000		12 000	12 000
Trade and other receivables	6 279				6 279
Investment in financial asset	114 196	149 936		149 936	114 196
Goodwill	1 931 236	1 950 551	19 315	1 931 236	1 931 236
	9 858 024	11 495 478	2 142 938	9 352 540	9 579 850
Current assets					
Inventories	3 955 618	4 713 924	1 017 848	3 696 076	2 940 930
Biological assets	197 470	1 112 960	894 941	218 019	389 881
Trade and other receivables	3 295 888	5 363 598	2 612 456	(79 396) ²	2 977 117
Derivative financial instruments	2 656	16 839	14 555	2 284	9 119
Tax receivable		16 451		16 451	
Loan receivable	2 435	59 972		59 972	2 435
Cash and cash equivalents	364 752	327 114	49 901	277 213	1 093 497
	7 818 819	11 610 858	4 589 701	(79 396)	7 412 978
Assets of disposal group classified as held for sale	572	625		(6 732 637)	6 701 458
Total assets	17 677 415	23 106 961	6 732 639	(6 812 033)	23 694 287

1 Removal of Rainbow's SOFP at 31 December 2023 resulting in their assets (R6 732,6 million) and liabilities (R6 002,6 million) being removed from the individual SOFP line items.

2 Reinstatement of eliminated trade and other receivables and payable balances between Rainbow and the balance of the Group.

PRO FORMA STATEMENT OF FINANCIAL POSITION

CONTINUED

	Unadjusted December 2024 R'000	December 2023			June 2024	
		Unadjusted December 2023 R'000	Rainbow ¹ R'000	Adjustments R'000	Pro Forma December 2023 R'000	Unadjusted June 2024 R'000
EQUITY						
Capital and reserves	10 062 962	12 749 564			12 749 564	13 441 041
LIABILITIES						
Non-current liabilities						
Deferred income		3 777			3 777	
Interest-bearing liabilities	1 500 000	173 033	149 335		23 698	
Lease liabilities	455 313	397 469	79 235		318 234	391 313
Deferred income tax liabilities	786 592	1 042 549	233 508		809 041	789 368
Retirement benefit obligations	27 269	49 230	18 703		30 527	27 383
Share Option Liability			29 052	(29 052) ³		
Trade and other payables	53 116	17 983			17 983	34 669
	2 822 290	1 684 041	509 833	(29 052)	1 203 260	1 242 733
Current liabilities						
Trade and other payables	4 072 624	5 512 558	2 119 343	(79 396) ²	3 472 611	4 058 626
Deferred income	4 641	1 868			1 868	4 445
Interest-bearing liabilities	42 574	2 154 856	134 270		2 020 586	1 711 748
Lease liabilities	111 571	137 390	55 238		82 152	93 264
Derivative financial instruments	2 859	25 371	24 011		1 360	2 245
Current income tax liabilities	342 894	146 313	(3 331)		149 644	111 775
Loan payable to RCL Foods Limited			1 467 763	(1 467 763) ⁴		
Loan payable to RCL FOODS Treasury			1 695 448	(1 695 448) ⁴		
Bank overdraft	215 000	695 000			695 000	
	4 792 163	8 673 356	5 492 742	(3 242 607)	6 423 221	5 982 104
Liabilities of disposal group classified as held for sale				(2 810 310)	2 810 310	3 028 409
Total liabilities	7 614 453	10 357 397	6 002 575	(6 081 969)	10 436 791	10 253 246
Total equity and liabilities	17 677 415	23 106 961	6 002 575	(6 081 969)	23 186 355	23 694 287

1 Removal of Rainbow's SOFP at 31 December 2023 resulting in their assets (R6 732,6 million) and liabilities (R6 002,6 million) being removed from the individual SOFP line items.

2 Reinstatement of eliminated trade and other receivables and payable balances between Rainbow and the balance of the Group.

3 Reversal of the elimination of Rainbow's share option liability, which was eliminated in the unadjusted SOFP due to the options being settled in RCL FOODS Limited shares and hence being equity settled at a Group level.

