



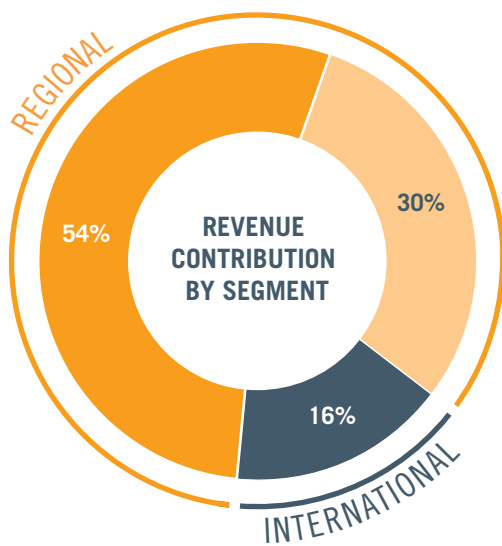
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 31 March 2024



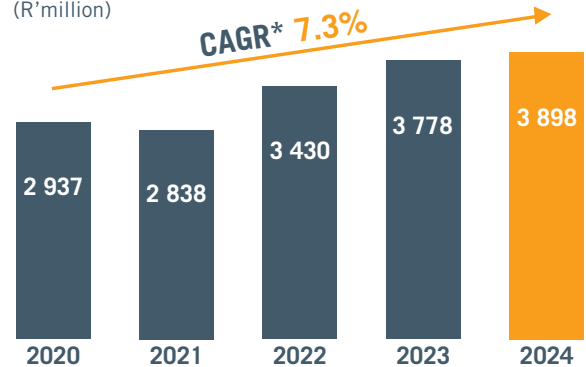
KEY FEATURES

<p>Group revenue + 3.2% to R3.9 billion</p>	<p>Group operating profit + 15.2% to R399 million</p>	<p>Group operating profit margin + 100 bps to 10.2%</p>
<p>Regional operating profit margin + 110 bps to 10.0%</p>	<p>International operating profit margin + 110 bps to 11.5%</p>	<p>Headline earnings + 20.7% to R262 million</p>
<p>Diluted headline earnings per share + 20.4% to 99.8 cents</p>	<p>Net debt-to-equity ratio improved to 33.3% from 46.7%</p>	<p>Return on equity improved to 15.7% from 14.1%</p>



- Long Life Foods
- Fresh Foods
- International

GROUP REVENUE
(R'million)



*Compound annual growth rate.

COMMENTARY

PROFILE

RFG is a leading producer of fresh, frozen and long life convenience meal solutions for customers and consumers across South Africa, sub-Saharan Africa and major global markets. RFG's balanced portfolio of market leading brands, which includes Rhodes, Bull Brand, Magpie, Squish, Hinds and Today, is complemented by private label product ranges packed for all major South African retailers and international customers.

TRADING AND FINANCIAL PERFORMANCE

Group revenue increased by 3.2% to R3.9 billion as regional segment sales volumes declined in the weak domestic consumer environment. The revenue of the international segment was impacted by ongoing operational challenges at the Cape Town port and softer international pricing, which was partially offset by foreign exchange gains.

Revenue growth was mainly driven by price inflation of 6.9% as the Group continued to recover higher input costs.

Revenue (% change)	Increase/decrease	Price	Volume	Mix	Forex
Regional segment	5.8	10.0	(5.5)	1.3	–
International segment	(8.6)	(6.5)	(8.9)	1.3	5.5
Total Group	3.2	6.9	(6.1)	1.4	1.0

Revenue in the regional segment increased by 5.8% with price inflation of 10.0% while sales volumes declined by 5.5% due to constrained consumer spending as well as increased competitor promotional activity in some product categories. However, both the rate of volume decline and price inflation have slowed relative to the first half of the 2023 financial year.

Long life foods increased revenue by 7.5%. After reporting good revenue growth for the first quarter of the financial year, long life sales slowed in the second quarter to March 2024. The three largest categories of fruit juice, meat products and dry foods continue to deliver good growth, supported by improved performances in the vegetable and salads categories.

The Group recorded strong market and brand share gains in several key product categories. Rhodes has gained the number one brand position in the jam market and Hinds Spices has moved into the number two position in the spices, herbs and pepper category. The Group's brands are the market leaders in jam, canned meat, canned tomato and frozen pies and pastry, and hold the number two positions in fruit juice, canned fruit, canned vegetables, infant meals and spices, herbs and pepper.

Fresh foods revenue increased by 2.9% with the pie category continuing to grow volumes while the ready meals category benefited from the resilience of higher income customers.

