

PREMIER GROUP LIMITED  
(formerly Premier Group Proprietary Limited)  
(Incorporated in the Republic of South Africa)  
Registration number 2007/016008/06  
JSE share code: PMR  
ISIN: ZAE000320321  
("Premier", the "Group" or the "Company")

#### **VOLUNTARY TRADING UPDATE FOR THE YEAR ENDING 31 MARCH 2024**

Premier representatives will be attending the Bank of America "Global Research 25<sup>th</sup> South Africa Conference 2024" on 6 March 2024, where meetings will be held with numerous investors. Accordingly, the board has elected to provide this voluntary trading update to the Company's shareholders.

Shareholders are referred to the announcement of the Group's unaudited interim results for the six months ended 30 September 2023, released on the Stock Exchange News Service ("**SENS**"), on 13 November 2023 ("**2024 Interim Results Announcement**"), in which it was stated that Premier was well positioned for further growth in the next six-month period.

The 2024 Interim Results Announcement highlighted that, for the six months to 30 September 2023:

- Revenue increased by 7.1% to R9.4 billion
- Earnings before finance income and finance costs (including foreign exchange gains), tax, depreciation and amortisation ("**EBITDA**") increased by 23.9% to R1.0 billion
- The Group's EBITDA margin improved by 150 basis points to 10.9%
- Earnings per share ("**EPS**") increased by 0.3% to 326 cents per share
- Headline earnings per share ("**HEPS**") increased by 0.8% to 331 cents per share
- Normalised HEPS<sup>(1)</sup> increased by 25.4% to 331 cents per share
- Return on Invested Capital ("**ROIC**") was 20.7%

(1) Normalised HEPS in the prior year ended 31 March 2023 was reduced for foreign exchange gains on cash and loans of a funding nature and by the reversal of accrued withholding tax on preference dividends, both of which were once-off in nature. In the current year ending 31 March 2024 (or "**the current period**"), Premier does not envisage any adjustments to HEPS and accordingly, Normalised HEPS for the current period is expected to equate to HEPS.

Premier is pleased to note that, for the financial year to date, the business has performed in line with its expectations for the second half of the year and the outlook expressed in the 2024 Interim Results announcement.

Based on trading for the financial year to date, while revenue growth has moderated to low single digit growth, Premier has focused on maintaining margins, which are expected to remain in line with those achieved for the first half of the current period. The reduction in the revenue growth rate is mainly due to stability in the soft commodity prices that are inputs into the Company's MillBake products when compared to the prior year.

Premier remains focused on organic investment opportunities and its capital expenditure is expected to be marginally higher than the guidance issued in the 2024 Interim Results Announcement of R600 million for the year ending 31 March 2024. The major project being undertaken is the rebuilding of the Company's Aeroton Bakery which is a multi-year project, and which is on track. Other significant projects that are underway include the Mthatha bakery rebuild and the creation of two centres of excellence for the sugar confectionary business, which involves the relocation and upgrade of certain manufacturing lines.

Premier has continued to generate cash from operations and, as a result, has focused on de-gearing by settling, in full, the revolving credit facility of R1 billion that was drawn down in November 2022. This will increase Premier's financial flexibility for future investment opportunities. At this stage, Premier is on track to improve its leverage ratio at year end (which was 1.4x as at 30 September 2023 and, subject to final Board approval, pay a maiden, final dividend for the year ending 31 March 2024.

Any forecast or estimated financial information on which this trading update is based has not been reviewed or reported on by the Company's external auditors.

Premier's results for the year ending 31 March 2024 are expected to be released on SENS on, or about, 11 June 2024.

Johannesburg  
5 March 2024

Sponsor  
RAND MERCHANT BANK (A division of FirstRand Bank Limited)