



RCL FOODS LIMITED  
**ANNUAL  
FINANCIAL  
STATEMENTS**  
FOR THE YEAR ENDED JUNE  
**2025**

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# APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

for the year ended June 2025

The Directors are responsible for the preparation and integrity of the Annual Financial Statements of the Company and the Group and other information included in this report which has been prepared in accordance with IFRS® Accounting Standards (IFRS). The Directors are also responsible for the systems of internal control.

The Directors, supported by the Audit Committee, are of the opinion, based on the information and explanations given by management and the internal auditors and on comment by the independent external auditors on the results of their statutory audit, that the Group's internal accounting controls are adequate, so that the financial records may be relied upon for preparing the financial statements and maintaining accountability for assets and liabilities. The Directors believe that the Group's assets are protected and used as intended in all material respects with appropriate authorisation. Nothing has come to the attention of the Directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the period.

In preparing the Annual Financial Statements, the Group has used appropriate accounting policies, supported by reasonable judgements and estimates, and has complied with all applicable accounting standards. The Directors are of the opinion that the Annual Financial Statements present fairly the financial position of the Company and the Group at June 2025 and the results of its operations for the year then ended. The Directors are also of the opinion that the Group will continue as a going concern in the year ahead.

The Annual Financial Statements set out on pages 14 to 135, which have been prepared on the going concern basis, were approved by the Board of Directors on 29 August 2025 and are signed on its behalf by:



**GM Steyn**

*Non-executive Chairman*

29 August 2025



**PD Cruickshank**

*Chief Executive Officer*

# STATEMENT OF RESPONSIBILITY

for the year ended June 2025

In accordance with the JSE Listings Requirements, each of the Directors, whose names are stated below, hereby confirm that:

- the Annual Financial Statements set out on pages 14 to 135 fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;
- to the best of our knowledge and belief no facts have been omitted or untrue statements made that would make the Annual Financial Statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries has been provided to effectively prepare the financial statements of the issuer;
- the internal financial controls are adequate and effective and can be relied upon in compiling the Annual Financial Statements, having fulfilled our role and function as Executive Directors with primary responsibility for implementation and execution of controls;
- where we are not satisfied, we have disclosed to the Audit Committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls and have taken steps to remedy the deficiencies; and
- we are not aware of any fraud involving Directors.



**PD Cruickshank**  
Chief Executive Officer

29 August 2025



**RH Field**  
Chief Financial Officer

## CERTIFICATE BY THE COMPANY SECRETARY

for the year ended June 2025

I hereby certify that in respect of the year ended June 2025, the Company has lodged with the Registrar of Companies all such returns as are required of a public company in terms of section 88(2) of the Companies Act of South Africa and that all such returns are true, correct and up to date.



**LG Kelso**  
Company Secretary

29 August 2025

# REPORT OF THE AUDIT COMMITTEE

for the year ended June 2025

This report sets out how the Audit Committee (Committee) discharged its responsibilities during the financial year ended June 2025 as required in terms of section 94 of the Companies Act of South Africa (the Companies Act).

## MANDATE AND TERMS OF REFERENCE

The responsibilities of the Committee are incorporated into its charter which is reviewed annually and approved by the Board. The Committee has conducted its affairs in compliance with this charter and has discharged its responsibilities contained therein.

 A copy of the charter can be found on our website at [www.rclfoods.com/governance/corporate-governance/governance-documents](http://www.rclfoods.com/governance/corporate-governance/governance-documents).

## AUDIT COMMITTEE MEMBERSHIP AND RESOURCES

The Committee consists of three independent Non-executive Directors, which includes the Chairman of the Risk Committee (*ex-officio*), Mr GC Zondi. The Committee is chaired by Ms GP Dingaen. All members of the Committee have the requisite financial literacy, knowledge and commercial skills and experience to contribute effectively to Committee deliberations.

The Committee met four times during the year as per the charter. The Chief Executive Officer (CEO), Chief Financial Officer (CFO), Internal Audit Director (IAD), Group Finance Director (FD) and the external audit partner attend meetings by invitation. Other members of the Board and management team attend as required. The Committee meets separately with the external and internal auditors at least once a year without management present, to ensure that all relevant matters have been identified and discussed without undue influence.

Members		Appointed	22 August 2024	30 August 2024	27 February 2025	27 June 2025
GP Dingaen*	BCom (Acc), HDip (Acc), CA(SA)	November 2022	Present	Present	Present	Present
DTV Msibi	BBusSc, BCom (Hons), MCom, CA(SA)	August 2013	Present	Present	Present	Present
GC Zondi	BCompt (Hons), AGA(SA)	July 2010	Present	Present	Present	Present
GM Steyn <sup>#</sup>	BA (LLB)	March 2019	Present	Present	–	–
NP Mageza <sup>#</sup>	ACCA (UK)	September 2009	Present	Present	–	–

\* Committee Chairperson.

<sup>#</sup> Retired/resigned from the Committee 3 September 2024.

## ELECTION OF COMMITTEE MEMBERS

In terms of section 94(2) of the Companies Act, it was resolved at the Annual General Meeting (AGM) held on 14 November 2024 that Ms GP Dingaen, Messrs DTV Msibi and GC Zondi be re-appointed as members of the Committee until the next AGM on 12 November 2025. Mr GM Steyn did not stand for re-election at the AGM as he had resigned from the Committee consequent to his appointment as Chairperson of the Board and Mr NP Mageza had retired from the Board prior to the AGM.

## REPORT OF THE AUDIT COMMITTEE CONTINUED

for the year ended June 2025

### ROLES AND RESPONSIBILITIES

The Committee's roles and responsibilities include its statutory duties per the Companies Act and the responsibilities assigned to it by the Board. The Committee fulfils an oversight role regarding integrated reporting, ensures application of the combined assurance model, reviews the finance function, forms an integral component of the risk management process and provides oversight of both external audit and internal audit.

The Committee has discharged its key responsibilities as follows:

- Reviewed the interim results, year-end financial statements and Integrated Annual Report. In the course of its review, the Committee:
  - » Took appropriate steps to ensure that the financial statements are prepared in accordance with International Financial Reporting Standards (IFRS);
  - » Considered and, when appropriate, made recommendations on financial statements, accounting practices and internal financial controls;
  - » Ensured that the Group has established appropriate financial reporting procedures and that those procedures operate effectively;
  - » Ensured that sustainability disclosures did not conflict with the financial information; and
  - » Took into consideration the process of proactive monitoring of financial statements for compliance with IFRS in terms of the JSE proactive monitoring report.
- Provided oversight in respect of financial reporting risks, internal financial controls, fraud risk and IT risk as it relates to financial reporting;
- Confirmed the internal audit charter and internal audit plan;
- Reviewed the appropriateness of the combined assurance model in addressing all significant risks facing the Group;
- Considered and recommended to the Board the re-appointment of Ernst & Young Inc. (EY) as auditors of RCL FOODS Limited, and the re-appointment of the external audit partner, in line with applicable legislation;
- Approved the audit fees and engagement terms of the external auditors; and
- Determined the nature and extent of allowable non-audit services, and pre-approved the provision of non-audit services by the external auditors.

### EXPERTISE AND EXPERIENCE OF THE CFO AND FINANCE FUNCTION

The Committee performed an assessment of the CFO, Robert Field and the Finance function. Based on the 2025 assessment, the Committee is satisfied that Robert Field and his management team have the appropriate expertise and experience to service the Group's Finance function. It further considered and satisfied itself of the overall appropriateness of the expertise and adequacy of resources of the Group's Finance function. The Annual Financial Statements were compiled under the supervision of Robert Field, CA(SA).

### EXTERNAL AUDIT

EY are the auditors for the Group for 2025. Their re-appointment was approved at the AGM held on 14 November 2024, by an ordinary resolution of shareholders. The Committee continually monitors the independence and objectivity of the external auditors, and satisfied itself in relation to the ethical requirements. EY was considered independent with respect to the Group as required by the Codes endorsed and administered by the Independent Regulatory Board for Auditors and the South African Institute of Chartered Accountants. The Committee has satisfied itself that the external auditors' appointment of Merisha Kassie as designated auditor complies with the JSE Listings Requirements, and that she is within her tenure and rotation requirements.

The Committee has reviewed the external audit process and has satisfied itself with the performance of the external auditors.

During the period, EY provided certain non-audit services relating to agreed-upon procedures compliance audits. Total fees incurred during the 2025 financial year to EY were R22,6 million (2024: R15,0 million) from continuing operations, R1,4 million (2024: R0,2 million) of which related to non-audit services. Total fees incurred during the 2024 financial year to Ernst & Young Inc. in respect of discontinued operations was R5,9 million.

PricewaterhouseCoopers Inc (PwC) conducted the external audit for certain subsidiaries of the Group (relating to the Sugar business) for the year ended June 2024. Total fees incurred during the 2024 financial year to PwC were R9,2 million, R0,9 million of which related to non-audit services. An amount of R0,7 million is included in the current year in respect of an underprovision and disbursements relating to the prior year PwC Sugar audit fee. The Sugar business was audited by EY effective from the 2025 financial year and their fee is included in R22,6 million above.

The Group has defined levels of authority which require pre-approval for all non-audit services by the Committee.

The re-appointment of EY as auditors will be presented to the shareholders for approval at the AGM to be held on 12 November 2025.

## REPORT OF THE AUDIT COMMITTEE CONTINUED

for the year ended June 2025

### INTERNAL AUDIT

The Committee is responsible for ensuring that the RCL FOODS' Internal Audit function is independent and has the necessary resources and authority to enable it to discharge its duties.

Internal Audit comprises a dedicated team of appropriately qualified and technically experienced personnel. Where necessary, certain audits are outsourced to consultants with appropriate skills and technical expertise. An independent quality assessment completed in May 2025 has confirmed that the Internal Audit function operates in conformance with the 2024 Global Internal Audit Standards, supported by a Quality Assurance and Improvement Programme that promotes ongoing enhancement of audit practices and strengthens governance, risk management and control processes.

The activities of the Internal Audit function are co-ordinated by the Internal Audit Director (IAD). To ensure independence, the IAD reports functionally to the Committee and, only from an administrative perspective, to the CEO. The Committee reviewed the performance of the IAD and was satisfied that he has the necessary expertise and experience to fulfil this role and that he had performed appropriately during the year under review.

### INTERNAL FINANCIAL CONTROLS

The Committee is satisfied that the Group's system of internal financial controls is effective and forms a basis for the preparation of reliable financial statements. This is based on the review of the design, implementation and effectiveness of the Group's system of internal financial controls conducted by the Internal Audit function during the year under review, and reports made by the independent external auditors on the results of their audit and management reports. No findings have come to the attention of the Committee to indicate that any material breakdown in internal controls has occurred during the past financial year.

### GOING CONCERN ASSESSMENT

The Committee reviewed a documented assessment by management of the going concern premise of the Company and Group before concluding to the Board that the Company and Group will be a going concern in the foreseeable future.



**GP Dingaan**

*Audit Committee Chairperson*

29 August 2025

# REPORT OF THE DIRECTORS

for the year ended June 2025

## NATURE OF BUSINESS

RCL FOODS Limited (RCL FOODS) is a leading South African food manufacturer, producing a wide range of branded and private label food products in multiple categories, from household staples to value-added and speciality offerings. RCL FOODS' vision is to be a purpose-led business that delivers value for all and creates the fuel to fund enduring positive impact.

It is the holding company of three principal operating subsidiaries, RCL FOODS Sugar and Milling Proprietary Limited, RCL Group Services Proprietary Limited and Foodcorp Proprietary Limited.

## STATED CAPITAL

There was an increase in issued share capital in the current financial year of 6 726 451 ordinary shares (2024: 199 684) relating to shares issued in terms of share incentive schemes. At the reporting date unexercised share appreciation rights totalling 42 552 089 (2024: 112 603 086) had been granted to participants. At the reporting date the unexercised rights relating to the Conditional Share Plan was nil (2024: nil).

Shareholders will be asked to consider an ordinary resolution at the forthcoming Annual General Meeting (AGM) for the unissued shares of the Company to remain under the control of the directors until the following AGM.

## PRESENTATION DATE OF FINANCIAL RESULTS

The results for the current year have been reported on the retail calendar of trading weeks, which treats each financial year as an exact 52-week period. This treatment effectively results in the loss of a day (or two in a leap year) per calendar year. These days are brought to account approximately every six years by including a 53rd week. Accordingly, the results for the financial year ended June 2025, and all references thereto within the results, are presented for the 52-week period ended 29 June 2025.

## FINANCIAL RESULTS

The profit for the year from continuing operations attributable to equity holders of the Company amounted to R1 418,1 million (2024: R1 185,2 million). This translates into headline earnings per share from continuing operations of 156.3 cents (2024: 121.6 cents) based on the weighted average shares in issue during the year.

## DISPOSAL GROUP HELD FOR SALE AND DISCONTINUED OPERATIONS

### Vector

The disposal of Vector Logistics was finalised on 28 August 2023.

### Rainbow

Rainbow was unbundled to shareholders and separately listed in the current reporting period, on 1 July 2024 to shareholders via a dividend in specie.

Rainbow was disclosed as held for sale in accordance with IFRS 5 in the prior year and both Rainbow and Vector have been presented as a discontinued operation in these results.



## REPORT OF THE DIRECTORS CONTINUED

for the year ended June 2025

### DIVIDENDS

Ordinary dividends declared in respect of the year under review are as follows:

#### Interim Dividend

Number 98 amounting to 20.0 cents per ordinary share declared on 3 March 2025 and paid on 12 May 2025.

#### Final Dividend

Number 99 amounting to 40.0 cents per ordinary share, publication of declaration data on 1 September 2025 and payable on 20 October 2025.

The salient dates for dividend number 99 are as follows:

Publication of declaration data	Monday, 1 September 2025
Last day of trade to receive a dividend	Tuesday, 14 October 2025
Shares commence trading "ex" dividend	Wednesday, 15 October 2025
Record date	Friday, 17 October 2025
Payment date	Monday, 20 October 2025

### SUBSIDIARIES

Details of RCL FOODS' interest in its subsidiaries are set out in note 34 of the notes to the consolidated financial statements.

### HOLDING COMPANY

Remgro Limited is the ultimate holding company of RCL FOODS.

### DIRECTORS

The names of the Directors are included as part of the Directorate section of the Integrated Annual Report.

### DIRECTORS' SHAREHOLDINGS

At the date of this report, the Directors in aggregate held direct beneficial interests in 3 479 949 (2024: 2 122 841) ordinary shares in the Company and had indirect beneficial interests of nil (2024: 386) ordinary shares. Details of Directors' shareholdings are set out in note 31 of the notes to the consolidated financial statements.

### SUBSEQUENT EVENTS

No material change has taken place in the affairs of the Group between the end of the financial year and the date of this report.

# INDEPENDENT AUDITOR'S REPORT

## TO THE SHAREHOLDERS OF RCL FOODS LIMITED

for the year ended June 2025

### REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

#### Opinion

We have audited the consolidated and separate financial statements of RCL FOODS Limited and its subsidiaries ("the Group") and Company set out on pages 14 to 135, which comprise of the consolidated and separate statements of financial position as at 29 June 2025, and the consolidated and separate income statement, the consolidated and separate statement of other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Group and Company as at 29 June 2025, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

#### Basis For Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the Group and Company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements of the group and company and in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits of the Group and Company and in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette Number 49309 dated 15 September 2023 (EAR Rule) we report:

#### Final Materiality

The ISAs recognise that:

- misstatements, including omissions, are considered to be material if the misstatements, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements;
- judgments about materiality are made in light of surrounding circumstances, and are affected by the size or nature of a misstatement, or a combination of both; and
- judgments about matters that are material to users of the financial statements consider users as a group rather than as specific individual users, whose needs may vary greatly.

The amount we set as materiality represents a quantitative threshold used to evaluate the effect of misstatements to the financial statements as a whole based on our professional judgment. Qualitative factors are also considered in making final determinations regarding what is material to the financial statements.

#### Group:

We determined final materiality for the Group to be R94 597 000, which is based on 5% of Profit Before Tax. We have identified Profit Before Tax as the most appropriate basis as we typically believe that 'for profit companies' are evaluated by users on their ability to generate earnings.

#### Company:

We determined final materiality for the standalone Company to be R51 494 000, which is based on 0.5% of Total Assets. We have identified that a capital-based measure of Total Assets was most appropriate because the company's purpose is to hold investments in and support the subsidiaries. Our review of information provided to users by the entity confirms our view.

## INDEPENDENT AUDITOR'S REPORT CONTINUED

for the year ended June 2025

### Group Audit Scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for each component within the Group. Taken together, this enables us to form an opinion on the consolidated financial statements. We take into account the size and risk profile of the components in the Group. In addition, we further consider the organisation of the Group and effectiveness of Group wide controls, changes in the business environment, and other factors such as our experience in prior years and recent Internal audit results when assessing the level of work to be performed at each component of the Group. Our process focuses on identifying and assessing the risk of material misstatements of the Group financial statements as a whole including, with respect to the consolidation process.

In establishing our overall approach to the Group audit, we determined the type of work that needed to be undertaken at each of the components by us, as the primary audit engagement team, or by component auditors under our instruction.

In selecting components, we perform risk assessment activities across the Group and its components to identify risks of material misstatement. We then identify how the nature and size of the account balances at the components contribute to those risks and thus determine which account balances require an audit response. We then consider for each component the degree of risk identified (whether pervasive or not) and the number of accounts requiring audit responses to assign either a full or specific scope (including specified procedures) to each component. We involved component auditors in this risk assessment process.

In our assessment of the residual account balances not covered by the audit procedures, we considered whether these could give rise to a risk of material misstatement of the Group financial statements. This assessment included performing overall analytical procedures at Group level.

Of the 5 components selected, we identified:

- 3 components ("full scope components") which were selected based on the pervasiveness of risk in those components and for which we therefore performed procedures on what we considered to be the entire financial information of the component.
- 2 components ("specific scope components") where our procedures were more focused or limited to specific accounts which we considered had the potential for the greatest impact on the significant accounts in the financial statements given the specific risks identified.

The Group audit team exercised discretion in assessing items of key estimate and judgement that needed to be audited centrally together with instances where the client utilised their shared service centre to perform centralised accounting functions. The work performed centrally included testing the controls over key IT systems, certain impairment of assets testing and staff costs including employee incentives as well as other areas not considered material to the Group Financial Statements. Further we performed an analytical review over the component not in scope.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

In terms of the EAR Rule, we are required to report key audit matters and the outcome of audit procedures or key observations with respect to the key audit matters and these are included below.

The key audit matters apply to the audit of the consolidated financial statements. We have determined that there are no key audit matters that apply to the separate financial statements.

# INDEPENDENT AUDITOR'S REPORT CONTINUED

for the year ended June 2025

Key Audit Matter	How the matter was addressed in the audit
<b>1. Impairment assessment of goodwill and indefinite useful lives trademarks (Pies and Sunshine)</b>	
<p>The impairment of goodwill and trademarks are disclosed in the below notes of the RCL FOODS Limited Group Financial Statements.</p> <ul style="list-style-type: none"> <li>Accounting policies – Intangible Assets</li> <li>Accounting policies – Critical Accounting Judgements and Key Sources of Estimation uncertainty</li> <li>Note 2 – Intangible Assets</li> <li>Note 3 – Impairments</li> </ul>	
<p>Impairment on Goodwill and Trademarks are calculated in terms of IAS 36 Impairment of assets.</p> <p>Impairment of assets ("IAS 36") requires an impairment test to be performed annually on cash generating units or groups of cash generating units (CGUs) where goodwill and indefinite life intangible assets exist and for all other CGUs when there are indicators that these may be impaired.</p> <p>The continued high input costs at certain CGUs along with load shedding in the past year, has had a negative impact on the economy and businesses. The operational and macroeconomic challenges have therefore presented a risk of impairment indicators at specific CGUs namely, Sunshine and Pies.</p> <p>The Impairment assessment is significant in the context of the financial statements due to its high estimation uncertainty and significant management judgement involved in the discounted cash flow models (models) used to determine a value-in-use of the CGU. Management also uses a management expert in the determination of the discount rate used in the models.</p> <p>Inputs used in the models are influenced by operational performance and macroeconomic factors. Key inputs into the cash flow model include the estimated future cash flows (specifically Revenue; EBITDA; changes in working capital and capex movements); terminal growth rates and pre-tax discount rates.</p> <p>Overall, there is a high level of complexity and management judgement in assessing assets for impairment and this required extensive involvement of EY internal strategy and transaction specialists to support the audit team which led to significant auditor attention, and the identification of this as a Key Audit Matter.</p>	<p>The following audit procedures, amongst others, were performed by the audit team:</p> <ul style="list-style-type: none"> <li>Obtained an understanding and performed a walkthrough of management's impairment process including the governance thereof.</li> <li>Assessed management's determination of CGUs based on our understanding of the nature of the Group and their operations and assessed whether this aligns to the requirements of IAS 36.</li> <li>We assessed the reasonability of the carrying values used within the models by agreeing this to underlying audited financial information.</li> </ul> <p>On the work performed by management's expert on the discount rate:</p> <ul style="list-style-type: none"> <li>Assessed the objectivity and competence of management's expert.</li> <li>Understood management's process for reviewing and approving the work performed by their experts.</li> <li>With the involvement of our EY Internal strategy and transaction advisory specialist team, we assessed the reasonability of the discount rate used by management by computing a South African Rand denominated discount rate using the Capital Asset Pricing Model (CAPM). The managements experts beta was compared to external data for comparable companies.</li> </ul> <p>We involved our EY Strategy and transaction advisory specialists to perform the following:</p> <ul style="list-style-type: none"> <li>Assessed the appropriateness of the valuation methodology for consistency with IAS 36 and international valuation standards used in the models to determine the value in use of the CGUs;</li> <li>We inquired of management to understand and assess the market factors considered in determining the forecasted figures;</li> <li>Evaluated the reasonableness of the forecasted cashflows by analyzing previous budgets compared to actual performance, comparing historic performance to forecasts and assessed the forecasts against industry performance;</li> <li>Assessed the reasonability of the terminal value growth applied by management by considering the size of RCL FOODS as a business relative to the market that it serves; its current growth rates; its competitive advantages and the South African long-term inflation rate.</li> <li>We independently calculated the discount rates applied for the cash generating units using external market data which was applied in the CAPM model.</li> <li>We prepared a challenger model to independently determine the present value of cash flows and compared this to management's results. <ul style="list-style-type: none"> <li>This included determining a valuation range using the external market ranges to compare to management's range.</li> </ul> </li> </ul> <p>For disclosure in the AFS:</p> <ul style="list-style-type: none"> <li>We have assessed the adequacy of the Company's disclosure relating to the impairment assessment in the financial statements in terms of the requirements of IAS 36 and other relevant accounting standards.</li> </ul>
<p><b>Observations:</b></p> <p>Based on the procedures performed over impairment, no material misstatements were identified.</p>	

## INDEPENDENT AUDITOR'S REPORT CONTINUED

for the year ended June 2025

### Other Information

The directors are responsible for the other information. The other information comprises the information included in the 136 page document titled "*RCL FOODS Limited Annual Financial Statements for the year ended 29 June 2025*", which includes the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate as required by the Companies Act of South Africa. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

## INDEPENDENT AUDITOR'S REPORT CONTINUED

for the year ended June 2025

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence, regarding the financial information of the entities or business units within the Group, as a basis for forming an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Ernst & Young Inc. has been the auditors of RCL FOODS Limited for 2 years.

*Ernst & Young Inc.*

**Ernst & Young Inc.**

**Merisha Kassie**

*Director*

*Registered Auditor*

29 August 2025

Durban

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 29 June 2025

	Note	29 June 2025 R'000	30 June 2024 R'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant, equipment and right-of-use assets	1	5 157 580	4 713 447
Intangible assets	2	3 456 295	3 485 229
Investment in joint ventures	4	246 734	227 398
Investment in associates	5	1 020 756	1 004 391
Deferred income tax asset	19	61 432	16 910
Investment in financial asset	7	114 196	114 196
Loans receivable	6	12 000	12 000
Trade and other receivables	10		6 279
		<b>10 068 993</b>	9 579 850
<b>Current assets</b>			
Inventories	8	2 960 837	2 940 930
Biological assets	9	414 339	389 881
Trade and other receivables	10	3 559 876	2 977 117
Derivative financial instruments	28	14 373	9 119
Tax receivable		74	
Loan receivable	6	4 429	2 435
Cash and cash equivalents		1 640 310	1 093 497
		<b>8 594 238</b>	7 412 979
Assets of disposal group classified as held for sale	11	572	6 701 458
<b>Total assets</b>		<b>18 663 803</b>	23 694 287
<b>EQUITY</b>			
Stated capital	12	10 407 236	10 342 809
Share-based payments reserve	13	981 980	996 213
Common control reserve		(1 919 832)	(1 919 832)
Retained earnings		1 022 924	4 158 387
Equity attributable to the equity holders of the Company		<b>10 492 308</b>	13 577 577
Non-controlling interests		(105 689)	(136 535)
<b>Total equity</b>		<b>10 386 619</b>	13 441 041
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Deferred income		717	
Interest-bearing liabilities	16	1 942 922	391 313
Deferred income tax liabilities	19	800 046	789 368
Retirement benefit obligations	15	26 228	27 383
Trade and other payables	18	116 661	34 669
		<b>2 886 574</b>	1 242 733
<b>Current liabilities</b>			
Trade and other payables	18	4 986 418	4 058 626
Deferred income		2 609	4 446
Interest-bearing liabilities	16	149 299	1 805 012
Derivative financial instruments	28	270	2 245
Current income tax liabilities		252 014	111 775
		<b>5 390 610</b>	5 982 104
Liabilities of disposal group classified as held for sale	11		3 028 409
<b>Total liabilities</b>		<b>8 277 184</b>	10 253 246
<b>Total equity and liabilities</b>		<b>18 663 803</b>	23 694 287

# CONSOLIDATED INCOME STATEMENT

for the year ended June 2025

	Note	2025 R'000	2024 R'000
<b>Continuing operations</b>			
<b>Revenue</b>	20	<b>26 493 760</b>	26 016 566
Operating profit before depreciation, amortisation and impairments (EBITDA) <sup>1</sup>		<b>2 562 695</b>	2 300 495
Depreciation, amortisation and impairments <sup>2</sup>		<b>(644 687)</b>	(662 657)
<b>Operating profit<sup>3</sup></b>	21	<b>1 918 008</b>	1 637 838
Finance costs	22	<b>(237 540)</b>	(171 568)
Finance income	23	<b>83 271</b>	28 149
Share of profits of joint ventures	4	<b>34 774</b>	33 525
Share of profits of associates	5	<b>93 437</b>	125 562
<b>Profit before tax</b>		<b>1 891 950</b>	1 653 506
Income tax expense	24	<b>(431 832)</b>	(429 362)
<b>Profit for the period from continuing operations</b>		<b>1 460 118</b>	1 224 144
<b>Profit for the period from discontinued operations</b>	11	<b>191 245</b>	425 552
<b>Profit for the period</b>		<b>1 651 363</b>	1 649 696
Profit for the year attributable to:			
Equity holders of the Company		<b>1 609 361</b>	1 624 394
– from continuing operations		<b>1 418 116</b>	1 185 204
– from discontinued operations		<b>191 245</b>	439 190
Non-controlling interests		<b>42 002</b>	25 302
– from continuing operations		<b>42 002</b>	38 940
– from discontinued operations			(13 638)
		<b>1 651 363</b>	1 649 696
<b>Earnings per share attributable to equity holders of the Company</b>	25		
<b>Basic earnings per share</b>	(cents)	<b>180.1</b>	182.4
– from continuing operations	(cents)	<b>158.7</b>	133.1
– from discontinued operations	(cents)	<b>21.4</b>	49.3
<b>Diluted earnings per share</b>	(cents)	<b>178.6</b>	181.9
– from continuing operations	(cents)	<b>157.4</b>	132.7
– from discontinued operations	(cents)	<b>21.2</b>	49.2

<sup>1</sup> Includes net expected credit losses raised on loans receivable and trade and other receivables of R15,3 million (2024: R5,0 million reversed). Refer to notes 6 and 10 for further detail.

<sup>2</sup> Relates only to impairments of property, plant and equipment, right-of-use assets, goodwill and intangible assets in the prior year.

<sup>3</sup> Operating profit is earnings before interest and tax.



# CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

for the year ended June 2025

	Note	2025 R'000	2024 R'000
<b>Profit for the year – continuing operations</b>		<b>1 460 118</b>	1 224 144
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss:</i>			
Remeasurement of retirement medical aid obligations <sup>^</sup>	15	(458)	3 470
Share of associates' other comprehensive (loss)/income	5	(2 559)	972
<b>Other comprehensive (loss)/income for the year – net of tax</b>		<b>(3 017)</b>	4 442
<b>Total comprehensive income for the year – continuing operations</b>		<b>1 457 101</b>	1 228 586
Total comprehensive income for the year attributable to:			
Equity holders of the Company – continuing operations		<b>1 415 099</b>	1 189 646
Non-controlling interests – continuing operations		<b>42 002</b>	38 940
		<b>1 457 101</b>	1 228 586
<b>Profit for the year – discontinued operations</b>		<b>191 245</b>	425 552
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss:</i>			
Remeasurement of retirement medical aid obligations <sup>^</sup>	11		571
<i>Items that may subsequently be reclassified to profit or loss:</i>			
Currency translation differences	14		12 286
Foreign currency translation recycled into profit and loss	14		(14 788)
<b>Other comprehensive loss for the year – net of tax</b>			(1 931)
<b>Total comprehensive income for the year – discontinued operations</b>		<b>191 245</b>	423 620
Total comprehensive income/(loss) for the year attributable to:			
Equity holders of the Company – discontinued operations		<b>191 245</b>	437 258
Non-controlling interests – discontinued operations			(13 638)
		<b>191 245</b>	423 620

<sup>^</sup> Items in the statement of other comprehensive income above are disclosed net of tax. The tax relating to the remeasurement of medical aid obligations for continuing operations was R0,5 million (2024: R1,3 million). Please refer to note 15 for further detail for continuing operations and note 11 for discontinued operations.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended June 2025

	Attributable to the equity holders of the Company							
	Stated capital R'000	Share-based payments reserve R'000	Other reserves R'000	Common control reserve R'000	Retained earnings R'000	Total R'000	Non-controlling interests R'000	Total 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 year								
– from continuing operations					1 185 204	1 185 204	38 940	1 224 144
– from discontinued operations					439 190	439 190	(13 638)	425 552
Other comprehensive income								
– from continuing operations					4 442	4 442		4 442
– from discontinued operations			(2 502)		571	(1 932)		(1 932)
Loss of control of Vector Logistics							(9 225)	(9 225)
Employee share award scheme:								
– value of employee services		72 645				72 645		72 645
– exercise of employee share awards	2 044	(1 502)				542		542
Additional equity contribution by minority 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)	4 158 387	13 577 576	(136 535)	13 441 041
Profit for the year								
– from continuing operations					1 418 116	1 418 116	42 002	1 460 118
– from discontinued operations					191 245	191 245		191 245
Other comprehensive loss								
– from continuing operations					(3 017)	(3 017)		(3 017)
Loss of control of Rainbow							(15 396)	(15 396)
Employee share award scheme:								
– value of employee services		32 348				32 348		32 348
– exercise of employee share awards	64 427	(46 581)				17 846		17 846
Additional equity contribution by minority interest							6 490	6 490
Dividend in specie					(4 250 000)	(4 250 000)		(4 250 000)
Ordinary dividend paid					(491 807)	(491 807)	(2 250)	(494 057)
Balance at 29 June 2025	10 407 236	981 980		(1 919 832)	1 022 924	10 492 308	(105 689)	10 386 619

# CONSOLIDATED CASH FLOW STATEMENT

for the year ended June 2025

	Note	2025 R'000	2024 R'000
<b>Cash flows from operating activities</b>			
Cash generated by operations	A	3 067 595	1 993 774
Finance income received <sup>1</sup>		80 234	28 149
Finance costs paid <sup>2</sup>		(145 161)	(127 283)
Tax paid	B	(326 040)	(406 691)
Cash available from operating activities		2 676 628	1 487 949
Dividends received		89 952	81 842
Dividends paid		(493 745)	(2 000)
Net cash inflow from operating activities – continuing operations		2 272 835	1 567 791
Net cash inflow from operating activities – discontinued operations			948 309
<b>Net cash inflow from operating activities</b>		<b>2 272 835</b>	<b>2 516 100</b>
<b>Cash flows from investing activities</b>			
Replacement property, plant and equipment		(817 523)	(745 595)
Expansion property, plant and equipment		(109 478)	(123 725)
Intangible asset additions		(4 894)	(13 272)
Advances of interest-bearing loans		(3 746)	(22 627)
Receipts from interest-bearing loans advanced		4 733	61 348
Insurance proceeds from fixed assets		40 516	137 007
Proceeds on disposal of non-current assets held for sale <sup>3</sup>		(476 422)	827 599
Refund of Vector Logistics sale proceeds <sup>4</sup>		(100 084)	
Proceeds on disposal of property, plant and equipment and intangible assets		28 324	17 785
Net cash (outflow)/inflow from investing activities – continuing operations		(1 438 574)	138 520
Net cash outflow from investing activities – discontinued operations			(397 231)
<b>Net cash outflow from investing activities</b>		<b>(1 438 574)</b>	<b>(258 711)</b>
<b>Cash flows from financing activities</b>			
Repayment of interest-bearing liabilities	C	(353 105)	(1 340 682)
Advances of interest-bearing liabilities	C	28 728	
Shares issued <sup>5</sup>		17 846	
Additional capital contribution by non-controlling interest		6 490	5 569
Net cash outflow from financing activities – continuing operations		(300 041)	(1 335 113)
Net cash outflow from financing activities – discontinued operations			(91 803)
<b>Net cash outflow from financing activities</b>		<b>(300 041)</b>	<b>(1 426 916)</b>
Net movement in cash and cash equivalents		534 220	830 473
Cash and cash equivalents at the beginning of the period		1 106 090	275 617
Cash and cash equivalents at the end of the period <sup>6</sup>	D	1 640 310	1 106 090

<sup>1</sup> Finance income received excludes finance income in respect of a R3,0 million (2024: nil) external interest income accrual as at year-end which was settled on 30 June 2025.