International segment revenue declined by 8.6% due to softer international pricing relative to the prior year as well as the decline in export volumes due to lower opening stock levels. This was compounded by the challenges at the Cape Town port, particularly in the last few months. The lower sales volumes were partially offset by depreciation in the Rand against the Group's basket of trading currencies which contributed 5.5% to revenue growth.

Despite the pressure on sales volumes, the Group has improved its operating profit margin by driving profitable growth, recovering inflationary increases on raw material and packaging costs and extracting cost savings from operational efficiencies. Load shedding related diesel costs reduced to R19.6 million compared to R37.8 million in the prior period. These factors contributed to the Group's operating profit increasing by 15.2% to R399 million, with the operating profit margin improving by 100 basis points to 10.2%.

Regional segment operating profit increased by 19.7% to R326.6 million as the operating profit margin expanded from 8.9% to the targeted 10.0%. Margins are being supported by production efficiency gains from recent capital investment, notably the new canning equipment and capacity expansion at the meat products plant in Krugersdorp.

The operating profit for the international segment increased by 0.5% to R73.2 million as the operating profit margin strengthened from 10.4% to 11.5%. Profitability was supported by the weakening of the Rand against the US dollar as well as improved factory efficiencies over the recent deciduous season relative to the prior period. The upgrade and replacement of equipment at the Tulbagh fruit products factory further contributed to the margin expansion.

Earnings before interest, tax, depreciation and amortisation (EBITDA) increased by 14.6% to R552 million, while the EBITDA margin strengthened by 140 basis points to 14.2%.

The Group's net interest expense was R6.4 million lower at R39.6 million due to the Group's lower debt levels.

Headline earnings increased by 20.7% to R261.7 million, with diluted headline earnings per share (HEPS) 20.4% higher at 99.8 cents. Earnings per share increased by 20.6% to 100.5 cents and HEPS by 21.1% to 100.7 cents.

Net working capital totalled R2.2 billion, decreasing by R5.9 million over the prior period. The increase in inventory levels for the period of R507 million was R52.5 million lower than the increase in the prior period. Net cash outflow from operations at R48.2 million was R38.3 million lower than the prior period due to the lower investment in working capital and improved profitability, partially offset by an increase in income tax payments of R55.0 million.

COMMENTARY CONTINUED

Net debt decreased by R294 million to R1.17 billion and the net debt-to-equity ratio improved to 33.3% from 46.7%. Long-term loans of R185 million were repaid while no further loan funding was raised during the period. Capital expenditure totalled R200 million (H1 2023: R144 million), with the largest investment being at the Tulbagh fruit products factory.

The Group achieved its medium-term targets for operating profit margin and return on equity.

Metric	Medium-term target	Achieved in H1 2024
Revenue growth	GDP* + CPI + 2.0% (0.6% + 5.3% + 2.0% = 7.9%)	3.2% (H1 2023: 10.2%)
Operating profit margin	10.0%	10.2% (H1 2023: 9.2%)
Return on equity	WACC + 2.0% (13.4% + 2.0% = 15.4%)	15.7%[^] (H1 2023: 14.1% [^])

* SA National Treasury actual GDP for 2023

[^] Rolling 12-month period

OUTLOOK

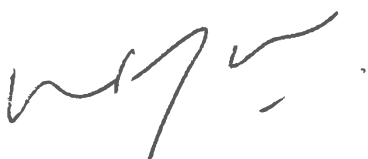
Consumer spending is expected to remain under pressure for the remainder of the financial year due to continued inflationary pressure on consumers while interest rates are now only expected to start declining in the 2025 financial year. In this environment the Group will drive sales and brand share growth through a heightened focus on product innovation, particularly in the fruit juice and dry foods categories.

The Group continues to focus on price, volume and margin management as well as improving operating efficiencies to maintain the operating profit margin. Input costs have generally moderated from the high levels experienced over the past two years which should support the operating profit margin being maintained.

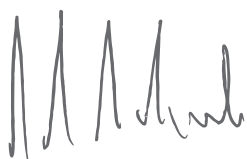
In the international business, customer demand for RFG's canned fruit products remains strong and management will continue their focus on volume recovery in the second half of the year despite the port challenges. The Group aims to maintain the international operating profit margin at 10% through-the-cycle.

Cash flow management is a priority in the current low growth environment to ensure efficient management of working capital and interest costs. Capital expenditure of R300 million is planned for the full financial year.

Any reference to future performance included in this announcement has not been reviewed or reported on by the Group's independent auditor.