4 Reversal of the elimination of Rainbow's loans received from the balance of the Group.

For and on behalf of the Board

GM Steyn

Non-executive Chairman

Westville

3 March 2025

Sponsor

RAND MERCHANT BANK (A division of FirstRand Bank Limited)

PD Cruickshank

Chief Executive Officer

CORPORATE INFORMATION

Directors: JJ Durand (Former Non-executive Chairman)¹, PD Cruickshank (CEO)², HJ Carse ¹, RH Field², GP Dingaen, GCJ Tielenius Kruythoff³, PR Louw¹, NP Mageza⁴, PM Moumakwa, DTV Msibi, GM Steyn (Non-executive Chairman)⁵, CPF Vosloo⁶, GC Zondi, RM Rushton⁷, L Zingitwa⁷.

¹Resigned 3 September 2024, ²Executive directors; ³Dutch; ⁴Retired 3 September 2024, ⁵Elected Non-executive Chairman 3 September 2024, ⁶Appointed 3 September 2024 (former Alternate Director), ⁷Appointed 3 September 2024

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

	Unaudited 29 December 2024 R'000	Unaudited 31 December 2023 R'000	Audited 30 June 2024 R'000
ASSETS			
Non-current assets			
Property, plant and equipment	4 528 846	6 107 891	4 458 851
Right-of-use assets	348 239	332 801	254 596
Investment Property		13 401	
Intangible assets	1 533 297	1 609 512	1 553 993
Investment in joint ventures	242 376	216 964	227 398
Investment in associates	1 116 287	1 053 558	1 004 391
Deferred income tax asset	24 379	48 864	16 910
Loans receivable	12 889	12 000	12 000
Trade and other receivables	6 279		6 279
Investment in financial asset	114 196	149 936	114 196
Goodwill	1 931 236	1 950 551	1 931 236
	9 858 024	11 495 478	9 579 850
Current assets			
Inventories	3 955 618	4 713 924	2 940 930
Biological assets	197 470	1 112 960	389 881
Trade and other receivables	3 295 888	5 363 598	2 977 117
Derivative financial instruments	2 656	16 839	9 119
Tax receivable		16 451	
Loans receivable	2 435	59 972	2 435
Cash and cash equivalents	364 752	327 114	1 093 497
	7 818 819	11 610 858	7 412 979
Assets of disposal group classified as held for sale	572	625	6 701 458
Total assets	17 677 415	23 106 961	23 694 287
EQUITY			
Capital and reserves	10 062 962	12 749 564	13 441 041
LIABILITIES			
Non-current liabilities			
Deferred income		3 777	
Interest-bearing liabilities	1 500 000	173 033	
Lease liabilities	455 313	397 469	391 313
Deferred income tax liabilities	786 592	1 042 549	789 368
Retirement benefit obligations	27 269	49 230	27 383
Trade and other payables	53 116	17 983	34 669
	2 822 290	1 684 041	1 242 733
Current liabilities			
Trade and other payables	4 072 624	5 512 558	4 058 626
Deferred income	4 641	1 868	4 446
Interest-bearing liabilities	42 574	2 154 856	1 711 748
Lease liabilities	111 571	137 390	93 264
Derivative financial instruments	2 859	25 371	2 245
Current income tax liabilities	342 894	146 313	111 775
Bank overdraft	215 000	695 000	
	4 792 163	8 673 356	5 982 104
Liabilities of disposal group classified as held for sale			3 028 409
Total liabilities	7 614 453	10 357 397	10 253 246
Total equity and liabilities	17 677 415	23 106 961	23 694 287