<sup>2</sup> Finance costs paid exclude finance costs in respect of IFRS 16 Leases of R52,4 million (2024: R39,3 million), which have been disclosed as part of lease payments within financing activities and a R30,5 million (2024: R4,9 million) external interest accrual as at year-end which was settled on 30 June 2025 and a R0,5 million non-cash fair value adjustment on the interest collar option. Total finance cost incurred is R237,5 million (2024: R171,6 million) which is the sum of finance costs paid from operations and finance costs paid in respect of IFRS 16 leases.

<sup>3</sup> The current year numbers include the deconsolidation of Rainbow's cash of R12,6 million and repayment of the working capital loan with RCL FOODS Treasury Proprietary Limited of R463,8 million at unbundling date. The prior year numbers include 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 Logistics working capital loan with RCL FOODS Treasury Proprietary Limited of R493,6 million at disposal. Refer to note 11 for details on remaining proceeds on disposal of other non-current assets held for sale.

<sup>4</sup> The refund to Vector Logistics is made up of R100,0 million in respect of settlement made pertaining to the earn-out clause included in the Vector Logistics sale agreement and R0,08 million relating to the shortfall in respect of settling Vector Logistics employees' RCL FOODS share options.

<sup>5</sup> The issue of share capital relates to RCL FOODS share options exercised by Vector Logistics employees which has been cash settled by Vector Logistics. The scheme is now closed for these employees.

<sup>6</sup> The prior year included cash and cash equivalents disclosed as part of the disposal group held for sale at 30 June 2024. The cash and cash equivalents at the end of the prior year of R1 106,1 million consisted of R1 093,5 million as reported on the Statement of Financial Position and a net R12,6 million cash on hand balance related to the Rainbow segment which was classified as a disposal group held for sale at year-end and was made up of R48,4 million partially offset by a bank overdraft of R35,8 million.

Interest paid under operating activities of R145,2 million (2024: R127,3 million) relates to interest incurred and paid on the operational day-to-day activities of the business.

Interest paid under financing activities of R52,4 million (2024: R39,3 million) relates to interest incurred and paid on financing asset acquisitions (leases) for the business.

# NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

for the year ended June 2025

	2025 R'000	2024 R'000
<b>A. CASH GENERATED BY OPERATIONS</b>		
Operating profit	1 918 008	1 637 838
Adjusted for:		
Depreciation, amortisation and impairment <sup>1</sup>	644 687	662 657
Deferred income	(1 119)	(1 043)
Expected credit loss recognised on loans receivable	(2 981)	(12 919)
Fair value adjustment of investment in financial asset		33 579
Fair value adjustment of biological assets <sup>2</sup>	(416 694)	(395 524)
(Loss)/gain on termination of leases	(138)	14
Insurance proceeds reallocated to investing activities	(40 516)	(137 007)
Loans written off		48 711
Loss on disposal of property, plant and equipment and intangible assets	14 803	26 356
Profit on disposal of property, plant and equipment and intangible assets	(10 200)	(11 819)
Profit on disposal of assets held for sale		(56 745)
Profit on disposal of TSGro Farming Service Proprietary Limited		(25 272)
Movement in retirement benefit obligations	(1 760)	(15 759)
Movement in derivative financial instruments	(6 768)	(5 754)
Share-based payments – Employee Share Award Scheme	32 348	60 299
Unrealised foreign exchange losses		2 161
Other non-cash flow items	2	7
	<b>2 129 672</b>	<b>1 809 777</b>
Working capital changes:		
Movement in inventories	(25 753)	(327 403)
Movement in biological assets <sup>2</sup>	389 881	314 446
Movement in trade and other receivables	(558 081)	(462 291)
Movement in trade and other payables	1 131 876	659 245
	<b>937 923</b>	<b>183 997</b>
	<b>3 067 595</b>	<b>1 993 774</b>
<b>B. TAX PAID</b>		
Amount payable at the beginning of the year	(111 775)	(86 133)
Transfer to disposal group held for sale		(625)
Charged to the income statement	(466 165)	(431 707)
Normal tax	(466 165)	(431 707)
Income tax payable at the end of the year	251 900	111 775
– Total amount payable at the end of the year	251 940	111 775
– Less penalties and interest	40	
Total tax paid	<b>(326 040)</b>	<b>(406 691)</b>

<sup>1</sup> Relates only to impairments of property, plant and equipment, right-of-use assets, goodwill and intangible assets in the prior year.

<sup>2</sup> The movement in biological assets is represented by the non-cash fair value adjustment on biological assets of R416,7 million (2024: R395,5 million) and the movement included in working capital changes of R389,9 million (2024: R314,4 million). The net increase in biological assets for the year was R24,5 million (2024: R81,1 million). Refer to note 9 for further detail.

## NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT CONTINUED

for the year ended June 2025

### C. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Movements in net debt for the year ended June 2025 are as follows:

	1 July 2024 R'000	Cash inflows R'000	Cash outflows R'000	Non-cash flows <sup>1</sup> R'000	29 June 2025 R'000
Lease liabilities	484 573		(163 143)	194 720	516 150
Institutional borrowings		20 557		25 556	46 113
Term-funded debt package	1 675 000		(175 000)		1 500 000
Loan from Inclusive Farming Partnership Proprietary Limited	23 792		(3 616)	(1)	20 175
Loans from TSGro Farming Service Proprietary Limited		8 171			8 171
Loans from Akwandze Agricultural Finance Proprietary Limited	12 959		(11 346)	(1)	1 612
	2 196 324	28 728	(353 105)	220 274	2 092 221

Movements in net debt for the year ended June 2024 are as follows:

	2 July 2023 R'000	Transferred to held for sale <sup>2</sup> R'000	Cash outflows R'000	Non-cash flows <sup>1</sup> R'000	30 June 2024 R'000
Lease liabilities	596 389	(157 622)	(133 085)	178 892	484 573
Institutional borrowings	27 473	(27 473)			
Loan from Green Create W2V SA Proprietary Limited	110 519	(110 519)			
Loan from Facility for Investments in Renewable Small Transactions (RF) Proprietary Limited	141 761	(141 761)			
Term-funded debt package	1 675 000				1 675 000
Bank overdraft	865 000		(865 000)		
Loan from Inclusive Farming Partnership Proprietary Limited	27 286		(3 494)		23 792
Loans from Akwandze Agricultural Finance Proprietary Limited	352 062		(339 103)		12 959
	3 795 490	(437 376)	(1 340 682)	178 892	2 196 324

<sup>1</sup> Refer to note E of the cash flow statements for further detail on non-cash flows related to lease liabilities. The non-cash flow in respect of the institutional borrowing in the current year relates to the liability raised at year-end for the WesBank vehicle financing.

<sup>2</sup> Relates to the Rainbow segment which was classified as held for sale in the prior year as per IFRS 5 requirements.

## NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT CONTINUED

for the year ended June 2025

### D. CASH AND CASH EQUIVALENTS

Cash and cash equivalents attributable to continuing operations of R1,64 billion (2024: R1,09 billion) comprise of call deposits of R1,26 billion (2024: R675,0 million), margin on deposit of R50,3 million (2024: R28,6 million) with Absa Bank Limited and The Standard Bank of South Africa Limited and cash at banks and on hand of R325,1 million (2024: R389,9 million). Margin balances serve as collateral for derivative positions held on SAFEX and Yield-X accounts at year-end with the JSE Limited. This cash is accessible by the Group when the related derivative positions are closed upon expiry or demand.

Cash at bank include funds received of R0,3 million (2024: R0,3 million) from the National Department of Rural Development and Land Reform which is required to be administered and spent for the benefit of third party beneficiaries in terms of a mentorship agreement, as well as R7,1 million (2024: R18,8 million) relating to funds received from the South African Sugar Association to be utilised for specific small scale grower initiatives which will only be accessible by the Group for the designated projects and R11,1 million (2024: R10,4 million) in respect of unclaimed dividends.

The carrying amount of cash and cash equivalents approximates their fair value.

	2025 R'000	2024 R'000
For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:		
Cash at banks and on hand	325 053	389 855
Call deposits	1 264 909	675 000
Margin deposits	50 348	28 642
	1 640 310	1 093 497
Cash at banks and short-term deposits attributable to discontinued operations		48 438
	1 640 310	1 141 935
Bank overdrafts attributable to discontinued operations		(35 845)
<b>Cash and cash equivalents</b>	<b>1 640 310</b>	<b>1 106 090</b>
Cash and cash equivalents, including continuing operations and the disposal group held for sale, include amounts denominated in the following currencies:		
<b>Per statement of financial position</b>		
Rand	1 637 459	1 084 348
USD	2 851	21 603
<b>Total</b>	<b>1 640 310</b>	<b>1 106 090</b>

### E. RECONCILIATION OF LEASE LIABILITIES

	2025 R'000	2024 R'000
Opening balance	484 573	596 389
Additions*	124 771	47 290
Repayment of lease liabilities	(163 143)	(133 085)
Termination of leases*	(138)	(2 736)
Reclassification of prior year cash flow movement within interest-bearing liabilities	5	
Transferred to disposal group held for sale		(157 623)
Interest accrued*	52 429	39 312
Remeasurements of leases*	17 653	95 026
Closing balance	516 150	484 573

\* Non-cash movements as per note C.

# ACCOUNTING POLICIES

for the year ended June 2025

## BASIS OF PREPARATION

The Group and Company Financial Statements have been prepared in accordance with IFRS® Accounting Standards (IFRS), IFRIC interpretations, SAICA Financial Reporting guides, the requirements of 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), and were authorised for issue on 29 August 2025 by the Board of Directors. The financial statements have been prepared using the historical cost convention, except for biological assets and financial instruments at fair value through profit or loss. The accounting policies comply with IFRS and have been consistently applied to all years presented.

The Group reports on the retail calendar of trading weeks which treats each financial year as an exact 52-week period, incorporating trade from Monday to Sunday each week. This treatment effectively results in the loss of a day (or two in a leap year) per calendar year. These days are brought to account approximately every six years by including a 53rd week. Accordingly, the results for the financial year ended June 2025, and all references thereto within the results, are presented for the 52-week period ended 29 June 2025.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity or where assumptions and estimates are significant to the consolidated financial statements are disclosed on pages 35 and 36.

As per the requirements of IAS 1 and IFRS Practice Statement 2 *Disclosure of Accounting Policies*, management have reviewed the accounting policies and considered these to be material.

## BASIS OF CONSOLIDATION

### Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect these returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The Group applies the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred, and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be a financial instrument within the scope of IFRS 9 *Financial Instruments* is recognised in accordance with IFRS 9 either in profit or loss or as a charge to other comprehensive income. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit and loss. Any contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred over the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of all the identifiable assets and liabilities and contingent liabilities acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised in profit or loss.

Acquisitions by the Group of entities which are under common control are accounted for using predecessor accounting. The assets and liabilities of the acquired entity are recognised at predecessor values; therefore, no restatement of the acquiree's assets and liabilities to fair value is required. The difference between the consideration transferred and the carrying value of the net assets is recorded in equity in a common control reserve; as a result, no goodwill is recognised on acquisition. The consolidated financial statements incorporate the acquired entity's results from the first day of the month in which the transaction took place. Consequently, the consolidated financial statements do not reflect the results of the acquired entity for the period before the transaction occurred. The corresponding amounts for the prior period are also not restated.

Intercompany transactions, balances, income and expenses on transactions between Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

## ACCOUNTING POLICIES CONTINUED

for the year ended June 2025

### Changes in ownership in subsidiaries without change in control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions, that is, as transactions with the owners in their capacity as owners. The difference between the fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity.

### Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purpose of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

### Associates

Associates are entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, share of profits recognised in other comprehensive income and the carrying amount is increased or decreased to recognise the investor's share of the after-tax profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss, where appropriate.

The Group's share of the post-acquisition after-tax profit or loss is recognised in the income statement, and its share of post-acquisition after-tax movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate. The Group determines at each reporting date whether there is any objective evidence that the associate is impaired. If this is the case, the Group calculates the amount of the impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to share of profit/loss of associates in the income statement.

Profits and losses resulting from upstream and downstream transactions between the Group and its associates are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Dilution gains and losses arising in investments in associates are recognised in the income statement.

In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

### Joint arrangements

The Group applies IFRS 11 to all joint arrangements. Investments in joint arrangements are classified as either joint operations or joint ventures, depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interest in the joint ventures (which includes any unsecured long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains/losses on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.



## ACCOUNTING POLICIES CONTINUED

for the year ended June 2025

### Accounting treatment for subsidiaries in Company financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes directly attributable costs of investment.

Dividend income from subsidiaries is recognised in the income statement when the right to receive payment is established.

### FOREIGN CURRENCY TRANSLATION

#### Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Rands, which is the Group's presentation currency.

#### Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Foreign exchange gains and losses are presented in the income statement within operating profit.

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (a) Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position.
- (b) Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions).
- (c) All resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

### PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at historical cost less accumulated depreciation less impairment losses, except for land and capital work-in-progress which is shown at cost less impairment. Cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

The Group's sugarcane roots are bearer plants under the definition in IAS 41 *Agriculture* and are therefore accounted for in accordance with IAS 16 *Property, Plant and Equipment*.

Certain items of property, plant and equipment are leased and are classified as right-of-use assets in accordance with IFRS 16. The assets are accounted for under the rules of IFRS 16. Refer to pages 26 and 27 for accounting policy on right-of-use assets.

Depreciation is provided for property, plant and equipment at rates that reduce the cost thereof to estimated residual values over the expected useful lives of the asset on a straight-line basis. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. Where assets are identified as being impaired, that is when the recoverable amount has declined below its carrying amount, the carrying amount is reduced to reflect the decline in value.

Gains or losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the income statement as part of operating profit.

## ACCOUNTING POLICIES CONTINUED

for the year ended June 2025

Depreciation is calculated over the following estimated useful lives:

- Buildings
  - Right-of-use and owned 15 to 60 years
  - Leasehold improvements Shorter of useful life of 20 years or period of lease
- Plant and equipment
  - Right-of-use and owned 3 to 60 years
- Vehicles
  - Right-of-use and owned 3 to 20 years
- Furniture 6 to 25 years
- Aircraft 8 to 20 years
- Bearer plants
  - On owned land 3 to 15 years
  - On leased land Shorter of useful life of 15 years or period of lease

Capital work-in-progress is not depreciated until such time as the asset is available for use.

Owned land is not depreciated.

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to prepare for its intended use is added to the cost of the asset, until such time as the asset is substantially complete. A substantial period of time is considered to be a period exceeding 12 months. Capitalisation is suspended during extended periods in which active development is interrupted. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### INVESTMENT PROPERTY

Investment properties are held to generate rental income. Investment properties are treated as long-term investments and are carried at cost less accumulated depreciation. Buildings are depreciated to their estimated residual values on a straight-line basis over their expected useful lives. Depreciation rates between 4% and 20% per annum are applied on significant components.

Investment properties are derecognised either when they have been disposed of (i.e., at the date the recipient obtains control) or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of consideration from the derecognition of investment property, the Group considers the effects of variable consideration, the existence of a significant financing component, non-cash consideration and consideration payable to the buyer (if any).

Transfers are made to (or from) investment property only when there is a change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

### INTANGIBLE ASSETS

#### Trademarks and customer relationships

Separately acquired trademarks are shown at historical cost. Trademarks and customer relationships acquired in a business combination are recognised at fair value at the acquisition date.

The useful lives of trademarks are assessed to be either finite or indefinite. The useful lives of customer relationships are considered to be finite. Trademarks with finite lives and customer relationships are amortised over the useful life on a straight-line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortisation periods and amortisation methods are reviewed annually.

The useful lives of intangible assets are as follows:

- Trademarks Indefinite/15 to 20 years
- Customer relationships 5 to 20 years

Trademarks with indefinite lives are not amortised but are reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment to a finite life is made on a prospective basis.

## ACCOUNTING POLICIES CONTINUED

for the year ended June 2025

### Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the Group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree. It is reported in the statement of financial position as a non-current asset and carried at cost less accumulated impairment losses. Goodwill is allocated to each of the Cash Generating Units (CGUs), or groups of CGUs, which is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at a CGU level. Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

### Computer software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use.
- Management intends to complete the software product to use.
- There is an ability to use or sell the software product.
- The software product will generate probable future economic benefits.
- Adequate technical, financial and other resources are available to complete the development and to use the software product.
- The expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development, employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which do not exceed 20 years and are stated at cost less accumulated amortisation.

## RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Lease liabilities are measured at the present value of the future lease payments, discounted using the interest rate implicit in the lease agreement or, if not available, the Group's incremental borrowing rate. Right-of-use assets are measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease.

The Group leases various offices, warehouses, farming land, equipment, delivery vehicles and cars. Rental contracts are typically made for fixed periods of between 3 to 12 years, but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

## ACCOUNTING POLICIES CONTINUED

for the year ended June 2025

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date; and
- any initial direct costs.

In accordance with IFRS 16 the Group has not recognised a lease liability for short-term leases or for leases of low-value assets. Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets in terms of IFRS 16 comprise smaller items of equipment.

Lease and non-lease components relating to lease liabilities and right-of-use assets have been separately accounted for.

Estimation uncertainty arising from variable lease payments. Variable lease payments made by the Group relate to:

Lease	Variable element
<b>Solar panels</b>	Rental payments for solar panels are based 100% on the energy generated by the solar panels
<b>Sugarcane farms</b>	Rental payments for the leasing of sugarcane farming land are linked to the proceeds from the sale of cane

Variable payment terms are used for a variety of reasons, but are mainly used where the lessor is also a supplier to the Group and the assets being leased are part of the supplier's asset base used for delivery of their service. The calculation of the variable rental payment due is based on the output produced by the leased assets. This allows the Group to better manage overhead costs in line with the service being received from the supplier.

Variable lease payments mentioned above are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

### Extension and termination options

Extension and termination options are included in a number of leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The Group has various property leases within the Baking segment for which the lease term has expired, but the lease has continued on a month-to-month basis in the prior year only. Due to these properties, housing business operations, the Group has estimated the term over which the Group will continue to occupy the property based on its business strategy and terms of similar leases in determining a lease term for these properties.

The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

### IMPAIRMENT OF NON-FINANCIAL ASSETS

Assets that have an indefinite useful life, for example goodwill and certain trademarks, are not subject to amortisation and are tested annually for impairment and when there is an indicator of impairment. At the end of each reporting period management also assesses whether there is an indicator of impairment, if so the recoverable amount of the indefinite useful life asset is calculated to determine if an impairment loss should be recognised. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets other than goodwill that were impaired, are reviewed for possible reversal of the impairment at each reporting date.

## ACCOUNTING POLICIES CONTINUED

for the year ended June 2025

### DISPOSAL GROUPS HELD FOR SALE AND DISCONTINUED OPERATIONS

Disposal groups are classified as assets and liabilities held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

Where a disposal group represents a separate major line of business or geographical area of operations, the results of the disposal group have been presented separately in the statement of comprehensive income. The statement of comprehensive income for the comparative period is restated in order to reflect the results of the disposal group as a discontinued operation.

Intercompany transactions, balances, income and expenses on transactions between the Group's continuing operations and disposal groups held for sale and/or discontinued operations have been eliminated within the Group and/or the disposal group, respectively.

Depreciation and equity accounting of profits from joint ventures and associates within the disposal group are stopped once the disposal group is classified as held for sale.

### INVENTORIES

Finished goods, raw materials, ingredients and consumables are valued at the lower of cost and net realisable value. Finished goods are determined on a first-in first-out basis for all Group divisions except for the Sugar operating unit within Sugar, and the Speciality operating unit, within Baking, where inventory is valued at weighted average cost. Raw materials, ingredients and consumables are determined on a weighted average cost basis.

Costs include expenditure incurred in acquiring the inventories and bringing them to their present location and condition, all direct production costs and an appropriate portion of overheads based on normal capacity. Slaughtered chickens and sugar are transferred to inventory at fair value less estimated point-of-sale costs. Sucrose included within sugar inventory is valued at the South African Sugar Association determined pricing depending on whether it is deemed to be local market or export stock. Net realisable value is the estimated selling price in the ordinary course of business, less estimated selling expenses.

### BIOLOGICAL ASSETS

The fair value of the biological assets is determined on the following basis:

Consumable biological assets, comprising standing sugarcane, is measured at fair value, determined on current estimated market prices less estimated harvesting, transport, packing and point-of-sales costs;

- Standing cane is valued at estimated sucrose content, age and market price.

The sugarcane roots are bearer plants under the definition of IAS 41 *Agriculture* and are therefore presented and accounted for as property, plant and equipment. However, the standing cane is accounted for as biological assets until the point of harvest. Sugarcane is transferred to inventory at fair value less costs to sell when harvested. Changes in fair value of sugarcane are recognised in the statement of profit or loss.

Live broiler birds and breeding stock which were included in the disposal Group for the prior year were measured at fair value less estimated point-of-sale costs at reporting dates. Fair value was determined based on market prices.

The fair values of biological assets are level 3 fair values as defined in note 9 of the consolidated financial statements.

Breeding stock in the prior year included the Cobb and Indian River grandparent breeding birds at the parent rearing and laying operations. Broiler hatching eggs were included in breeding stock.

Gains and losses arising on the initial recognition of biological assets at fair value less estimated point-of-sale costs and from a change in fair value less estimated point-of-sale costs are recognised in the income statement in the period in which they arise.

### STATED CAPITAL

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

## ACCOUNTING POLICIES CONTINUED

for the year ended June 2025

### CURRENT AND DEFERRED TAX

The tax expense for the period comprises current and deferred tax.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the countries where the Company and the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to tax authorities.

Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively. Interest and penalties are included as part of other payables.

Deferred tax is calculated using tax rates that have been enacted or substantively enacted at the reporting date in the countries where the Company and the Company's subsidiaries operate and generate taxable income, and that are expected to apply to the period when the liability is settled or asset realised. Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax value used in the computation of taxable income. Deferred tax assets are raised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

A deferred tax liability is recognised for taxable temporary differences arising on investments in subsidiaries, associates and joint ventures except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Generally, the Group is unable to control the reversal of the temporary difference for associates, unless there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference not recognised.

However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint ventures only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

At initial recognition, right-of-use assets and lease liabilities are considered separately, with no temporary differences noted on initial recognition.

### CAPITAL GAINS TAX (CGT)

CGT is levied when capital assets are disposed of or deemed to be disposed of. CGT is levied on the difference between the proceeds on the sale of capital assets and the base cost (tax value) of the capital asset. The capital gain is included at a rate of 80.0% in the taxable income of the Company. Capital losses are ring-fenced.

### EMPLOYEE BENEFITS

#### Retirement funds

The Group operates defined contribution plans.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The assets of the plans are held in separate trustee-administered funds. These plans are funded by payments from the employees and the Group, taking into account recommendations of independent qualified actuaries.

The Group's contributions to the defined contribution pension plans are charged to the income statement in the period to which they relate. The Group has no defined benefit pension plans in operation.

## ACCOUNTING POLICIES CONTINUED

for the year ended June 2025

### Post-retirement medical benefits – Defined benefit plan

The Group provides post-retirement medical benefits to its retirees. These benefits apply to RCL FOODS Consumer Proprietary Limited (pre-unbundling date) and RCL Group Services Proprietary Limited employees engaged pre-October 2003. Foodcorp Proprietary Limited and RCL FOODS Sugar and Milling Proprietary Limited provide post-retirement medical benefits to certain retired employees. The entitlement to post-retirement medical benefits is based on the employees remaining in service up to retirement age. The projected unit credit method of valuation is used to calculate the liability for post-retirement medical benefits and is calculated annually by independent actuaries.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded immediately in other comprehensive income, in the financial year in which they arise. Past service costs are recognised immediately in the income statement.

### Incentive plans

The Group recognises a liability where contractually obliged or where there is past practice that has created a constructive obligation. Management participates in both long-term and short-term incentive plans whereby incentives are paid in respect of out-performance against specific targets. All incentives are authorised by the Remuneration and Nominations Committee.

### Share-based payments

The Group operates share-based compensation plans under which the Group receives services from employees as consideration for equity instruments (options and rights) of the Group. The fair value of the employees' services received in exchange for the grant of the options or rights is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions; and
- including the impact of any non-vesting conditions.

Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are satisfied.

The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity, and is based on the Group's estimate of options that will eventually vest. Fair value is measured by the use of a binomial model excluding non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options and rights that are expected to vest.

At each reporting date, the Group revises its estimates of the number of options or rights that are expected to vest based on non-market vesting conditions. The Group recognises the impact on the original estimates, if any, in the income statement with a corresponding adjustment to equity.

When the options or rights are exercised, the Company issues new shares. The proceeds received, net of any directly attributable transaction costs, are credited to share capital when the options or rights are exercised.

The grant by the Group of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity in the parent entity accounts.

## REVENUE

Revenue comprises income arising in the course of the Group's ordinary activities. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

The Group recognises revenue when it transfers control of a product or when services are rendered to a customer. Revenue is recognised net of value added tax, returns, rebates, discounts and other allowances and after eliminating sales within the Group. The Group bases its estimates of incentive rebates and settlement discounts on historical results. Variable consideration is calculated by applying percentages agreed with the customer to actual sales for the period. The transaction price represents the amount contracted to with the customer net of any value added tax, returns, rebates, discounts and other allowances.

Sales of goods comprise the sale of milling, agricultural produce and consumer goods. Sales of services comprise logistics, warehousing, distribution, consulting and management services.



## ACCOUNTING POLICIES CONTINUED

for the year ended June 2025

In certain instances, the sale of goods includes delivery, and these sales are identified as being a single performance obligation. In all other cases, where the Group is requested to arrange transport for the customer, two separate performance obligations arise – the sale of goods and the provision of transport. To the extent that the Group is responsible for the provision of transport services to the customer, the Group acts as principal and revenue from transport services is recorded at the gross amount.

Revenue from the sale of goods is recognised only when the performance obligations arising from the contract with a customer is satisfied and the amount of revenue that it expects to be entitled to can be determined. For sales that include delivery (as indicated above), this occurs when a Group entity has delivered the products to the customer and the customer has accepted delivery. In instances where the delivery is a separate performance obligation (as indicated above), revenue from the sale of goods is recognised when the goods are transferred to the transport provider for delivery.

The South African Sugar Association (SASA) allocates a pro rata share of the local sugar market to the Group and to other sugar millers in South Africa. When the Company sells more sugar than its local market entitlement, it is required to pay SASA an amount related to the excess for redistribution to the other sugar millers who have underperformed with respect to their allocation. Receipts relating to these redistributions is recognised as revenue and payments as cost of sales at the notional local market price of sugar at the point in time. This revenue is shown separately as “Revenue from industry redistribution” and is not included as “Revenue from contracts with customers”, due to the definition of a “customer” as per IFRS 15 not being met.

Revenue from the sale of services relates mainly to transport services and is recognised over time (over the period of delivery) using the output method. Revenue from other services provided by the Group is recognised over the period over which the service has been rendered.

The following payment terms are applicable to the Group:

- Sale of goods: 0 to 90 days
- Sale of services: 0 to 30 days

The Group currently accepts returns from customers for damaged goods, with the corresponding refund liability recorded within trade and other receivables unless a separate obligation to settle the customer exists, in which case the liability is recorded within trade and other payables.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

### Interest income

When a loan or receivable carried is credit impaired, the Group recognises interest income based on the amortised cost of the financial asset, being the gross carrying amount discounted at the original effective interest rate of the instrument, adjusted for the expected credit loss allowance. Interest income is disclosed under finance income in the income statement.

### Dividend income

Dividend income is recognised when the right to receive payment is established. Dividend income is included in operating profit in the income statement as part of other income, except when received from associates and joint ventures accounted for under the equity method, in which case the dividend income is credited to the investment.

## FINANCIAL INSTRUMENTS

Financial instruments recognised on the statement of financial position include loans receivable, derivative instruments, trade and other receivables, cash and cash equivalents, trade and other payables and interest-bearing debt.

The Group classifies its financial assets in the following measurement categories:

- those to be measured at fair value through profit or loss; and
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will be recorded in profit or loss. The Group reclassifies financial assets when, and only when, its business model for managing those assets changes.

The Group classifies its financial liabilities, apart from derivatives, as financial liabilities at amortised cost. Derivative financial liabilities are classified as financial liabilities at fair value through profit or loss.



## ACCOUNTING POLICIES CONTINUED

for the year ended June 2025

### Measurement of financial assets

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

Subsequent measurement of financial assets depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its financial assets:

- **Amortised cost**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/losses, together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss.

- **Financial assets at fair value through profit or loss**

Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. A gain or loss on a financial asset that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net within other gains/losses in the period in which it arises.

### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss comprise derivative instruments. Gains or losses arising from changes in the fair value of the derivatives at fair value through profit or loss are recognised in the income statement in the period in which they arise.

Financial liabilities carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement.

### Financial liabilities at amortised cost

Financial liabilities at amortised cost consist of trade and other payables and interest-bearing borrowings. These represent financial liabilities which are not classified as financial liabilities at fair value through profit or loss. They are included in current liabilities, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current liabilities.

### Derecognition

Financial assets (or a portion thereof) are derecognised when the rights to receive cash flows from the asset have expired or have been transferred and the Group has substantially transferred all risks and rewards of ownership. On derecognition, the difference between the carrying amount of the financial asset and the proceeds receivable is included in the income statement.

Financial liabilities (or a portion thereof) are derecognised when the obligation specified in the contract is discharged, cancelled or expires. On derecognition, the difference between the carrying amount of the financial liability and any amount paid is included in the income statement.

### Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade date, the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets and liabilities at fair value through profit or loss are subsequently carried at fair value. Financial assets carried at amortised cost and financial liabilities at amortised cost are carried at amortised cost using the effective interest rate method.

Gains or losses arising from changes in the fair value of the "financial assets at fair value through profit or loss" category is presented in the income statement in the period in which they arise. Dividend income from these assets is recognised in the income statement when the Group's right to receive payment is established.

## ACCOUNTING POLICIES CONTINUED

for the year ended June 2025

### Accounting for derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value.

Trading derivatives are classified as a current asset or liability, and the fair values thereof are disclosed in note 28 of the consolidated financial statements.

Derivative instruments are accounted for at fair value through profit or loss. Changes in the fair value of derivative instruments are recognised immediately in the income statement. Changes in the fair value of derivatives that are utilised for financing activities are recorded in finance costs.

### Impairment of financial assets

#### Financial assets carried at amortised cost

The Group assesses on a forward-looking basis, the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, a failure to make contractual payments for a period of greater than 120 days past due and/or when the legal process has not enabled recovery.

For all other financial assets, the general approach is used to assess expected credit losses.

If, in a subsequent period, the amount of the impairment loss decreases, the reversal of the previously recognised impairment loss is recognised in the income statement.

### Fair value estimation

The fair value of financial instruments and non-financial assets traded in active markets (such as publicly traded derivatives) is based on quoted market prices at the statement of financial position date. The quoted market price used for assets held by the Group is the current market price; the appropriate quoted market price for liabilities is the current ask price. These comprise level 1 fair values. The Group did not have any level 1 financial instruments or non-financial assets in the current and previous financial year.

The fair value of financial instruments and non-financial assets that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Group used a variety of methods and makes assumptions that are based on market conditions existing at each statement of financial position date. The fair value of forward exchange contracts is determined using forward exchange market rates at the statement of financial position date. The fair value of the Group's term-funded debt package is calculated by discounting the future cash flows over the period of the loan. These comprise level 2 fair values.

Other financial instruments and non-financial assets are valued using other techniques, such as estimated discounted cash flows. This relates to the fair value of the Group's biological assets which are level 3 fair values.

### Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade receivables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest rate method, less expected credit losses. If collection is expected in one year or less (or in the normal operating cycle of the business, if longer), they are classified as current assets. If not, they are presented as non-current assets.

### Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are included in current liabilities on the statement of financial position.

## ACCOUNTING POLICIES CONTINUED

for the year ended June 2025

### Trade and other payables

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business, if longer). If not, they are presented as non-current liabilities.

The Group classifies financial liabilities that arise from supplier finance arrangements within trade and other payables in the statement of financial position if they have a similar nature and function to trade payables. This is the case if the supplier finance arrangement is part of the working capital used in the Group's normal operating cycle, the level of security provided is similar to trade payables and the terms of the liabilities that are part of the supply chain finance arrangement are not substantially different from the terms of trade payables that are not part of the arrangement.

### Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method.

### Deferred income

Deferred income represents unearned funding received from AgriSETA and interest income not yet earned on loans received from Akwandze Agricultural Finance Proprietary Limited as a result of the interest rate charged being below market-related rates. The unearned funding received from AgriSETA will be utilised to offer apprentices bursaries and for staff development. This income has not yet been earned at the statement of financial position date. The deferred income is recorded in the income statement when the relevant expenditure has been incurred.

The deferred interest income is recorded in the income statement over the period of the loan in the same manner that the effective interest expense on the loan is charged to the income statement.

## DIVIDEND DISTRIBUTION

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's Board.

## OPERATING SEGMENTS

The Chief Executive Officer (CEO) is the Chief Operating Decision Maker (CODM). The CEO assesses the performance of the operating segments based on operating profit before depreciation, amortisation and impairment (EBITDA) and operating profit (EBIT) and for joint ventures and associates based on their earnings after tax.

Segment reporting requires that an entity identify its operating segments and its reportable segments. Reportable segments may be a single operating segment, or it could reflect a combination of operating segments. Aggregation of one or more operating segments into a single reportable segment is permitted in certain circumstances; being that the operating segments should reflect the same or similar economic characteristics and the operating segments are similar in respect of the products and services offered, types of customers and nature of their production processes. Judgement is required in determining the aggregation of operating segments. The Group has assessed the above-mentioned aggregation criteria and believe that it has been satisfied that the nature of products offered in each are similar with categories.

The Group discloses segmental financial information which is used internally by the CODM in order to assess performance, aid in strategic decision making and assist in assessing business risk. Operating segments are the individual components of the business that engage in activities which generate revenue and incur expenses. The detail of this information is presented to the CODM at regular intervals for review. The CODM evaluates segmental performance based on EBITDA as management believes that such information is most relevant in evaluating the performance of the Group. In determining the extent of segmental disclosure that it presents, management considers both quantitative and qualitative information. They further consider any information that is regarded as being material, in influencing the decisions that may be taken by the primary users of the financial statements based on the presentation of this disclosure.