Pieter Hanekom
Chief executive officer



Tiaan Schoombie
Chief financial officer

Groot Drakenstein
22 May 2024

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 March 2024

	Notes	Reviewed Six-month period ended 31 March 2024 R'000	Reviewed Six-month period ended 2 April 2023 R'000	Audited year ended 1 October 2023 R'000
ASSETS				
Non-current assets		2 716 357	2 677 452	2 645 832
Property, plant and equipment	3	1 981 467	1 886 528	1 898 663
Right-of-use assets	4	113 864	135 308	113 902
Intangible assets		144 056	178 572	156 923
Goodwill		444 857	444 857	444 857
Investment in associate		6 613	7 262	6 866
Deferred taxation asset		249	217	395
Biological assets		14 795	14 990	14 684
Loans and other receivables		10 456	9 718	9 542
Current assets		3 554 189	3 386 473	2 904 060
Inventory	5	2 176 232	2 103 139	1 669 543
Accounts receivable		1 277 162	1 216 823	1 159 781
Biological assets		69 372	52 850	27 769
Loans and other receivables		9 131	11 272	12 260
Taxation receivable		149	–	18
Cash and cash equivalents		22 143	2 389	34 689
Total assets		6 270 546	6 063 925	5 549 892
EQUITY AND LIABILITIES				
Capital and reserves		3 510 445	3 133 223	3 406 583
Stated capital		1 536 906	1 547 735	1 544 818
Equity-settled employee benefits reserve		47 698	22 023	37 615
Accumulated profit		1 915 349	1 552 964	1 813 407
Equity attributable to owners of the group		3 499 953	3 122 722	3 395 840
Non-controlling interest		10 492	10 501	10 743
Non-current liabilities		481 442	678 331	614 419
Loans		154 754	293 501	261 382
Lease liabilities		75 748	112 606	100 729
Deferred taxation liability		237 526	258 576	240 092
Employee benefit liability		13 414	13 648	12 216
Current liabilities		2 278 659	2 252 371	1 528 890
Accounts payable and accruals		1 220 250	1 080 932	974 328
Employee benefits accruals		67 006	72 511	117 750
Taxation payable		29 914	39 116	37 325
Loans		139 918	212 150	217 867
Lease liabilities		59 636	49 414	49 274
Bank overdraft		761 935	798 248	132 346
Total equity and liabilities		6 270 546	6 063 925	5 549 892

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six month period ended 31 March 2024

	Notes	Reviewed Six-month period ended 31 March 2024 R'000	Reviewed Six-month period ended 2 April 2023 R'000	Audited year ended 1 October 2023 R'000
Revenue	6	3 897 784	3 778 435	7 886 679
Direct manufacturing costs	5.2	(2 458 503)	(2 470 881)	(5 085 573)
Manufacturing operating costs	5.2	(441 967)	(373 867)	(822 914)
Selling and distribution costs		(247 606)	(266 687)	(539 870)
Other operating costs		(364 110)	(333 401)	(699 676)
Other income		13 054	12 331	18 059
Operating profit before associate loss		398 652	345 930	756 705
Associate loss		(252)	(121)	(518)
Profit before interest and taxation		398 400	345 809	756 187
Interest expense		(39 655)	(46 228)	(99 358)
Interest income		77	272	444
Profit before taxation		358 822	299 853	657 273
Taxation		(97 955)	(81 804)	(179 737)
Profit for the period		260 867	218 049	477 536
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Remeasurement of employee benefit liability		-	-	1 181
Deferred taxation effect		-	-	1 629
		-	-	(448)
Total comprehensive income for the period		260 867	218 049	478 717
Profit attributable to:				
Owners of the group		261 118	217 295	476 595
Non-controlling interest		(251)	754	941
		260 867	218 049	477 536
Total comprehensive income attributable to:				
Owners of the group		261 118	217 295	477 721
Non-controlling interest		(251)	754	996
		260 867	218 049	478 717
Earnings per share (cents)	7.2	100.5	83.3	183.0
Diluted earnings per share (cents)	7.2	99.6	83.1	181.6

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six month period ended 31 March 2024