CONSOLIDATED INCOME STATEMENT

	Unaudited Six months December 2024 R'000	Unaudited *Restated Six months December 2023 R'000	Audited Year ended June 2024 R'000
Continuing Operations			
Revenue	13 558 201	12 859 670	26 016 566
Operating profit before depreciation, amortisation and impairments[^] (EBITDA)	1 549 763	1 238 656	2 300 495
Depreciation, amortisation and impairments [^]	(318 033)	(280 272)	(662 657)
Operating Profit	1 231 730	958 384	1 637 838
Finance costs	(122 466)	(71 139)	(171 568)
Finance income	30 565	3 218	28 149
Share of profits of joint ventures	15 477	10 986	33 525
Share of profits of associates	148 224	134 479	125 562
Profit before tax	1 303 530	1 035 928	1 653 506
Income tax expense	(333 902)	(301 687)	(429 362)
Profit for the period from continuing operations	969 628	734 241	1 224 144
Profit for the period from discontinued operations	198 495	281 100	425 552
Profit for the period	1 168 123	1 015 341	1 649 696
Attributable to:			
Equity holders of the Company	1 204 884	1 066 269	1 624 394
– from continuing operations	1 006 389	779 731	1 185 204
– from discontinued operations	198 495	286 538	439 190
Non-controlling interests	(36 761)	(50 929)	25 302
– from continuing operations	(36 761)	(45 491)	38 940
– from discontinued operations		(5 438)	(13 638)
HEADLINE EARNINGS			
Continuing operations			
Profit for the period attributable to equity holders of the Company	1 006 389	779 731	1 185 204
Profit on disposal of property, plant and equipment	(5 757)	(7 497)	(17 096)
Loss on disposal of property, plant and equipment	127	4 603	19 232
Insurance proceeds	(24 969)	(51 235)	(100 015)
Impairments of fixed assets and intangible assets			65 004
Profit on disposal of TSGRO Farming Services Proprietary Limited			(25 272)
Profit on disposal of asset held for sale		(25 228)	(45 145)
Profit on disposal of property, plant and equipment included in equity-accounted earnings of associates	(113)	(7)	(9)
Net impairments included in equity accounted earnings of associates		707	792
Headline earnings from continuing operations	975 677	701 075	1 082 696

* The prior year numbers have been restated as required by IFRS 5 Non-current assets held for sale and discontinued operations to reflect the Rainbow segment as a discontinued operation.

[^] Impairments relate only to impairments of property, plant and equipment, right-of-use assets, goodwill and intangible assets.

CONSOLIDATED INCOME STATEMENT CONTINUED

	Unaudited Six months December 2024 R'000	Unaudited *Restated Six months December 2023 R'000	Audited Year ended June 2024 R'000
HEADLINE EARNINGS			
Discontinued operations			
Profit for the period attributable to equity holders of the Company	198 495	286 538	439 190
Profit on disposal of property, plant and equipment		(851)	(1 965)
Loss on disposal of property, plant and equipment		48	592
Impairments of fixed assets and intangible assets		1 904	1 904
Insurance proceeds		(213)	(439)
Foreign currency translation reserve recycled into profit and loss		(13 185)	(13 185)
Profit on disposal of subsidiary classified as held for sale (Rainbow)	(198 495)		
Profit on disposal of subsidiary classified as held for sale (Vector Logistics)		(255 691)	(243 948)
Headline earnings from discontinued operations		18 550	182 149
– from Rainbow		21 923	185 521
– from Vector Logistics		(3 373)	(3 372)
Headline earnings from total operations	975 677	719 625	1 264 845
	Cents	Cents	Cents
Earnings per share from continuing and discontinued operations attributable to equity holders of the Company			
Basic earnings per share	135.1	119.8	182.4
– from continuing operations	112.8	87.6	133.1
– from discontinued operations	22.3	32.2	49.3
Basic earnings per share – diluted	133.8	119.6	181.9
– from continuing operations	111.8	87.4	132.7
– from discontinued operations	22.0	32.2	49.2
Headline earnings per share	109.4	80.8	142.1
– from continuing operations	109.4	78.8	121.6
– from discontinued operations		2.0	20.5
Headline earnings per share – diluted	108.4	80.7	141.7
– from continuing operations	108.4	78.6	121.3
– from discontinued operations		2.1	20.4