RCL FOODS is made up of the following segments:

- Groceries: Culinary (includes Mayonnaise, Peanut Butter, Rusks etc.), Pet Food and Beverages operations;
- Baking: including the Milling, Speciality, Pies, Sunbake and Sunshine bakeries and Buns and Rolls;
- Sugar: including Sugar and molasses-based feed (Molatek) operations; and
- Group: Shared services platform.

## ACCOUNTING POLICIES CONTINUED

for the year ended June 2025

The Rainbow segment, which was classified as held for sale and accordingly recognised as a discontinued operation in the prior year included the chicken business, grain-based feed (Epol and Driehoek) and Waste-to-Value operations.

The Vector Logistics segment, which was disposed in the prior year, provided RCL FOODS and numerous third parties with multi-temperature warehousing and distribution, supply chain intelligence and sales solutions.

LKCA refers to the Group's investment in LiveKindly Collective Africa Proprietary Limited.

Transactions between segments are accounted for under the IFRS® Accounting Standards in the individual segments. Direct exports are not considered material in relation to total revenue.

### STATEMENT OF COMPREHENSIVE INCOME LINE ITEMS

The following additional line items, headings and sub-totals are presented on the face of the statement of comprehensive income as management believes them to be relevant to the understanding of the Group's financial performance:

Operating profit before depreciation, amortisation and impairment being the trading income of the Group.

### CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The key assumptions and sources of estimation uncertainty at the reporting date that could have significant risk of causing material adjustment to the carrying amounts of the assets and liabilities within the new financial year are listed below:

#### Useful lives and residual values of assets

Items of property, plant and equipment and intangible assets are depreciated over their useful lives taking into account residual values, where applicable. Useful lives and residual values are reviewed annually, taking into account factors such as the expected usage, physical output, market demand for the output of the assets and legal or similar limits on the assets. Intangible assets with indefinite useful lives are reviewed annually to determine whether events and circumstances exist that continue to support an indefinite useful life assessment for that asset.

#### Goodwill and trademarks

Goodwill and indefinite life trademarks are considered for impairment at least annually.

Determining whether goodwill is impaired requires an estimation of the recoverable amount of the CGUs to which goodwill has been allocated. The recoverable amount is determined as the higher of the value-in-use and fair value less cost to sell of the CGU. The value-in-use calculation requires the entity to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate the present value of future cash flows. Management estimates the discount rate using pre-tax rates that reflect current market assessments of the time value of money and risks specific to the CGUs. The growth rates are based on industry and customer growth forecasts.

Determining whether trademarks are impaired requires an estimation of the value-in-use of the trademark. The value-in-use calculation requires the entity to estimate the future cash flows expected to arise from the trademark and a suitable discount rate in order to calculate the present value of future cash flows. Management estimates the discount rate using pre-tax rates that reflect current market assessments of the time value of money and risks specific to the CGUs. The growth rates are based on industry and customer growth forecasts.

The key assumptions used in the calculations and a sensitivity analysis are disclosed in notes 3 and 11 of the consolidated financial statements.

If a component of the CGU is being disposed of, goodwill is allocated to the component, based on the relative fair values of the component and remaining operations of the CGU, unless a more appropriate basis is applicable.

#### Fair value assessment of biological assets

The key assumptions used in the calculation of the fair value of chicken, banana and sugarcane stock and a sensitivity analysis are disclosed in note 11 and 28 of the consolidated financial statements.

#### Liability for post-retirement medical benefits

The liability is determined by annual actuarial assumptions. The key assumptions relating to the actuarial calculation and a sensitivity analysis are disclosed in notes 11 and 15 of the consolidated financial statements.

## ACCOUNTING POLICIES CONTINUED

for the year ended June 2025

### Share-based payments

The key assumptions used in the calculation of the fair value of grant date options awarded for share appreciation rights is disclosed in note 12 to the consolidated financial statements.

Any changes in an input or a change in a measurement technique are considered changes in accounting estimates if they do not result from the correction of prior period errors.

### IMPACT OF NEW AMENDMENTS TO ACCOUNTING STANDARDS AND INTERPRETATIONS

Management has considered all new standards, interpretations and amendments that are effective for the current year.

The standards, interpretations and amendments that are relevant to the Group are as follows:

#### Amendment to IFRS 16 – Leases on sale and leaseback

These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

The amendments are applicable to annual periods beginning on or after 1 January 2024. Sale and leaseback transactions are not common within the Group and hence management has assessed this amendment to be insignificant for the Group.

#### Amendments to IAS 1 – Classification of liabilities as current or non-current and non-current liabilities with covenants

The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement;
- That a right to defer must exist at the end of the reporting period;
- That classification is unaffected by the likelihood that an entity will exercise its deferral right; and
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within 12 months. The amendments have resulted in additional disclosures in note 16.

#### Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements

The amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures* clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The new standard is effective for the annual periods beginning on/after 1 January 2024. As a result of implementing the amendments, the Group has provided additional disclosures about its supplier finance arrangement. Please refer to note 18 and to the relevant accounting policy.

## ACCOUNTING POLICIES CONTINUED

for the year ended June 2025

### IMPACT OF FUTURE AMENDMENTS TO ACCOUNTING STANDARDS AND INTERPRETATIONS

Management has considered all standards, interpretations and amendments that are in issue but not yet effective.

The standards, interpretations and amendments that are relevant to the Group but which the Group has not early adopted are as follows:

#### Replacement of IAS 1 with IFRS 18

In April 2024, the International Accounting Standards Board (IASB) issued IFRS 18 *Presentation and Disclosure in Financial Statements*, which replaces IAS 1 *Presentation of Financial Statements*. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and sub-totals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, sub-totals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified "roles" of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from "profit or loss" to "operating profit or loss" and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18 and the amendments to the other standards, are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Group is currently assessing the impact of these amendments and the necessary changes that will be required to the primary financial statements and notes to the financial statements.

#### Lack of exchangeability – Amendments to IAS 21

The amendment to IAS 21 *The Effects of Changes in Foreign Exchange Rates* specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments require that when an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, it discloses information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025.

Management has considered the above and has assessed this amendment to be insignificant for the Group.

#### Classification and measurement of financial instruments – Amendments to IFRS 9 and IFRS 7

The amendment provides clarification on the below:

- That a financial liability is derecognised on the "settlement date", i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met;
- Clarifies the treatment of non-recourse assets and contractually linked instruments; and
- Requires additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Entities can early adopt the amendments that relate to the classification of financial assets plus the related disclosures and apply the other amendments later. The new requirements will be applied retrospectively with an adjustment to opening retained earnings. Prior periods are not required to be restated and can only be restated without using hindsight.

Management is assessing the implications of disclosing this ahead of implementation in the 2026 financial year.

## ACCOUNTING POLICIES CONTINUED

for the year ended June 2025

### Annual improvements to IFRS Accounting Standards – Volume 11

The IASB's annual improvements process provides a streamlined process for dealing efficiently with a collection of amendments to IFRS. The primary objective of the process is to enhance the quality of standards, by amending existing IFRSs to clarify guidance and wording, or to correct for relatively minor unintended consequences, conflicts or oversights. Amendments are made through the annual improvements process when the amendment is considered non-urgent but necessary.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2026.

Management has considered the above and has assessed the amendments to be insignificant or not applicable for the Group at this stage.

### Contracts referencing nature-dependent electricity – Amendments to IFRS 9 and IFRS 7

The amendments only apply to contracts that reference nature-dependent electricity. These are contracts that expose an entity to variability in an underlying amount of electricity because the source of electricity generation depends on uncontrollable natural conditions, typically associated with renewable electricity sources such as sun and wind.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2026.

Management is assessing the implications of the impact of this disclosure ahead of implementation in the 2026 financial year.

### IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS Accounting Standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS Accounting Standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

As the Group's equity instruments are publicly traded, it is not eligible to elect to apply IFRS 19.

### Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 and IAS 28

The amendments address the conflict between IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures* in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture.

Management has considered the above and has assessed that this amendment is not applicable to Group.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended June 2025

## 1. PROPERTY, PLANT, EQUIPMENT AND RIGHT-OF-USE ASSETS

June 2025	Land and buildings R'000	Plant, equipment and furniture R'000	Aircraft R'000	Vehicles R'000	Right-of-use assets: Plant R'000	Right-of-use assets: Vehicles R'000	Right-of-use assets: Land and buildings R'000	Leasehold improvements R'000	Bearer plants R'000	Capital work-in-progress R'000	Total R'000
<b>Cost</b>											
At the beginning of the year	1 688 361	6 293 398	65 962	534 967	7 377	50 727	580 853	33 948	437 480	230 832	9 923 905
Transfers between categories and intangible assets		7 648		14 816						(34 832)	(12 368)
Additions <sup>1, 2</sup>	87 911	551 923	964	83 749		115 927	8 844		55 129	165 820	1 070 267
Disposals	(6 972)	(144 036)		(98 314)		(2 259)		(1 609)	(66 008)		(319 198)
Remeasurements of leases						61	17 592				17 653
<b>At the end of the year</b>	<b>1 769 300</b>	<b>6 708 933</b>	<b>66 926</b>	<b>535 218</b>	<b>7 377</b>	<b>164 456</b>	<b>607 289</b>	<b>32 339</b>	<b>426 601</b>	<b>361 820</b>	<b>10 680 259</b>
<b>Accumulated depreciation and impairment</b>											
At the beginning of the year	488 463	3 705 247	16 489	273 318	4 049	28 907	361 358	24 006	308 621		5 210 458
Disposals	(4 761)	(138 407)		(80 439)		(2 147)		(1 608)	(64 611)		(291 973)
Depreciation	41 459	403 871	2 500	44 935	257	27 422	57 804	2 737	23 209		604 194
<b>At the end of the year</b>	<b>525 161</b>	<b>3 970 711</b>	<b>18 989</b>	<b>237 814</b>	<b>4 306</b>	<b>54 182</b>	<b>419 162</b>	<b>25 135</b>	<b>267 219</b>		<b>5 522 679</b>
<b>Net book amount</b>	<b>1 244 139</b>	<b>2 738 222</b>	<b>47 937</b>	<b>297 404</b>	<b>3 071</b>	<b>110 274</b>	<b>188 127</b>	<b>7 204</b>	<b>159 382</b>	<b>361 820</b>	<b>5 157 580</b>

<sup>1</sup> Transfers out of capital work-in-progress have been disclosed within additions of each of the appropriate individual categories.

<sup>2</sup> Right-of-use asset additions are non-cash additions.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

or the year ended June 2025

## 1. PROPERTY, PLANT, EQUIPMENT AND RIGHT-OF-USE ASSETS CONTINUED

June 2024*	Land and buildings R'000	Plant, equipment and furniture R'000	Aircraft R'000	Vehicles R'000	Right- of-use assets: Plant R'000	Right- of-use assets: Vehicles R'000	Right- of-use assets: Land and buildings R'000	Leasehold improvements R'000	Bearer plants R'000	Capital work-in- progress R'000	Total R'000
<b>Cost</b>											
At the beginning of the year	3 049 946	9 110 172	54 420	629 305	26 000	262 915	493 972	29 738	411 328	516 648	14 584 444
Transfers between categories and intangible assets										21 099	21 099
Transfers from/(to) investment property	(59 702)										(59 702)
Additions <sup>1,2</sup>	215 209	885 380	11 542	70 966	109	14 323	42 704	4 691	31 567	(14 321)	1 262 170
Disposals	(12 549)	(222 953)		(100 028)		(17 427)	(39 479)	(481)	(5 415)		(398 332)
Transferred to held for sale	(1 504 543)	(3 479 201)		(65 276)	(18 757)	(209 495)	(13 343)			(292 594)	(5 583 209)
Remeasurements					25	411	96 999				97 435
<b>At the end of the year</b>	<b>1 688 361</b>	<b>6 293 398</b>	<b>65 962</b>	<b>534 967</b>	<b>7 377</b>	<b>50 727</b>	<b>580 853</b>	<b>33 948</b>	<b>437 480</b>	<b>230 832</b>	<b>9 923 905</b>
<b>Accumulated depreciation and impairment</b>											
At the beginning of the year	1 489 822	5 658 607	13 823	352 183	13 620	98 538	298 412	22 045	288 191		8 235 241
Transfers between categories and intangible assets		(2 639)									(2 639)
Transfers from/(to) investment property	(44 365)										(44 365)
Disposals	(11 330)	(216 555)		(74 226)		(9 748)	(36 724)	(462)	(5 048)		(354 093)
Impairment loss		2 608					54 427				57 035
Transferred to held for sale	(1 035 418)	(2 268 687)		(54 179)	(12 116)	(116 960)	(7 090)				(3 494 450)
Depreciation	89 754	531 913	2 666	49 540	2 545	57 077	52 333	2 423	25 478		813 729
<b>At the end of the year</b>	<b>488 463</b>	<b>3 705 247</b>	<b>16 489</b>	<b>273 318</b>	<b>4 049</b>	<b>28 907</b>	<b>361 358</b>	<b>24 006</b>	<b>308 621</b>		<b>5 210 458</b>
<b>Net book amount</b>	<b>1 199 899</b>	<b>2 588 151</b>	<b>49 473</b>	<b>261 649</b>	<b>3 328</b>	<b>21 820</b>	<b>219 495</b>	<b>9 942</b>	<b>128 859</b>	<b>230 832</b>	<b>4 713 447</b>

<sup>1</sup> Transfers out of capital work-in-progress have been disclosed within additions of each of the appropriate individual categories.

<sup>2</sup> Right-of-use asset additions are non-cash additions.

\* Movements in the table above include Rainbow balances up to the date it was classified as held for sale, being 3 June 2024. The carrying value for cost and accumulated depreciation at this date has been transferred to held for sale.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 1. PROPERTY, PLANT, EQUIPMENT AND RIGHT-OF-USE ASSETS CONTINUED

#### CAPITAL COMMITMENTS

Continuing operations	2025 R'000	2024 R'000
Contracted and committed	333 515	304 407
Approved but not contracted	394 216	257 721

Capital commitments relate to both tangible and intangible assets and include all projects for which specific approval, in terms of the levels of authority, has been obtained up to reporting date. Projects for which authority has not yet been obtained are excluded. The capital expenditure will be financed from cash generated from operations, and through available borrowing facilities as required.

A register of land and buildings is available for inspection at the registered office of the respective subsidiary companies.

The Group assesses the useful lives and residual values of property, plant and equipment on an ongoing basis. This assessment is performed by the relevant finance departments, in conjunction with the operations' engineering staff. The assessment of useful lives is assessed based on the expected future usage of the asset, and historical lives of similar assets that were eventually taken out of use. Reassessments of useful lives during the current period resulted in lower depreciation of R1,3 million and higher depreciation of R0,1 million in the prior financial year. Reassessments of residual values during the current period resulted in lower depreciation of R6,5 million, which are related primarily to buildings.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 2. INTANGIBLE ASSETS

	Software R'000	Trademarks R'000	Customer relationships R'000	Goodwill R'000	Capital work-in- progress R'000	Total R'000
<b>June 2025</b>						
<b>Opening net book amount</b>	<b>83 589</b>	<b>1 304 860</b>	<b>154 735</b>	<b>1 931 236</b>	<b>10 809</b>	<b>3 485 229</b>
Additions	4 669				225	4 894
Disposals	(5 703)					(5 703)
Transfers between property, plant and equipment and intangible asset categories	7 838				4 530	12 368
Amortisation charge	(22 900)		(17 593)			(40 493)
<b>Closing net book amount</b>	<b>67 493</b>	<b>1 304 860</b>	<b>137 142</b>	<b>1 931 236</b>	<b>15 564</b>	<b>3 456 295</b>
<b>Cost</b>	<b>262 114</b>	<b>1 848 991</b>	<b>984 872</b>	<b>2 736 083</b>	<b>15 564</b>	<b>5 847 624</b>
<b>Accumulated amortisation and impairment</b>	<b>(194 621)</b>	<b>(544 131)</b>	<b>(847 730)</b>	<b>(804 847)</b>		<b>(2 391 329)</b>
<b>Net book amount</b>	<b>67 493</b>	<b>1 304 860</b>	<b>137 142</b>	<b>1 931 236</b>	<b>15 564</b>	<b>3 456 295</b>
<b>June 2024</b>						
Opening net book amount	131 119	1 310 336	174 706	1 950 551	5 697	3 572 409
Additions	8 927				3 695	12 622
Disposals	(1)					(1)
Transfers between categories and property, plant and equipment			(2 641)		(21 100)	(23 741)
Transfers between tangible and intangible WIP	(10 530)				22 517	11 987
Acquisition of business <sup>1</sup>				25 272		25 272
Transferred to held for sale	(19 307)	(5 476)		(19 315)		(44 098)
Amortisation charge	(26 619)		(17 330)			(43 949)
Impairment loss				(25 272)		(25 272)
<b>Closing net book amount</b>	<b>83 589</b>	<b>1 304 860</b>	<b>154 735</b>	<b>1 931 236</b>	<b>10 809</b>	<b>3 485 229</b>
<b>Cost</b>	<b>268 642</b>	<b>1 848 991</b>	<b>984 872</b>	<b>2 736 083</b>	<b>10 809</b>	<b>5 849 397</b>
<b>Accumulated amortisation and impairment</b>	<b>(185 053)</b>	<b>(544 131)</b>	<b>(830 137)</b>	<b>(804 847)</b>		<b>(2 364 168)</b>
<b>Net book amount</b>	<b>83 589</b>	<b>1 304 860</b>	<b>154 735</b>	<b>1 931 236</b>	<b>10 809</b>	<b>3 485 229</b>

<sup>1</sup> During the prior financial year, RCL FOODS, Sugar and Milling Proprietary Limited acquired an additional 50% shareholding in TSGro Farming Service Proprietary Limited. The acquisition resulted in goodwill being recognised which was subsequently impaired.

Movements in the prior year table above include Rainbow up to the date it was classified as held for sale. The carrying value for cost and accumulated amortisation and impairment at this date has been transferred to held for sale.

The remaining finite useful lives on intangible assets is between 1 and 18 years.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 2. INTANGIBLE ASSETS CONTINUED

	2025	2024
<b>SOFTWARE</b>		
<b>Finite life</b>		
Amortisation period	<b>3 to 20 years</b>	3 to 20 years
Method of amortisation	<b>Straight-line</b>	Straight-line
Is intangible title restricted in any way	<b>No</b>	No

### TRADEMARKS

The carrying value of trademarks are included in the following CGUs.

CGU	Trademarks	Useful life	2025 R'000	2024 R'000
Grocery	Ouma, Nola, Yum Yum, Nutso, Bobtail, Catmor, Dogmor, Ultra Dog, Canine Cuisine, Optimizor, Feline Cuisine, Monati	Indefinite	<b>438 600</b>	438 600
Beverages	Mageu Number 1, Mnandi	Indefinite	<b>176 540</b>	176 540
<b>Total Groceries segment</b>			<b>615 140</b>	615 140
Milling*	Supreme, Tafelberg, Safari, A1, 5 Star	Finite		
Bread, buns and rolls	Sunbake	Indefinite	<b>331 020</b>	331 020
Pies	Piemans	Indefinite	<b>260 000</b>	260 000
Sunshine	Sunshine	Indefinite	<b>98 700</b>	98 700
<b>Total Baking segment</b>			<b>689 720</b>	689 720
Sugar*	Selati	Finite		
<b>Total Sugar segment</b>				
<b>Total trademarks</b>			<b>1 304 860</b>	1 304 860

The Grocery, Beverages, Pies, Milling, Bread, buns and rolls and Sunshine CGUs relate to the complete operations of these operating units.

\* The trademarks within these CGUs have a carrying amount of Rnil.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 2. INTANGIBLE ASSETS CONTINUED

	2025	2024
<b>Finite life</b>		
Amortisation period	<b>15 to 20 years</b>	15 to 20 years
Method of amortisation	<b>Straight-line</b>	Straight-line
Is intangible title restricted in any way	<b>No</b>	No

Finite life trademarks comprise Selati which was acquired on acquisition of TSB Sugar RSA Proprietary Limited in 2014 and Supreme, Tafelberg, Safari, A1, 5 Star which were acquired on the acquisition of New Foodcorp Holdings Proprietary Limited (indirectly Foodcorp) in 2013.

	2025	2024
<b>Indefinite life</b>		
Is intangible title restricted in any way	<b>No</b>	No

Significant trademarks comprise Ouma, Nola, Yum Yum, Bobtail, Catmor, Dogmor, Sunbake, Ultra Dog, Canine Cuisine, Mageu Number 1, Monati, Optimizor, Mnandi, Piemans and Feline Cuisine acquired on the acquisition of New Foodcorp Holdings Proprietary Limited (indirectly Foodcorp) in 2013. Sunshine was acquired as part of the acquisition of Sunshine Bakery Holdings Proprietary Limited in 2023.

The above trademarks are considered to have an indefinite useful life as there is no foreseeable limit to the period over which they are expected to generate cash inflows for the respective CGUs. The assessment was based on a consideration of the underlying products that these trademarks represent which are not subject to obsolescence.

	2025	2024
<b>CUSTOMER RELATIONSHIPS</b>		
<b>Finite life</b>		
Amortisation period	<b>5 to 20 years</b>	5 to 20 years
Method of amortisation	<b>Straight-line</b>	Straight-line
Is intangible title restricted in any way	<b>No</b>	No

Customer relationships arose on the acquisition of New Foodcorp Holdings Proprietary Limited in the 2013 financial year and on acquisition of Sunshine Bakery Holdings Proprietary Limited in 2023.

#### GOODWILL

Goodwill arose from business combinations and relates to the acquisition of:

- New Foodcorp Holdings Proprietary Limited in 2013;
- Driehoek Voere in 2019 (included in the Epol Animal Feed CGU, below and transferred to the disposal group held for sale in the prior year);
- TSGro Farming Service Proprietary Limited in the previous financial year. The acquisition resulted in goodwill being recognised which was then fully impaired. The remaining 50% of the investment in TSGro Farming Service Proprietary Limited was acquired during the prior year and subsequently disposed of to Akwandze Agricultural Finance Proprietary Limited prior to the 2024 financial year-end; and
- Sunshine Bakery Holdings Proprietary Limited (Sunshine) via Foodcorp Proprietary Limited in 2023.

At year-end, the Group has goodwill of R1 931,2 million (2024: R1 931,2 million).

IAS 36 requires an entity to test an intangible asset with an indefinite useful life and goodwill acquired in a business combination annually for impairment. Refer to note 3 for detail on impairment assessments.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 2. INTANGIBLE ASSETS CONTINUED

	Opening R'000	Additions R'000	Impairment R'000	Transferred to held for sale R'000	Closing R'000
<b>2025</b>					
Grocery	191 205				191 205
Pies	474 541				474 541
Beverages	28 774				28 774
Speciality	429 831				429 831
Bread, buns and rolls	688 100				688 100
Sunshine	118 785				118 785
<b>Total</b>	<b>1 931 236</b>				<b>1 931 236</b>
<b>2024</b>					
Grocery	191 205				191 205
Pies	474 541				474 541
Beverages	28 774				28 774
Speciality	429 831				429 831
Epol Animal Feed	19 315			(19 315)	
Bread, buns and rolls	688 100				688 100
Sugar		25 272	(25 272)		
Sunshine	118 785				118 785
<b>Total</b>	<b>1 950 551</b>	<b>25 272</b>	<b>(25 272)</b>	<b>(19 315)</b>	<b>1 931 236</b>

#### CAPITAL WORK-IN-PROGRESS

Intangible capital work-in-progress relates mainly to software which is still in the development phase.

### 3. IMPAIRMENTS

#### RECOGNISED IMPAIRMENT LOSSES

The total net impairments recognised across the Group by segment are as follows:

	Property, plant and equipment R'000	Right-of- use assets R'000	Goodwill R'000	Total R'000
<b>2024</b>				
Unallocated segment		(54 427)		(54 427)
Sugar			(25 272)	(25 272)
Rainbow	(2 608)			(2 608)
	(2 608)	(54 427)	(25 272)	(82 307)

No impairments were recognised by Group in the current financial year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 3. IMPAIRMENTS CONTINUED

IAS 36 requires an entity to test an intangible asset with an indefinite useful life and goodwill acquired in a business combination annually for impairment. In addition, where there are indicators of impairments, or reversals of previous impairments recognised, an impairment test is required. The details of the Group's impairment assessments performed during the year are presented below.

During the prior year RCL FOODS Sugar and Milling Proprietary Limited acquired an additional 50% shareholding in TSGro Farming Service Proprietary Limited. The acquisition resulted in goodwill being recognised which was subsequently impaired.

During the prior financial year a total impairment of R54,4 million was recognised in the unallocated segment relating to the National Office building, primarily as a consequence of the Rainbow and Vector Logistics separations.

The impairment loss in Rainbow in the prior year related to individual assets which became redundant.

Impairment tests were performed for the Grocery, Pies, Beverages, Speciality, Bread, buns and rolls, Sunshine as these are mandatory due to these CGUs, including indefinite useful life intangible assets. Sugar was tested for an impairment reversal due to sustained profit delivery and an impairment test was performed for the Sugar farming subsidiary, Sivunosefu Proprietary Limited based on assessment of impairment indicators. No impairment was reversed after the test was performed for Sugar.

The recoverable amount for CGUs' impairments is determined based on value-in-use calculations. The key assumptions used in the value-in-use calculations are presented below.

These calculations use cash flow projections based on financial budgets approved by management, which include assumptions on profit before tax, working capital and capital maintenance expenditure. The forecast cash flows used in the value-in-use calculations are based on the output of the Group's five-year business planning process.

The key assumptions used in the value-in-use calculations include:

- Volume growth: RCL FOODS is a food producer with products sold mainly in the South African market. Volume assumptions are therefore closely linked to population and Gross Domestic Product (GDP) growth forecasts for South Africa. Compounded volume growth over the five-year period does not exceed long-term GDP forecasts, apart from additional volume resulting from recent capital investments which have yet to reach full production and innovation/new product launches serviced from existing capacity.
- Selling price and cost growth are linked to Consumer Price Index (CPI) and food inflation.
- Capital expenditure: Capital expenditure spend is limited to replacement capital expenditure spend, in line with the Group's maintenance programmes.
- Working capital: Working capital is based on the output of the Group's five-year business planning process.
- The cash flow beyond year five (terminal cash flow) has assumed a steady state of growth with capital expenditure equal to depreciation, volumes and profit margins maintained at year five levels with the growth beyond year five resulting solely from price inflation.
- Perpetuity growth rate: In the current year a perpetuity growth rate of 4.0% (2024: 4.0%) was applied.
- Discount rate: The pre-tax discount rates used in each of the value-in-use calculations have been provided further on in the note.

No further impairment losses nor reversals of impairments are required in the current financial year based on these assessments.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 3. IMPAIRMENTS CONTINUED

A sensitivity analysis for key assumptions has been presented below.

Key assumptions used in the current period CGU impairment test were as follows:

	Discount rate pre-tax %	Perpetuity growth rate %	Period years
<b>2025</b>			
Grocery	15.4	4.0	5
Pies	15.0	4.0	5
Beverages	15.0	4.0	5
Speciality	15.1	4.0	5
Bread, buns and rolls	14.6	4.0	5
Sunshine	17.4	4.0	5
Sivunosefu Proprietary Limited – Sugar	16.6	4.0	5

	Discount rate movement %	Total impairment Rm	Perpetuity growth rate movement %	Total impairment Rm
<b>2025</b>				
Grocery	+1.0	Nil	(0.5)	Nil
Pies	+1.0	Nil	(0.5)	Nil
Beverages	+1.0	Nil	(0.5)	Nil
Speciality	+1.0	Nil	(0.5)	Nil
Bread, buns and rolls	+1.0	Nil	(0.5)	Nil
Sunshine	+1.0	(7,3)	(0.5)	Nil
Sivunosefu Proprietary Limited – Sugar	+1.0	Nil	(0.5)	Nil

The below additional disclosures have been provided for CGUs that are at risk for impairment and includes:

- the current amount by which the unit's recoverable amount exceeds carrying value; and
- the discount rate and perpetuity growth rate movements at which recoverable amount is equal to the carrying value.

	The movement in the discount rate and perpetuity growth rate that would result in the recoverable amount to be equal to the carrying value		
	Excess of recoverable amount over carrying value R'000	Discount rate (pre-tax) Movement %	Perpetuity growth rate Movement %
<b>2025</b>			
<b>Sunshine</b>	26 771	0.9%	(1.4%)

Sunshine's performance in the current financial year was materially impacted by the strike action at the Durban Bakery operations during December 2024, which has had a continued impact on volumes for the balance of the financial year.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 3. IMPAIRMENTS CONTINUED

Key assumptions used in the prior period impairment test were as follows:

	Discount rate pre-tax %	Perpetuity growth rate %	Period Years
<b>2024</b>			
Grocery	16.8	4.0	5
Pies	16.6	4.0	5
Beverages	16.5	4.0	5
Speciality	16.5	4.0	5
Milling	16.9	4.0	5
Bread, buns and rolls	16.2	4.0	5
Sunshine	15.9	4.0	5
Sivunosetfu Proprietary Limited – Sugar	16.8	4.0	5
Libuyile Farming Services Proprietary Limited – Sugar	16.0	4.0	5
Mgubho Farming Services Proprietary Limited – Sugar	16.8	4.0	5

Sensitivity analysis of assumptions used in the prior period impairment test:

	Discount rate Movement %	Total Impairment Rm	Perpetuity growth rate Movement %	Total Impairment Rm
<b>2024</b>				
Grocery	+1.0	Nil	(0.5)	Nil
Pies	+1.0	Nil	(0.5)	Nil
Beverages	+1.0	Nil	(0.5)	Nil
Speciality	+1.0	Nil	(0.5)	Nil
Milling	+1.0	Nil	(0.5)	Nil
Bread, buns and rolls	+1.0	Nil	(0.5)	Nil
Sunshine	+1.0	Nil	(0.5)	Nil
Sivunosetfu Proprietary Limited – Sugar	+1.0	Nil	(0.5)	Nil
Libuyile Farming Services Proprietary Limited – Sugar	+1.0	Nil	(0.5)	Nil
Mgubho Farming Services Proprietary Limited – Sugar	+1.0	Nil	(0.5)	Nil

The impairment of R54,4 million recognised in the unallocated segment and relating to the National Office building, was calculated using a pre-tax discount rate of 32.5% over a period of five years.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 4. INVESTMENT IN JOINT VENTURES

	2025 R'000	2024 R'000
Opening balance	227 398	211 240
Share of profits of joint ventures	34 774	33 525
Dividends received from joint ventures	(15 438)	(17 367)
Balance at June	246 734	227 398

Set out below are the joint ventures of the Group. The joint ventures listed below have share capital consisting solely of ordinary shares, which is held directly by the Group in the ownership percentages indicated below.

Name of entity	Place of business/ country of incorporation	% Ownership interest	Nature of relationship
Akwandze Agricultural Finance Proprietary Limited (Akwandze)	South Africa	50.0**	Note 1
Mananga Sugar Packers Proprietary Limited (Mananga)	Eswatini	50.0**	Note 2
TSGro Farming Service Proprietary Limited (TSGro)	South Africa	0	Note 3

**Note 1:** Akwandze's main activities are to provide production finance and management services to sugar cane growers. This is a strategic partnership for the Group as it allows the Group to manage the process with sugar cane growers more effectively. The year-end of Akwandze is June 2025.

**Note 2:** Mananga is a sugar packaging and selling company which sells sugar under the First brand in Eswatini as well as in South Africa. Its primary business activity is to purchase sugar from the Eswatini Sugar Association, pack it and sell it as a branded product. This is a strategic partnership for the Group as it allows the Group to access the Eswatini sugar market. The year-end of Mananga is June 2025.

**Note 3:** TSGro's main activities are to provide farm management, development, engineering and procurement services to the small scale sugar cane farmers in the Nkomazi area. During June 2024 RCL FOODS Sugar and Milling Proprietary Limited acquired 100% of the shareholding in TSGro. TSGro was sold to Akwandze before the 2024 financial year-end. TSGro was therefore a joint venture for only a portion of the prior year.

There are no quoted market prices available for the joint ventures listed above.

There are no significant restrictions on the ability of the joint ventures to transfer funds to the Group. There are no contingent liabilities relating to the Group's interest in the joint ventures.

\*\* In accordance with the agreements under which the relationships are established, parties to the agreement share control of the joint venture through equal contractual representation and voting rights for decisions made by the Board of Directors.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 4. INVESTMENT IN JOINT VENTURES CONTINUED

Set out below is the summarised financial information for the joint ventures on which equity accounting is applied:

<b>2025</b>	<b>Akwandze</b>	<b>Mananga</b>	<b>Total</b>
<b>Summarised statement of financial position</b>	<b>June 2025</b>	<b>June 2025</b>	<b>2025</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>Current</b>			
Cash and cash equivalents	6 267	124 950	131 217
Other current assets	99 831	431 251	531 082
Total current assets	106 098	556 201	662 299
Financial liabilities (excluding trade payables)	25 320		25 320
Other current liabilities (including trade payables)	20 590	195 941	216 531
Total current liabilities	45 910	195 941	241 851
<b>Non-current</b>			
Assets (including customer relationships)	38 524	61 758	100 282
Financial liabilities	33 082		33 082
Other liabilities		4 274	4 274
Total non-current liabilities	33 082	4 274	37 356
<b>Net assets</b>	<b>65 630</b>	<b>417 744</b>	<b>483 374</b>

  

<b>2024</b>	<b>Akwandze</b>	<b>Mananga</b>	<b>Total</b>
<b>Summarised statement of financial position</b>	<b>June 2024</b>	<b>June 2024</b>	<b>2024</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>Current</b>			
Cash and cash equivalents	23 697	197 544	221 241
Other current assets	73 291	337 598	410 889
Total current assets	96 988	535 142	632 130
Financial liabilities (excluding trade payables)	23 479		23 479
Other current liabilities (including trade payables)	10 947	202 918	213 865
Total current liabilities	34 426	202 918	237 344
<b>Non-current</b>			
Assets (including customer relationships)	46 925	57 885	104 810
Financial liabilities	48 921		48 921
Other liabilities		5 972	5 972
Total non-current liabilities	48 921	5 972	54 893
<b>Net assets</b>	<b>60 566</b>	<b>384 137</b>	<b>444 703</b>

The above reflects the amounts presented in the financial statements of the joint ventures.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 4. INVESTMENT IN JOINT VENTURES CONTINUED

2025		Akwandze	Mananga	Total
Summarised statement of comprehensive income		June 2025	June 2025	2025
		R'000	R'000	R'000
Revenue from contracts with customers		59 552	1 481 821	1 541 373
Depreciation and amortisation		(27)	(3 363)	(3 390)
Finance costs		(3 192)	(1 633)	(4 825)
Finance income		1 644	5 236	6 880
Profit before tax		8 212	84 646	92 858
Income tax expense		(2 148)	(21 161)	(23 309)
Profit after tax		6 064	63 485	69 549
Total comprehensive income		6 064	63 485	69 549
Dividends received from joint ventures		500	14 938	15 438

2024		Akwandze	Mananga	TSGro*	Total
Summarised statement of comprehensive income		June 2024	June 2024	May 2024	2024
		R'000	R'000	R'000	R'000
Revenue from contracts with customers		39 165	1 424 656	36 405	1 500 226
Depreciation and amortisation		(32)	(2 610)	(146)	(2 788)
Finance costs		(22 793)	4 196	(2 261)	(20 858)
Finance income		2 220	(1 371)	228	1 077
Profit before tax		24 313	65 895	459	90 667
Income tax expense		1 240	(24 398)		(23 158)
Profit after tax		25 553	41 497	459	67 509
Total comprehensive income		25 553	41 497	459	67 509
Dividends received from joint ventures		500	16 867		17 367

The above reflects the amounts presented in the financial statements of the joint ventures.