Note	Stated capital R'000	Equity-settled employee benefits reserve R'000	Accumulated profit R'000	Non-controlling interest R'000	Total R'000
Balance at 2 October 2022 – audited	1 554 251	15 994	1 452 951	9 747	3 032 943
Profit for the period	–	–	217 295	754	218 049
Other comprehensive income for the period	–	–	–	–	–
Equity-settled employee benefits expense recognised	–	10 471	–	–	10 471
Equity-settled employee benefits settlement ¹	–	(4 442)	2 547	–	(1 895)
Acquisition of treasury shares	(6 516)	–	–	–	(6 516)
Dividend paid	12	–	(119 822)	–	(119 822)
Balance at 2 April 2023 – reviewed	1 547 735	22 023	1 552 971	10 501	3 133 230
Profit for the period	–	–	259 300	187	259 487
Other comprehensive income for the period	–	–	1 126	55	1 181
Equity-settled employee benefits expense recognised	–	15 602	–	–	15 602
Equity-settled employee benefits settlement ¹	–	(10)	10	–	–
Acquisition of treasury shares	(2 917)	–	–	–	(2 917)
Balance at 1 October 2023 – audited	1 544 818	37 615	1 813 407	10 743	3 406 583
Profit for the period	–	–	261 118	(251)	260 867
Other comprehensive income for the period	–	–	–	–	–
Equity-settled employee benefits expense recognised	–	16 192	–	–	16 192
Equity-settled employee benefits settlement ¹	–	(6 109)	2 973	–	(3 136)
Acquisition of treasury shares	(7 912)	–	–	–	(7 912)
Dividend paid	12	–	(162 149)	–	(162 149)
Balance at 31 March 2024 – reviewed	1 536 906	47 698	1 915 349	10 492	3 510 445

¹ Settled by purchase of shares in the open market.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the six month period ended 31 March 2024

	Notes	Reviewed Six-month period ended 31 March 2024 R'000	Reviewed Six-month period ended 2 April 2023 R'000	Audited year ended 1 October 2023 R'000
Cash flows from operating activities				
Cash generated from operations	8	95 397	12 272	1 075 075
Interest paid		(35 708)	(46 018)	(99 162)
Interest received		77	272	444
Taxation paid		(107 917)	(52 933)	(171 785)
Net cash (outflow)/inflow from operating activities		(48 151)	(86 407)	804 572
Cash flows from investing activities				
Purchase of property, plant and equipment		(199 837)	(143 512)	(288 412)
Purchase of intangible assets		(39)	–	–
Proceeds on disposal of property, plant and equipment		368	258	717
Loans and other receivables advanced		–	–	(7 266)
Loans and other receivables repaid		2 531	488	7 284
Net cash outflow from investing activities		(196 977)	(142 766)	(287 677)
Cash flows from financing activities				
Equity-settled employee benefits settlement ¹		(3 136)	(1 895)	(1 895)
Acquisition of treasury shares		(7 912)	(6 516)	(9 433)
Loans repaid		(184 577)	(188 563)	(214 965)
Principal portion of lease liabilities repaid		(39 233)	(29 109)	(47 663)
Dividend paid	12	(162 149)	(119 829)	(119 822)
Net inflow/(outflow) from bank overdraft		629 589	567 107	(98 795)
Net cash inflow/(outflow) from financing activities		232 582	221 195	(492 573)
Net (decrease)/increase in cash and cash equivalents		(12 546)	(7 978)	24 322
Cash and cash equivalents at beginning of the period		34 689	10 367	10 367
Cash and cash equivalents at end of the period		22 143	2 389	34 689

¹ Settled by purchase of shares in the open market.

CONDENSED CONSOLIDATED SEGMENTAL REPORT

for the six month period ended 31 March 2024

PRODUCTS AND SERVICES FROM WHICH REPORTABLE SEGMENTS DERIVE THEIR REVENUES

Information reported to the chief operating decision-maker for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided, and in respect of the 'regional' and 'international' operations. The information is further analysed based on the different classes of customers. The chief operating decision-maker of the Group has chosen to organise the Group around the difference in geographical areas and operates the business on that basis.

Specifically, the Group's reportable segments under IFRS 8: Operating Segments, are as follows:

- Regional
- International

SEGMENT REVENUES AND RESULTS

The Group's revenue and results by reportable segment are analysed below and incorporate disaggregation of revenue.

	Reviewed Six-month period ended 31 March 2024 R'000	Reviewed Six-month period ended 2 April 2023 R'000	Audited year ended 1 October 2023 R'000
Segment revenue			
Regional			
Fresh products sales	1 166 090	1 133 160	2 264 421
Long life products sales	2 092 200	1 945 482	3 735 508
	3 258 290	3 078 642	5 999 929
International			
Long life products sales	639 494	699 793	1 886 750
Total	3 897 784	3 778 435	7 886 679
Segment profit			
Regional	326 574	272 925	527 090
International	73 243	72 884	244 571
Operating profit from normal activities¹	399 817	345 809	771 661
Impairment loss	(1 417)	–	(15 474)
Interest income	77	272	444
Interest expense	(39 655)	(46 228)	(99 358)
Profit before taxation	358 822	299 853	657 273
Segment depreciation			
Regional	99 458	90 092	177 429
International	41 281	35 133	93 143
Total	140 739	125 225	270 572

¹ Operating profit from normal activities excludes items that do not occur in the normal course of the Group's operating activities.

