

RCL FOODS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1966/004972/06)

ISIN: ZAE000179438

Share Code: RCL

("RCL FOODS" or "the Group")

**TRADING STATEMENT – SIX MONTHS ENDED DECEMBER 2022**

In accordance with the JSE Limited Listings Requirements, shareholders are advised that RCL FOODS expects its headline earnings per share ("HEPS") for the six month period ended December 2022 ("current period") to be between 53.2 cents (-26.8%) and 58.1 cents (-20.1%) when compared to the reported HEPS of 72.7 cents for the six month period ended December 2021 ("comparative period"). Earnings per share ("EPS") for the current period is expected to be between 54.4 cents (-26.3%) and 59.0 cents (-20.1%) when compared to the reported EPS of 73.8 cents for the comparative period.

The expected decline from the comparative period was largely attributable to Rainbow and the Baking business unit. Challenging market conditions persisted throughout the current period, with sustained high commodity input prices; above-inflationary price increases for other costs particularly energy and packaging; and unprecedented levels of load shedding, adding to the cost base, with the latter further impacting production and service levels. As a result margins came under pressure, and price increases to recover cost push had to be carefully managed in order to protect volumes.

The Group's financial results for the current period are expected to be released on SENS on 6 March 2023.

The financial information on which this trading statement is based has not been reviewed and reported on by the Group's external auditors.

Durban

2 February 2023

Sponsor

RAND MERCHANT BANK (A division of FirstRand Bank Limited)