

RCL FOODS LIMITED  
(Incorporated in the Republic of South Africa)  
ISIN: ZAE000179438  
Share Code: RCL  
("RCL FOODS" or "the Company" or "the Group")

## **GROUP FINANCIAL RESULTS FOR THE SIX MONTHS ENDED DECEMBER 2022**

- Revenue up 17.6% to R 20,2 billion
- Earnings before depreciation, amortisation and impairment (EBITDA) down 8.9% to R 1 177,7 million
- Underlying\* EBITDA down 9.2% to R 1 248,2 million
- Headline earnings per share (HEPS) down 22.4% to 56.4 cents
- Earnings per share (EPS) down 22.0% to 57.6 cents

*\*The underlying view of the results excludes material once-offs and accounting adjustments. Refer to the "Reconciliation between unadjusted and underlying results" section provided as part of the full announcement for further details.*

RCL FOODS delivered a resilient set of results for the six months ended December 2022 amidst challenging trading conditions. Sustained high commodity input prices, above-inflationary increases in other costs and unprecedented levels of load shedding had a notable impact on the current period. The lower result was mainly attributable to declines in Rainbow and Baking. With the Rainbow and Vector Logistics separation processes still in progress, and considering the impact of the ongoing external pressures described above on the Group, the directors have resolved not to declare an interim dividend in order to preserve cash while the Group repositions its portfolio.

RCL FOODS Value-Added Business (consisting of the Groceries, Baking and Sugar business units) delivered a resilient set of results in a declining market. The Groceries business sustained its high market shares but was significantly challenged by load shedding, which particularly impacted service levels in the first quarter. Industrial action at both the Grocery and Pies facilities also contributed to higher costs and production downtime. Volumes came under pressure in Baking, largely resulting from price increases implemented to counter high wheat and maize prices. Sugar produced a good result, aided by volume growth and higher prices, but partially offset by high energy and fertiliser costs.

Rainbow's turnaround was hampered by high feed input costs, poor agricultural performance and the impact of load shedding. Higher

volumes and pricing, coupled with an improved mix were insufficient to offset the higher input costs.

Despite good revenue growth, Vector Logistics' result was dampened by cost pressures. Progress with the final phase of the network consolidation has yielded cost and scale benefits, though this was offset by the direct cost impact of load shedding, electricity price hikes and higher fuel costs in the current period.

The contents of this short-form announcement are the responsibility of the board of directors of the Group.

Shareholders are advised that this short-form announcement represents a summary of the information contained in the full announcement and does not contain full or complete details as published in the full announcement published on The Stock Exchange News Service and on the RCL FOODS website, [www.rclfoods.com/financial-results-and-reports-2023/](http://www.rclfoods.com/financial-results-and-reports-2023/) on 6 March 2023.

The consolidated interim financial statements for the current period were reviewed by PricewaterhouseCoopers Inc., who expressed an unqualified opinion thereon. The reviewed consolidated interim financial statements and the auditor's report thereon are available for inspection on the RCL FOODS website, [www.rclfoods.com/financial-results-and-reports-2023/](http://www.rclfoods.com/financial-results-and-reports-2023/).

Any investment decisions by investors and/or shareholders should be based on a consideration of the full announcement as a whole and shareholders are encouraged to review the full announcement, which is available for viewing at <https://senspdf.jse.co.za/documents/2023/JSE/ISSE/RCL/06032023.pdf> or on the Group's website set out above. Copies of the full announcement may be inspected at the Group's registered office and offices of its sponsor at no charge, during office hours of 08h00 to 16h30, Monday to Friday. Investors and/or shareholders may also request copies of the full announcement by contacting the Company secretary at [lauren.kelso@rclfoods.com](mailto:lauren.kelso@rclfoods.com) or on 031 242 8500.

Durban  
6 March 2023

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