CONDENSED CONSOLIDATED SEGMENTAL REPORT CONTINUED

for the six month period ended 31 March 2024

	Reviewed Six-month period ended 31 March 2024 R'000	Reviewed Six-month period ended 2 April 2023 R'000	Audited year ended 1 October 2023 R'000
Segment amortisation			
Regional	12 890	10 795	27 642
International	16	210	519
Total	12 906	11 005	28 161
Share of loss of associate			
Regional	(252)	(121)	(518)

Segment revenue reported above represents revenue generated from external customers. Intercompany sales in the regional long life segment amounted to R286.599 million (six months ended 2 April 2023: R242.120 million, year ended 1 October 2023: R461.778 million).

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 1. Segment profit represents the profit before tax earned by each segment without allocation of impairment losses, interest received and interest paid. This is the measure reported to the chief operating decision-maker for the purpose of resource allocation and assessment of segment performance.

GEOGRAPHICAL INFORMATION

The Group's non-current assets by location of operations (excluding goodwill and deferred taxation asset) and revenue are detailed below. Executive management does not evaluate any of the Group's other assets or liabilities on a segmental basis for decision-making purposes.

	Reviewed Six-month period ended 31 March 2024 R'000	Reviewed Six-month period ended 2 April 2023 R'000	Audited year ended 1 October 2023 R'000
Non-current assets			
South Africa	2 052 569	1 987 617	1 977 939
Eswatini	218 682	244 761	222 641
	2 271 251	2 232 378	2 200 580
Revenue			
South Africa	3 810 498	3 694 388	7 600 428
Eswatini	87 286	84 047	286 251
	3 897 784	3 778 435	7 886 679

INFORMATION REGARDING MAJOR CUSTOMERS

Two customers (six months ended 2 April 2023: two customers, year ended 1 October 2023: two customers) individually contributed 10% or more of the Group's revenue arising from both regional and international sources.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six month period ended 31 March 2024

1. BASIS OF PREPARATION

RFG Holdings Limited is a company domiciled in the Republic of South Africa. These condensed consolidated financial statements as at and for the six-month period ended 31 March 2024 comprise the company and its subsidiaries (together referred to as the "Group"). The main business of the Group is the manufacturing and marketing of convenience meal solutions. These include ready meals, pies and other pastry-based products, dairy products, fruit juices, fruit purees and concentrates and long life meals including jams, fruits, salads, vegetables, meat and dry packed foods. There were no major changes in the nature of the business for the Group during the periods ended 31 March 2024 and 2 April 2023.

The condensed consolidated financial statements are prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and contains the information required by IAS34: Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Pronouncements as issued by the Financial Reporting Standards Council, the requirements of the Companies Act of South Africa and the JSE Listings Requirements.

The accounting policies and methods of computation applied in the preparation of the condensed consolidated financial statements comply with International Financial Reporting Standards (IFRS) Accounting Standards and are consistent with those applied in the audited consolidated financial statements for the year ended 1 October 2023. The Group has not identified any standards, interpretations or amendments issued and effective in the current year which had a material impact on the Group's financial statements.

These condensed consolidated financial statements were prepared under the supervision of CC Schoombie CA(SA), Chief Financial Officer.

2. SEASONALITY OF OPERATIONS

The Group's performance is subject to seasonal trends based on the seasonality of fruit crops which are processed annually from November to July. Due to the seasonal nature of fruit production, working capital is actively managed over an annual cycle.

3. PROPERTY, PLANT AND EQUIPMENT

During the six-month period ended 31 March 2024 the following transactions accounted for the movement in the property, plant and equipment balance:

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
COST				
31 March 2024	3 026 209	199 837	(1 321)	3 224 725
2 April 2023	2 788 910	143 512	(4 129)	2 928 293
1 October 2023	2 788 910	289 985	(52 686)	3 026 209

	Opening balance R'000	Depreciation R'000	Disposals R'000	Impairment R'000	Closing balance R'000
ACCUMULATED DEPRECIATION AND IMPAIRMENT					
31 March 2024	1 127 546	115 555	(1 260)	1 417	1 243 258
2 April 2023	943 786	102 012	(4 033)	–	1 041 765
1 October 2023	943 786	224 046	(51 294)	11 008	1 127 546

	Opening balance R'000	Closing balance R'000
NET BOOK VALUE		
31 March 2024	1 898 663	1 981 467
2 April 2023	1 845 124	1 886 528
1 October 2023	1 845 124	1 898 663

