

RFG Holdings Limited
(Incorporated in the Republic of South Africa)
Registration number 2012/074392/06
JSE share code: RFG
ISIN: ZAE000191979
("RFG" or "the group")

TRADING STATEMENT FOR THE SIX MONTHS ENDED 3 APRIL 2022

Shareholders are advised that RFG's headline earnings for the six months ended 3 April 2022 ("the period") are expected to be between 30% and 35% higher than the R119.4 million reported for the six months ended 28 March 2021.

During the period the group generated strong sales volume growth in its regional and international businesses. However, significant cost inflation has been experienced in cans, raw materials such as meat, fats and oils, and logistics, in particular international freight costs. The group has been unable to recover the full extent of these input cost increases which has adversely impacted the operating profit margin of the regional segment. The operating profit for the international segment has recovered after a weak performance in the prior period.

The group's half year results include the benefit of an insurance settlement of R43.4 million for loss of profits during the Covid-19 lockdown in 2020, which was received in March 2022.

The group incurred once-off costs of R23.6 million in the period relating to the acquisition of the Today pie business, including restructuring, relocation and severance costs.

Net foreign exchange losses of R4.2 million were recorded for the first half compared to net foreign exchange gains of R19.6 million in the first half of the 2021 financial year.

Earnings for the period are expected to be as follows:

	Six months ended 28 March 2021 Reported	Six months ended 3 April 2022 Expected range	
Earnings per share	40.7c	47% - 52% higher	59.8c – 61.9c
Headline earnings per share (HEPS)	45.6c	30% - 35% higher	59.1c – 61.4c
Diluted HEPS	45.5c	30% - 35% higher	59.2c – 61.5c

Normalised diluted HEPS*	49.6c	1% - 6% higher	50.0c – 52.5c
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*Excludes once-off restructuring costs in the current and prior periods, and insurance settlement proceeds in the current period

Normalised diluted HEPS constitutes pro forma information in terms of the JSE Listings Requirements. This information is the responsibility of the group's directors, has been prepared for illustrative purposes only, and may not fairly present the group's financial position, changes in equity, cash flows or results of operations.

The estimate financial information on which this trading statement is based is the responsibility of the directors and has not been reviewed or reported on by the group's independent external auditor.

The group's interim financial results for the period will be released on the Stock Exchange News Service of the JSE on or about 25 May 2022.

Groot Drakenstein
18 May 2022

Sponsor
Rand Merchant Bank (A division of FirstRand Bank Limited)