* The prior year numbers have been restated as required by IFRS 5 Non-current assets held for sale and discontinued operations to reflect the Rainbow segment as a discontinued operation.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited Six months December 2024 R'000	Unaudited *Restated Six months December 2023 R'000	Audited Year ended June 2024 R'000
Profit for the period from continuing operations	969 628	734 241	1 224 144
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Remeasurement of retirement medical obligations – net of tax			3 470
Share of associates other comprehensive income			972
Other comprehensive income for the period – net of tax			4 442
Total comprehensive income for the period – continuing operations	969 628	734 241	1 228 586
Total comprehensive income for the period attributable to:			
Equity holders of the Company – continuing operations	1 006 389	779 731	1 189 646
Non-controlling interests – continuing operations	(36 761)	(45 491)	38 940
	969 628	734 240	1 228 586
Profit for the period from discontinued operations	198 495	281 100	425 552
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Remeasurement of retirement medical obligations – net of tax			571
Items that may subsequently be reclassified to profit and loss			
Currency translation differences		12 286	12 286
Foreign currency translation reserve recycled into profit and loss		(14 788)	(14 788)
Other comprehensive income for the period – net of tax		(2 502)	(1 931)
Total comprehensive income for the period – discontinued operations	198 495	278 598	423 620
Total comprehensive income for the period attributable to:			
Equity holders of the Company – discontinued operations	198 495	284 036	437 258
Non-controlling interests – discontinued operations		(5 438)	(13 638)
	198 495	278 598	423 620

* The prior year numbers have been restated as required by IFRS 5 Non-current assets held for sale and discontinued operations to reflect the Rainbow segment as a discontinued operation.

CONSOLIDATED CASH FLOW INFORMATION

	Unaudited December 2024 R'000	Unaudited *Restated December 2023 R'000	Audited June 2024 R'000
Operating profit	1 231 730	958 384	1 637 838
Non-cash adjustments and reallocations to other areas of cash flow	103 412	(19 658)	171 939
Operating profit before working capital requirements	1 335 142	938 726	1 809 777
Working capital requirements	(741 687)	(861 056)	183 997
Movement in inventories	(1 014 688)	(1 082 550)	(327 403)
Movement in biological assets	389 881	310 070	314 446
Movement in trade and other receivables	(321 865)	(131 896)	(462 291)
Movement in trade and other payables	204 985	43 320	659 245
Cash generated by operations	593 455	77 670	1 993 774
Net finance cost	(67 903)	(47 769)	(99 134)
Tax paid	(113 029)	(227 770)	(406 691)
Cash available from/(utilised by) operating activities	412 523	(197 869)	1 487 949
Dividends received	36 829	28 516	81 842
Dividends paid	(314 663)	(2 000)	(2 000)
Net cash inflow/(outflow) from operating activities – continuing operations	134 689	(171 353)	1 567 791
Net cash inflow from operating activities	134 689	91 618	2 516 100
Cash flows from investing activities			
Replacement property, plant and equipment	(266 778)	(274 399)	(745 595)
Expansion property, plant and equipment	(73 326)	(73 780)	(123 725)
Intangible asset additions	(1 584)	(4 511)	(13 272)
Net proceeds on non-current assets held for sale [^]	(476 422)	796 107	827 599
Refund of Vector Logistics sale proceeds	(100 000)		
Receipts from interest-bearing loans advanced	1		61 348
Advances of interest-bearing loans		(17 296)	(22 627)
Insurance proceeds related to fixed assets	40 311		137 007
Proceeds on disposal of property, plant and equipment and intangible assets	22 997	7 347	17 785
Net cash (outflow)/inflow from investing activities – continuing operations	(854 801)	433 468	138 520
Net cash outflow from investing activities – discontinued operations		(180 362)	(397 231)
Net cash (outflow)/inflow from investing activities	(854 801)	253 106	(258 711)
Cash flows from financing activities			
Repayments of interest-bearing liabilities (including bank overdraft settled in prior year)	(248 182)	(942 471)	(1 340 682)
Advances of interest-bearing liabilities (including bank overdraft advanced in prior year)		695 000	
Additional capital contribution by non-controlling interest			5 568
Shares issued	11 955		
Net cash outflow from financing activities – continuing operations	(236 227)	(247 471)	(1 335 113)
Net cash outflow from financing activities – discontinued operations		(45 756)	(91 803)
Net cash outflow from financing activities	(236 227)	(293 227)	(1 426 916)
Net movement in cash and cash equivalents	(956 339)	51 497	830 474
Cash and cash equivalents at the beginning of the period	1 106 091	275 617	275 617
Cash and cash equivalents at the end of the period¹	149 752	327 114	1 106 091

* The prior year numbers have been restated as required by IFRS 5 Non-current assets held for sale and discontinued operations to reflect the Rainbow segment as a discontinued operation.