The disposal of property, plant and equipment resulted in a profit of R0.306 million (six months ended 2 April 2023: profit of R0.162 million, year ended 1 October 2023: loss of R0.675 million). An impairment of land for which the fair value was less than the current cost during the six month period ended 31 March 2024 amounted to an impairment loss of R1.417 million (six months ended 2 April 2023: Rnil, year ended 1 October 2023: decommissioning of redundant plant and equipment amounted to an impairment loss of R11.008 million). These impairment losses were recognised as part of 'other operating costs' in the condensed consolidated statement of profit or loss and other comprehensive income.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the six month period ended 31 March 2024

3. PROPERTY, PLANT AND EQUIPMENT CONTINUED

During the six month period ended 31 March 2024, the Group contracted R72.395 million (six months ended 2 April 2023: R65.875 million, year ended 1 October 2023: R76.033 million) for future capital commitments. This will be financed through a combination of operating cash flows and available credit facilities.

There has been no major change in the nature of property, plant and equipment, the policy regarding the use thereof, or the encumbrances over the property, plant and equipment.

4. RIGHT-OF-USE ASSETS

The Group leases various land and buildings, plant and machinery, office equipment and vehicles. Rental contracts are typically entered into for fixed periods, but may sometimes have extension options. Lease terms are negotiated on an individual basis by the underlying business components and contain a range of terms and conditions. Leases of plant and machinery, office equipment and vehicles have a lease term ranging from three to twenty years (2023: three to twenty years). Leases of land and buildings have a lease term ranging from two to ten years.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

	Opening balance R'000	Additions R'000	Terminations R'000	Depreciation R'000	Remeasurements R'000	Closing balance R'000
NET BOOK VALUE						
31 March 2024	113 902	16 335	–	(25 184)	8 811	113 864
2 April 2023	146 185	3 441	–	(23 213)	8 895	135 308
1 October 2023	146 185	5 189	(197)	(46 526)	9 251	113 902

5. INVENTORY

5.1 INVENTORY

A provision for obsolete stock of R36.442 million is included in the inventory balance as at 31 March 2024 (2 April 2023: provision for net realisable value of R8.974 million, 1 October 2023: provision for obsolete stock of R37.120 million).

5.2 COST OF SALES

	Reviewed Six-month period ended 31 March 2024 R'000	Reviewed Six-month period ended 2 April 2023 R'000	Audited year ended 1 October 2023 R'000
Direct manufacturing costs	2 458 503	2 470 881	5 085 573
Manufacturing operating costs	441 967	373 867	822 914
	2 900 470	2 844 748	5 908 487

Cost of sales consists of direct manufacturing costs and an allocation of manufacturing operating costs.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the six month period ended 31 March 2024

6. REVENUE

The disaggregated revenue from contracts with customers is as follows:

	Reviewed Six-month period ended 31 March 2024 R'000	Reviewed Six-month period ended 2 April 2023 R'000	Audited year ended 1 October 2023 R'000
Regional			
Fresh products	1 166 090	1 133 160	2 264 421
Long life fruit products	412 492	362 983	678 889
Long life grocery products	1 679 708	1 582 499	3 056 619
	3 258 290	3 078 642	5 999 929
International			
Long life fruit products	628 359	684 683	1 856 546
Long life grocery products	11 135	15 110	30 204
	639 494	699 793	1 886 750
	3 897 784	3 778 435	7 886 679

The revenue categories consist of net sales of the following:

- Fresh products: Ready meals, pies, bakery and dairy products.
- Fruit products: Canned fruit and jam, fruit purees and fruit concentrates.
- Grocery products: Canned vegetables, canned meat, bottled salads and pickles, fruit juice, dry packaged foods and infant meals.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the six month period ended 31 March 2024

7. EARNINGS AND HEADLINE EARNINGS PER SHARE

7.1 HEADLINE EARNINGS PER SHARE

Reconciliation between earnings attributable to owners of the parent and headline earnings:

	Reviewed Six-month period ended 31 March 2024	
	Gross ¹ R'000	Net R'000
Earnings attributable to owners of the parent		261 118
Adjustments to profit attributable to owners of the parent:		
Profit on disposal of property, plant and equipment	(306)	(223)
Impairment of property, plant and equipment	1 417	1 034
Insurance proceeds related to property, plant and equipment	(303)	(221)
Headline earnings		261 708
Headline earnings per share (cents)		100.7