\* The carrying amount of the investment in TSGro Farming Service Proprietary Limited was Rnil as at date of disposal due to the cumulative losses. TSGro Farming Service Proprietary Limited has been equity accounted at nil to date of acquisition of the remaining 50%.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 4. INVESTMENT IN JOINT VENTURES CONTINUED

#### 2025

##### Reconciliation of summarised financial information presented to the carrying amount of the joint ventures

	Akwandze June 2025 R'000	Mananga June 2025 R'000	Total 2025 R'000
Opening net assets	60 566	384 172	444 738
Profit for the period	6 064	63 485	69 549
Dividends paid	(1 000)	(29 877)	(30 877)
<b>Closing net assets</b>	<b>65 630</b>	<b>417 780</b>	<b>483 410</b>
Interest in joint venture (%)	50	50	
Goodwill	4 937	93	5 030
<b>Carrying value</b>	<b>37 751</b>	<b>208 983</b>	<b>246 733</b>

#### 2024

##### Reconciliation of summarised financial information presented to the carrying amount of the joint ventures

	Akwandze June 2024 R'000	Mananga June 2024 R'000	TSGro June 2024 R'000	Total 2024 R'000
Opening net assets	36 012	376 408	(24 629)	387 791
Profit for the period	25 553	41 497	459	67 509
Dividends paid	(1 000)	(33 733)		(34 733)
Disposal of joint venture			24 170	24 170
<b>Closing net assets</b>	<b>60 565</b>	<b>384 172</b>		<b>444 737</b>
Interest in joint venture (%)	50	50	50	
Goodwill	4 937	93		5 030
<b>Carrying value</b>	<b>35 219</b>	<b>192 179</b>		<b>227 398</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 5. INVESTMENT IN ASSOCIATES

	2025 R'000	2024 R'000
Opening balance	1 004 391	942 333
Share of profits of associates	93 437	125 561
Dividends received from associate	(74 513)	(64 475)
Share of associates other comprehensive (loss)/income	(2 559)	972
<b>Balance at June</b>	<b>1 020 756</b>	1 004 391

Set out below are the associates of the Group. The associates listed below have share capital consisting solely of ordinary shares, which are held directly by the Group in the ownership percentages indicated below:

Name of entity	Place of business/ country of incorporation	% Ownership interest	Nature of relationship
The Royal Eswatini Sugar Corporation (RES)	Eswatini	29.1846	Note 1
LiveKindly Collective Africa Proprietary Limited (LKCA)	South Africa	49.999	Note 2

**Note 1:** RES's principal activities are the growing and milling of sugarcane, the manufacture of sugar and the manufacture of ethanol from molasses. RES is a strategic partnership for the Group as it provides access into the Eswatini market.

The year-end date of RES is March 2025, however, the Group has equity-accounted the results for the 12 months from July 2024 to June 2025 (management accounts).

As at June 2025 the shares had a fair value of E17,0 (2024: E17,0) per share on the Eswatini Stock Exchange, at a total market value for the Group's investment in RES of R478,0 million (2024: R478,0 million). While the carrying value of the Group's investment in RES of R857,2 million at June 2025 (2024: R847,6 million) is higher than the market value of RES's shares, this is not considered to be an indicator of impairment as the RES shares are not actively traded on the Eswatini Stock Exchange and are not considered liquid. Hence, the share price is not considered to be an accurate reflection of the value of the investment.

**Note 2:** LKCA's principal activities are to market, sell and distribute plant-based products in Sub-Saharan Africa. There are no quoted market prices available for the investment in LKCA. The year-end date of LKCA is December 2024, however, the Group has equity-accounted the results for the 12 months from July 2024 to June 2025.

There are no significant restrictions on the ability of the associates to transfer funds to the Group.

	2025 R'000	2024 R'000
As part of the banking facilities, RES and its subsidiary company are liable for the following guarantees:		
Customs and Excise	8 500	8 500
Eswatini Government – Labour	60	60
Eswatini Government – General Bond	70	70
South African Revenue Service – VAT	550	550
Transnet	50	50

The RES is defending a number of actions brought by former employees and suppliers. Liability is not admitted and the associate will defend itself against the actions. Due to the nature of the claims, a realistic estimate of the potential liability and legal costs is not practical. The Directors of the associate are of the opinion that the total costs, if any, would not be material.

The RES's bank overdraft facilities are secured by cross guarantees for an unlimited amount between the RES, Mhlume (Eswatini) Sugar Company Limited and Royal Swazi Distillers Proprietary Limited.

There are no other contingent liabilities in the associates that the Group has interests in.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 5. INVESTMENT IN ASSOCIATES CONTINUED

Set out below is the summarised financial information for associates:

2025	LKCA June 2025 R'000	RES June 2025 R'000	Total 2025 R'000
<b>Summarised statement of financial position</b>			
<b>Current</b>			
Cash and cash equivalents	30 957	383 594	414 551
Other current assets	54 973	1 903 795	1 958 768
Total current assets	85 930	2 287 389	2 373 319
Financial liabilities (excluding trade payables)	24 014	327 891	351 905
Other current liabilities (including trade payables)	45 635	696 240	741 875
Total current liabilities	69 649	1 024 131	1 093 780
<b>Non-current</b>			
Assets	49 346	3 188 793	3 238 139
Total non-current assets	49 346	3 188 793	3 238 139
Financial liabilities		648 749	648 749
Other liabilities	86	810 117	810 203
Total non-current liabilities	86	1 458 866	1 458 952
<b>Net assets</b>	<b>65 541</b>	<b>2 993 185</b>	<b>3 058 726</b>
<b>2024</b>	LKCA June 2024 R'000	RES June 2024 R'000	Total 2024 R'000
<b>Summarised statement of financial position</b>			
<b>Current</b>			
Cash and cash equivalents	54 321	226 499	280 820
Other current assets	37 298	1 926 009	1 963 307
Total current assets	91 619	2 152 508	2 244 127
Financial liabilities (excluding trade payables)	25 280	183 133	208 413
Other current liabilities (including trade payables)	49 678	741 882	791 560
Total current liabilities	74 958	925 015	999 973
<b>Non-current</b>			
Assets	52 225	2 987 596	3 039 821
Total non-current assets	52 225	2 987 596	3 039 821
Financial liabilities	610	535 554	536 164
Other liabilities		747 109	747 109
Total non-current liabilities	610	1 282 663	1 283 273
<b>Net assets</b>	<b>68 276</b>	<b>2 932 426</b>	<b>3 000 702</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 5. INVESTMENT IN ASSOCIATES CONTINUED

<b>2025</b>	<b>LKCA</b>	<b>RES</b>	<b>Total</b>
<b>Summarised statement of comprehensive income</b>	<b>June 2025</b>	<b>June 2025</b>	<b>2025</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Revenue from contracts with customers	147 827	4 823 273	4 971 100
Depreciation and amortisation	(1 203)	(304 135)	(305 338)
Finance expense		(61 158)	(61 158)
Finance income	9 940	55 198	65 138
<b>Profit before tax</b>	<b>(7)</b>	<b>414 930</b>	<b>414 923</b>
Income tax expense	2	(90 086)	(90 084)
<b>Profit after tax</b>	<b>(5)</b>	<b>324 844</b>	<b>324 839</b>
Other comprehensive loss		(8 769)	(8 769)
<b>Total comprehensive income</b>	<b>(5)</b>	<b>316 075</b>	<b>316 070</b>
<b>Adjustments</b>			
Amortisation of customer relationships (net of tax)	(2 730)		(2 730)
<b>Adjusted total comprehensive income</b>	<b>(2 735)</b>	<b>316 075</b>	<b>313 340</b>
Dividends received from associate		74 513	74 513
<b>2024</b>	<b>LKCA</b>	<b>RES</b>	<b>Total</b>
<b>Summarised statement of comprehensive income</b>	<b>June 2024</b>	<b>June 2024</b>	<b>2024</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Revenue from contracts with customers	149 753	4 565 392	4 715 145
Depreciation and amortisation	(1 203)	(289 783)	(290 986)
Finance expense		(69 023)	(69 023)
Finance income	19 017	50 718	69 735
Profit before tax	18 373	469 239	487 612
Income tax expense	(4 679)	(57 789)	(62 468)
Profit after tax	13 694	411 450	425 144
Other comprehensive income		3 331	3 331
Total comprehensive income	13 694	414 781	428 475
Adjustments			
Amortisation of customer relationships (net of tax)	(2 730)		(2 730)
Adjusted total comprehensive income	10 964	414 781	425 745
Dividends received from associate		64 475	64 475

The above reflects the amounts presented in the management accounts of the associates.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 5. INVESTMENT IN ASSOCIATES CONTINUED

Reconciliation of summarised financial information presented to the carrying amount of the associate	LKCA June 2025 R'000	RES June 2025 R'000
Opening net assets	68 276	2 932 426
Total comprehensive income for the year	(2 735)	316 075
Dividends paid		(255 316)
<b>Closing net assets</b>	<b>65 541</b>	<b>2 993 185</b>
Interest in associate (%)	49.999	29.185
Goodwill	122 629	
<b>Carrying value</b>	<b>155 399</b>	<b>865 358</b>

Reconciliation of summarised financial information presented to the carrying amount of the associate	LKCA June 2024 R'000	RES June 2024 R'000
Opening net assets	57 312	2 738 566
Total comprehensive income for the year	10 964	414 781
Dividends paid		(220 922)
Closing net assets	68 276	2 932 425
Interest in associate (%)	49.999	29.185
Goodwill	122 629	
<b>Carrying value</b>	<b>156 766</b>	<b>847 626</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 6. LOANS RECEIVABLE

	2025 R'000	2024 R'000
<b>Non-current:</b>		
Loans at the beginning of the year	12 000	12 000
Loans written off during the year		(33 111)
Loans advanced during the year	1 707	20 192
Loans repaid during the year	(4 734)	
Net expected credit loss allowance reversed	3 027	12 919
<b>Loans at the end of the year</b>	<b>12 000</b>	<b>12 000</b>

Non-current loans receivable consist of loans granted to LiveKindly Collective Africa Proprietary Limited of R12,0 million (2024: R12,0 million).

The long-term loan to LiveKindly Collective Africa Proprietary Limited is unsecured and accrues interest at the prime rate which was between 10.75% to 11.75% in the current year and 11.75% in the prior year. The loan is repayable on or before 31 December 2026.

Based on the current profitability, financial outlook and forward-looking information available on LiveKindly Collective Africa Proprietary Limited, the Group has performed an expected credit loss (ECL) calculation for the loans receivable. Based on the assessment, the ECL has been deemed to be insignificant.

Non-current loans receivable which have been fully impaired are documented below.

In the prior year a loan of R16,4 million was advanced to Sibusisiwe Sugar Estate Proprietary Limited for the purchase of the Siyathuthuka Sugar Estate Proprietary Limited operations. In the current year a further R1,7 million was advanced to Sibusisiwe Sugar Estate Proprietary Limited. The full loan balances have been raised as an expected credit loss in the respective years granted due to its risk of recoverability.

During the prior financial year, a loan of R3,8 million was granted to TSGro Farming Service Proprietary Limited (TSGro), resulting in a total loan balance of R 35,8 million of which R32,0 million was fully impaired in previous years. The loan had been impaired as a specific provision as a result of TSGro, which was a joint venture of the Group, facing major ongoing uncertainties and exposure to adverse business, financial, or economic conditions which could lead to them not having adequate capacity to meet its financial commitments as well as there being no guarantees or collateral held in respect of this loan. R29,3 million of the accumulated credit loss was subsequently reversed and R33,1 million of the loan was written off during the 2024 financial year resulting in a loss allowance balance of R2,7 million. During the current financial year, R2,0 million of the loan written off was reclassified to the loss allowance bringing the total loss allowance balance to R4,7 million. R4,7 million of the loan balance was subsequently cash settled and the balance on the credit loss allowance was fully reversed. Interest had accrued at a range between 10.5% to 10.75% (2024: 10.75%) per annum on the outstanding loan balance.

	2025 R'000	2024 R'000
<b>Reconciliation of loss allowance – non-current loans</b>		
At the beginning of the year	19 041	31 960
Expected credit loss allowance reversed	(4 734)	(12 919)
Expected credit loss allowance recognised	1 707	
Reclassification of loan written off in the prior year to expected credit losses	2 073	
<b>At the end of the year</b>	<b>18 087</b>	<b>19 041</b>

The credit risk of the Group's non-current loans receivable have been assessed using the general approach of IFRS 9 as well as the specific loss allowance, taking into account the counterparty's risk of default and its capacity to meet its contractual cash flow obligations as they become due, as well as current and forward-looking information on macroeconomic factors affecting the ability of the counterparties to settle their debt. These loans have thus been assessed for impairment using the lifetime basis.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 6. LOANS RECEIVABLE CONTINUED

The loans receivable for Sibusisiwe Sugar Estate Proprietary Limited and TSGro Farming Service Proprietary Limited were valued based on the risk of the counterparty under the general approach. For Stage 1 loans, a one-year ECL was applied. Where a significant increase in credit risk was identified (i.e., Stage 2 loans), a lifetime ECL was applied. Where the credit risk at the loan's inception is impracticable to assess then there is insufficient basis to determine whether there has been a significant increase in credit risk and in these cases management has assessed staging of the loan on its individual characteristics. If a loan is credit impaired, it is regarded as being Stage 3 and a lifetime expected credit loss is applied. In accordance with Group policy, interest on Stage 3 loans are forgiven.

Where a loan has a fixed term, this term is applied to the calculation of the ECL and a one-year or lifetime ECL is applied depending on the staging of the loan.

Where a loan is repayable on demand, an assessment is made of the counterparty's ability to repay if demand for immediate repayment is made. The ECL is calculated over the term of the loan.

	2025 R'000	2024 R'000
<b>Current:</b>		
Loans at the beginning of the year	2 435	59 233
Loans advanced during the year	2 040	2 435
Loans repaid during the year		(59 233)
Less: Expected credit loss allowance	(46)	
<b>Loans at the end of the year</b>	<b>4 429</b>	<b>2 435</b>

During the June 2023 financial year, RCL FOODS Sugar and Milling Proprietary Limited granted a loan facility of up to R15,0 million to Akwandze Agricultural Finance Proprietary Limited. The sole purpose of this loan is for funding of sugar cane growers to procure and apply fertiliser on their sugarcane fields. Full and final repayment of this loan was 31 March 2024, but was extended to 31 March 2026 due to the slow uptake from small scale cane growers. The loan is interest free. At year-end R4,4 million of this loan facility has been utilised (2024: R2,4 million). R0,05 million of this loan has been raised as an expected credit loss in the current year due to its risk of recoverability.

During the June 2023 financial year, RCL FOODS Sugar and Milling Proprietary Limited granted a loan facility of R60,0 million to Akwandze Agricultural Finance Proprietary Limited. The use of the loan is for the sole purpose of the approved "Access to Finance Intervention" by the South African Sugar Association for the benefit of Libuyile Farming Service Proprietary Limited, Mgubho Farming Services Proprietary Limited and Sivunosetfu Proprietary Limited. Full and final repayment of this loan occurred on 7 February 2024. The loan bore interest at prime less 1.25%. Interest on these loans are capitalised to their outstanding balances.

The carrying amount of these loans approximate their fair values.

	2025 R'000	2024 R'000
<b>Reconciliation of loss allowance – current loans</b>		
Expected credit loss allowance recognised	46	
<b>At the end of the year</b>	<b>46</b>	

### 7. INVESTMENT IN FINANCIAL ASSET

	2025 R'000	2024 R'000
At the beginning of the year	114 196	149 936
Fair value adjustments recorded in profit or loss		(35 740)
<b>At the end of the year</b>	<b>114 196</b>	<b>114 196</b>

Relates to a 1.58% minority shareholding in The Livekindly Company, Inc. as at 29 June 2025. The fair value of the investment at June 2025 has been based on the Rand cost of the investment.

This investment is classified as a financial asset measured at fair value through profit and loss.

The financial risk management disclosures relating to the fair value estimation of the Group's financial assets is included in note 28 of the consolidated financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 8. INVENTORIES

	2025 R'000	2024 R'000
Finished goods	1 760 479	1 679 662
Raw materials and ingredients	822 878	903 238
Consumables and maintenance spares	377 480	358 030
<b>At the end of the year</b>	<b>2 960 837</b>	2 940 930

### 9. BIOLOGICAL ASSETS

2025	Sugarcane plants R'000
At the beginning of the year at fair value	389 881
Decrease due to harvest/transferred to cost of sales	(384 034)
Fair value adjustments recorded in profit or loss	416 694
Standing cane transferred to bearer plants	(8 202)
<b>At the end of the year at fair value</b>	<b>414 339</b>

	Breeding stock R'000	Broiler stock R'000	Sugarcane plants R'000	Total R'000
<b>2024</b>				
At the beginning of the year at fair value	577 526	431 056	308 804	1 317 386
Gains arising from cost inputs	1 611 350	5 829 449		7 440 799
Decrease due to harvest/transferred to cost of sales	(1 626 966)	(5 937 798)	(314 446)	(7 879 210)
Fair value adjustments recorded in profit or loss	7 613	14 672	395 524	417 809
Transferred to held for sale	(569 523)	(337 379)		(906 902)
<b>At the end of the year at fair value</b>			389 881	389 881

Sugarcane is measured at fair value and is categorised as Level 3 under the fair value hierarchy. Fair value is determined using assumptions for both the estimated physical quantity of cane in the field and the estimated price the standing cane will realise. The unobservable inputs for the quantity of the standing cane include the recoverable value price per ton of sucrose and the harvesting, transport and other costs to sell. During the current financial year, the Group harvested 11 972 hectares (Ha) and 1 086 554 tons of sugarcane (2024: 10 543 Ha and 915 308 tons). At financial year-end, the Group had 12 722 Ha available for harvesting (2024: 13 229 Ha).

The financial risk management disclosures relating to the fair value estimation of the Group's biological assets is included in note 28 of the consolidated financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 10. TRADE AND OTHER RECEIVABLES

	2025 R'000	2024 R'000
<b>Non-current:</b>		
Other receivables		6 279
<b>Total</b>		6 279

Other receivables in the prior year consisted of a municipal deposit of R6,3 million (which has since been recovered).

	2025 R'000	2024 R'000
<b>Current:</b>		
Trade receivables	3 176 808	2 623 476
Less: Expected credit loss allowance	(16 831)	(13 119)
Net trade receivables	3 159 978	2 610 357
Prepayments	123 416	101 345
Other receivables <sup>1</sup>	276 482	265 415
<b>At the end of the year</b>	<b>3 559 876</b>	<b>2 977 117</b>

A summary of the Group's trade receivables covered by insurance or secured by collateral is as follows:

Terms (days)	7 to 90	7 to 90
Collateral held/insurance	Yes	Yes
Debtors covered by Credeq Africa <sup>2</sup>	3 018 731	2 300 301
Bank guarantees – actual value	585	
<b>Total</b>	<b>3 019 316</b>	<b>2 300 301</b>
– VAT receivable	97 050	103 043
– Other receivables**	172 488	136 559

<sup>1</sup> Material items included in other receivables comprise:

\*\* The other receivables consist of various items which are not considered individually material and are assessed as having low credit risk. These items have been assessed for expected credit loss using the general approach in accordance with IFRS 9 and did not result in material expected credit losses. These consist largely of South African Sugar Association local market redistribution accruals as well as bank deposits and receivables.

<sup>2</sup> The maximum insurance claim as a result of default on any single balance is R1,4 billion (2024: R1,4 billion). There are no individual debtors which exceed R1,4 billion at 29 June 2025.

The Group applies the simplified approach to measuring expected credit losses, in accordance with IFRS 9, on its current trade receivables, which calculates the loss allowance on a lifetime basis.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 10. TRADE AND OTHER RECEIVABLES CONTINUED

Individually material trade receivable balances are segregated from the general trade receivables balance and assessed separately for impairment. For both individually material balances and the general trade receivables balance, the expected credit losses were assessed using independent external credit rating scales and specific probability of defaults and loss given defaults.

The expected credit losses recognised on the Group's trade receivables is based on historical write-offs for the preceding five years, and includes individual assessments of external credit ratings and/or Annual Financial Statements of large customers, where appropriate. For the trade receivable balances remaining after individually material balances have been separated, a probability of default for each ageing bucket is calculated and an average loss given default applied.

Loss rates are determined using an element of judgement and include consideration of:

- the actual write-off history over the full period; and
- rule-based loss estimation (i.e., actual write-offs plus amounts still in collection for more than a specific number of months).

Consideration is also given to the length of available default and recovery data history, historical practice on when losses are actually written off, size of the trade receivables book (number of debtors and amounts), data quality and the variations between the measures over time.

	2025 R'000	2024 R'000
<b>General trade receivables subject to matrix approach</b>		
The loss allowance is calculated using the matrix approach based on the total trade receivables balance; segregated for:		
– Individually material balances (separately assessed)	<b>3 176 808</b>	2 623 476
– Sundry amounts*	<b>(2 034 412)</b>	(1 958 451)
– Receivables with specific financial issues	<b>335 925</b>	386 896
– Sundry debtors considered low risk**	<b>(15 986)</b>	(34 948)
	<b>(107 621)</b>	
<b>Total</b>	<b>1 354 714</b>	1 016 973

\* The current and prior year sundry debtors relate to rebate provisions which reduced the trade receivables balance. The trade receivables balance for the general book is therefore adjusted to reflect the gross amount on which an expected credit loss may be incurred. Should a debtor default on payment, any rebates provided for in relation to that debtor will be reversed.

\*\* The current year sundry debtors largely relate to receivables from intergroup debtors which are fellow subsidiaries of the Group's ultimate holding company. These are assessed as having minimal or negligible default risk.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 10. TRADE AND OTHER RECEIVABLES CONTINUED

The loss allowance was determined as follows for trade receivables:

#### JUNE 2025

##### Individually material balances

Ageing of individually material balances has been taken into account in determining the loss rates for these customers.

	Balance R'000	Loss rate %	Loss allowance R'000
Customer A	755 709	0.2131	1 611
Customer B	291 856	0.4381	1 279
Customer C	209 118	0.3066	641
Customer D	69 547	0.1711	119
Customer E	37 114	0.2105	78
Agent 1 (one day exposure)	320 389	0.0061	20
Agent 1 (more than one day exposure)	350 000	0.1200	420
Agent 1 – uninsured balance (more than one day exposure)	680	0.3800	3
<b>Total</b>	<b>2 034 412</b>		<b>4 170</b>
Less: VAT on expected credit losses – individually material balances <sup>1</sup>			<b>(448)</b>
<b>Loss allowance</b>			<b>3 722</b>

##### General book

	Current R'000	30 days R'000	60 days R'000	90 days R'000	120 days R'000	Total R'000
Expected loss rate (%)	0.1976	0.6027	2.6839	13.5690	9.7929	
Gross carrying amount	1 001 090	336 899	14 958	745	1 022	1 354 714
Loss allowance based on matrix approach	1 978	2 105	405	163	100	4 752
Less: VAT on expected credit losses – general <sup>1</sup>						<b>(424)</b>
<b>Loss allowance</b>						<b>4 327</b>
<b>Specific provision for expected credit losses</b>						<b>8 782</b>
<b>Total expected credit losses on trade receivables</b>						<b>16 831</b>

<sup>1</sup> The South African Revenue Service (SARS) permits an input VAT claim in the event of a trade receivable being written off, hence the portion of output VAT declared on these receivables is deemed to be recoverable from SARS.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 10. TRADE AND OTHER RECEIVABLES CONTINUED

In the prior financial year, the loss allowance was determined as follows for trade receivables:

#### JUNE 2024

##### Individually material balances

Ageing of individually material balances has been taken into account in determining the loss rates for these customers.

	Balance R'000	Loss rate %	Loss allowance R'000
Customer A	885 752	0.0558	494
Customer B	208 954	0.1076	225
Customer C	85 772	0.0990	85
Customer D	24 782	0.0600	15
Customer E	135 874	0.1166	158
Agent 1 (one day exposure)	285 590	0.0022	6
Agent 1 ( more than one day exposure)	331 727	0.1340	444
<b>Total</b>	1 958 451		1 428
Less: VAT on expected credit losses – individually material balances <sup>1</sup>			(104)
<b>Loss allowance</b>			1 324

##### General Book

	Current R'000	30 days R'000	60 days R'000	90 days R'000	120 days R'000	Total R'000
Expected loss rate (%)	0.1754	0.5429	2.8718	16.8557	10.9575	
Gross carrying amount	941 160	71 600	3 440	1 915	(1 142)	1 016 973
Loss allowance based on matrix approach	1 651	389	99	323	51	2 513
Less: VAT on expected credit losses – general <sup>1</sup>						(210)
<b>Loss allowance</b>						2 303
<b>Specific provision for expected credit losses</b>						9 492
<b>Total expected credit losses on trade receivables</b>						13 119

<sup>1</sup> The South African Revenue Service (SARS) permits an input VAT claim in the event of a trade receivable being written off, hence the portion of output VAT declared on these receivables is deemed to be recoverable from SARS.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 10. TRADE AND OTHER RECEIVABLES CONTINUED

	2025 R'000	2024 R'000
<b>Reconciliation of loss allowance</b>		
At the beginning of the year	(13 119)	(25 941)
Reclassification of loss allowance previously netted off in trade debtors	(1 253)	
Increase in general loss allowance recognised in profit or loss during the year	(16 940)	(6 124)
Increase in specific loss allowance recognised in profit or loss during the year	(1 365)	(1 830)
Receivables written off during the year as uncollectible	5 489	5 366
Transferred to held for sale <sup>2</sup>		8 538
Unused amounts reversed	10 357	6 872
<b>At the end of the year</b>	<b>(16 831)</b>	<b>(13 119)</b>
	2025 R'000	2024 R'000
The carrying amounts of the Group's trade and other receivables are denominated in the following currencies:		
Rand	3 542 804	2 958 019
USD	17 072	25 377
<b>Total</b>	<b>3 559 876</b>	<b>2 983 396</b>

All current trade and other receivables are due within one year of the reporting date.

The carrying amount of trade and other receivables approximates their fair values.

<sup>2</sup> The transferred to held for sale relates to the Rainbow segment in the prior year.

### 11. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Assets and liabilities classified as held for sale relate to the following segments:

	2025 R'000	2024 R'000
<b>Assets</b>		
Sugar	572	572
Rainbow		6 700 886
	<b>572</b>	<b>6 701 458</b>
<b>Liabilities</b>		
Rainbow		3 028 409
		<b>3 028 409</b>

#### RCL FOODS SUGAR AND MILLING PROPRIETARY LIMITED

##### Land and buildings

During the June 2023 financial year, an agreement was entered into to dispose of a subdivided portion of the farm Thornhill. The transfer of ownership relating to Thornhill is still in process and expected to transfer within the next financial year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 11. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS CONTINUED

#### RAINBOW CHICKEN LIMITED

	2025 R'000
<b>Reconciliation of carrying amount of prior year assets held for sale</b>	
Dividend in specie declared***	4 250 000
Carrying amount of assets held for sale at unbundling date <sup>^</sup>	(4 066 900)
Derecognition of non-controlling interest	15 396
<b>Profit recognised on disposal</b>	<b>198 495</b>

\*\*\*The dividend in specie was calculated as the fair value of the net assets of the Rainbow segment in terms of the sale agreement between RCL FOODS Limited and Rainbow Chicken Limited.

<sup>^</sup> A reconciliation of Rainbow's carrying amount of net assets included as held for sale in the prior year to the carrying value of net assets held for sale as at unbundling date has been provided below:

#### Reconciliation of carrying amount of prior year net assets held for sale to carrying value of net assets held for sale at unbundling date

	2025 R'000
<b>Carrying amount of prior year net assets held for sale</b>	<b>3 672 477</b>
Reversal of elimination of Rainbow's loan receivable from the Group treasury company previously eliminated within the disposal group held for sale as per IFRS requirements. The balance on this loan at unbundling date of 1 July 2024, was settled in cash between the parties.	463 828
Reversal of elimination of intergroup trade and other receivables balances included in Rainbow's trade and other receivables balance, previously eliminated in the assets of disposal group held for sale line as per IFRS requirements.	3 093
Reversal of elimination of intergroup trade and other payable balances included in Rainbow's trade and other payables balance, previously eliminated in the liabilities of disposal group held for sale line as per IFRS requirements.	(72 497)
<b>Carrying amount of net assets held for sale at unbundling date</b>	<b>4 066 900</b>

The Rainbow segment was unbundled to shareholders and listed on the Johannesburg Stock Exchange (JSE) effective 1 July 2024. As such, Rainbow was disclosed as "held for sale" in accordance with IFRS 5 in the 2024 financial year and was presented as a discontinued operation.

Based on the agreed selling price of the Rainbow segment, the fair value less costs to sell is higher than the carrying value, and as a result, no write-down was required as at 1 July 2024.

The associated assets and liabilities are presented as held for sale in the prior year statement of financial position.

#### VECTOR LOGISTICS PROPRIETARY LIMITED

During the June 2023 financial year, the Vector Logistics segment was classified as a discontinued operation in accordance with IFRS 5, and was subsequently disposed of on 28 August 2023 to EMIF II Investment Proprietary Limited, a subsidiary of Denmark-based A.P. Møller Capital.

The Vector Logistics adjustment to profit on disposal largely relates to the final settlement of the RCL FOODS share options granted to Vector employees while still in employment at RCL FOODS as per terms of the sale agreement.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 11. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS CONTINUED

The financial performance and cash flow information for the years ended June 2025 and June 2024, are set out below for the Vector Logistics and Rainbow discontinued operations:

	2025			2024		
	Vector Logistics R'000	Rainbow R'000	Total R'000	Vector Logistics 2 months R'000	Rainbow 12 months R'000	Total R'000
<b>Summarised Income Statement</b>						
<b>Revenue from contracts with customers</b>				479 176	14 494 593	14 973 769
Operating profit before depreciation, amortisation and impairment (EBITDA)				26 787	629 700	656 487
Profit on disposal of discontinued operation	(7 250)	198 495	191 245	243 948		243 948
Depreciation, amortisation and impairment					(278 775)	(278 775)
<b>Operating profit</b>	(7 250)	198 495	191 245	270 735	350 924	621 659
Finance income				2 798	29 230	32 028
Finance costs				(22 142)	(156 834)	(178 976)
<b>Profit before income tax</b>	(7 250)	198 495	191 245	251 391	223 320	474 711
Income tax expense				4 516	(53 675)	(49 159)
<b>Profit after tax</b>	(7 250)	198 495	191 245	255 907	169 645	425 552
Non-controlling interest				(2 147)	15 785	13 638
<b>Profit from discontinued operation attributable to equity holders of the Company</b>	(7 250)	198 495	191 245	253 760	185 430	439 190
<b>Summarised cash flow statement</b>						
Net cash inflow from operating activities				(261 407)	1 209 716	948 309
Net cash outflow from investing activities				(10 213)	(387 018)	(397 231)
Net cash outflow from financing activities				(16 933)	(74 870)	(91 803)
<b>Net increase in cash generated by the discontinued operations</b>				(288 553)	747 828	459 275

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

## 11. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS CONTINUED

### RAINBOW CHICKEN LIMITED

The carrying amount of the assets and liabilities as at June 2024 were the following:

	2024 R'000
<b>ASSETS</b>	
<b>Non-current assets</b>	
Property, plant, equipment and right-of-use assets	2 097 812
Intangible assets	27 933
Investment property	14 399
Deferred income tax asset	45 995
Goodwill	19 315
	2 205 454
<b>Current assets</b>	
Inventories	1 042 604
Trade and other receivables*	2 463 797
Biological assets	929 712
Derivative assets	10 881
Cash and cash equivalents	48 438
	4 495 432
<b>Total assets</b>	<b>6 700 886</b>
<b>LIABILITIES</b>	
<b>Non-current liabilities</b>	
Lease liabilities	45 527
Interest-bearing liabilities**	116 262
Deferred income tax liabilities	282 584
Retirement benefit obligations	18 486
Trade and other payables*	89 688
	552 547
<b>Current liabilities</b>	
Trade and other payables*	2 192 592
Interest-bearing liabilities**	140 639
Derivative financial instruments	47 386
Lease liabilities	57 166
Bank overdraft	35 844
Current income tax liabilities	2 235
	2 475 862
<b>Total liabilities</b>	<b>3 028 409</b>

\* Includes elimination of R3,1 million in trade receivables and R72,5 million in trade and other payables relating to intergroup balances with Rainbow and the rest of the Group.

\*\* Interest-bearing liabilities relating to Matzonox Proprietary Limited include:

- Loan from Facility for Investments in Renewable Small Transactions (RF) Proprietary Limited trading as Vedure with a carrying value in non-current liabilities of R116,3 million and an amount of R12,3 million included in short-term borrowings.
- Loan from Green Create W2V SA Proprietary Limited with a carrying value of R128,4 million in short-term borrowings. The loan was settled by Rainbow on 1 July 2024.