[^] The current year numbers includes the deconsolidation of Rainbow's cash of R12,5 million and repayment of the working capital loan with RCL FOODS Treasury Proprietary Limited of R463,9 million at unbundling date. The prior year numbers includes net cash proceeds on disposal of Vector Logistics Proprietary Limited of R749,1 million which is made up of gross proceeds on sale of R1 307,0 million less the deconsolidation of cash of R64,4 million and the repayment of Vector's working capital loan with RCL FOODS Treasury Proprietary Limited of R493,6 million at disposal.

¹ Includes cash and cash equivalents disclosed as part of the disposal group held for sale for both the prior periods and excludes bank overdraft deemed a financing activity in the December 2023 period only.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Company							Total R'000
	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	
Balance at 2 July 2023	10 340 765	925 070	2 502	(1 919 832)	2 528 980	11 877 485	(156 180)	11 721 305
Profit for the period								
– from continuing operations					779 731	779 731	(45 491)	734 240
– from discontinued operations					286 538	286 538	(5 438)	281 100
Other comprehensive income for the period								
– from discontinued operations				(2 502)		(2 502)		(2 502)
Loss of control of Vector Logistics							(9 225)	(9 225)
Employee share option scheme:								
Value of employee services		26 646				26 646		26 646
Exercise of employee share options	271	(271)						
Ordinary dividend paid							(2 000)	(2 000)
Balance at 31 December 2023	10 341 036	951 445		(1 919 832)	3 595 249	12 967 898	(218 333)	12 749 564
Profit for the period								
– from continuing operations					405 473	405 473	84 431	489 904
– from discontinued operations					152 652	152 652	(8 200)	144 452
Other comprehensive income for the period								
– from continuing operations					4 442	4 442		4 442
– from discontinued operations					571	571		571
Employee share option scheme:								
Value of employee services		45 999				45 999		45 999
Exercise of employee share options	1 773	(1 231)				542		542
Additional capital contribution by non-controlling interest							5 568	5 568

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

CONTINUED

	Attributable to equity holders of the Company							Total R'000
	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	
Balance at 30 June 2024	10 342 809	996 213		(1 919 832)	4 158 386	13 577 576	(136 535)	13 441 041
Profit for the period								
– from continuing operations					1 006 389	1 006 389	(36 761)	969 628
– from discontinued operation					198 495	198 495		198 495
Loss of control of Rainbow							(15 396)	(15 396)
Employee share option scheme:								
Value of employee services		21 902				21 902		21 902
Exercise of employee share options	32 544	(20 589)				11 955		11 955
Dividend <i>in specie</i>					(4 250 000)	(4 250 000)		(4 250 000)
Ordinary dividend paid					(312 413)	(312 413)	(2 250)	(314 663)
Balance at 29 December 2024	10 375 353	997 526		(1 919 832)	800 857	10 253 904	(190 942)	10 062 962

SUPPLEMENTARY INFORMATION

		Unaudited December 2024 R'000	Unaudited *Restated December 2023 R'000	Audited June 2024 R'000
Capital expenditure contracted and committed – continuing operations		443 610	516 502	304 407
Capital expenditure approved but not contracted – continuing operations		306 237	159 191	257 721
Capital expenditure contracted and committed – discontinued operations			152 423	39 928
Capital expenditure approved but not contracted – discontinued operations			51 806	34 589
STATISTICS				
Statutory ordinary shares in issue	(000's)	893 826	890 122	890 296
Weighted average ordinary shares in issue	(000's)	892 046	890 114	890 155
Diluted weighted average ordinary shares in issue	(000's)	900 255	891 993	892 919
Net asset value per share	(cents)	1 125.8	1 432.3	1 509.7
Ordinary dividends per share:				
Interim dividend declared	(cents)	20.0		
Final dividend declared	(cents)			35.0
Total dividends	(cents)	20.0		35.0

* The prior year numbers have been restated as required by IFRS 5 Non-current assets held for sale and discontinued operations to reflect Rainbow as a discontinued operation.

