

## Libstar Holdings Limited

(Incorporated in the Republic of South Africa)

(Registration number 2014/032444/06)

(JSE share code: LBR)

(ISIN: ZAE000250239)

("Libstar" or the "Group")

## TRADING STATEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2022 AND VOLUNTARY ANNOUNCEMENT REGARDING THE ACQUISITION OF CAPE FOODS

### Trading

Group trading for the six months ended 30 June 2022 (H1) continued to be impacted by supply chain disruptions, significant cost inflation and consumer pressures.

Notwithstanding these challenges, revenue increased in all Group categories with total revenue up 9.6%. Volume sales grew by 6.9%, assisted by increased volumes of hard cheese in Lancewood (Perishables category) and sauces, vinegars, and other condiments (Groceries category). Groceries category volumes increased year-on-year despite lower export volumes of value-added herbs and spices due to ongoing shipping delays.

Group gross profit margins were largely in line with the H1 prior period despite significant raw material and energy cost inflation.

Accordingly, the Group expects to report growth of Normalised Earnings Before Interest and Taxation (EBIT) and Normalised Earnings before Interest, Taxation, Depreciation and Amortisation (EBITDA) for the period ended 30 June 2022 within the following ranges:

	Percentage change	Expected for the six-month period ended 30 June 2022	Reported for the six-month period ended 30 June 2021
		R'000	R'000
Normalised EBIT*	+8.6% to +11.6%	R342,138 to R351,592	R315,116
Normalised EBITDA*	+3.6% to +5.6%	R488,481 to R497,909	R471,413

\*Continuing operations

### Other items

Unrealised foreign currency translation gains reduced from a gain of R1.1 million to a loss of R12.6 million. Other income for the H1 period reduced from R15.1 million to R9.4 million. Net finance charges (excluding IFRS 16) increased by 3.0% from R45.8 million to R47.1 million.

### Discontinued operations

The Household and Personal Care (HPC) divisions of Chet Chemicals and Contactim remain classified as held for sale from the previous full-year reporting period, as the Board continues to evaluate the strategic positioning of the HPC business to optimise the Group's portfolio composition and returns. The non-current assets of Glenmor have also been classified as held

for sale as the Group completed the exit from this investment shortly after the close of H1. The HPC divisions of Chet Chemicals, Contactim and Glenmor reported a reduced operating loss relative to the prior H1 period. The improved operating result from HPC has contributed to the increase in the Group's expected H1 EPS and HEPS from all operations.

## Trading statement

The Group accordingly advises shareholders, in accordance with Section 3.4 (b) of the Listings Requirements of the JSE Limited, that Libstar expects to report Earnings Per Share (EPS), Headline Earnings Per Share (HEPS), Normalised EPS and Normalised HEPS, within the ranges reflected in the table below:

		<b>Expected for the six-month period ended 30 June 2022</b>	<b>Reported for the six-month period ended 30 June 2021</b>
	<b>Percentage change</b>	<b>(cents)</b>	<b>(cents)</b>
<b>Total EPS<sup>^</sup></b>	+90.5% to +100.0%	24.0 to 25.2	12.6
<b>Total HEPS<sup>^</sup></b>	+95.7% to +106.3%	23.9 to 25.2	12.2
<b>Normalised EPS<sup>*</sup></b>	+10.1% to +15.2%	34.8 to 36.4	31.6
<b>Normalised HEPS<sup>*</sup></b>	+11.5% to +16.7%	34.8 to 36.4	31.2

<sup>^</sup> from continuing and discontinued operations

<sup>\*</sup> from continuing operations

The diluted weighted average number of shares in issue at the end of the H1 reporting period was 597,352,977 (H1 2021: 597,880,009).

The financial information in this announcement has not been reviewed or reported on by Libstar's external auditors.

These interim results will be published on 13 September 2022.

## VOLUNTARY ANNOUNCEMENT: ACQUISITION OF CAPE FOODS

Libstar is pleased to announce the conclusion of an agreement for the acquisition of Cape Foods Proprietary Limited ("**Cape Foods**") (the "**Acquisition**" or "**Transaction**").

Founded in 2002 by Gerhard Martin, Cape Foods, based in Cape Town, is a manufacturer of a wide range of branded and private label herb, spice and seasoning blends. Its facilities are accredited locally and internationally by, inter alia, the British Retail Consortium, Business Social Compliance Initiative and United States Food and Drug Administration. Cape Foods' product range is marketed for sale to retailers and distributors both locally and internationally in more than 30 countries.

The Transaction is in line with Libstar's strategy to grow its basket of non-commoditised food products in existing categories. The Acquisition provides access to new markets and value-added products in the dry condiments category.

The Acquisition falls below the threshold for categorisation in terms of the JSE Limited Listings Requirements, and therefore this is a voluntary announcement provided for information purposes only.

The transaction is subject to the fulfilment of regulatory suspensive conditions by no later than 30 November 2022.

**10 August 2022**

Sponsor  
The Standard Bank of South Africa Limited