R463,8 million of cash invested in RCL FOODS Treasury Proprietary Limited was also eliminated. This was settled on unbundling date, 1 July 2024 resulting in cash inflow for Rainbow.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 11. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

#### CONTINUED

#### RAINBOW CHICKEN LIMITED CONTINUED

2024

R'000

#### Deferred tax assets and liabilities

##### Net deferred tax liabilities

Reflected in the statement of financial position as follows:

Deferred tax assets	45 995
Deferred tax liabilities	(282 584)
Deferred tax liabilities, net	(236 589)

#### Fair value estimation

IFRS 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table provides a hierarchy of Rainbow's assets and liabilities that are measured at fair value as at 30 June 2024.

	Date of valuation	Level 2 R'000	Level 3 R'000	Total R'000
<b>Assets measured at fair value</b>				
Breeding stock	30 June 2024		562 149	562 149
Broiler stock	30 June 2024		367 563	367 563
Derivatives	30 June 2024	10 881		10 881
Total assets		10 881	929 712	940 593
<b>Liabilities measured at fair value</b>				
Derivatives	30 June 2024	47 386		47 386
Total liabilities		47 386		47 386

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 11. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

#### CONTINUED

#### RAINBOW CHICKEN LIMITED CONTINUED

##### Fair value estimation continued

The fair value of trading derivatives is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates.

The following valuation techniques and significant inputs were used to measure the level 3 inputs:

Description	Fair value at June 2024	Valuation technique	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable input to fair value
Chicken stock	929 712	Replacement costs of the components of growing the stock	Mortality rates	3.2% to 11.6%	The higher the mortality, the lower the fair value
			Average live mass	1.59 kg to 2.01 kg per bird	The higher the average live mass, the higher the fair value
			Feed cost	R7 828 to R8 497 per ton	The higher the feed cost per ton, the higher the fair value

##### Sensitivity analysis

A sensitivity analysis is shown for the significant unobservable inputs below:

Input	Sensitivity
Feed cost – chicken stock	A 5.0% change in feed cost would result in a R10,5 million (2023: R12,1 million) change in fair value.

##### Retirement benefit obligations

	2024 R'000
Post-retirement medical benefits	18 486

##### Post-retirement medical obligation

Rainbow's obligation to pay certain medical aid benefits after retirement is no longer part of the conditions of employment. A number of pensioners and current employees, however, remain entitled to this benefit. The entitlement to this benefit is dependent upon the employee remaining in service until retirement age. The last valuation date was aligned with reporting date. The unfunded liability for post-retirement medical aid benefits is determined actuarially each year and comprises:

At the beginning of the year	18 102
Recognised as expense in the current year	2 506
Interest costs	2 253
Current service costs	253

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 11. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS CONTINUED

#### RAINBOW CHICKEN LIMITED CONTINUED

	2024 R'000
<b>Remeasurements:</b>	(782)
Gain from change in financial assumptions	(199)
Experience gain recognised	(583)
Benefits paid	(1 340)
Transferred to held for sale	
At the end of the year	18 486
The principal actuarial assumptions are:	
Discount rate (%)	12.6
Healthcare cost inflation (%)	8.7
Mortality – pre-retirement	*
Mortality – post-retirement	**
Expected contributions for the forthcoming year ending June	1 428

\* SA85/90 (light) ultimate.

\*\* PA(90) ultimate table rated down two years plus 1.0% improvement per annum from 2006.

The weighted average duration of the liability is 11 years.

The sensitivity of the obligation to changes in the principal assumptions is:

	Impact on obligation		
	Change in assumption	Increase in assumption R'000	Decrease in assumption R'000
Discount rate	0.5%	(842)	915
Healthcare cost inflation	1.0%	1 961	(1 678)
Post-retirement mortality rate	1 year	678	(674)

#### RETIREMENT CONTRIBUTION PLANS

##### Pension and provident fund schemes

Rainbow contributes towards retirement funds for all permanent employees who are required to be a member of a Group implemented scheme. These schemes, detailed below are governed by the Pension Funds Act, 1956. Their assets consist primarily of listed shares, fixed income securities, property investments and money market instruments and are held separately from those of the Group. Each of the schemes' assets are administered by a Board of trustees, each of which includes elected employee representatives.

##### Defined contribution pension and provident fund schemes in respect of prior financial year

The latest audited financial information of the schemes are administered by the Group all reflect a satisfactory state of affairs. Amounts charged to the income statement are as follows:

	2024 R'000
– RCL FOODS Pension Fund	23 383
– RCL FOODS Provident Fund	82 856
– Old Mutual – SACCAWU	169
Total	106 408

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

or the year ended June 2025

### 12. STATED CAPITAL

#### Authorised

2 000 000 000 (2024: 2 000 000 000) ordinary shares of no par value.

#### Issued ordinary shares of no par value:

	Number of shares	2025 R'000	2024 R'000
At the beginning of the year	890 296 405	10 342 809	10 340 765
Shares issued in terms of share incentive schemes	6 726 451	64 427	2 044
<b>At the end of the year</b>	<b>897 022 856</b>	<b>10 407 236</b>	10 342 809

The unissued ordinary shares are under the control of the Directors until the forthcoming Annual General Meeting (AGM).

#### RCL FOODS Share Appreciation Rights Scheme (SAR)

Details of share appreciation rights awarded under this scheme are as follows:

Award price at grant date (cents)	Adjusted award price post unbundling (cents)	Dates rights awarded	Rights at June 2024	Rights adjustment during the year*	Rights exercised during the year	Rights cancelled during the year	Rights forfeited during the year	Rights at June 2025	Rights exercisable at June 2025
1 536	1 077	6 September 2017	13 402 052	(8 890 484)		(1 912 360)	(2 599 208)		
1 677	1 176	5 March 2018	761 580	(403 407)		(148 837)	(209 336)		
1 697	1 190	10 September 2018	14 472 656	(5 644 138)		(2 376 776)	(413 677)	6 038 065	6 038 065
1 250	876	11 March 2019	936 577	(86 285)	(651 633)			198 659	198 659
1 344	942	1 April 2019	818 452	(245 401)				573 051	573 051
993	696	9 September 2019	27 073 170	(2 405 785)	(11 520 278)	(3 524 380)	(385 003)	9 237 724	9 237 724
1 074	753	9 March 2020	2 197 392	(155 422)	(1 044 304)			997 666	997 666
855	599	10 September 2020	23 937 755	(330 843)	(8 205 068)	(3 020 544)	(465 571)	11 915 729	6 042 297
861	861	8 March 2021	3 135 888			(3 135 888)			
1 265	887	16 November 2021	25 867 564	(2 611 644)	(3 946 765)	(5 134 307)	(583 653)	13 591 195	3 247 654
			112 603 086	(20 773 409)	(25 368 048)	(19 253 092)	(4 656 448)	42 552 089	26 335 116

The unbundling of Rainbow via a dividend in specie constituted an adjustment event in terms of the RCL SAR Scheme rules. In order to ensure that RCL FOODS participants were placed in a substantially similar position to the position they were in prior to the unbundling, the Remuneration Committee approved adjustments to both the award price as well as the number of RCL FOODS SAR Awards. These adjustments were effective 2 September 2024 and had no impact on the total fair value of the equity instruments granted. In addition, as a consequence of the unbundling, on 1 July 2024 all SAR awards granted to Rainbow employees under the RCL FOODS SAR Scheme were cancelled on unbundling.

\* Relates to the adjustment to the number of RCL FOODS SARs granted to the remaining participants, necessitated by the unbundling of Rainbow and the reversal of share options forfeitures in the prior year in respect of certain Vector Logistics employees.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 12. STATED CAPITAL CONTINUED

#### RCL FOODS Share Appreciation Rights Scheme continued

The RCL FOODS Share Appreciation Rights Scheme provides Executive Directors and selected employees with conditional rights to receive RCL FOODS ordinary shares, referred to as Share Appreciation Rights (SARs).

Within the limits imposed by the Company's shareholders and the JSE Limited, the Remuneration and Nominations Committee approves and awards SARs on an annual basis, as well as periodically when either an employee is promoted or a new appointment is made to an appropriate management position. Recipients of SARs become entitled to RCL FOODS shares having a value equal to the increase in the market value of a number of notional RCL FOODS shares. The market value of RCL FOODS shares for the purposes of determining award prices and exercise prices is the volume-weighted average price of RCL FOODS shares traded on the JSE for the five business days immediately preceding the award dates and exercise dates approved by the Remuneration and Nominations Committee.

SAR awards vest after stipulated periods and are exercisable up to a maximum of seven years from the award dates. SAR awards vest as follows:

- 33% – third anniversary of award date;
- 33% – fourth anniversary of award date; and
- 34% – fifth anniversary of award date.

On resignation, SAR awards which have not yet vested will lapse and SAR awards which have vested may be exercised before the last day of employment. On retirement, unvested SAR awards vest immediately and all SAR awards may be exercised within 12 months from the date of retirement. On death, unvested SAR awards vest immediately and all SAR awards may be exercised by beneficiaries within 12 months from the date of death.

There were no awards issued in the current and prior year. The Share Appreciation Rights Scheme was replaced during the 2023 financial year, with a Value Creation Plan (VCP) which is a cash reward not linked to shares.

	2025 R'000	2024 R'000
Weighted average award price of rights in issue at the beginning of the year	11.88	12.13
Weighted average award price of rights in issue at the end of the year	8.05	11.88
Weighted average award price of rights exercised during the year	7.01	9.15
Weighted average award price of rights forfeited during the year	13.08	13.48
Weighted average share price at date rights exercised during the year	9.59	10.25

The fair values of the SARs is calculated using the binomial options pricing model.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 13. SHARE-BASED PAYMENTS RESERVE

	2025 R'000	2024 R'000
<b>Employee share scheme</b>		
At the beginning of the year	687 620	616 477
Settlement of exercised rights	(46 581)	(1 502)
Value of employee services expensed during the year	32 348	72 645
<b>At the end of the year</b>	<b>673 387</b>	687 620
<b>BEE transaction</b>		
<b>At the beginning and end of the year</b>	<b>308 593</b>	308 593
<b>Total share-based payments reserve</b>	<b>981 980</b>	996 213

The B-BBEE scheme was closed out in the 2023 financial year, therefore no expense or valuation inputs have been disclosed for the current year.

### 14. OTHER RESERVES

	2025 R'000	2024 R'000
<b>Foreign currency translation reserve</b>		
At the beginning of year		2 502
Currency translation on foreign subsidiaries, joint ventures and associates – discontinued operations		12 286
Amount recycled to profit or loss <sup>1</sup>		(14 788)
<b>At the end of year</b>		

<sup>1</sup> In the prior financial year the investment in Vector Logistics Proprietary Limited was disposed of, as a result the foreign currency translation reserve relating to the investment was recycled to profit and loss.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 15. RETIREMENT BENEFIT OBLIGATIONS

	2025 R'000	2024 R'000
Post-retirement medical benefits	26 228	46 263
<b>Post-retirement medical obligation</b>		
The obligation of the Group to pay certain medical aid benefits after retirement is no longer part of the conditions of employment. A number of pensioners and current employees, however, remain entitled to this benefit. The entitlement to this benefit is dependent upon the employee remaining in service until retirement age. The Group also provides certain medical aid benefits to certain retired employees of Foodcorp Proprietary Limited and RCL Foods Sugar and Milling Proprietary Limited. The last valuation date was June 2025. The unfunded liability for post-retirement medical aid benefits is determined actuarially each year and comprises:		
At the beginning of the year	27 383	65 974
Recognised as expense in the current year	3 442	8 632
Interest costs	3 237	7 895
Transfer of employees	(391)	(203)
Current service costs	596	940
<b>Remeasurements:</b>	605	(4 730)
Loss/(gain) from change in financial assumptions	793	(924)
Experience gain recognised	(188)	(3 806)
Benefits paid	(1 549)	(4 329)
Settlements <sup>1</sup>	(3 653)	(18 880)
Transferred to held for sale		(19 284)
<b>At the end of the year</b>	26 228	27 383
Balance per actuarial valuation:	26 228	45 869
– Included in retirement benefit obligations per the Statement of financial position	26 228	27 383
– Included in the net assets of the disposal group		18 486
<b>The principal actuarial assumptions are:</b>		
Discount rate (%)	9.1 to 12.5	10.6 to 13.0
Healthcare cost inflation (%)	5.8 to 8.6	8.0 to 8.9
Mortality – post-retirement	**	**
Expected contributions for the forthcoming year ending June 2026	1 676	1 604

\*\* PA(90) ultimate table rated down two years plus 1.0% improvement per annum from 2006.

The weighted average duration of the liability is between 5 and 13 years (2024: 6 and 12 years).

<sup>1</sup> During the current and prior financial years, the obligation relating to certain pensioners were transferred to an insurer, resulting in a settlement reduction of the post-retirement medical aid liability through a voluntary buy-out process.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 15. RETIREMENT BENEFIT OBLIGATIONS CONTINUED

The sensitivity of the obligation to changes in the principal assumptions is:

	Impact on obligation		
	Change in assumption	Increase in assumption R'000	Decrease in assumption R'000
Discount rate	0.5%	(1 207)	1 310
Healthcare cost inflation	1.0%	2 899	(2 489)
Post-retirement mortality improvement/(deterioration)	1 year	866	(857)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

#### RETIREMENT CONTRIBUTION PLANS

##### Pension and provident fund schemes

The Group contributes towards retirement funds for all permanent employees who are required to be a member of a Group implemented scheme. These schemes, detailed below are governed by the Pension Funds Act, 1956. Their assets consist primarily of listed shares, fixed income securities, property investments and money market instruments and are held separately from those of the Group. Each of the schemes' assets are administered by a Board of trustees, each of which includes elected employee representatives.

##### Defined contribution pension and provident fund schemes

The latest audited financial information of the schemes that are administered by the Group all reflect a satisfactory state of affairs. Amounts charged to the income statement are as follows:

	2025 R'000	2024 R'000
– RCL FOODS Pension Fund	43 874	40 797
– RCL FOODS Provident Fund	156 598	128 045
– TSB ABSA Retirement Fund	24 575	22 622
– SATAWU Provident Fund	44	87
– TSB Agricultural Provident Fund		111
– TSB NBC Provident Fund	9 518	8 608
– Alexander Forbes		7 214
– Old Mutual – SACCAWU		5 715
– Discovery Provident Fund		1 488
– FAWU		446
<b>Total</b>	<b>234 609</b>	215 133

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 16. INTEREST-BEARING LIABILITIES

	2025 R'000	2024 R'000
<b>Long-term</b>		
Institutional borrowings	36 068	
Lease liabilities (refer to note 17)	399 551	391 313
Term-funded debt package	1 500 000	
Loan from Inclusive Farming Partnership Proprietary Limited	7 303	
<b>Total</b>	<b>1 942 922</b>	391 313
<b>Short-term</b>		
Institutional borrowings	10 045	
Lease liabilities (refer to note 17)	116 599	93 264
Term-funded debt package		1 675 000
Short-term loans from TSGro Farming Service Proprietary Limited	8 171	
Current portion of long-term loan from Inclusive Farming Partnership Proprietary Limited	12 872	23 790
Short-term loans from Akwandze Agricultural Finance Proprietary Limited	1 612	12 958
<b>Total</b>	<b>149 299</b>	1 805 012

#### Institutional borrowings

During the current financial year, Foodcorp Proprietary Limited entered into an asset funding facility agreement with Wesbank, a division of RMB to fund the purchase of bread delivery vehicles in the Bread, buns and rolls operating unit. These loans bear interest at the interest rate linked to the South African prime lending rate less a margin at the contract date and have monthly fixed repayment terms and is secured against the vehicles. The effective borrowing rate was 8.86% in the 2025 financial year.

#### Term-funded debt package

The debt package initially had a five-year term which expired in December 2023, with interest at a rate of three-month JIBAR plus a margin of between 1.5% to 1.55%.

In December 2023, an agreement was reached with the Group's term-funded debt providers to extend the term-funded debt facility to December 2024 while the Rainbow separation process was still in progress. The debt package was successfully refinanced in December 2024 for a period of 5 years extending its maturity to December 2029. The lower R1,5 billion term-debt package is considered appropriate for the RCL FOODS portfolio, post the exits of Vector Logistics and Rainbow.

The details of the loans and the effective interest rate for the year is shown below for the current and prior financial reporting dates:

Type	Refinanced package			Expired package		
	Carrying amount at 29 June 2025 R'000	Term	Effective interest rate	Carrying amount at 30 June 2024 R'000	Term	Effective interest rate
Term-funded debt	1 500 000	5 years	9.44%			
Facility A				837 500	5 years	9.95%
Facility B				837 500	5 years	10.00%
Total	1 500 000		9.44%	1 675 000		9.98%

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 16. INTEREST-BEARING LIABILITIES CONTINUED

The refinanced term-funded debt package expires in December 2029, with interest at a rate of three-month JIBAR plus a margin of 1.39%

The previous debt package had a five-year term which expired in December 2023 and was extended by a year to December 2024, with interest at a rate of three-month JIBAR plus a margin of between 1.5% to 1.55%.

The loan profiles for the expired and refinanced loans as at each financial year ended is as follows:

Financial Year ending	Capital repayments R'000	Refinanced debt package balance R'000	Expired debt package balance R'000
30 June 2024			1 675 000
29 June 2025		1 500 000	
28 June 2026		1 500 000	
27 June 2027		1 500 000	
2 July 2028		1 500 000	
1 July 2029		1 500 000	
30 June 2030	(1 500 000)		

In the prior year, management assessed the impact of the modification of the repayment schedule on the fair value of term-funded debt package and on the consolidated financial statements and had concluded that it was not material.

In the event of default on the term-funded debt package, the applicable interest rate will be increased by 2.0% until the default no longer exists. The terms of the term-funded debt package require lender pre-approval for the following, but not limited to, specified events:

- Any acquisition where the entity to be acquired does not have a positive 12-month EBITDA and cash flow, and the purchase price is in excess of R500,0 million;
- Any loan or financial support to a community based joint venture (as defined) as well as Akwandze Agricultural Finance Proprietary Limited is in excess of R1,5 billion during the term of the debt package;
- More than three dividends paid in a financial year;
- Any financial indebtedness arising under reverse factoring facilities to facilitate payment on large supplies of commodities in excess of R500,0 million;
- Any financial indebtedness in respect of uncommitted contingent sugar funding facilities raised by the South African Sugar Association, related to their financing of carry-over sugar stock at the end of the relevant sugar season, up to a maximum amount of R1,0 billion;
- Entering into acquisitions and the payment of dividends requires the Group to meet the financial covenants specified in the term-funded debt package agreement both immediately after the proposed transaction and on a look forward basis for the next interim and year-end reporting date after the proposed transaction; and
- In addition, there are various transactions in the normal course of business which require that the Group remain within the specified financial covenants.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 16. INTEREST-BEARING LIABILITIES CONTINUED

The term-funded debt package requires that the Group comply with the following financial covenants:

	Required	June 2025	June 2024
Senior leverage ratio	<3.00:1	0.0	0.4
Senior interest cover	>3.50:1	21.5	10.9

The covenants have been calculated in accordance with the terms of the recently refinanced debt package and are unchanged.

For the year ended June 2025, the Group was within the limits of its financial covenants hence the classification of the loan as non-current is considered appropriate.

Financial ratio's are tested at measurement periods as specified in the Senior Facility Agreement (SFA) with the leverage ratio calculated as the ratio of total senior net debt to adjusted EBITDA as defined in the SFA. Senior interest coverage is the ratio of adjusted EBITDA to senior net finance charges as per the SFA. Compliance certificates are provided to our agent for year-end and interim reporting dates.

The obligations in respect of both the expired and refinanced debt package discussed above, have been guaranteed by Foodcorp Proprietary Limited, RCL FOODS Treasury Proprietary Limited, RCL FOODS Limited, RCL FOODS Sugar and Milling Proprietary Limited and RCL Group Services Proprietary Limited. RCL FOODS Consumer Proprietary Limited was released as a guarantor on the expired debt package on unbundling of Rainbow on 1 July 2024.

The above loans of the term-funded debt package are unsecured.

The fair value of the term-funded debt package at June 2025 amounted to R1,533 billion (2024: R1,686 billion). The fair value is calculated by discounting the future cash flows over the period of the loan and is within level 2 of the fair value hierarchy. The discount rate is based on the South African Sovereign Zero-Coupon Swap Curve with the contractual margin charged by the lenders as a credit spread.

#### Loans from Akwandze Agricultural Finance Proprietary Limited

Akwandze Agricultural Finance Proprietary Limited is a joint venture of the Group. Akwandze Agricultural Finance Proprietary Limited provides production finance and management services to sugar cane growers. Certain funding has been channelled through the Group to small scale growers.

The short-term loan amounting to R1,6 million (2024: R13,0 million) from Akwandze Agricultural Finance Proprietary Limited is unsecured, payable on demand and bears interest at a variable rate of between 5.1% and 8.05% (2024: 8.05%) per annum.

These loans were guaranteed by RCL FOODS Sugar and Milling Proprietary Limited. The carrying amount of these loans approximate their fair values.

#### Loans from TSGro Farming Service Proprietary Limited

TSGro Farming Service Proprietary Limited was a joint venture of the Group. TSGro Farming Service Proprietary Limited provides farm management, development, engineering and bulk irrigation services to small scale sugar cane farmers in the Nkomazi area.

The loan from TSGro Farming Service Proprietary Limited amounting R8,2 million (2024: Rnil) is unsecured, payable on demand and bears interest at a variable rate between 5.1% and 8.05% (2024: nil %) per annum.

#### Loans from Inclusive Farming Partnership Proprietary Limited

During the June 2022 financial year, a loan of R36,0 million was granted by Inclusive Farming Partnership Proprietary Limited. The capital portion of the loan is repayable annually over a period of 8 years in equal instalments and interest is payable annually. The loan bears interest at 3.0% per annum. The loan was revalued at a fair value interest rate of 7.25% per annum and the corresponding deferred income of R2,4 million (2024: R3,3 million) was recognised in the statement of financial position at year-end. The outstanding balance at the end of the year is R20,2 million (2024: R23,8 million). In the current year Libuyile Farming Services Proprietary Limited and Mgubho Farming Services Proprietary Limited met the loan covenants and the full outstanding loan relating to these entities was reclassified to non-current liabilities.

The loan is repayable on 31 May 2030.

The carrying amount of these loans approximates their fair values.

The loan from Inclusive Farming Partnership Proprietary Limited requires compliance with the following financial covenants:

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 16. INTEREST-BEARING LIABILITIES CONTINUED

	Required	June 2025	Required	June 2024
<b>Debt to assets ratio</b>				
– Libuyile Farming Services Proprietary Limited	<1.50:1	0.9	<1.75:1	1.0
– Sivunosetfu Proprietary Limited	<1.50:1	2.5	<1.75:1	2.8
– Mgubho Farming Services Proprietary Limited	<1.50:1	1.0	<1.75:1	0.9
<b>Interest cover</b>				
– Libuyile Farming Services Proprietary Limited	>1.50:1	55.1	>1.25:1	1.9
– Sivunosetfu Proprietary Limited	>1.50:1	0.2	>1.25:1	1.0
– Mgubho Farming Services Proprietary Limited	>1.50:1	76.4	>1.25:1	2.0

Financial ratios are tested at measurement periods as specified in the loan agreement with the debt to asset ratio calculated as the ratio of total debt to tangible assets and interest coverage being the ratio of EBITDA to finance charges as defined in the loan agreement.

In the prior financial years Sivunosetfu Proprietary Limited did not meet the loan covenants and the full outstanding loan to Inclusive Farming Partnership Proprietary Limited was therefore reclassified to current liabilities. Inclusive Farming Partnership Proprietary Limited reviews covenant certificates on an annual basis, six months after year end, and sets out the remedies for events of defaults, including any potential waivers of the financial covenants, at that point in time. During the current year financial covenants were not met by Sivunosetfu Proprietary Limited and the outstanding balance pertaining to this entity was classified as current. Inclusive Farming Partnership Proprietary Limited has not demanded repayment of this loan.

#### South African Benchmark Reform

South Africa is progressing well in the process of local benchmark reform with the upcoming discontinuation of the legacy Johannesburg Interbank Agreed Rate (JIBAR) used prominently in local cash as well as derivative markets, with the designated replacement rate being the newer South African Rand Overnight Index Average Rate (ZARONIA). The local benchmark transition follows the recent completion of the corresponding reform of the London Interbank Offer Rate (LIBOR) in international markets and is being co-ordinated extensively through local regulators and the wider industry. The overall timeline of the local benchmark reform is approximately five years with target completion expected in 2026. The term-funded debt package and the interest rate collar option derivative are currently the only financial liabilities expected to be impacted by the interest rate reform and management is in the process of phasing out and updating these agreements for changes pertaining to the transition. No new JIBAR contracts will be entered into from March 2026 and all existing trades at transition date will be at ZARONIA plus a credit adjustment spread plus the agreed margin. The credit adjustment spread is intended to approximate economic equivalence on transition date and will not be applicable to new agreements implemented post the transition. The Group will evaluate the impact of the change to ZARONIA during the financial year ending 28 June 2026.

The carrying amounts of items linked to JIBAR have been provided below:

	2025 R'000	2024 R'000
<b>Financial assets</b>		
Interest rate collar option	463	
<b>Financial liabilities</b>		
Term-funded debt	1 500 000	1 675 000



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 17. LEASES

	2025 R'000	2024 R'000
<b>Assets</b>		
The recognised right-of-use assets relate to the following types of assets:		
Land and Buildings	188 127	219 499
Plant and Equipment	3 071	3 335
Vehicles	110 274	21 819
<b>Total right-of-use assets</b>	<b>301 472</b>	244 653
Additions to the right-of-use assets during the current financial year were R124,8 million (2024: R57,1 million).		
For further detail please refer to note 1.		
<b>Liabilities</b>		
<b>Long-term</b>		
Lease liabilities	399 551	391 313
<b>Short-term</b>		
Lease liabilities	116 599	93 264
Gross lease liabilities – minimum lease payments	653 410	637 553
Future finance charges on lease liabilities	(137 260)	(152 976)
<b>Present value of lease liabilities</b>	<b>516 150</b>	484 577
Due within one year	116 599	93 264
Due within two to five years	339 048	300 626
Due later than five years	60 503	90 687
<b>Total</b>	<b>516 150</b>	484 577

For further detail on interest expense relating to the lease liabilities refer to note 22.

#### Lease payments not recognised as a liability

The expense relating to payments not included in the measurement of the lease liability has been disclosed in note 21. The payments relating to the IFRS 16 lease liabilities have been disclosed in note C to the Cash Flow Statement.

Certain property leases in the Sugar segment are linked to local recoverable value prices and are variable in nature.

At 29 June 2025, the Group has future lease commitments in relation to short term leases of R13,9 million (2024: R4,7 million).

Extension and termination options are included in a number of leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor. No lease payments made in the twelve months to June 2025 were optional (2024: 16.5% of total lease payments were optional). Optional lease payments relate to payments made on leases for which the Group is in the extension option period.

Potential future cash outflows of R222,2 million (2024: R222,2 million) have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 18. TRADE AND OTHER PAYABLES

	2025 R'000	2024 R'000
<b>Long-term</b>		
Other payables	116 661	34 669
<b>Total</b>	<b>116 661</b>	<b>34 669</b>
<b>Short-term</b>		
Trade payables	1 604 637	1 587 408
Accruals	1 675 931	957 067
Interest-bearing trade payables*	180 164	
Other payables**	1 525 686	1 514 151
<b>Total</b>	<b>4 986 418</b>	<b>4 058 626</b>

Other long-term payables relate to the deferred bonus scheme implemented during the 2023 financial year which effectively replaces the Share Appreciation Rights Scheme.

The carrying amount of trade and other payables approximate their fair values.

Included in accruals and other payables above are non-financial liabilities of R951,6 million (2024: R461,6 million).

\* Interest-bearing trade payables is the amount which has been settled by RMB in respect of the Group's supplier finance arrangement.

\*\* Included in other payables for the prior financial year was a R100,0 million contingent consideration relating to the earn-out clause as stipulated in the Vector Logistics sale agreement which was fully settled during the current financial year-end.

#### Supplier finance arrangements:

The Group has entered into a supplier finance arrangement with RMB to manage its working capital more efficiently, resulting in an extension of payment terms on certain suppliers who are on short payment terms of 0 to 7 days to 30 to 37 days, better aligning these suppliers with terms of the majority of other suppliers in the Group. This facility provides an additional form of liquidity to the Group in managing working capital. Under this arrangement, RMB will settle specific approved supplier invoices on behalf of the Group by paying the supplier the invoice value due as per the existing payment terms in operation with the supplier. The Group will then settle RMB on 30 to 37 day terms. The goods must have been received and the invoices approved by the Group in order for RMB to pay the invoices. The Group provides no security to the finance provider.

The Group has total supplier finance facilities of R500,0 million. The amount which has been settled by RMB is presented within trade and other payables in the consolidated statement of financial position. The total balance of the suppliers (settled and unsettled) that are part of the supplier finance arrangement is R180,2 million at year-end.

There were no significant non-cash changes in the carrying amount of the trade payables included in the Group's supplier finance arrangement.

The carrying amounts of the Group's trade and other payables are denominated in the following currencies:

	2025 R'000	2024 R'000
Rand	5 102 283	4 091 498
USD	739	399
GBP	57	294
<b>Total</b>	<b>5 103 079</b>	<b>4 093 295</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 19. DEFERRED INCOME TAX

	2025 R'000	2024 R'000
<b>Deferred income tax liability movement:</b>		
At the beginning of the year	789 368	1 006 332
Charge for the year – income statement – continuing	22 546	12 424
Charge for the year – income statement – discontinued		39 116
(Credit)/charge for the year – other comprehensive income	(147)	1 260
Credit for the year – other*		(3 417)
Prior year (underprovision)/overprovision	(12 357)	4 253
Transferred to held for sale		(270 600)
Allocated to loss on disposal of discontinued operations	636	
<b>At the end of the year</b>	<b>800 046</b>	<b>789 368</b>
<b>Deferred income tax liability comprises:</b>		
Trademarks, property, plant and equipment	989 190	952 605
Right-of-use assets	64 426	50 144
Inventories and biological assets	21 272	17 978
Provisions	(244 871)	(202 775)
Derivative financial instruments	3 202	1 856
Investment in associates	58 886	57 113
Other	(92 059)	(87 553)
<b>Total</b>	<b>800 046</b>	<b>789 368</b>
Deferred tax liability due after 12 months	902 474	805 219
Deferred tax liability due within 12 months	(102 428)	(15 851)
<b>Total</b>	<b>800 046</b>	<b>789 368</b>
<b>Deferred income tax asset movement:</b>		
At the beginning of the year	16 910	42 289
Charge for the year – income statement – continuing	44 129	11 908
Charge for the year – income statement – discontinued		10 951
Credit for the year – other*		(3 417)
Prior year overprovision	393	7 113
Transferred to held for sale		(51 934)
<b>At the end of the year</b>	<b>61 432</b>	<b>16 910</b>
<b>Deferred income tax asset comprises:</b>		
Trademarks, property, plant and equipment	(10 710)	(9 747)
Right-of-use assets	(9 560)	(15 630)
Provisions	31 759	4 139
Losses available for set-off against future taxable income	32 793	18 094
Other	17 150	20 054
<b>Total</b>	<b>61 432</b>	<b>16 910</b>
Deferred tax assets due after 12 months	30 271	15 997
Deferred tax assets due within 12 months	31 161	913
<b>Total</b>	<b>61 432</b>	<b>16 910</b>

\* The prior year contains an adjustment relating to the 2023 financial year where entities moved from a deferred tax asset position to a deferred tax liability position.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 19. DEFERRED INCOME TAX CONTINUED

Deferred tax is calculated on all temporary differences under the liability method using a principal tax rate of 27.0% (2024: 27.0%).

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable.

The deferred income tax assets relating to assessed losses in the current and prior years consists mainly of assessed losses relating to Sunshine Bakery Durban Proprietary Limited and Scenic Route Trading 217 Proprietary Limited whose forecasts support the utilisation of the loss in the future.

The Group has total assessed losses amounting to R440,7 million (2024: R425,3 million) and capital losses of R103,4 million (2024: R100,7 million).

Deferred tax assets of R86,8 million (2024: R108,0 million) have not been recognised as it is not envisaged that there will be future taxable profits in the foreseeable future against which the deferred tax asset can be utilised. The unrecognised deferred tax assets relate to the 50% owned sugar cane grower companies (refer note 34). The recognition of the deferred tax assets in these companies will be reassessed when performance of the entities begin to show sustained improvement and it appears likely that there will be future taxable profits available to offset these assessed losses. The assessed losses do not have an expiry date. A breakdown of the deferred tax asset not recognised is provided below.

Deferred income tax asset not recognised comprises:

	2025 R'000	2024 R'000
Provisions	3 433	3 523
Trademarks, property, plant and equipment	26 512	48 113
Inventories and biological assets	(73 419)	(71 120)
Assessed loss not recognised as deferred tax asset	119 633	115 448
Other	10 639	12 071
<b>Total</b>	<b>86 798</b>	108 035

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 20. REVENUE

	2025 R'000	2024 R'000
<b>Continuing operations</b>		
Disaggregation of revenue		
<b>Revenue from contracts with customers</b>	<b>24 995 231</b>	24 599 882
<b>Groceries</b>	<b>5 410 002</b>	5 313 008
Groceries	<b>4 831 056</b>	4 758 654
Sundry sales <sup>1</sup>	<b>578 946</b>	554 354
<b>Baking</b>	<b>9 297 570</b>	9 136 930
<b>Sugar</b>	<b>10 213 413</b>	10 394 295
<b>Group<sup>2</sup></b>	<b>300 594</b>	281 072
<b>Sales between segments<sup>3</sup></b>	<b>(226 348)</b>	(525 423)
<b>Timing of revenue recognition<sup>4</sup></b>	<b>24 995 231</b>	24 599 882
Point in time	<b>24 696 759</b>	24 382 182
Over time	<b>298 472</b>	217 700
<b>Receipt from SASA</b>	<b>1 498 529</b>	1 416 684
<b>Total revenue</b>	<b>26 493 760</b>	26 016 566
<b>Major customers</b>		
Revenue from the Group's top five customers is as follows:		
– customer A	<b>3 453 169</b>	3 409 383
– customer B	<b>1 836 574</b>	1 940 578
– customer C	<b>1 751 401</b>	1 613 211
– customer D	<b>1 424 183</b>	1 608 189
– customer E	<b>1 397 875</b>	1 153 359
The above revenue is included in the segments above.		
Customer A contributed more than 10% of total revenue and arises from the Groceries, Baking and Sugar segments.		
<b>Analysis of revenue from contracts with customers</b>		
Sale of food products	<b>23 262 957</b>	23 011 435
Sale of feed	<b>1 433 802</b>	1 369 929
Sale of services	<b>298 472</b>	217 700
Sale of fertiliser		818
<b>Total</b>	<b>24 995 231</b>	24 599 882

All revenue for continuing operations is earned within South Africa.