	Reviewed Six-month period ended 2 April 2023	
	Gross ¹ R'000	Net R'000
Earnings attributable to owners of the parent		217 295
Adjustments to profit attributable to owners of the parent:		
Profit on disposal of property, plant and equipment	(162)	(118)
Insurance proceeds related to property, plant and equipment	(514)	(376)
Headline earnings		216 801
Headline earnings per share (cents)		83.2

	Audited year ended 1 October 2023	
	Gross ¹ R'000	Net R'000
Earnings attributable to owners of the parent		476 595
Adjustments to profit attributable to owners of the parent:		
Loss on disposal of property, plant and equipment	675	493
Impairment of property, plant and equipment	11 008	8 036
Impairment of intangible assets	4 466	3 260
Insurance proceeds related to property, plant and equipment	(536)	(391)
Headline earnings		487 993
Headline earnings per share (cents)		187.4

¹ Pre-tax amounts attributable to owners of the parent.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the six month period ended 31 March 2024

7. EARNINGS AND HEADLINE EARNINGS PER SHARE CONTINUED

	Reviewed Six-month period ended 31 March 2024 R'000	Reviewed Six-month period ended 2 April 2023 R'000	Audited year ended 1 October 2023 R'000
7.2 EARNINGS AND DILUTED EARNINGS PER SHARE			
Earnings attributable to owners of the parent	261 118	217 295	476 595
Earnings per share (cents)	100.5	83.3	183.0
Diluted earnings per share (cents)	99.6	83.1	181.6
7.3 DILUTED HEADLINE EARNINGS PER SHARE			
Headline earnings	261 708	216 801	487 993
Diluted headline earnings per share (cents)	99.8	82.9	185.9
7.4 WEIGHTED AVERAGE NUMBER OF SHARES IN ISSUE			
Weighted average number of shares in issue	262 762 018	262 762 018	262 762 018
Treasury shares	(2 917 352)	(2 027 446)	(2 303 658)
Weighted average number of shares in issue	259 844 666	260 734 572	260 458 360
Effect of share options	2 306 940	842 552	2 022 535
Weighted average number of dilutive shares in issue	262 151 606	261 577 124	262 480 895

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the six month period ended 31 March 2024

8. CASH GENERATED FROM OPERATIONS

	Reviewed Six-month period ended 31 March 2024 R'000	Reviewed Six-month period ended 2 April 2023 R'000	Audited year ended 1 October 2023 R'000
Reconciliation of profit before taxation to cash generated from operations			
Profit before taxation	358 822	299 853	657 273
Adjusted for:			
Depreciation of property, plant and equipment	115 555	102 012	224 046
Depreciation of right-of-use assets	25 184	23 213	46 526
Amortisation of intangible assets	12 906	10 978	28 161
Net interest paid	39 578	45 956	98 914
(Profit)/loss on disposal of property, plant and equipment	(306)	(162)	675
IFRS 16 lease cancellation gain	–	(2 561)	(2 566)
Foreign exchange (gain)/loss on foreign currency denominated lease liabilities	(531)	(1 181)	1 646
Impairment of property, plant and equipment	1 417	–	11 008
Impairment of intangible assets	–	–	4 466
Net loss of associate	252	121	518
Share-based payment expense recognised	16 192	10 471	26 073
Allowance for credit losses on loans	(317)	(89)	(431)
Net movement in biological assets	(41 714)	(25 328)	59
Net movement in employee benefit liability	1 198	–	–
Operating cash flows before working capital changes	528 236	463 283	1 096 368
Working capital changes	(432 839)	(451 011)	(21 293)
Increase in inventory	(506 689)	(559 180)	(125 584)
(Increase)/Decrease in accounts receivable	(117 381)	(44 855)	12 187
Increase in accounts payable and accruals	241 975	175 314	68 958
(Decrease)/Increase in employee benefit liability accruals	(50 744)	(22 290)	23 146
Cash generated from operations	95 397	12 272	1 075 075

9. CONTINGENT LIABILITIES

	Reviewed Six-month period ended 31 March 2024 R'000	Reviewed Six-month period ended 2 April 2023 R'000	Audited year ended 1 October 2023 R'000
Bank guarantees for import and operational activities	19 389	15 111	16 903
Suretyship for RFG Foods Proprietary Limited banking facilities with Nedbank Limited, issued by Pacmar Properties Proprietary Limited.	44 000	44 000	44 000
Suretyship for RFG Eswatini Proprietary Limited banking facility with Nedbank (Eswatini) Limited issued by RFG Foods Proprietary Limited.	75 000	75 000	75 000
Cession of all amounts owing to RFG Foods Proprietary Limited by RFG Eswatini Proprietary Limited and Rhodes Foods Eswatini Proprietary Limited in favour of Nedbank Limited.	Unlimited	Unlimited	Unlimited
Suretyship including cession of loans receivable by Rhodes Foods Eswatini Proprietary Limited for RFG Eswatini Proprietary Limited banking facilities with Nedbank (Eswatini) Limited.	Unlimited	Unlimited	Unlimited

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the six month period ended 31 March 2024

10. FINANCIAL INSTRUMENTS

The carrying amounts of the financial assets and liabilities reported in the statement of financial position approximate fair values at the reporting date.