SEGMENTAL ANALYSIS

	Unaudited December 2024 R'000	Unaudited *Restated December 2023 R'000	Audited June 2024 R'000
Continuing operations			
Revenue	13 558 201	12 859 670	26 016 566
Groceries	2 804 301	2 734 852	5 313 008
Baking	4 634 681	4 587 158	9 136 930
Sugar	6 075 781	5 670 880	11 810 978
Group [#]	157 399	131 767	281 072
Sales between segments:			
Groceries sales to Baking	(3 827)	(3 289)	(7 706)
Groceries sales to Sugar	(1 373)	(1 128)	(2 125)
Groceries sales to Rainbow		(94 657)	(173 743)
Groceries sales to Group	(1 228)	(911)	(1 892)
Baking sales to Groceries	(32 869)	(39 907)	(81 913)
Baking sales to Sugar	(943)	(715)	(1 359)
Baking sales to Rainbow		(51 239)	(108 673)
Baking sales to Group	(76)		(3 011)
Sugar sales to Groceries	(56 103)	(53 651)	(107 157)
Sugar sales to Baking	(17 452)	(15 695)	(31 289)
Sugar sales to Rainbow		(3 795)	(6 412)
Sugar sales to Group	(90)		(142)
Operating profit before depreciation, amortisation and impairments+ (EBITDA)	1 549 763	1 238 656	2 300 495
Groceries	384 130	295 704	502 307
Baking	419 593	225 114	517 271
Sugar	750 410	732 494	1 409 329
Group ^z	14 219	19 755	(19 744)
Unallocated restructuring costs	(18 589)	(34 411)	(108 668)

* The prior year numbers have been restated as required by IFRS 5 Non-current assets held for sale and discontinued operations 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, Vector Logistics Proprietary Limited and Rainbow Chicken Limited (since the effective date of disposal for both Vector and Rainbow with the service arrangement for Vector terminated in August 2024).

+ 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, Vector Logistics Proprietary Limited and Rainbow Chicken Limited.

SEGMENTAL ANALYSIS CONTINUED

	Unaudited December 2024 R'000	Unaudited *Restated December 2023 R'000	Audited June 2024 R'000
Depreciation, amortisation and impairments [*]	(318 033)	(280 272)	(662 657)
Operating profit	1 231 730	958 384	1 637 838
Groceries	330 982	248 027	403 610
Baking	303 198	119 980	294 482
Sugar	622 473	623 909	1 161 199
Group ^z	(6 334)	879	(58 358)
Unallocated restructuring costs	(18 589)	(34 411)	(163 095)
Finance costs	(122 466)	(71 139)	(171 568)
Finance income	30 565	3 218	28 149
Share of profits of joint ventures	15 477	10 986	33 525
Sugar	15 477	10 986	33 525
Share of profits of associates	148 224	134 479	125 562
Sugar	145 937	131 276	120 081
Livekindly Collective Africa	2 287	3 203	5 481
Profit before tax	1 303 530	1 035 928	1 653 506

* The prior year numbers have been restated as required by IFRS 5 Non-current assets held for sale and discontinued operations to reflect Rainbow as a discontinued operation.

^{*} 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, Vector Logistics Proprietary Limited and Rainbow Chicken Limited.