<sup>1</sup> 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.

<sup>2</sup> Group revenue relates to management fees earned for shared services performed for Siqalo Foods Proprietary Limited, LiveKindly Collective Africa Proprietary Limited, Rainbow Chicken Limited (since the effective date of unbundling in the current year) and Vector Logistics Proprietary Limited (since the effective date of disposal in the prior year).

<sup>3</sup> Refer to note 27 for further detail.

<sup>4</sup> Revenue recognised at a point in time relates to the sale of goods while revenue recognised over time relates to the sale of services.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 20. REVENUE CONTINUED

	2025 R'000	2024 R'000
<b>Discontinued operations</b>		
Disaggregation of revenue		
<b>Revenue from contracts with customers<sup>1</sup></b>		14 973 769
<b>Rainbow</b>		14 527 425
Chicken		12 746 473
Chicken		12 450 400
Sundry sales <sup>2</sup>		296 073
Feed		7 186 161
Waste-to-value		96 484
Sales between segments		(5 501 693)
<b>Vector Logistics</b>		657 015
<b>Sales between continuing and discontinued operations</b>		(84 612)
<b>Sales between discontinued operations</b>		(126 059)
<b>Timing of revenue recognition<sup>2</sup></b>		14 973 769
Point in time		14 973 769
<b>Total revenue</b>		14 973 769

<sup>1</sup> An agreement between two or more parties that creates enforceable rights and obligations. Can be written, oral or implied by customary business practices.

<sup>2</sup> Sundry sales consist of poultry by-products. The sale of these items arise in the course of Rainbow's ordinary activities but are considered cost recoveries as they are by-products of Rainbow's core operations.

<sup>2</sup> Revenue recognised at a point in time relates to the sale of goods while revenue recognised over time relates to the sale of services.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 21. OPERATING PROFIT

	2025 R'000	2024 R'000
<b>Continuing operations</b>		
Revenue	26 493 760	26 016 566
Cost of sales*	(20 447 195)	(20 129 472)
<b>Gross profit*</b>	<b>6 046 565</b>	5 887 095
Administration expenses*	(1 685 596)	(1 667 915)
Selling and marketing expenses*	(1 008 011)	(1 002 141)
Distribution expenses*	(2 123 719)	(2 302 066)
Net impairment <sup>1</sup>		(79 699)
Other income	688 769	802 565
<b>Operating profit</b>	<b>1 918 008</b>	1 637 838
<b>Material and disclosable items – other income:</b>		
Profit on disposal of property, plant and equipment	10 200	11 819
Profit on disposal of assets held for sale		82 017
Fair value adjustment on biological assets	416 694	398 464
Fair value adjustment on derivatives	112 560	97 236
Gain on remeasurement of leases		7
Bagasse and electricity income	40 695	43 071
Reversal of impairment of loans	4 734	12 919
Foreign exchange gains	25 690	8 243
Insurance proceeds	40 854	138 769
Storage income	16 650	
Rental income – operating leases	8 653	8 785
<b>Material and disclosable items – expenses:</b>		
Technical consultants and legal fees	94 306	194 835
Fair value adjustment on derivatives	56 027	79 201
Net impairments		79 699
– Impairment of property, plant and equipment and right-of-use assets		54 427
– Impairment of goodwill		25 272
Loss allowance – loans receivable	1 753	33 111
Lease payments	225 004	170 105
– low-value lease expense	390	584
– variable lease payments	156 228	113 843
– short-term lease expense	68 386	55 678

\* During the current financial year, Sugar reassessed the classification of certain expenses previously reported under administration expenses, distribution expenses and selling and marketing expenses and determined that these costs more appropriately reflect the nature of cost of sales. As a result, an amount of R215,4 million has been reclassified to cost of sales in the comparative period to ensure consistency with the current year presentation. Refer to the next page for a summary which reflects the changes made to the line items impacted.

<sup>1</sup> Net impairment on property plant and equipment and intangible assets in the prior year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 21. OPERATING PROFIT CONTINUED

	2025 R'000	2024 R'000
<b>Continuing operations</b>		
Loss allowance – trade receivables	18 306	7 954
Foreign exchange losses	8 209	13 173
Inventory expense*	15 480 147	15 333 577
Fuel and gas	309 797	349 261
Utilities	934 419	956 690
Repairs and maintenance expense	834 340	813 288
Loss on disposal of property, plant and equipment and intangible assets	14 803	26 357
Directors' remuneration	39 028	35 662
– executive	31 570	29 050
– non-executive	7 458	6 612
Staff costs	3 948 111	3 710 839
– salaries and wages	3 492 358	3 196 229
– share-based payments	32 348	60 299
– retirement benefit costs	234 609	215 133
– other post-employment benefits	2 333	5 152
– retrenchment costs	8 266	14 153
– other	178 197	219 873
Administration fee paid to Group holding company	23 621	29 222
Auditors' remuneration	27 287	25 065
– fees for the audit <sup>2</sup>	22 603	19 448
– prior year underprovision	3 021	737
– disbursements	256	95
– fees for other services	1 406	4 785

<sup>2</sup> Total fees incurred during the 2025 financial year to Ernst & Young Inc. were R22,6 million (2024: R15,0 million) from continuing operations, R1,4 million (2024: R0,2 million) of which related to non-audit services of agreed-upon procedures compliance audits. Total fees incurred during the 2025 financial year to Ernst & Young Inc. in respect of discontinued operations was nil (2024: R5,9 million). PricewaterhouseCoopers Inc. conducted the external audit for certain subsidiaries of the Group (relating to the Sugar business) for the year ended June 2024. Total fees incurred during the 2024 financial year to PwC were R9,2 million, R0,9 million of which related to non-audit services including tax services and agreed-upon procedures compliance audits. An amount of R0,7 million is included in the current year in respect of an underprovision and disbursements relating to the prior year PwC Sugar audit fee.

\* The Sugar restatement, which arose due to the reclassification of certain expenses, did not impact the statement of financial position, the statement of cash flows, the income statement or the statement of other comprehensive income. The summary below reflects the changes made to the line items impacted and includes the prior year reported audited numbers, the restatement and the restated totals as included in the note above.

	F24 Restated total R'000	F24 Previously reported R'000	Restatements R'000
Cost of sales	(20 129 472)	(19 914 045)	(215 427)
Gross profit	5 887 095	6 102 521	(215 427)
Administration expenses	(1 667 915)	(1 647 556)	(20 359)
Selling and marketing expenses	(1 002 141)	(1 159 778)	157 637
Distribution expenses	(2 302 066)	(2 380 215)	78 149
<b>Material and disclosable items – expenses:</b>			
Inventory expense	15 333 577	15 275 787	57 790



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 22. FINANCE COSTS

	2025 R'000	2024 R'000
<b>Continuing operations</b>		
Interest – financial institutions	151 552	182 214
Fair value adjustment on interest rate collar option	2 472	
Transaction costs on term-funded debt and other fees	12 122	4 938
Interest – holding company, joint ventures and associates	2 776	38 522
Interest on lease liabilities	52 429	39 312
Interest – other*	16 189	15 404
<b>Total</b>	<b>237 540</b>	280 390
Interest adjustment between continuing and discontinued operations <sup>1</sup>		(108 822)
<b>Total</b>	<b>237 540</b>	171 568

\* An amount of R1,1 million relating to fees incurred on the supply chain financing agreement with RMB is included in "Interest – other expense."

<sup>1</sup> The interest adjustment in the prior year relates to the elimination of the intergroup transactions between the continuing and discontinued operations, in accordance with IFRS 5 to reflect how transactions between continuing or discontinued operations will be reflected in continuing operations going forward.

Finance costs incurred on borrowings from financial institutions, lease liabilities, intercompany balances and other is calculated using the effective interest method.

### 23. FINANCE INCOME

	2025 R'000	2024 R'000
<b>Continuing Operations</b>		
Interest – financial institutions	58 755	34 690
Interest – holding company, joint ventures and associates	1 513	7 503
Interest – other	23 003	10 920
<b>Total</b>	<b>83 271</b>	53 113
Interest adjustment between continuing and discontinued operations <sup>2</sup>		(24 964)
<b>Total</b>	<b>83 271</b>	28 149

<sup>2</sup> The interest adjustment in the prior year relates to the elimination of the intergroup transactions between the continuing and discontinued operations, in accordance with IFRS 5 to reflect how transactions between continuing or discontinued operations will be reflected in continuing operations going forward.

Finance income earned is calculated using the effective interest method.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 24. INCOME TAX EXPENSE

	2025 R'000	2024 R'000
<b>Current tax</b>	<b>466 165</b>	431 707
South African	<b>451 432</b>	435 050
Foreign	<b>12 151</b>	9 594
Prior year underprovision/(overprovision)	<b>2 582</b>	(12 937)
<b>Deferred tax</b>	<b>(34 333)</b>	(2 345)
South African	<b>(21 583)</b>	516
Prior year overprovision	<b>(12 750)</b>	(2 861)
<b>Total</b>	<b>431 832</b>	429 362
<b>Reconciliation of tax rate:</b>		
Profit before tax	<b>1 891 950</b>	1 653 506
Tax charge at 27%	<b>510 827</b>	446 447
– capital losses not recognised	<b>(1 175)</b>	6 426
– foreign taxation	<b>12 151</b>	9 594
– share of associates' profits	<b>(25 228)</b>	(33 902)
– share of joint ventures' profits	<b>(9 389)</b>	(9 052)
– non-taxable income	<b>(7 703)</b>	(6 369)
– prior year overprovision – current	<b>2 582</b>	(12 937)
– prior year overprovision – deferred	<b>(12 750)</b>	(2 861)
– non-taxable reversal of impairment of loan	<b>(1 278)</b>	(7 911)
– non-deductible impairment of loan	<b>473</b>	4 422
– non-taxable profit on disposal of assets		(3 191)
– non-deductible loss on disposal of assets	<b>2 449</b>	7 116
– non-taxable profit on assets held for sale		(22 145)
– unrecognised deferred tax on losses made	<b>596</b>	3 538
– unrecognised deferred tax on assessed losses	<b>(25 400)</b>	(20 030)
– withholding tax on undistributed profits of associate	<b>1 773</b>	5 658
– tax effects of share options accounting (deductions on exercises and non-deductible IFRS 2 charges)	<b>(22 698)</b>	15 098
– non-deductible depreciation and amortisation	<b>1 683</b>	5 008
– section 11D deduction – research and development	<b>(3 985)</b>	(3 678)
– non-deductible listed Company expenses	<b>3 758</b>	3 426
– non-deductible impairment of Goodwill		6 823
– non-deductible fair value and foreign exchange adjustment on financial asset		9 650
– non-deductible consulting and legal fees	<b>3 551</b>	21 612
– non-deductible loan written off		4 212
– other non-deductible items	<b>1 595</b>	2 407
<b>Tax charge</b>	<b>431 832</b>	429 362

The tax effects relating to items of other comprehensive income are disclosed on the face of the statement of other comprehensive income.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 25. EARNINGS AND HEADLINE EARNINGS PER SHARE

#### Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of shares in issue during the year.

#### Diluted

Diluted earnings are calculated using the fully diluted weighted average ordinary shares in issue. Dilution is due to shares offered, but not paid and delivered to participants in the Share Appreciation Rights Scheme (refer to note 12). A calculation is performed to determine the number of shares that could have been acquired at fair value based on the monetary value of the subscription rights attached to outstanding scheme shares. The number of shares calculated below is compared with the number of shares that would have been issued assuming the exercise of the share scheme options.

	2025 R'000	2024 R'000
<b>Earnings</b>		
Profit attributable to equity holders of the Company	1 609 361	1 624 394
– Profit from continuing operations	1 418 116	1 185 204
– Profit from discontinued operations	191 245	439 190
Weighted average number of ordinary shares in issue		
Weighted average number of ordinary shares in issue – basic earnings per share (000)	893 835	890 155
Share option dilution impact (000)	6 903	2 764
Weighted average number of shares – diluted earnings per share (000)	900 738	892 919

	Gross** R'000	Net R'000
<b>Headline earnings – June 2025</b>		
Headline earnings reconciliation:		
<b>Continuing operations</b>		
Profit for the year attributable to equity holders of the Company		1 418 116
Insurance proceeds on fixed assets	(30 826)	(25 119)
Profit on disposal of property, plant and equipment	(9 725)	(7 228)
Loss on disposal of property, plant and equipment and intangible assets	14 167	10 595
Net impairments included in equity accounted earnings of associates	1 089	817
Profit on disposal of property, plant and equipment included in equity accounted earnings of associates	(293)	(220)
Loss on disposal of property, plant and equipment included in equity-accounted earnings of joint venture	5	4
<b>Headline earnings</b>		1 396 965
<b>Discontinued operations</b>		
Profit for the year attributable to equity holders of the Company		191 245
Profit on disposal of subsidiary classified as held for sale (Rainbow)	(198 495)	(198 495)
Loss on disposal of subsidiary classified as held for sale (Vector Logistics)	7 250	7 250
<b>Headline earnings</b>		
<b>Headline earnings from total operations</b>		1 396 965

\*\* Pre-tax amounts attributable to equity holders of the Company.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 25. EARNINGS AND HEADLINE EARNINGS PER SHARE CONTINUED

	Gross** R'000	Net R'000
<b>Headline earnings – June 2024</b>		
Headline earnings reconciliation:		
<b>Continuing operations</b>		
Profit for the year attributable to equity holders of the Company		1 185 204
Net impairments	79 699	65 004
Insurance proceeds on fixed assets	(137 007)	(100 015)
Profit on disposal of property, plant and equipment	(23 419)	(17 097)
Loss on disposal of property, plant and equipment and intangible assets	26 354	19 232
Profit on disposal of asset held for sale	(45 145)	(45 145)
Profit on disposal of TSGro Farming Services Proprietary Limited	(25 272)	(25 272)
Net impairments included in equity accounted earnings of associates	1 093	792
Profit on disposal of property, plant and equipment included in equity accounted earnings of associates	(12)	(9)
Headline earnings		1 082 696
<b>Discontinued operations</b>		
Profit for the year attributable to equity holders of the Company		439 190
Profit on disposal of property, plant and equipment	(2 692)	(1 965)
Loss on disposal of property, plant and equipment and intangible assets	811	592
Net impairments	2 608	1 904
Insurance proceeds on fixed assets	(602)	(439)
Foreign currency translation reserve recycled into profit and loss	(14 788)	(13 185)
Profit on disposal of subsidiary classified as held for sale (Vector Logistics)	(243 948)	(243 948)
Headline earnings		182 149
Headline earnings from total operations		1 264 845

\*\* Pre-tax amounts attributable to equity holders of the Company.

	2025 cents	2024 cents
<b>Earnings per share</b>		
<b>Basic</b>	<b>180.1</b>	182.4
– from continuing operations	<b>158.7</b>	133.1
– from discontinued operation	<b>21.4</b>	49.3
<b>Diluted</b>	<b>178.6</b>	181.9
– from continuing operations	<b>157.4</b>	132.7
– from discontinued operation	<b>21.2</b>	49.2
<b>Headline earnings per share</b>		
<b>Basic</b>	<b>156.3</b>	142.1
– from continuing operations	<b>156.3</b>	121.6
– from discontinued operation		20.5
<b>Diluted</b>	<b>155.1</b>	141.7
– from continuing operations	<b>155.1</b>	121.3
– from discontinued operation		20.4

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 26. DIVIDENDS PER SHARE

	2025 R'000	2024 R'000
Interim – paid: 20.0 cents (2024: nil cents)	<b>179 394</b>	
Final <sup>1</sup> – declared: 40.0 cents (2024: 35.0 cents)	<b>358 887</b>	311 604
Total: 60.0 cents (2024: 35.0 cents)	<b>538 281</b>	311 604

A final dividend of 40.0 cents per share was declared for the financial period ended June 2025. The dividend will be paid on 20 October 2025. The last date to trade to receive a dividend will be 14 October 2025. The RCL FOODS share will commence trading "ex" dividend from the commencement of business on 15 October 2025 and the record date will be 17 October 2025.

<sup>1</sup> Since the final dividend was declared subsequent to year-end, it has not been provided for in the consolidated financial statements.

### 27. OPERATING SEGMENTS

The Chief Executive Officer (CEO) is the chief operating decision maker. The CEO assesses the performance of the operating segments based on operating profit before depreciation, amortisation and impairment (EBITDA) and operating profit (EBIT) and for joint ventures and associates based on their earnings after tax.

RCL FOODS is made up of the following segments:

- Groceries: Culinary (includes Mayonnaise, Peanut Butter, Rusks etc.), Pet Food and Beverages operations;
- Baking: including the Milling, Speciality, Pies, Sunbake and Sunshine bakeries and Buns and Rolls; and
- Sugar: including Sugar and molasses-based feed (Molatek) operations.

The Rainbow segment which was unbundled on 1 July 2024 includes the chicken business, grain-based feed (Epol and Driehoek) and waste-to-value operations.

The Vector Logistics segment which was disposed in the prior year, provided RCL FOODS and numerous third parties with multi-temperature warehousing and distribution, supply chain intelligence and sales solutions.

LKCA refers to the Group's investment in LiveKindly Collective Africa Proprietary Limited.

Transactions between segments are accounted for under the IFRS® Accounting Standards in the individual segments.

Direct exports are not considered material in relation to total revenue.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 27. OPERATING SEGMENTS CONTINUED

	2025 R'000	2024 R'000
<b>Continuing operations</b>		
Revenue	26 493 760	26 016 566
Groceries	5 410 002	5 313 008
Baking	9 297 570	9 136 930
Sugar	11 711 942	11 810 978
Group <sup>1</sup>	300 594	281 072
Groceries sales to Baking	(6 947)	(7 706)
Groceries sales to Sugar	(2 563)	(2 125)
Groceries sales to Rainbow		(173 743)
Groceries sales to Group	(2 817)	(1 892)
Baking sales to Groceries	(72 447)	(81 913)
Baking sales to Sugar	(1 782)	(1 359)
Baking sales to Rainbow		(108 673)
Baking sales to Group	(107)	(3 011)
Sugar sales to Groceries	(105 393)	(107 157)
Sugar sales to Baking	(34 112)	(31 289)
Sugar sales to Rainbow		(6 412)
Sugar sales to Group	(180)	(142)
<b>Operating profit before depreciation, amortisation and impairments (EBITDA)<sup>2</sup></b>	<b>2 562 695</b>	<b>2 300 495</b>
Groceries	630 224	502 307
Baking	802 362	517 271
Sugar	1 094 409	1 409 329
Group <sup>3</sup>	100 721	(19 744)
Unallocated restructuring costs <sup>4</sup>	(65 021)	(108 668)
Depreciation, amortisation and impairments <sup>5</sup>	(644 687)	(662 657)
<b>Operating profit<sup>6</sup></b>	<b>1 918 008</b>	<b>1 637 838</b>
Groceries	525 440	403 610
Baking	564 573	294 482
Sugar	833 472	1 161 199
Group <sup>3</sup>	59 544	(58 358)
Unallocated restructuring costs <sup>4</sup>	(65 021)	(163 095)
<b>Operating profit</b>	<b>1 918 008</b>	<b>1 637 838</b>
Finance costs	(237 540)	(171 568)
Finance income	83 271	28 149
Interest received		
<b>Share of profits of joint ventures</b>	<b>34 774</b>	<b>33 525</b>
Sugar	34 774	33 525
<b>Share of profits/(loss) of associates</b>	<b>93 437</b>	<b>125 562</b>
Sugar	94 804	120 081
LiveKindly Collective Africa	(1 367)	5 481
<b>Profit before tax</b>	<b>1 891 950</b>	<b>1 653 506</b>

<sup>1</sup> Group revenue relates to management fees earned for shared services performed for Siqalo Foods Proprietary Limited, LiveKindly Collective Africa Proprietary Limited, Rainbow Chicken Limited (since the effective date of unbundling in the current year) and Vector Logistics Proprietary Limited (since the effective date of disposal in the prior year).

<sup>2</sup> Includes net expected credit losses raised on loans receivable and trade and other receivables of R15,3 million (2024: R5,0 million reversed). Refer to notes 6 and 10 for further detail.

<sup>3</sup> 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 Company, Inc., 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, Rainbow Chicken Limited (since the effective date of unbundling in the current year) and Vector Logistics Proprietary Limited (since the effective date of disposal in the prior year).

<sup>4</sup> Unallocated costs following the separation of the Rainbow and Vector businesses.

<sup>5</sup> Impairments relate only to impairments of property, plant and equipment, goodwill, right-of-use assets and intangible assets in the prior year.

<sup>6</sup> Operating profit for each segment includes an aggregation of revenue less cost of sales, administration expenses, selling and marketing expenses, distribution expenses, net impairments and includes other income.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 27. OPERATING SEGMENTS CONTINUED

	2025 R'000	2024 R'000
<b>Discontinued operations<sup>1</sup></b>		
<b>Revenue from contracts with customers</b>		14 973 769
Rainbow		14 527 425
Chicken		12 746 473
Feed		7 186 161
Waste-to-value		96 484
Sales between segments:		
Chicken to Feed		(86 914)
Feed to Chicken		(5 339 705)
Waste-to-value to Chicken		(75 074)
Vector Logistics		657 015
Sales between continuing and discontinued operations:		
Rainbow sales to Groceries		(25 658)
Rainbow sales to Sugar		(7 174)
Vector Logistics sales to Groceries		(24 668)
Vector Logistics sales to Baking		(20 159)
Vector Logistics sales to Sugar		(6 953)
Sales between discontinued operations:		
Vector Logistics sales to Rainbow		(126 059)
<b>Operating profit before depreciation, amortisation and impairments (EBITDA)</b>		656 487
Rainbow		629 700
Chicken		568 143
Feed		29 598
Waste-to-value		31 959
Vector Logistics		26 787
Depreciation, amortisation and impairments+		(278 775)
(Loss)/profit on disposal of discontinued operations (Vector Logistics)	<b>(7 250)</b>	243 948
Profit on disposal of discontinued operations (Rainbow)	<b>198 495</b>	
<b>Operating profit</b>	<b>191 245</b>	621 660
Rainbow	<b>198 495</b>	350 924
Chicken		333 727
Feed		14 533
Waste-to-value		2 664
Other	<b>198 495</b>	
Vector Logistics	<b>(7 250)</b>	270 735
Finance costs		(178 976)
Finance income		32 028
<b>Profit before tax</b>	<b>191 245</b>	474 711
– from Rainbow	<b>198 495</b>	223 320
– from Vector Logistics**	<b>(7 250)</b>	251 391

<sup>1</sup> Relates to Vector Logistics and Rainbow segments.

<sup>+</sup> Impairments relate only to impairments of property, plant and equipment, goodwill, right-of-use assets and intangible assets in the prior year.

<sup>\*\*</sup> Includes 2 months of results for Vector Logistics until the date of disposal of 28 August 2023 for the prior year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 27. OPERATING SEGMENTS CONTINUED

	2025 R'000	2024 R'000
<b>Assets</b>		
Groceries	3 932 550	3 559 627
Baking	6 327 805	6 091 593
Sugar <sup>1</sup>	6 290 180	6 011 769
Unallocated Group assets <sup>2</sup>	2 005 613	1 284 993
LiveKindly Collective Africa	155 398	156 766
Set-off of inter-segment balances	(48 317)	(111 919)
<b>Sub-total: Pre assets held for sale</b>	<b>18 663 231</b>	16 992 829
Rainbow <sup>3</sup> – disposal group held for sale		6 700 886
Sugar – disposal group held for sale	572	572
<b>Total per statement of financial position</b>	<b>18 663 803</b>	23 694 287
<b>Liabilities</b>		
Groceries	1 510 110	1 379 775
Baking	2 065 851	1 863 004
Sugar	2 635 178	1 928 887
Unallocated Group liabilities <sup>2</sup>	2 114 362	2 121 554
Set-off of inter-segment balances	(48 317)	(68 383)
<b>Sub-total: Pre liabilities held for sale</b>	<b>8 277 184</b>	7 224 837
Rainbow <sup>3</sup> – disposal group held for sale		3 028 409
<b>Total per statement of financial position</b>	<b>8 277 184</b>	10 253 246

<sup>1</sup> Includes foreign investments in Mananga Sugar Packers Proprietary Limited and The Royal Eswatini Sugar Corporation. Refer to notes 4 and 5 respectively for further detail. No other material non-current assets held outside South Africa.

<sup>2</sup> Includes assets and liabilities of the Group treasury company and consolidation entries.

<sup>3</sup> Classified as a disposal group held for sale in the prior year.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 27. OPERATING SEGMENTS CONTINUED

	2025 R'000	2024 R'000
<b>Additions to property, plant and equipment and intangible assets</b>		
Groceries		
Property, plant and equipment <sup>1</sup>	150 194	139 662
Intangible assets		30
Baking		
Property, plant and equipment <sup>1</sup>	402 827	192 581
Intangible assets	551	4 140
Sugar		
Property, plant and equipment <sup>1</sup>	456 777	572 887
Intangible assets	4 343	2 562
Rainbow (disposal group held for sale) Property, plant and equipment <sup>1</sup>		404 584
Intangible assets		666
Unallocated group segment <sup>2</sup> Property, plant and equipment <sup>1</sup>	60 469	11 486
Intangible assets		6 540
<b>Impairment losses<sup>3</sup></b>		
Sugar		25 272
Rainbow		2 608
Unallocated restructuring costs <sup>4</sup>		54 427
<b>Depreciation and amortisation</b>		
Groceries	104 784	98 697
Baking	237 789	222 789
Sugar	260 938	222 858
Rainbow		276 167
Unallocated segment <sup>2</sup>	41 176	38 613

<sup>1</sup> Property, plant and equipment additions include the right-of-use assets recognised in accordance with IFRS 16.

<sup>2</sup> Includes capital expenditure, depreciation and amortisation of Shared Services, a division of RCL Group Services.

<sup>3</sup> These impairments relate only to impairments of property, plant and equipment, goodwill, right-of-use assets and intangible assets.

<sup>4</sup> Relates to the impairment of the National Office right-of-use building.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 28. FINANCIAL RISK MANAGEMENT

#### Financial risk factors

This note presents information about the Group's exposure to financial risks, the Group's objectives, policies and processes for measuring and managing these risks and the Group's management of capital.

The Group's financial instruments consist primarily of cash and cash equivalents, derivatives, loans receivable, investments, trade and other receivables and payables and interest-bearing liabilities. In the normal course of business, the Group is exposed to credit, liquidity and market risk. In order to manage certain of these risks, the Group may enter into transactions which make use of derivatives. These include forward exchange contracts, currency futures and options and commodity futures and options. A separate committee is used to manage the risks and the hedging activities of the Group. The Group does not speculate in derivative instruments.

The Board has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established the Risk Committee which is responsible for developing and monitoring the Group's risk management policies. The Risk Committee reports regularly to the Board on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training, management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

A portion of the Group's trade payables relating to certain suppliers within the Baking and Groceries segments are included in the Group's supplier finance arrangement with the principal purpose of managing working capital. This arrangement allows the Group to obtain payment terms for these suppliers that better align with the payment terms agreed with other non-participating suppliers. Management does not consider the supplier finance arrangement to result in excessive concentrations of liquidity risk, and the arrangement has been established to improve the Group's working capital position and cash flow, rather than to obtain financing. Please refer to notes 18 and 22 for further disclosures about the arrangement.

#### Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk primarily relates to trade and other receivables, loans receivable, cash and cash equivalents and derivative financial instruments.

The Group's exposure to credit risk with regards to trade and other receivables is influenced mainly by the individual characteristics of each customer and there is no significant concentration of risk related to industry segments. The granting of credit is controlled by well-established criteria that are reviewed on a regular basis. The terms granted to trade debtors are determined by the respective credit policies of each operating subsidiary. The maximum exposure to credit risk at the reporting date is the carrying amount of each trade receivable (refer to note 10) and amounts guaranteed as disclosed in this note.

In the current year 84.8% (2024: 77.6%) of the Group's trade and other receivables from continuing operations, which have not been specifically impaired, have been covered by credit insurance. The continuing operations trade debtors are covered by Credeq Africa on all debtors balances in excess of R50 000 which covered 95.6% of their debtors in the current financial year (2024: 96.8%). A portion of the trade debtors represent large retail customers assessed as being a low risk of default. The Beverages, Pies and Speciality operating unit's trade debtors are managed by Vector Logistics but are subject to the cover that RCL FOODS has in place. Credit insurance premiums are paid on a monthly basis based on net invoiced sales. The credit policy requires each new customer to be analysed individually for creditworthiness before delivery and payment terms are offered. The Group's review includes external ratings where available and in some cases bank references. Limits are established for each customer which represents the maximum trading amount without requiring further approval. These limits are reviewed on an ongoing basis. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group on a cash basis. Customers that default on payments are closely monitored and put on "stop supply" if required.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 28. FINANCIAL RISK MANAGEMENT CONTINUED

The Group establishes a credit loss allowance for expected credit losses in respect of trade receivables by measuring the credit loss allowance based on expected lifetime losses. The Group first establishes whether any specific customers may be impaired and raises a credit allowance in respect thereof. Further to this, as a practical expedient, the Group applies a provision matrix to the remaining debtors by assessing historical credit losses per aged bucket of debtors. In addition, a risk-of-default factor was added to each aged bucket based on management's expectation of credit losses. The majority of debtors not past due relate to credit extended to large South African retailers and wholesalers, considered to be of a high credit grade. Based on historical default rates, the Group believes that a nominal credit loss allowance is appropriate in respect of debtors not past due.

For the individually material top five debtors (excluding agents) who comprise 42.9% of the total book, ECL rates ranged from 0.17% to 0.43% and credit ratings for these debtors included Ba1, Ba2 and Baa3 which indicates moderate credit risk.

The changes in the expected credit losses for trade receivables/loans receivable was largely driven by a higher debtors balance as a result of financial year-end cut-off. Financial year-end cut-off in 2025 fell on Sunday, 29 June 2025 which occurred prior to the month-end debtors collection run. Cut-off for the 2024 financial year fell on Sunday, 30 June 2024 and included certain debtors receipts being collected over the weekend. Refer to note 10 for further details on the changes that occurred in trade receivables during the year.

The Group considers a financial asset in default when contractual payments and claims are not settled in terms of the trade agreements applicable. However, in certain cases, the Group may also consider a financial asset in default when internal (current profitability and forward-looking information) and external (current and future state of industry and macroeconomic factors) information indicates that the Group is unlikely to receive the outstanding contractual amounts in full. This information is also considered when loans are individually assessed for write-offs when there is no reasonable expectation of recovering the contractual cash flows or if recovery procedures have proven unsuccessful and further action is either not cost effective nor highly likely to succeed.

The majority of the Group's loans receivable are with related parties (joint ventures or associates of the Group). The Group has access to the financial information of these entities in order to assess their financial position and credit worthiness and is used as part of the basis for calculating the expected credit loss. The credit risk is considered to be limited due to the immaterial balance. Refer to note 6 for further detail.

Due to the short-term nature of these assets and based on historical experience, cash and cash equivalents are regarded as having a low probability of default and therefore the related expected credit loss is deemed not significant. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. Macroeconomic factors have been considered in assessing the credit risk of the Group's cash and cash equivalents, however the impact of changes in economic conditions is not expected to be material on the expected credit loss.

The table below shows the cash and cash equivalents allocated in terms of bank rating. These ratings are based on Moody's bank ratings.

	2025 R'000	2024 R'000
Rating P-3 <sup>1</sup>	1 639 923	1 093 170
Cash on hand	387	327
<b>Total</b>	<b>1 640 310</b>	<b>1 093 497</b>

<sup>1</sup> Credit ratings for financial institutions have been obtained from Moody's. Issuers, or supporting institutions, rated Prime-3 have an acceptable ability to repay short-term obligations.

Derivative instruments are limited to transactions with financial institutions with an acceptable credit rating.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 28. FINANCIAL RISK MANAGEMENT CONTINUED

#### Liquidity risk

The Group actively monitors its cash flows to ensure there is sufficient cash available to meet its working capital requirements. Its unutilised borrowing capacity is R2 350,0 million (2024: R3 425,0 million). The Group refinanced the term-funded debt package in December 2024 and working capital balances, which are expected to be realised within the next twelve months, are actively managed and monitored in order to ensure recoverability. Due to the dynamic nature of the underlying businesses, the Group maintains flexibility in funding through draw-down availability under committed and uncommitted credit lines. Management monitors rolling forecasts of the Group's cash and cash equivalents requirements on the basis of expected cash flow. Forecasts are prepared for both shorter term periods in order to ensure that sufficient funds are available for day-to-day operational requirements of the entity and longer term periods to further assess liquidity risk and cash availability related to growth strategies and capital projects.

In order to achieve this overall objective, the Group's capital management, among other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would constitute an event of default and permit the bank to immediately call loans and borrowings upon demand. While there have been breaches of the financial covenants of interest-bearing loans and borrowing in the current period by certain RCL FOODS Sugar and Milling farming subsidiaries, given the values of the loans subject to the breach, the liquidity of the Group is not expected to be compromised. Please refer to note 16 for further details.

The Group's current trade and other payables are all due within one year and the impact of discounting them is not significant. The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

	Carrying value R'000	Less than one year R'000	One to two years R'000	Two to three years R'000	Greater than three years R'000	Total R'000
<b>2025</b>						
Interest-bearing liabilities – non-current	1 543 371	96 036	171 556	144 144	1 717 182	2 128 918
Interest-bearing liabilities – current	32 700	37 020				37 020
Lease liabilities – non-current	399 551		144 740	142 330	205 181	492 251
Lease liabilities – current	116 599	161 159				161 159
Trade and other payables	4 151 428	4 151 428				4 151 428
Derivative financial liabilities	270	270				270
<b>Total</b>	<b>6 243 920</b>	<b>4 445 914</b>	<b>316 296</b>	<b>286 473</b>	<b>1 922 364</b>	<b>6 971 046</b>
<b>2024</b>						
Interest-bearing liabilities – current	1 711 749	1 789 560				1 789 560
Lease liabilities – non-current	391 313		121 610	105 640	253 318	480 568
Lease liabilities – current	93 264	135 626				135 626
Trade and other payables	3 597 026	3 597 026				3 597 026
Derivative financial liabilities	2 245	2 245				2 245
<b>Total</b>	<b>5 795 597</b>	<b>5 524 457</b>	<b>121 610</b>	<b>105 640</b>	<b>253 318</b>	<b>6 005 025</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 28. FINANCIAL RISK MANAGEMENT CONTINUED

#### Market risk

##### Interest rate risk

The Group is exposed to interest rate risk on its cash and cash equivalents, loans receivable and interest-bearing liabilities, which can have an impact on the cash flows stemming from these instruments. The exposure to interest rate risk is managed through the Group's Board as well as the respective subsidiary companies by using counterparties that offer the best rates which enables the Group to maximise returns whilst minimising risk. The effective interest rate for the year was 9.4% (2024: 10.0%).