11. RELATED PARTY TRANSACTIONS

The Group sold goods to Peaty Mills Plc for R124.885 million (six months ended 2 April 2023: R178.677 million, year ended 1 October 2023: R454.980 million). Included in trade receivables are amounts due from Peaty Mills Plc for R61.616 million (six months ended 2 April 2023: R104.117 million, year ended 1 October 2023: R86.814 million).

There were no other significant related party transactions during the period under review.

12. DIVIDEND PAID

On 22 January 2024 a dividend of 62.0 cents (23 January 2023: 45.8 cents) per share was paid amounting to a total dividend of R162.1 million (2023: R119.8 million).

13. GOING CONCERN

The directors believe that the Group has adequate financial resources available within the Group to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on the going concern basis.

14. EVENTS SUBSEQUENT TO REPORTING DATE

The board of directors is not aware of any matter or circumstance of a material nature arising since the end of the six-month period ended 31 March 2024, otherwise not dealt with in the condensed consolidated financial statements, which significantly affects the financial position of the Group or the results of its operations.

15. SIX-MONTH PERIOD END

The Group's financial year ends on or about 30 September which reflects 52 weeks of trading, and as a result the reporting date may differ year on year. References to an interim financial period are to the 26 weeks ended on or about 31 March. The interim financial statements were prepared for the 26 week period ended 31 March 2024 (2023: 26 week period ended 2 April 2023).

16. APPROVAL OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The condensed consolidated financial statements were approved by the board of directors on 17 May 2024.

17. PREPARER OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These condensed consolidated financial statements were prepared under the supervision of CC Schoombie CA(SA), chief financial officer.

18. REVIEW REPORT

The directors have elected to engage the Group's auditors, Ernst & Young Inc., to conduct a voluntary review of the condensed consolidated financial statements.

The Group's auditors have issued an unmodified review conclusion on the condensed consolidated financial statements. Any reference to the Group's outlook included in this announcement has not been reviewed or reported on by the Group's auditors.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the six month period ended 31 March 2024

19. INDEPENDENT AUDITOR'S REVIEW REPORT ON INTERIM FINANCIAL STATEMENTS

TO THE SHAREHOLDERS OF RFG HOLDINGS LIMITED

We have reviewed the condensed consolidated financial statements of RFG Holdings Limited, contained in the accompanying interim report, which comprises the condensed consolidated statement of financial position as at 31 March 2024 and the condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and selected explanatory notes.

DIRECTOR'S RESPONSIBILITY FOR THE INTERIM FINANCIAL STATEMENTS

The directors are responsible for the preparation and presentation of these interim financial statements in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board, IAS 34 Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by Financial Reporting Standards Council, 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 interim financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express a conclusion on these interim financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of interim financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures performed in a review are substantially less than and differ in nature from those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated financial statements of RFG Holdings Limited for the six-month period ended 31 March 2024 are not prepared, in all material respects, in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board, IAS 34 Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa.

Ernst & Young Inc.

Ernst & Young Inc.

Director: Lucian Rolleston

Registered Auditor

Chartered Accountant (SA)

22 May 2024

3rd Floor, Waterway House, 3 Dock Road, V&A Waterfront
PO Box 656, Cape Town, 8000

CORPORATE INFORMATION

RFG HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

Registration number: 2012/074392/06

JSE share code: RFG

ISIN: ZAE000191979

Registered address

Pniel Road, Groot Drakenstein, 7680
Private Bag X3040, Paarl, 7620

Directors

Dr YG Muthien* (Chairperson)
WP Hanekom (Chief executive officer)
TP Leeuw* (Lead independent director)
S Maitisa*
SV Naidoo*
BN Njobe*
CC Schoombie (Chief financial officer)
CL Smart**
GJH Willis**

* *Independent non-executive*

** *Non-executive*

Company secretary

BM Lakey

Transfer secretaries

Computershare Investor Services Proprietary Limited

Sponsor

Rand Merchant Bank, a division of FirstRand Bank Limited

Auditors

Ernst & Young Inc.

www.rfg.com