SEGMENTAL ANALYSIS CONTINUED

	Unaudited December 2024 R'000	Unaudited *Restated December 2023 R'000	Audited June 2024 R'000
Discontinued operations¹			
Revenue from contracts with customers		7 749 692	14 973 769
Rainbow		7 287 100	14 527 425
Chicken		6 438 361	12 746 473
Feed		3 541 941	7 186 161
Waste-to-value		48 634	96 484
Sales between segments:			
Chicken to Feed		(41 184)	(86 914)
Feed to Chicken		(2 700 652)	(5 339 705)
Waste-to-value to Chicken			(75 074)
Vector		657 015	657 015
Sales between continuing and discontinued operations			
Rainbow sales to Groceries		(13 052)	(25 658)
Rainbow sales to Sugar		(3 531)	(7 174)
Vector Logistics sales to Groceries		(24 668)	(24 668)
Vector Logistics sales to Baking		(20 159)	(20 159)
Vector Logistics sales to Sugar		(6 954)	(6 953)
Sales between discontinued operations			
Vector Logistics sales to Rainbow		(126 059)	(126 059)
Operating profit before depreciation, amortisation and impairments+ (EBITDA)		294 944	656 487
Rainbow		268 157	629 700
Chicken		221 827	568 143
Feed		30 147	29 598
Waste-to-value		16 183	31 959
Vector		26 787	26 787
Depreciation, amortisation and impairments*		(154 441)	(278 775)
Operating Profit		140 503	377 711
Rainbow		113 716	350 924
Chicken		91 811	333 727
Feed		21 868	14 533
Waste-to-value		37	2 664
Vector		26 787	26 787
Profit on disposal of discontinued operation (Vector Logistics)		255 691	243 948
Profit on disposal of discontinued operation (Rainbow)	198 495		
Finance costs		(131 490)	(178 976)
Finance income		16 270	32 028
Profit before tax	198 495	280 975	474 711
– from Rainbow	198 495	17 841	223 320
– from Vector Logistics**		263 134	251 391

* The prior year numbers have been restated as required by IFRS 5 Non-current assets held for sale and discontinued operations to reflect Rainbow as a discontinued operation.

¹ Relates to Vector Logistics and Rainbow segments.

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

** Includes 2 months of results for Vector Logistics until the date of disposal of 28 August 2023 for the 2024 financial year.

REVENUE

	Unaudited December 2024 R'000	Unaudited *Restated December 2023 R'000	Audited June 2024 R'000
Disaggregation of revenue			
Revenue from contracts with customers¹	12 877 062	12 487 728	24 599 882
Continuing operations			
Groceries	2 804 301	2 734 852	5 313 008
Groceries	2 478 581	2 446 724	4 758 654
Sundry sales ²	325 720	288 128	554 354
Baking	4 634 681	4 587 158	9 136 930
Sugar	5 394 642	5 298 938	10 394 295
Group[#]	157 399	131 767	281 072
Sales between segments	(113 961)	(264 987)	(525 423)
Timing of revenue recognition²	12 877 062	12 487 728	24 599 882
Point in time	12 768 442	12 261 678	24 382 182
Over time	108 620	226 050	217 700
Receipt from SASA³	681 139	371 942	1 416 683
Total Revenue	13 558 201	12 859 670	26 016 566
Disaggregation of revenue			
Revenue from contracts with customers¹		7 749 692	14 973 769
Discontinued operations			
Rainbow		7 287 100	14 527 425
Chicken		6 438 361	12 746 473
Chicken		6 293 959	12 450 400
Sundry sales ²		144 402	296 073
Feed		3 541 941	7 186 161
Waste-to-value		48 634	96 484
Sales between segments		(2 741 836)	(5 501 693)
Vector		657 015	657 015
Sales between continuing and discontinued operations		(68 364)	(84 612)
Sales between discontinued operations		(126 059)	(126 059)
Timing of revenue recognition²		7 749 692	14 973 769
Point in time		7 749 692	14 973 769
Total Revenue		7 749 692	14 973 769

* The prior year numbers have been restated as required by IFRS 5 Non-current assets held for sale and discontinued operations to reflect Rainbow 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 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.

[#] Group revenue relates to management fees earned for shared services performed for Siqalo Foods Proprietary Limited, Livekindly Collective Africa Proprietary Limited, Vector Logistics Proprietary Limited and Rainbow Chicken Limited (since the effective date of disposal for both Vector and Rainbow with the service arrangement for Vector terminated in August 2024).

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.

³ SASA does not meet the definition of a customer as per IFRS 15 Revenue from contracts with customers, and hence has been excluded from Revenue from contracts with customers.

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 six months ended December 2024, the value of the investment in financial asset remained unchanged from June 2024 at R114,2 million (December 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 December 2024 has been based on the Rand cost of the investment. A review of publicly available information on the company and industry, their latest available 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:

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

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