The impact of a 3.0% increase in interest rates on the total Group borrowing facilities will result in additional finance costs of R62,8 million (2024: R65,9 million). The impact of a 3.0% increase in interest rates on positive cash balances will result in additional finance income of R49,6 million (2024: R32,8 million). The net impact as such will result in additional finance costs of R13,2 million for the forthcoming financial year (2024: R33,1 million) and a decrease in profit after tax of R9,6 million (2024: R24,2 million). The sensitivity has been performed on material balances subject to interest rate risk. The profit/(loss) impacts calculated above agree to the net impact on equity.

In the current year the Group entered into an interest rate collar option with Investec Bank Limited. The interest rate sensitivity calculated above incorporates the benefit derived from the interest rate hedge applied to a notional value of R500,0 million on the term-funded debt package with an absolute strike rate of 8.5%. The hedge will be effective for two years, from 1 December 2025 to 1 December 2027 in order to minimise exposure to interest rate risk. The amounts below represent the fair value of the derivative instruments which represent the maximum exposure to credit risk at June 2025.

	2025 R'000	2024 R'000
Interest rate collar option <sup>a</sup>	462	

<sup>a</sup> The fair value of the interest rate collar option is determined using the appropriate option pricing model that takes into account the volatility of the underlying instrument.

##### Foreign currency risk

In the normal course of business the Group enters into transactions denominated in foreign currencies. Trade and other payables include net payables of R0,8 million (2024: R1,8 million), trade and other receivables include net receivables of R17,1 million (2024: R25,4 million) in respect of sales and purchases in foreign currencies and cash and cash equivalents include cash balances of R2,9 million (2024: R21,7 million) relating to cash denominated in foreign currency. The currencies predominantly traded in by the Group are USD, GBP and EUR. As a result, the Group is subject to exposure from fluctuations in foreign currency exchange rates. The Group utilises forward exchange contracts, currency futures and options to minimise foreign currency exchange risk in terms of its risk management policy. All forward exchange contracts, futures and currency options are supported by underlying transactions.

Forward exchange contracts, currency futures and options that do not constitute designated hedges of currency risk at the end of the year are summarised as follows:

	Average rate R	Foreign contract amount '000	Fair value of FECs R'000
<b>June 2025</b>			
USD FECs – assets*	18.90	13 100	12 126
USD FECs – liabilities	18.07	(5 150)	(270)
USD currency options – assets*		4 100	
USD currency options – liabilities*		(8 100)	
<b>June 2024</b>			
USD FECs – liabilities	18.55	(16 900)	(2 245)
USD Futures – assets*	19.24	2 650	9 119
USD currency options – assets*		7 100	
USD currency options – liabilities*		(12 100)	

\* Certain of these contracts and options have a zero fair value at year-end as they are settled daily on Yield-X.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 28. FINANCIAL RISK MANAGEMENT CONTINUED

#### Foreign currency risk continued

Refer to the following table for sensitivity of future (post-tax) income statement impacts arising on the maturity of forward exchange contracts, currency futures, trade payables, trade receivables and cash and cash equivalents. The profit/(loss) impacts calculated below agree to the net impact on equity.

Profit/(loss) as a result of a movement of the USD and EUR at June assuming the spot price remains constant thereafter until the maturity of the contracts and balances:

	2025 R'000	2024 R'000
<b>Forward exchange contracts, currency futures and options</b>		
10% increase in the value of the USD against the Rand	(29 462)	(41 647)
10% decrease in the value of the USD against the Rand	29 572	40 255
<b>Trade receivables</b>		
10% increase in the value of the USD against the Rand	1 708	2 538
10% decrease in the value of the USD against the Rand	(1 707)	(2 538)
<b>Cash and cash equivalents</b>		
10% increase in the value of the USD against the Rand	285	2 147
10% decrease in the value of the USD against the Rand	(285)	(2 147)
<b>Trade payables</b>		
10% increase in the value of the USD against the Rand	(33)	(10)
10% decrease in the value of the USD against the Rand	33	10

#### Commodity price and procurement risk

Commodity price risk arises from the risk of an adverse effect on current or future earnings from fluctuations in the prices of commodities. To stabilise prices for the Group's substantial commodity requirements, derivative instruments including forward contracts, commodity options and futures contracts are used to hedge its exposure to commodity price risk.

The overriding directive is to minimise commodity price volatility in order to meet forecast requirements, ideally at the lowest cost for both internal and for external sales. Call and put options are utilised within this framework to manage commodity requirements and supply. The use of written options is restricted to the purposes of fixing forward requirements.

The overall procurement strategy and net positions are reported monthly to the oversight committees and quarterly to the executive leadership team. The oversight committees are responsible for approving mandates for the procurement teams. The daily trading activities by the procurement teams are restricted to the approvals obtained, which sets price and volume parameters for trades.

#### Wheat, sunflower and maize\*

Refer to the table below for sensitivity of future (post-tax) income statement impact arising on the maturity of wheat, sunflower and maize derivative contracts.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 28. FINANCIAL RISK MANAGEMENT CONTINUED

#### Commodity price and procurement risk continued

##### Diesel

The diesel hedge consisted of call and put gasoil options with lender banks.

This analysis represents the impact on profit/(loss) and equity as a result of a parallel shift in the forward curve (up and down) on the value of the hedged positions of the underlying commodities at June.

	2025 R'000
Sunflower seeds – 20% increase	85 400
Sunflower seeds – 20% decrease	(85 400)
Maize – 20% increase	1 933
Maize – 20% decrease	(1 933)
Wheat – 15% increase	30 270
Wheat – 15% decrease	(30 270)
Diesel – 20% increase	2 407
Diesel – 20% decrease	(2 407)
	2024 R'000
Sunflower seeds – 25% increase	40 207
Sunflower seeds – 25% decrease	(40 207)
Maize – 20% increase	19 918
Maize – 20% decrease	(19 918)
Wheat – 15% increase	21 476
Wheat – 15% decrease	(21 476)

\* Certain of these contracts and options have a zero fair value at year-end as they are settled daily on SAFEX.

#### Capital risk management

The Board's policy is to maintain a strong capital base so as to maintain shareholder, creditor and market confidence and to sustain the future development needs of the business. The Board monitors both the spread of shareholders return on equity (which is defined as profit for the year expressed as a percentage of average total equity) and the level of dividends paid to shareholders.

The Group monitors capital on the basis of the carrying amount of equity plus its interest-bearing facilities, less cash and cash equivalents as presented in the consolidated statement of financial position. Management assesses the Group's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. Refer to liquidity management and note 16 on page 76 for details of borrowing facilities and external imposed capital requirements and breaches, if any.

The Group's target is to achieve a return on invested capital (ROIC) in excess of its weighted average cost of capital (WACC). In 2025, ROIC for continuing operations was 14.5% (2024: 12.2%) and exceeded the Group's current year WACC.

The Group has established a supplier finance arrangement to help further manage its working capital. Refer to note 18.

There were no changes to the Group's approach to capital management during the year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 28. FINANCIAL RISK MANAGEMENT CONTINUED

#### Fair value estimation

IFRS 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's assets and liabilities that are measured at fair value at June.

	Level 2 R'000	Level 3 R'000	Total R'000
<b>June 2025</b>			
<b>Assets</b>			
Investment in financial asset (refer note 7)		114 196	114 196
Sugarcane plants (refer note 9)		414 339	414 339
Derivatives	14 373		14 373
<b>Total assets</b>	<b>14 373</b>	<b>528 535</b>	<b>542 908</b>
<b>Liabilities</b>			
Derivatives	270		270
<b>Total liabilities</b>	<b>270</b>		<b>270</b>
<b>June 2024</b>			
<b>Assets</b>			
Investment in financial asset (refer note 7)		114 196	114 196
Sugarcane plants (refer note 9)		389 881	389 881
Derivatives	9 119		9 119
<b>Total assets</b>	<b>9 119</b>	<b>504 077</b>	<b>513 196</b>
<b>Liabilities</b>			
Derivatives	2 245		2 245
<b>Total liabilities</b>	<b>2 245</b>		<b>2 245</b>

The fair value of trading derivatives is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. Specific valuation techniques used to value the derivatives include:

- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the statement of financial position date with the resulting value discounted back to present value.
- The fair value of options are determined using appropriate option pricing models which take into account the volatility of the underlying instrument.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

or the year ended June 2025

### 28. FINANCIAL RISK MANAGEMENT CONTINUED

#### Fair value estimation continued

The following valuation techniques and significant inputs were used to measure the level 3 inputs.

Description	Fair value at June 2025	Valuation technique	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Sugarcane plants	414 339	Recoverable value	Recoverable value price per ton of sucrose	R7 269 per ton	The higher the recoverable value of sucrose, the higher the value of sugar standing cane.
			Harvesting, transport and other costs to sell	R1 382–R1 598 per ton	The higher the recoverable value of harvesting, transport and other costs to sell per ton, the lower the value of sugar standing cane.
Investment in financial asset	114 196	RCL FOODS holds a 1.58% shareholding in The Livekindly Company, Inc. As a result of the minority shareholding, access to financial information is limited. The fair value of the investment at June 2025 has been based on the Rand cost of the investment. The investment balance is R114,2 million (2024: R114,2 million).			

#### Sensitivity analysis

A sensitivity analysis is shown for the significant unobservable inputs below:

Input	Sensitivity
Recoverable value price per ton – sugarcane plants	A change of 5.0% in recoverable value would result in a R26,9 million in fair value (2024: R12,9 million).
Harvesting, transport and other costs to sell per ton – sugarcane plants	A change of 5.0% in harvesting, transport and other costs would result in a R3,1 million (2024: R2,9 million) change in fair value.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

or the year ended June 2025

### 28. FINANCIAL RISK MANAGEMENT CONTINUED

#### Fair value estimation continued

Description	Fair value at June 2024	Valuation technique	Unobservable inputs	Range of unobservable inputs*	Relationship of unobservable input to fair value
Sugarcane plants	389 881	Recoverable value	Recoverable value price per ton of sucrose	R6 932 per ton	The higher the recoverable value of sucrose, the higher the value of sugar standing cane.
			Harvesting, transport and other costs to sell	R1 393–R1 677 per ton	The higher the recoverable value of harvesting, transport and other costs to sell per ton, the lower the value of sugar standing cane.
Investment in financial asset	114 196	RCL FOODS holds a 1.58% shareholding in The Livekindly Company, Inc. 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. The investment decreased by R35,7 million to R114,2 million (2023: R149,9 million) due to the write downs processed at year-end.			

#### Sensitivity analysis

A sensitivity analysis is shown for the significant unobservable inputs below:

Input	Sensitivity
Recoverable value price per ton – sugarcane plants	A change of 5.0% in recoverable value would result in a R12,9 million change in fair value (2023: R20,8 million).
Harvesting, transport and other costs to sell per ton – sugarcane plants	A change of 5.0% in harvesting, transport and other costs would result in a R2,9 million (2023: R5,07 million) change in fair value.

\* Disclosure in respect of unobservable inputs have been enhanced in the current year with prior year restated for comparative purposes.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 29. FINANCIAL INSTRUMENTS BY CATEGORY

The accounting policies for financial instruments have been applied to the line items below:

	Amortised cost R'000	Assets at fair value through profit or loss R'000	Total R'000
<b>Assets per the statement of financial position</b>			
<b>June 2025</b>			
Investment in financial asset		114 196	114 196
Trade and other receivables	3 339 410		3 339 410
Loans receivable	16 429		16 429
Derivative financial instruments		14 373	14 373
Cash and cash equivalents	1 640 310		1 640 310
<b>At the end of the year</b>	<b>4 996 149</b>	<b>128 569</b>	<b>5 124 718</b>
<b>June 2024</b>			
Investment in financial asset		114 196	114 196
Trade and other receivables	2 772 729		2 772 729
Loans receivable	14 435		14 435
Derivative financial instruments		9 119	9 119
Cash and cash equivalents	1 093 497		1 093 497
<b>At the end of the year</b>	<b>3 880 661</b>	<b>123 315</b>	<b>4 003 976</b>

The carrying amount of these financial instruments approximate their fair values.

	Amortised cost R'000	Liabilities at fair value through profit or loss R'000	Total R'000
<b>Liabilities per the statement of financial position</b>			
<b>June 2025</b>			
Interest-bearing liabilities – non-current	1 543 371		1 543 371
Interest-bearing liabilities – current	32 700		32 700
Lease liabilities – non-current	399 551		399 551
Lease liabilities – current	116 599		116 599
Derivative financial instruments		270	270
Trade and other payables	4 151 428		4 151 428
<b>At the end of the year</b>	<b>6 243 649</b>	<b>270</b>	<b>6 243 918</b>
<b>June 2024</b>			
Interest-bearing liabilities – non-current	1 711 748		1 711 748
Lease liabilities – non-current	391 313		391 313
Lease liabilities – current	93 264		93 264
Derivative financial instruments		2 245	2 245
Trade and other payables	3 597 026		3 597 026
<b>At the end of the year</b>	<b>5 793 351</b>	<b>2 245</b>	<b>5 795 595</b>

The carrying amount of these financial instruments approximate their fair values.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 30. 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 transactions and balances below consist of both continuing and discontinued operations in the prior year.

The ultimate controlling party of the Group is Remgro Limited.

#### Group

As detailed in note 1 to the Company Financial Statements, the Company has concluded certain lending transactions with these related parties. In addition the following transactions were concluded:

	2025 R'000	2024 R'000
<b>Transactions and balances with ultimate holding company</b>		
Interest paid	1 624	16 160
Administration and other fees paid	23 621	29 222
Other expenses paid	874	1 785
Amounts owing to the holding company included in trade and other payables	4 064	6 230
<b>Transactions and balances with subsidiaries of the holding company</b>		
Sales	479 218	245 754
Purchases	37 757	12 014
Amounts owing by subsidiaries of the holding company included in trade and other receivables	96 195	21 562
Amounts owing to subsidiaries of the holding company included in trade and other payables	6 316	1 735
<b>Transactions and balances with associates of the holding company</b>		
Purchases	25 858	29 713
Sales	742	68 203
Amounts owing to associates of the holding company included in trade and other payables	3 041	3 336
Amounts owing by associates of the holding company included in trade and other receivables	1	1 526
<b>Transactions and balances with associates and joint ventures within the Group and their subsidiaries*</b>		
Interest paid	593	21 477
Interest received		3 396
Management fees received	21 781	18 434
Service fees paid	34 109	38 330
Dividends received	89 952	81 342
Sales	5 255	5 012
Purchases	1 448 423	1 380 635
Proceeds on disposal of TSGro Farming Service Proprietary Limited to Akwandze Agricultural Finance Proprietary Limited**		—
Profit on disposal on TSGro Farming Service Proprietary Limited		25 272
Amounts owing by associates and joint ventures within the Group included in trade and other receivables	9 673	9 191
Amounts owing to associates and joint ventures within the Group included in current interest-bearing liabilities	1 612	12 958
Amounts owing to associates and joint ventures within the Group included in trade and other payables	157 966	152 072
Amounts owing from associates and joint ventures within the Group included in loans receivable	4 429	2 435

\* TSGro Farming Service Proprietary Limited which was disposed of to Akwandze Agricultural Finance Proprietary Limited in the prior year, now included as a subsidiary of joint ventures within the Group.

\*\* Proceeds on disposal of TSGro Farming Service Proprietary Limited to Akwandze Agricultural Finance Proprietary Limited was R1,0 in the prior year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 30. RELATED PARTY TRANSACTIONS CONTINUED

	2025 R'000	2024 R'000
<b>Key management of RCL FOODS Limited<sup>a</sup></b>		
In terms of IAS24 "Related Party Disclosures", key management are considered to be related parties. Executive management and the senior leadership team are classified as key management.		
The following expenses related to transactions carried out with key management individuals within the Group:		
– short-term employee benefits	567 311	612 031
– post-employment benefits	36 917	46 693
– other long-term employee benefits	155 482	115 262
– termination benefits	5 137	10 403
– share-based payments settled	45 820	2 044
– share-based payments expense	32 348	72 645
<b>Total</b>	<b>843 015</b>	<b>859 078</b>

<sup>a</sup> The prior year includes key management of Rainbow for the full year and Vector Logistics for 2 months up until date of disposal.

### 31. DIRECTORS EMOLUMENTS

	Basic Salary R'000	Pension contribution R'000	Bonus <sup>1</sup> R'000	Other benefits <sup>2</sup> R'000	Total R'000
<b>2025</b>					
PD Cruickshank	8 280	675	10 500	250	19 705
RH Field	5 793	625	5 170	278	11 865
<b>Total</b>	<b>14 073</b>	<b>1 300</b>	<b>15 670</b>	<b>528</b>	<b>31 570</b>
<b>2024</b>					
PD Cruickshank	7 833	639	9 620	241	18 333
RH Field	5 513	594	4 350	260	10 717
<b>Total</b>	<b>13 346</b>	<b>1 233</b>	<b>13 970</b>	<b>501</b>	<b>29 050</b>

<sup>1</sup> Bonus payments made in 2025 relate to the 2024 financial year. An amount of R13,1 million has been accrued for the 2025 financial year (2024: R14,5 million).

<sup>2</sup> Other benefits include company contributions to disability insurance, medical aid and UIF.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 31. DIRECTORS EMOLUMENTS CONTINUED

	2025 R'000	2024 R'000
<b>Non-executives (for services as a director)</b>		
<b>Present directors</b>		
HJ Carse <sup>1</sup> (Resigned September 2024)	76	450
JJ Durand <sup>1</sup> (Resigned September 2024)	99	588
PR Louw <sup>1</sup> (Resigned September 2024)	76	450
NP Mageza (Retired September 2024)	145	860
PM Moumakwa	871	684
DTV Msibi	716	371
GM Steyn	1 262	915
GCJ Tielenius Kruythoff	414	215
GC Zondi <sup>2</sup>	1 196	1 019
G Dingaan	1 153	1 060
RM Rushton (Appointed September 2024)	524	
L Zingitwa <sup>1</sup> (Appointed September 2024)	401	
CPF Vosloo <sup>1</sup> (Appointed September 2024)	524	
<b>Total</b>	<b>7 458</b>	<b>6 612</b>

<sup>1</sup> Paid to Remgro Management Services Limited.

<sup>2</sup> Paid to Imbewu Capital Partners Management Services Proprietary Limited.

#### Long-term incentives (LTI) payable

The RCL FOODS Value Creation Plan (VCP) aims to incentivise eligible participants to drive particular financial measures linked to value creation to encourage a long-term focus on sustainable growth and to attract and retain suitably skilled and competent personnel. VCP allocations are made on an annual basis or when retention/attraction risks apply to Executive Directors and selected employees.

A vesting period of 3 years applies. Upon lapsing of the 3-year period, and where a participant has remained employed for the duration of the vesting period, and the extent to which performance conditions have been made, cliff vesting of the award will occur and the participant will be entitled to settlement to the value of the vested award. The VCP has a vesting cap of 200% of total cost to company for Executives and prescribed officers.

Expected settlements on VCP allocations to Executive Directors are as follows:

	2025			2024	
	Expected settlement on unvested awards <sup>1</sup> R'000	Expected settlement on vested awards <sup>2</sup> R'000	Amounts paid in the current financial year R'000	Expected settlement on unvested awards <sup>3</sup> R'000	Amounts paid in the current financial year R'000
PD Cruickshank	24 314	6 015		5 567	
RH Field	18 621	5 621		4 867	
<b>Expected payment on condition performance targets are achieved</b>	<b>42 935</b>	<b>11 636</b>		<b>10 434</b>	
<b>Liability included in trade and other payables</b>	<b>20 796</b>	<b>11 636</b>		<b>5 293</b>	

<sup>1</sup> Expected future payments on vesting of open scheme as at 29 June 2025, one third of the 2025 awards and two thirds of the 2024 awards have been accrued for in the 2025 financial year.

<sup>2</sup> Expected future payments on vested portion of scheme as at 30 June 2025, which relates to 2023 awards.

<sup>3</sup> Expected future payments on vesting of open scheme as at 30 June 2024, one third of the 2024 awards and two thirds of the 2023 awards have been accrued for in the 2024 financial year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

or the year ended June 2025

### 31. DIRECTORS EMOLUMENTS CONTINUED

#### Interests of Directors of the Company in share appreciation rights awarded in terms of the RCL FOODS Share Appreciation Rights Scheme

Share appreciation rights awarded to Executive Directors and unexpired or unexercised as at June 2025 are as follows:

Participant	Award price at grant date Rand	Adjusted award price post unbundling** Rand	Rights at June 2024	Rights adjustment during the year**	Rights exercised during the year	Exercise price of shares Rand	Rights forfeited during the year	Rights at June 2025	Fair value of rights awarded <sup>1</sup> R'000	Rights exercisable at June 2025
<b>PD Cruickshank</b>	15.36	10.77	366 020	(292 040)			(73 980)			
	16.97	11.90	323 507	(144 992)				178 515	1 417	178 515
	9.93	6.96	2 068 897	(248 224)	(1 351 644)	9.58, 9.63 <sup>3</sup>		469 029	1 263	469 029
	8.55	5.99	714 010	(25 058)				688 952	1 564	454 708
	12.65	8.87	2 510 776	(215 430)				2 295 346	11 524	757 464
Sub-total			5 983 210	(925 744)	(1 351 644)		(73 980)	3 631 842	15 768	1 859 716
<b>RH Field</b>	15.36	10.77	669 653	(534 303)			(135 350)			
	16.97	11.90	620 061	(277 904)				342 157	2 716	342 157
	9.93	6.96	1 217 339	(146 055)	(1 071 284)	9.64				
	8.55	5.99	1 188 869	(41 723)	(757 116)	9.64		390 030	885	
	12.65	8.87	1 095 283	(93 978)	(330 431)	9.64		670 874	3 368	
Sub-total			4 791 205	(1 093 963)	(2 158 831)		(135 350)	1 403 061	6 969	342 157
<b>Total</b>			10 774 415	(2 019 707)	(3 510 475)		(209 330)	5 034 903	22 737	2 201 873

<sup>1</sup> Fair value of rights awarded represents the total fair value of rights outstanding at the end of the year. This cost is expensed over the right's vesting period.

\*\* Refer to note 12 for further details related to the adjustment to the number of RCL FOODS share appreciation rights necessitated by the unbundling of Rainbow.

<sup>3</sup> Includes the issue of 1 201 644 rights at an exercise price of R9.58 on 2 September 2024 and 150 000 rights at an exercise price of R9.63 on 28 March 2025.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

or the year ended June 2025

### 31. DIRECTORS EMOLUMENTS CONTINUED

#### Interests of Directors of the Company in share appreciation rights awarded in terms of the RCL FOODS Share Appreciation Rights Scheme continued

Share appreciation rights awarded to Executive Directors and unexpired or unexercised as at June 2024 are as follows:

Participant	Award price post rights issue Rand	Rights at June 2023	Rights forfeited during the year	Rights at June 2024	Fair value of rights awarded <sup>1</sup> R'000	Rights exercisable at June 2024
<b>PD Cruickshank</b>	14.05	704 282	(704 282)			
	15.36	366 020		366 020	1 245	366 020
	16.97	323 507		323 507	1 417	323 507
	9.93	2 068 897		2 068 897	4 903	1 365 472
	8.55	714 010		714 010	1 564	235 623
	12.65	2 510 776		2 510 776	11 524	
Sub-total		6 687 492	(704 282)	5 983 210	20 653	2 290 622
<b>RH Field</b>	14.05	1 087 325	(1 087 325)			
	15.36	669 653		669 653	2 277	669 653
	16.97	620 061		620 061	2 716	620 061
	9.93	1 217 339		1 217 339	2 885	803 443
	8.55	1 188 869		1 188 869	2 604	392 326
	12.65	1 095 283		1 095 283	5 027	
Sub-total		5 878 530	(1 087 325)	4 791 205	15 509	2 485 483
Total		12 566 022	(1 791 607)	10 774 415	36 162	4 776 105

<sup>1</sup> Fair value of rights awarded represents the total fair value of rights outstanding at the end of the year. This cost is expensed over the right's vesting period.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 31. DIRECTORS EMOLUMENTS CONTINUED

#### Interests of Directors of the Company in stated capital

The aggregate beneficial holdings as at June of those Directors of the Company holding issued ordinary shares are detailed below:

	2025		2024	
	Direct beneficial	Indirect beneficial	Direct beneficial	Indirect beneficial
<b>Executive Directors</b>				
PD Cruickshank	1 194 034		447 811	
RH Field	2 285 915		1 675 030	
<b>Non-Executive Directors</b>				
NP Mageza <sup>1</sup>				386
<b>Total</b>	<b>3 479 949</b>		2 122 841	386

There has been no change in the interests of the Directors in the stated capital of the Company since the end of the financial year to the date of this report.

<sup>1</sup> Retired September 2024.

#### Directors emoluments paid by Remgro Limited

	Fees R'000	Salaries R'000	Retirement fund R'000	Other benefits* R'000	Total R'000
<b>June 2025</b>					
<b>Executive</b>					
HJ Carse <sup>2</sup>		450	49	937	1 436
JJ Durand <sup>2</sup>		2 258	488	110	2 856
PR Louw <sup>2</sup>		555	120	91	766
CPF Vosloo		5 952	749	578	7 279
L Zingitwa <sup>3</sup>		2 745	536	474	3 755
<b>Total</b>		<b>11 960</b>	<b>1 942</b>	<b>2 190</b>	<b>16 092</b>
<b>June 2024</b>					
<b>Executive</b>					
HJ Carse		2 824	560	397	3 781
JJ Durand	445	13 622	2 790	463	17 320
PR Louw		3 429	680	482	4 591
CPF Vosloo <sup>4</sup>		2 753	347	282	3 382
Sub-total	445	22 628	4 377	1 624	29 074
<b>Independent non-executive</b>					
NP Mageza	720				720
Sub-total	720				720
<b>Total</b>	1 165	22 628	4 377	1 624	29 794

<sup>2</sup> Resigned September 2024.

<sup>3</sup> Appointed September 2024.

<sup>4</sup> Appointed November 2023.

\* Other benefits include medical aid contributions and vehicle benefits.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 31. DIRECTORS EMOLUMENTS CONTINUED

#### Variable pay – long-term incentive plans

Remgro Equity-Settled Share Appreciation Rights Scheme (SARs) – 2025

Participant	Balance of SARs accepted as at June 2024	SARs accepted during the period	Offer date	Offer price Rand	Number of SARs (exercised)/ (forfeited)	Share price on exercise/ forfeiture date	SARs transferred during the year*	Date exercising/ forfeiting SARs	Balance of SARs accepted as at June 2025
<b>Executive</b>									
HJ Carse <sup>1</sup>	16 972			114.92			(16 972)		
	5 915			107.67			(5 915)		
	14 494			89.21	(503)	139.99	(13 991)	2024/07/31	
	14 502			89.69	(1 872)	139.99	(12 630)	2024/07/31	
	11 172			121.63	(3 634)	139.99	(7 538)	2024/07/31	
	15 000			141.64	(8 797)	139.99	(6 203)	2024/07/31	
	7 780			145.17	(6 593)	139.99	(1 187)	2024/07/31	
JJ Durand <sup>1</sup>	111 436			89.21	(111 436)				
	171 883			89.69	(171 883)				
	181 379			121.63	(181 379)				
	172 168			141.64	(172 168)				
	89 264			145.17	(89 264)				
PR Louw <sup>1</sup>	10 988			89.21	(10 988)				
	22 604			89.69	(22 604)				
	35 796			121.63	(35 796)				
	37 780			141.64	(37 780)				
	19 602			145.17	(19 602)				
CPF Vosloo	22 350			145.17					22 350
L Zingitwa <sup>2</sup>	30 638			89.69	(20 426)	160.34		2025/05/19	10 212
	32 336			121.63	(13 146)	160.34		2025/05/19	19 190
	34 116			141.64					34 116
	17 696			145.17					17 696
<b>Total</b>	<b>1 075 871</b>				<b>(907 871)</b>		<b>(64 436)</b>		<b>103 564</b>

<sup>1</sup> Resigned September 2024.

<sup>2</sup> Appointed September 2024.

\* Relates to Directors who resigned from the Board of RCL FOODS during the current year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

or the year ended June 2025

### 31. DIRECTORS EMOLUMENTS CONTINUED

#### Variable pay – long-term incentive plans continued

#### Remgro Equity-Settled Share Appreciation Right Scheme (SARs) – 2024

Participant	Balance of SARs accepted as at June 2023	SARs accepted during the period	Offer date	Offer price Rand	Number of SARs (exercised)/ (forfeited)	Date exercising/ forfeiting SARs	Balance of SARs accepted as at June 2024
<b>Executive</b>							
HJ Carse	7 546			90.97	(7 546)	2023/11/27	
	11 767			123.80	(11 767)	2023/11/27	
	17 775			160.29	(17 775)	2023/11/26	
	8 273			166.08	(8 273)	2023/11/24	
	9 988			122.38	(9 988)	2023/11/27	
	16 972			114.92			16 972
	5 915			107.67			5 915
	14 494			89.21			14 494
	14 502			89.69			14 502
	11 172			121.63			11 172
	15 000			141.64			15 000
		7 780	2023/12/05	145.17			7 780
JJ Durand	271 258			90.97	(271 258)	2023/11/16	
	108 468			160.29	(108 468)	2023/11/26	
	192 676			166.08	(192 676)	2023/11/24	
	132 309			114.92	(132 309)	2023/11/16	
	167 155			89.21	(55 719)	2023/11/16	111 436
	235 454			89.69	(63 571)	2023/12/05	171 883
	181 379			121.63			181 379
	172 168			141.64			172 168
		89 264	2023/12/05	145.17			89 264
PR Louw	5 952			160.29	(5 952)	2023/11/26	
	9 497			166.08	(9 497)	2023/11/24	
	20 301			114.92	(20 301)	2023/12/01	
	32 964			89.21	(21 976)	2023/12/05	10 988
	46 448			89.69	(23 844)	2023/12/05	22 604
	35 796			126.99			35 796
	37 780			141.64			37 780
		19 602	2023/12/05	145.17			19 602
CPF Vosloo		22 350	2023/12/05	145.17			22 350
Total	1 783 009	138 996			(960 920)		961 085

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

or the year ended June 2025

### 31. DIRECTORS EMOLUMENTS CONTINUED

Variable pay – long-term incentive plans continued

Remgro Equity-Settled Conditional Share Plan (CSPs) – 2025

Participant	Balance of CSPs accepted as at June 2024	CSPs accepted during the period	Offer date	Offer price Rand	Additional CSPs from dividends	Number of CSPs (vested)/ (forfeited)	SARs transferred during the year*	Date CSPs vested/ forfeited	Balance of CSPs accepted as at June 2025
<b>Executive</b>									
HJ Carse <sup>1</sup>	3 507			93.82			(3 507)		
	7 214			93.82			(7 214)		
	11 417			126.99			(11 417)		
	15 000			141.64			(15 000)		
	23 340			145.17			(23 340)		
JJ Durand <sup>1</sup>	56 938			93.82			(56 938)		
	117 098			93.82			(117 098)		
	185 352			126.99			(185 352)		
	172 168			141.64			(172 168)		
	267 790			145.17			(267 790)		
PR Louw <sup>1</sup>	11 229			93.82			(11 229)		
	23 100			93.82			(23 100)		
	36 580			126.99			(36 580)		
	37 780			141.64			(37 780)		
	58 806			145.17			(58 806)		
CPF Vosloo	67 048			145.17					67 048
		140 641		153.69					140 641
L Zingitwa <sup>2</sup>	20 872			93.82	575	(11 011)		2024/05/12	10 436
	33 045			126.99	469	(13 902)		2024/05/12	19 612
	34 116			141.64					34 116
	53 088			145.17					53 088
		70 724	2024/05/12	153.69					70 724
<b>Total</b>	<b>1 235 488</b>	<b>211 365</b>			<b>1 044</b>	<b>(24 913)</b>	<b>(1 027 319)</b>		<b>395 665</b>

<sup>1</sup> Resigned September 2024.

<sup>2</sup> Appointed September 2024.

\* Relates to directors who resigned from the Board of RCL FOODS during the current year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

or the year ended June 2025

### 31. DIRECTORS EMOLUMENTS CONTINUED

#### Variable pay – long-term incentive plans continued

#### Remgro Equity-Settled Conditional Share Plan (CSPs) – 2024

Participant	Balance of CSPs accepted as at June 2023	CSPs accepted during the period	Offer date	Offer price Rand	Additional CSPs from dividends	Number of CSPs (vested)/ (forfeited)	Date CSPs vested/forfeited	Balance of CSPs accepted as at June 2024
<b>Executive</b>								
HJ Carse	7 014			93.82	124	(3 631)	2023/12/05	3 507
	14 820			93.82	127	(7 733)	2023/12/05	7 214
	2 746			93.82		(2 746)	2023/11/27	
	11 417			126.99				11 417
	15 000			141.64				15 000
		23 340	2023/12/05	145.17				23 340
JJ Durand	113 876			93.82	2 000	(58 938)	2023/12/05	56 938
	240 611			93.82	2 057	(125 570)	2023/12/05	117 098
	98 623			93.82		(98 623)	2023/11/16	
	185 352			126.99				185 352
	172 168			141.64				172 168
		267 790	2023/12/05	145.17				267 790
PR Louw	22 458			93.82	395	(11 624)	2023/12/05	11 229
	47 466			93.82	407	(24 773)	2023/12/05	23 100
	36 580			126.99				36 580
	37 780			141.64				37 780
		58 806	2023/12/05	145.17				58 806
CPF Vosloo		67 048	2023/12/05	145.17				67 048
<b>Total</b>	1 005 911	416 984			5 110	(333 638)		1 094 367

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 32. INVESTMENT PROPERTY

Investment properties are held to generate rental income and appreciate in capital value. Investment properties are treated as long-term investments and are carried at cost less accumulated depreciation. Buildings are depreciated to their estimated residual values on a straight-line basis over their expected useful lives.

	30 June 2024		
	Cost R'000	Accumulated depreciation R'000	Carrying value R'000
Land			
Buildings			

	June 2024		
	Land R'000	Buildings R'000	Total R'000
<b>Reconciliation of carrying value at the beginning and end of the year</b>			
Balances at the beginning of the year			
Transfers from/(to) property, plant and equipment	1 250	14 086	15 336
Depreciation		(1 446)	(1 446)
Transferred to held for sale*	(1 250)	(12 640)	(13 890)
Balances at the end of the year			

The registers containing details of investment properties are available for inspection by shareholders or their proxies at the registered offices of the companies to which the relevant properties belong.

\* Movements in the table above consist of Rainbow balances up to the date it was classified as held for sale, being 3 June 2024. The carrying value for cost and accumulated depreciation at this date was transferred to held for sale.

### 33. SUBSEQUENT EVENTS

No material change has taken place in the affairs of the Group between the end of the financial year and the date of this report.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 34. INTEREST IN SUBSIDIARIES

The Group has the following subsidiaries at June 2025:

Name	Country of incorporation and place of business	Nature of business	Proportion of ordinary shares directly held by parent %	Proportion of ordinary shares directly held by the Group %	Proportion of ordinary shares directly held by non-controlling interest %
RCL FOODS Sugar and Milling	South Africa	Sugar operations	100		
RCL FOODS Treasury	South Africa	Treasury company	100		
RCL Group Services	South Africa	Food producer and manufacturer and shared services company	100		
Foodcorp	South Africa	Food producer and manufacturer	100		
<b>Indirectly owned</b>					
TSB Sugar International	South Africa	International investments		100	
Quality Sugars	South Africa	Marketing		75	25
Sivunosetfu	South Africa	Farming		50	50
Libuyile Farming Services	South Africa	Farming		50	50
Mgubho Farming Services	South Africa	Farming		50	50
Astoria Bakery Lesotho	Lesotho	Dormant		100	
Mkhuhlu Bakery	South Africa	Dormant		100	
Selati Sugar	South Africa	Dormant		100	
Do More Foundation <sup>1</sup>	South Africa	CSI Initiative			
The Hatchery Group	South Africa	Food Innovation and research		100	
Sunshine Bakery Holding	South Africa	Investment Holding		100	
Scenic Route Trading 217	South Africa	Dormant		100	
Sunshine Bakery Operation	South Africa	Food producer and manufacturer		100	
Sunshine Bakery Durban	South Africa	Food producer and manufacturer		100	
Sunshine IP	South Africa	Dormant		100	

<sup>1</sup> The Do More Foundation is a CSI initiative of the Group. It is a Trust and the Group has no equity interest and no voting rights in this entity. The Group has the rights to direct the relevant activities of the Do More Foundation which results in the Group having effective control over the Do More Foundation. As a result, the Do More Foundation has been consolidated.

All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 34. INTEREST IN SUBSIDIARIES CONTINUED

#### Non-controlling interests

	2025		2024	
	Statement of financial position R'000	Income statement (share of profit/(loss)) R'000	Statement of financial position R'000	Income statement (share of profit/(loss)) R'000
Quality Sugars Proprietary Limited	11 977	2 376	11 800	2 229
Sivunosefu Proprietary Limited	(118 358)	(1 965)	(116 994)	9 179
Libuyile Farming Services Proprietary Limited	2 190	26 104	(27 362)	19 259
Mgubho Farming Services Proprietary Limited	(1 498)	15 488	(19 427)	8 273
	(105 689)	42 002	(151 983)	38 940
Disposal group held for sale:				
Matzonox Proprietary Limited <sup>a</sup>			14 437	(15 988)
Matzonox Fertiliser Proprietary Limited <sup>a</sup>			959	203
L&A Logistics Limited <sup>*</sup>				2 147
			15 396	(13 638)
<b>Total</b>	<b>(105 689)</b>	<b>42 002</b>	<b>(136 587)</b>	<b>25 302</b>

#### Significant restrictions

There are no significant restrictions regarding the use of assets or on the ability to settle liabilities in the subsidiaries.

Set out further on in the note are the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. This summarised information is before intercompany eliminations.

<sup>a</sup> Matzonox Proprietary Limited and Matzonox Fertiliser Proprietary Limited are subsidiaries of Rainbow and were included in the disposal group held for sale in the prior year. The investment in these entities was disposed as part of the Rainbow unbundling effective 1 July 2024.

<sup>\*</sup> L&A Logistics Limited is a subsidiary of Vector Logistics and was included in the disposal group held for sale in 2023. The investment in L&A Logistics Limited was disposed as part of the Vector Logistics disposal in the prior financial year.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

or the year ended June 2025

### 34. INTEREST IN SUBSIDIARIES CONTINUED

#### Summarised statement of financial position

	Current			Non-current			
	Assets R'000	Liabilities R'000	Total current net assets R'000	Assets R'000	Liabilities R'000	Total non-current net assets/ (liabilities) R'000	Net assets/ (liabilities) R'000
<b>As at June 2025</b>							
Quality Sugars Proprietary Limited	1 047 394	(1 016 809)	30 585	17 118		17 118	47 703
Sivunosetfu Proprietary Limited*	140 922	(79 252)	61 670	39 891	(338 277)	(298 386)	(236 716)
Libuyile Farming Services Proprietary Limited*	259 045	(89 231)	169 814	127 109	(292 544)	(165 435)	4 379
Mgubho Farming Services Proprietary Limited*	195 431	(56 934)	138 497	67 289	(208 781)	(141 492)	(2 995)
<b>Total</b>	<b>1 642 792</b>	<b>(1 242 226)</b>	<b>400 566</b>	<b>251 407</b>	<b>(839 602)</b>	<b>(588 195)</b>	<b>(187 629)</b>
<b>As at June 2024</b>							
Quality Sugars Proprietary Limited	966 975	(942 045)	24 929	36 336	(14 065)	22 271	47 200
Sivunosetfu Proprietary Limited	99 096	(70 112)	28 983	11 033	(274 003)	(262 971)	(233 988)
Libuyile Farming Services Proprietary Limited	183 701	(76 132)	107 569	112 787	(275 080)	(162 293)	(54 724)
Mgubho Farming Services Proprietary Limited	139 267	(60 301)	78 966	67 739	(185 558)	(117 819)	(38 853)
Disposal group held for sale:							
Matzonox Proprietary Limited	54 494	(305 855)	(251 361)	396 497	(116 262)	280 235	28 875
Matzonox Fertilisers Proprietary Limited	221	(220)	1	1 915		1 915	1 916
<b>Total</b>	<b>1 443 754</b>	<b>(1 454 666)</b>	<b>(10 913)</b>	<b>626 307</b>	<b>(864 968)</b>	<b>(238 661)</b>	<b>(249 574)</b>

\* The Group has issued a letter confirming that it will not recall the outstanding intercompany loans of these companies within the next financial year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

or the year ended June 2025

### 34. INTEREST IN SUBSIDIARIES CONTINUED

#### Summarised statement of comprehensive income

	Continuing operations				Discontinued operations		
	Quality Sugars Proprietary Limited R'000	Sivunosetfu Proprietary Limited* R'000	Libuyile Farming Services Proprietary Limited* R'000	Mgubho Farming Services Proprietary Limited* R'000	Matzonox Proprietary Limited R'000	Matzonox Fertilisers Proprietary Limited R'000	L&A Logistics Limited R'000
<b>For the year ended June 2025</b>							
Revenue	216 979	214 470	416 260	298 351			
Profit/(loss) before tax	12 823	(3 930)	52 207	30 976			
Income tax expense	(3 321)						
Profit/(loss) after tax for the year	9 502	(3 930)	52 207	30 976			
Total comprehensive income allocated to non-controlling interests	2 376	(1 965)	26 104	15 488			
Dividends paid to non-controlling interest	2 250						
<b>For the year ended June 2024</b>							
Revenue	214 386	212 673	332 369	259 328	95 615	869	98 150
Profit/(loss) before tax	12 214	18 357	38 517	16 547	(43 801)	407	5 229
Income tax expense	(3 298)				11 825		(1 603)
Profit/(loss) after tax for the year	8 916	18 357	38 517	16 547	(31 976)	407	3 627
Total comprehensive income/(loss)	8 916	18 357	38 517	16 547	(31 976)	407	3 627
Recycle of foreign currency translation reserve relating to non-controlling interest							1 603
Total comprehensive income/(loss) allocated to non-controlling interests	2 229	9 179	19 259	8 274	(15 988)	203	2 147
Dividends paid to non-controlling interest	2 000						

\* No income tax expense due to deferred tax assets not being recognised in the 50% owned sugarcane grower companies as it is not envisaged that there will be future taxable profits in the foreseeable future against which the deferred tax asset can be utilised.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

or the year ended June 2025

### 34. INTEREST IN SUBSIDIARIES CONTINUED

#### Summarised cash flows

	Continuing operations				Discontinued operations		
	Quality Sugars Proprietary Limited R'000	Sivunosetfu Proprietary Limited R'000	Libuyile Farming Services Proprietary Limited R'000	Mgubho Farming Services Proprietary Limited R'000	Matzonox Proprietary Limited R'000	Matzonox Fertilisers Proprietary Limited R'000	L&A Logistics Limited R'000
<b>June 2025</b>							
Cash generated/(utilised) from operations	105 853	(37 997)	13 207	(13 747)			
Interest paid	(2 392)	60	1 181	455			
Income tax paid	(1 461)						
Net cash generated/(utilised) from operating activities	102 000	(37 937)	14 388	(13 292)			
Net cash utilised in investing activities	(72 564)	(10 850)	(31 749)	(11 485)			
Net cash (utilised)/generated from financing activities	(29 435)	48 787	17 361	24 768			
<b>Net decrease in cash and cash equivalents</b>				(9)			
<b>June 2024</b>							
Cash (utilised)/generated from operations	(214 066)	37 924	25 387	41 653	9 569	(1 598)	24 661
Interest paid	(2 160)	(7 115)	(6 830)	(7 964)	(45 438)		(1 545)
Interest received					2 019	30	
Income tax paid	(1 593)						(225)
Net cash (utilised)/generated from operating activities	(217 819)	30 809	18 557	33 689	(33 850)	(1 568)	22 891
Net cash generated/(utilised) in investing activities	245 189	(10 495)	(30 242)	(13 315)	(83)	22	(480)
Net cash (utilised)/generated from financing activities	(27 370)	(20 314)	11 685	(20 375)	22 460		(3 105)
Net (decrease)/increase in cash and cash equivalents				(1)	(11 473)	(1 546)	19 306

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 35. GOING CONCERN

The Group's Annual Financial Statements are prepared on the going concern basis. In assessing the ability of the Group to continue as a going concern, management has considered the following:

- the Group's ability to settle its obligations as they become due and payable in the twelve months following year-end;
- the solvency and liquidity position of the Group, which included an assessment of key financial ratios against industry norms. Key financial ratios include return on invested capital, return on equity, current ratio, acid test ratio and margin analyses;
- the cash generation ability of the Group, including a historical view of cash flows;
- the current and forecast debt utilisation and available facilities of the Group; and
- the adequacy of the Group's resources to continue operating as a going concern.

No changes in financial, operational or general considerations are expected for the next twelve-month period that would compromise the use of the going concern assumption.

Management has concluded that the Group has adequate resources to continue operations as a going concern in the foreseeable future.

# COMPANY STATEMENT OF FINANCIAL POSITION

as at 29 June 2025

	Note	29 June 2025 R'000	30 June 2024 R'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investment in subsidiaries	1	8 440 193	8 486 773
Investment in financial asset	2	114 196	114 196
Investment in associate	3	155 949	155 949
Loan to Group companies	1	1 584 416	1 545 015
		<b>10 294 754</b>	10 301 933
<b>Current assets</b>			
Cash and cash equivalents		4 073	3 778
Trade and other receivables	7		75 543
		<b>4 073</b>	79 321
<b>Non-current assets held for sale</b>	14		4 250 000
<b>Total assets</b>		<b>10 298 827</b>	14 631 254
<b>EQUITY</b>			
Stated capital	5	10 407 238	10 342 810
Share-based payments reserve		302 060	348 641
Accumulated (loss)/profit		(452 973)	3 766 851
<b>Total equity</b>		<b>10 256 325</b>	14 458 302
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Other liabilities	15	32 457	19 410
Trade and other payables	6	10 045	153 542
		<b>42 502</b>	172 952
<b>Total liabilities</b>		<b>42 502</b>	172 952
<b>Total equity and liabilities</b>		<b>10 298 827</b>	14 631 254

# COMPANY STATEMENT OF COMPREHENSIVE INCOME

for the year ended June 2025

	Note	2025 R'000	2024 R'000
<b>Other income</b>	8	<b>550 000</b>	522 000
<b>Operating profit</b>	9	<b>521 983</b>	536 196
Finance income			8
Finance costs			(8)
Profit before tax		<b>521 983</b>	536 196
Profit for the year		<b>521 983</b>	536 196
Total comprehensive income for the year		<b>521 983</b>	536 196

# COMPANY STATEMENT OF CHANGES IN EQUITY

for the year ended June 2025

	Stated capital R'000	Share- based payments reserve R'000	Accumulated profit/(loss) R'000	Total R'000
<b>Balance at 2 July 2023</b>	10 340 765	350 144	3 230 655	13 921 563
Total comprehensive income for the year			536 196	536 196
Employee share option scheme:				
– exercise of employee share options	2 045	(1 503)		542
<b>Balance at 30 June 2024</b>	<b>10 342 810</b>	<b>348 641</b>	<b>3 766 851</b>	<b>14 458 302</b>
Total comprehensive income for the year			521 983	521 983
Dividends paid			(491 807)	(491 807)
Dividend <i>in specie</i>			(4 250 000)	(4 250 000)
Employee share option scheme:				
– exercise of employee share options	64 428	(46 581)		17 847
<b>Balance at 29 June 2025</b>	<b>10 407 238</b>	<b>302 060</b>	<b>(452 973)</b>	<b>10 256 325</b>

# COMPANY CASH FLOW STATEMENT

for the year ended June 2025

	Note	2025 R'000	2024 R'000
<b>Cash flows from operating activities</b>			
Cash utilised by operations	A	(14 886)	(74 578)
Dividends paid		(491 496)	
Movement in trade and other payables		(43 391)	30 147
Net cash outflow from operating activities		(549 773)	(44 431)
<b>Cash flows from investing activities</b>			
Loans advanced to Group companies		(76 742)	(1 308 430)
Cash inflows from loans to Group companies		709 047	45 870
Proceeds on disposal of non-current asset held for sale			1 306 986
Refund of proceeds to Vector Logistics		(100 084)	
Net cash inflow from investing activities		532 221	44 426
<b>Cash flows from financing activities</b>			
Shares issued <sup>1</sup>		17 847	
Net cash inflow from financing activities		17 847	
<b>Movement in cash and cash equivalents</b>		295	(5)
Cash and cash equivalents at the beginning of the year		3 778	3 783
<b>Cash and cash equivalents at the end of the year</b>		4 073	3 778

## NOTES TO THE COMPANY CASH FLOW STATEMENT

for the year ended June 2025

	2025 R'000	2024 R'000
<b>A. CASH GENERATED BY OPERATIONS</b>		
Profit/(loss) before tax	521 983	536 196
Adjusted for:		
Non-cash items and items reflected elsewhere in the cash flow statement		
– Dividend income <sup>2,3</sup>	(550 000)	(522 000)
– Profit on sale of investment		(211 126)
– Loss allowance on financial guarantee	13 047	19 410
– Fair value adjustment – unrealised		35 740
– Loss on sale of investment	84	67 202
	(14 886)	(74 578)

<sup>1</sup> The issue of share capital relates to RCL FOODS share options exercised by Vector Logistics employees which has been cash settled by Vector Logistics. The scheme is now closed for these employees.

<sup>2</sup> Refer to note 8 for further detail.

<sup>3</sup> The dividends were settled by way of RCL FOODS Treasury utilising an amount equal to the dividend from RCL Group Services and RCL FOODS Sugar and Milling cash on hand in its facility with RCL FOODS Treasury, by way of journal entries across the respective legal entities, with no cash flows required.



# NOTES TO THE COMPANY FINANCIAL STATEMENTS

for the year ended June 2025

## 1. INVESTMENT IN SUBSIDIARIES AND LOANS TO GROUP COMPANIES

	Issued share capital		Effective holding	
	2025 R	2024 R	2025 %	2024 %
<b>Effective holding</b>				
Directly owned				
Rainbow Chicken Limited <sup>1</sup>		4 250 000 000		100
RCL FOODS Sugar and Milling	10	10	100	100
RCL FOODS Treasury	1	1	100	100
RCL Group Services	312	312	100	100
Foodcorp	1	1	100	100
<b>Indirectly owned</b>				
RCL FOODS Consumer <sup>2</sup>				100
Rainbow Farms Investments <sup>2</sup>		99 900		100
Farmer Brown <sup>2</sup>		1		100
Epol <sup>2</sup>		78 000		100
Matzonox <sup>2</sup>		120		50
Matzonox Fertiliser <sup>2</sup>		50		50
Astoria Bakery Lesotho <sup>3</sup>	100	100	100	100
Libuyile Farming Services	100	100	50	50
Mgubho Farming Services	100	100	50	50
Mkhuhlu Bakery <sup>3</sup>	450 000	450 000	100	100
Quality Sugars	300	300	75	75
Rainbow Chicken Foods <sup>2</sup>		100		100
Selati Sugar	300	300	100	100
Sivunosetfu	100	100	50	50
TSB Sugar International	100	100	100	100
Do More Foundation <sup>4</sup>				
The Hatchery Group	100	100	100	100
Sunshine Bakery Holding	102	102	100	100
Scenic Route Trading 217	100	100	100	100
Sunshine Bakery Operation	100	100	100	100
Sunshine Bakery Durban	100	100	100	100
Sunshine IP	1 000	1 000	100	100

<sup>1</sup> Rainbow Chicken Limited was incorporated on 11 April 2024 and listed on the Johannesburg Stock Exchange (JSE) on 26 June 2024. The unbundling of Rainbow Chicken Limited from the RCL FOODS Group by way of a pro rata distribution in specie became effective from 1 July 2024. Refer to note 14 for further details.

<sup>2</sup> Sold to Rainbow Chicken Limited during the prior financial year. Refer to note 11 of the consolidated financial statements.

<sup>3</sup> Incorporated in Lesotho.

<sup>4</sup> The Do More Foundation is a CSI initiative of the Group and is incorporated as a trust.

All other subsidiaries listed are incorporated in the Republic of South Africa.

## NOTES TO THE COMPANY FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 1. INVESTMENT IN SUBSIDIARIES AND GROUP COMPANIES CONTINUED

Share and indebtedness	Shares 2025 R'000	Shares 2024 R'000	Indebted- ness 2025 R'000	Indebted- ness 2024 R'000	Total 2025 R'000	Total 2024 R'000
RCL FOODS Treasury <sup>1</sup>			<b>76 641</b>	20 801	<b>76 641</b>	20 801
RCL Group Services	<b>4 138 133</b>	4 138 133		17 719	<b>4 138 133</b>	4 155 853
Foodcorp <sup>1</sup>			<b>1 507 775</b>	1 506 446	<b>1 507 775</b>	1 506 446
RCL FOODS Sugar and Milling	<b>4 000 000</b>	4 000 000		49	<b>4 000 000</b>	4 000 049
	<b>8 138 133</b>	8 138 133	<b>1 584 416</b>	1 545 015	<b>9 722 549</b>	9 683 148
Subsidiaries portion of share-based payments reserve	<b>302 060</b>	348 640			<b>302 060</b>	348 640
	<b>8 440 193</b>	8 486 773	<b>1 584 416</b>	1 545 015	<b>10 024 609</b>	10 031 788
Rainbow Chicken Limited <sup>2</sup>		4 250 000				4 250 000

<sup>1</sup> RCL FOODS Limited value of shareholding in RCL FOODS Treasury is R1 (2024: R1) and in Foodcorp is R1 (2024: R1).

<sup>2</sup> Rainbow Chicken Limited was transferred to held for sale during the prior financial year. Refer to note 14 of the financial statements for further details.

The above loans are unsecured, interest-free and repayable on demand. There is no intention to recall these loans within the next 12 months.

With the exception of Rainbow Chicken Limited which was transferred to held for sale and subsequently listed on the JSE on 1 July 2024 (refer to note 14 of the financial statements), none of the above companies are listed as they are all "Proprietary Limited".

The Group has performed an assessment of the above loans in terms of IFRS 9 and has concluded that these loans represent loans at amortised cost and are not classified as equity.

Based on the current profitability, financial outlook and forward-looking information available on the Company's subsidiaries, the Company has performed an expected credit loss (ECL) calculation for the loans receivable from its subsidiaries by taking into account their available cash resources, net liquid current assets and non-current assets available for settlement of the loan. Based on the assessment, the ECL has been deemed to be immaterial.

### 2. INVESTMENT IN FINANCIAL ASSET

	2025 R'000	2024 R'000
At the beginning of the year	<b>114 196</b>	149 936
Fair value adjustment		(35 740)
<b>At the end of the year</b>	<b>114 196</b>	114 196

For the year ended June 2025, the investment in financial asset was valued at R114,2 million (2024: R114,2 million). RCL FOODS Limited holds a 1.58% minority shareholding in The Livekindly Company, Inc. as at 29 June 2025. The fair value of the investment at June 2025 has been based on the Rand cost of the investment. This investment is classified as a financial asset measured at fair value through profit and loss.

The financial risk management disclosures relating to the fair value estimation of the Group's financial assets is included in note 28 of the consolidated financial statements.

## NOTES TO THE COMPANY FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 3. INVESTMENT IN ASSOCIATE

	2025 R'000	2024 R'000
At the beginning of the year	155 949	155 949
<b>At the end of the year</b>	<b>155 949</b>	155 949

LiveKindly Collective Africa Proprietary Limited (LKCA's) principal activities are to market, sell and distribute plant-based products in Sub-Saharan Africa. There are no quoted market prices available for the investment in LKCA.

The investment in associate is measured at cost.

For further detail on the summarised financial information of the material associate refer to note 5 of the consolidated financial statements.

### 4. LOAN RECEIVABLE

	2025 R'000	2024 R'000
<b>Non-current:</b>		
Loans at the beginning of the year		12 000
Loans ceded to RCL FOODS Treasury Proprietary Limited		(12 000)
<b>Loans at the end of the year</b>		

During the prior year, the loan granted to LiveKindly Collective Africa Proprietary Limited was ceded to RCL FOODS Treasury Proprietary Limited.

### 5. STATED CAPITAL

#### Authorised

2 000 000 000 (2024: 2 000 000 000) ordinary shares of no par value.

Issued ordinary shares of no par value:

	Number of shares	2025 R'000	2024 R'000
At the beginning of the year	890 296 405	10 342 810	10 340 765
Shares issued in terms of share incentive plans	6 726 451	64 428	2 045
<b>At the end of the year</b>	897 022 856	<b>10 407 238</b>	10 342 810

The unissued ordinary shares are under the control of the directors until the forthcoming Annual General Meeting (AGM).

### 6. TRADE AND OTHER PAYABLES

	2025 R'000	2024 R'000
– Other payables*	10 045	153 542
<b>Total</b>	<b>10 045</b>	153 542

\* Included in other payables for the prior financial year was a R100,0 million contingent consideration relating to the earn-out clause as stipulated in the Vector sale agreement which was fully settled during the current financial year-end.

## NOTES TO THE COMPANY FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 7. TRADE AND OTHER RECEIVABLES

	2025 R'000	2024 R'000
– Dividends receivable*		75 000
– Other receivable**		543
<b>Total</b>		75 543

\* Dividends receivable relates to a dividend declared by RCL Group Services which was settled in the current financial year.

\*\* Other receivable relates to share issues to Vector Logistics as part of the exercises by their employees under the share appreciation rights scheme and was owing to RCL FOODS Limited at the prior financial year-end.

### 8. OTHER INCOME

	2025 R'000	2024 R'000
Dividends received from subsidiaries		
– RCL FOODS Sugar and Milling Proprietary Limited	300 000	297 000
– RCL FOODS Treasury Proprietary Limited		150 000
– RCL Group Services Proprietary Limited	250 000	75 000
<b>Total</b>	550 000	522 000

### 9. OPERATING PROFIT

	2025 R'000	2024 R'000
Fair value adjustment		(35 740)
Dividends received from subsidiaries	550 000	522 000
Non-executive directors' fees	(7 459)	(7 091)
Consultancy expenses*	(731)	(48 435)
Listed Company expenses	(6 414)	(5 714)
Legal fees	(234)	(13 299)
Profit on sale of investment (Vector Logistics disposal)		211 126
Loss on sale of investment (Vector Logistics disposal)	(84)	
Loss on sale of investment (Rainbow)		(67 202)
Other expenses	(48)	(39)
Loss allowance on financial guarantee	(13 047)	(19 410)
<b>Total</b>	521 983	536 196

\* Prior year includes fees related to the Rainbow separate listing and unbundling.

## NOTES TO THE COMPANY FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 10. CONTINGENCIES

Banking and loan facilities are renewed annually and are subject to floating interest rates. At year-end the facilities granted amounted to R1 500,0 million in respect of the term-funded debt package (refer note 16 of the consolidated financial statements) and a R2 350,0 million unutilised general banking facility (2024: R3 425,0 million).

RCL FOODS Limited has provided a guarantee to the financial institutions involved in the term-funded debt package in respect of the fulfilment of RCL FOODS Treasury Proprietary Limited's obligations in terms of the debt agreements.

The maximum exposure as at June 2025 is R1 500,0 million (2024: R1 675,0 million).

### 11. DIVIDENDS PER SHARE

Refer to note 26 of the notes to the consolidated financial statements.

### 12. FINANCIAL RISK MANAGEMENT

#### Credit risk

The company has guaranteed a loan of a subsidiary. The maximum exposure to credit risk at the reporting date is R1 500,0 million (2024: R1 675,0 million).

#### Liquidity risk

The table below summarises the maturity profile of the guaranteed loan and the Company's financial liabilities.

	Less than one year R'000	One to two years R'000	Two to three years R'000	Greater than three years R'000	Total R'000
<b>2025</b>					
Guaranteed loan				1 500 000	1 500 000
Trade and other payables	10 045				10 045
<b>2024</b>					
Guaranteed loan		1 675 000			1 675 000
Trade and other payables	153 542				153 542

#### Cash

The table below shows the cash and cash equivalents allocated in terms of bank rating. These ratings are based on Moody's bank ratings.

Rating	2025 R'000	2024 R'000
P-3	4 073	3 778

## NOTES TO THE COMPANY FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 13. FINANCIAL INSTRUMENTS BY CATEGORY

The accounting policies for financial instruments have been applied to the line items below:

	Amortised cost R'000	Assets at fair value through profit or loss R'000	Total R'000
<b>Assets per the statement of financial position</b>			
<b>June 2025</b>			
Investment in financial asset		114 196	114 196
Loans to Group companies	1 584 416		1 584 416
Cash and cash equivalents	4 073		4 073
<b>At the end of the year</b>	<b>1 588 489</b>	<b>114 196</b>	<b>1 702 685</b>
<b>June 2024</b>			
Investment in financial asset		114 196	114 196
Loans to Group companies	1 545 015		1 545 015
Cash and cash equivalents	3 778		3 778
<b>At the end of the year</b>	<b>1 548 793</b>	<b>114 196</b>	<b>1 662 989</b>

The carrying amount of these financial instruments approximate their fair values.

	Amortised cost R'000	Total R'000
<b>Liabilities per the statement of financial position</b>		
<b>June 2025</b>		
Trade and other payables	10 045	10 045
Other liabilities	32 457	32 457
<b>At the end of the year</b>	<b>42 502</b>	<b>42 502</b>
<b>June 2024</b>		
Trade and other payables	153 542	153 542
Other liabilities	19 410	19 410
<b>At the end of the year</b>	<b>172 952</b>	<b>172 952</b>

The carrying amount of these financial instruments approximate their fair values.

## NOTES TO THE COMPANY FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 14. NON-CURRENT ASSET HELD FOR SALE

The Rainbow segment was unbundled to shareholders and listed on the Johannesburg Stock Exchange (JSE) effective 1 July 2024. As such, Rainbow was disclosed as "held for sale" in accordance with IFRS 5 in the 2024 financial year and was presented as a discontinued operation.

Based on the agreed selling price of the Rainbow segment, the fair value less costs to sell was higher than the carrying value, and as a result, no write-down was required as at 1 July 2024.

The associated assets and liabilities are presented as held for sale in the prior year statement of financial position.

	Rainbow 2025 R'000
<b>Reconciliation of carrying amount of prior year assets held for sale</b>	
Dividend in specie declared*	4 250 000
Carrying amount of assets held for sale at unbundling date	(4 250 000)
Profit recognised on disposal	

\* The dividend in specie was calculated as the fair value of the net assets of the Rainbow segment in terms of the sale agreement between RCL FOODS Limited and Rainbow Chicken Limited.

	2024 R'000
A reconciliation of the assets held for sale are disclosed below:	
Investment in Rainbow Chicken Limited	4 250 000
Transferred to held for sale	4 250 000

### 15. OTHER LIABILITIES

	2025 R'000	2024 R'000
<b>Current</b>		
Financial guarantee	32 457	19 410
<b>Total</b>	<b>32 457</b>	<b>19 410</b>

Financial guarantee contracts are recognised at fair value on the date that the Company becomes a party to an irrevocable commitment. Financial guarantee contracts are subsequently stated at the higher of the amount determined by the expected credit loss (ECL) model and the amount initially recognised. Any difference between the redemption value guarantee obligation and the amount paid is recognised in the income statement.

RCL FOODS Limited has provided a guarantee to RCL FOODS Treasury Proprietary Limited with respect to its term-funded debt package as well as short-term facilities in terms of the loan agreement on refinancing of the debt package in December 2024. An amount of R13,0 million (2024:R19,4 million) has been recognised on the income statement in respect of the guarantee. The risk of default of the Group companies are considered to be low. In the event of default, all companies within the RCL FOODS Limited Group will be held jointly and severally liable.

### 16. GOING CONCERN

RCL FOODS Limited is the holding company of the Group and is supported by the cash flows within its operating subsidiaries to be able to meet its obligations on an ongoing basis. Based on management's assessment, the Company has adequate resources to continue operations as a going concern in the foreseeable future. There is sufficient available liquidity on Group facilities.

## NOTES TO THE COMPANY FINANCIAL STATEMENTS CONTINUED

for the year ended June 2025

### 17. RELATED PARTY TRANSACTIONS

	2025 R'000	2024 R'000
<b>Transactions and balances with subsidiaries of the holding company</b>		
Interest received		8
Interest paid		(8)
Dividends received from subsidiaries:	<b>550 000</b>	522 000
– RCL FOODS Sugar and Milling Proprietary Limited	<b>300 000</b>	297 000
– RCL FOODS Treasury Proprietary Limited		150 000
– RCL Group Services Proprietary Limited	<b>250 000</b>	75 000
Loans to Group companies:	<b>1 584 416</b>	1 545 015
– RCL FOODS Treasury Proprietary Limited	<b>76 641</b>	20 801
– RCL Group Services Proprietary Limited		17 719
– Foodcorp Proprietary Limited	<b>1 507 775</b>	1 506 446
– RCL FOODS Sugar and Milling Proprietary Limited		49

In terms of IAS 24 "Related Party Disclosures", Key management are considered to be related parties.

Refer to note 30 of the notes to the consolidated financial statements for Key Management Disclosure.



# SHARE AND SHAREHOLDERS INFORMATION

for the year ended June 2025

## STATED CAPITAL

Authorised	2 000 000 000
Issued	897 022 856
Number of shareholders	10 847

	Number of shareholders	%	Number of shares	%
<b>Shareholder spread</b>				
1 – 1 000	9 311	85.84	909 185	0.10
1 001 – 10 000	1 060	9.77	4 041 663	0.45
10 001 – 100 000	363	3.35	10 461 215	1.17
100 001 – 1 000 000	93	0.86	30 109 282	3.36
1 000 001 and over	20	0.18	851 501 511	94.93
Total	10 847	100.00	897 022 856	100.00
<b>Distribution of shareholders</b>				
Banks	15	0.14	3 741 591	0.42
Brokers	5	0.05	3 283 661	0.37
Close Corporations	25	0.23	1 277 774	0.14
Endowment Funds	4	0.04	215 876	0.02
Holding Company	2	0.02	714 057 943	79.60
Individuals	10 284	94.81	19 742 733	2.20
Insurance Companies	15	0.14	2 990 390	0.33
Investment Companies	22	0.20	1 152 062	0.13
Mutual Funds	109	1.00	107 353 659	11.97
Nominees and Trusts	193	1.78	1 932 097	0.22
Other Corporations	11	0.10	251 265	0.04
Pension Funds	53	0.49	39 706 539	4.43
Private Companies	108	1.00	1 260 802	0.14
Sovereign Wealth Fund	1	0.01	56 464	0.01
Total	10 847	100.00	897 022 856	100.00
<b>Public and non-public shareholders</b>				
Holding Company	2	0.02	714 057 943	79.60
Directors and associates of the company holdings	7	0.06	5 730 764	0.64
Total non-public shareholders	9	0.08	719 788 707	80.24
Public shareholders	10 838	99.92	177 234 149	19.76
Total	10 847	100.00	897 022 856	100.00
<b>Beneficial shareholders' holding of 1% or more</b>				
Remgro Limited			713 902 129	79.59
Oasis Crescent Equity			36 549 932	4.07
Government Employees Pension Fund			32 159 527	3.59
M and G SA Equity Fund			15 003 365	1.67
Alexforbes Investments Solution Limited			11 081 784	1.24
Ninety One Value Fund			9 078 017	1.01
<b>Fund managers holdings of 1% or more</b>				
Remgro Limited			714 057 943	79.60
Oasis Asset Management Limited			77 911 759	8.69
M and G Investment Managers Proprietary Limited			42 106 487	4.69
Ninety One SA Proprietary Limited			19 336 221	2.16

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