

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 2024

Shareholders of RCL FOODS are advised that it expects its headline earnings per share ("HEPS") from total operations for the six months ended December 2024 ("current period") to be between 106.0 cents (+31.2%) and 112.0 cents (+38.6%) when compared to the reported HEPS of 80.8 cents from total operations for the six months ended December 2023 ("comparative period"). Earnings per share ("EPS") from total operations for the current period is expected to be between 131.0 cents (+9.3%) and 138.0 cents (+15.2%) when compared to the reported EPS from total operations of 119.8 cents for the comparative period. The expected difference between EPS and HEPS is largely due to, amongst other items, the current period EPS including the non-cash gain realised on accounting for the unbundling of Rainbow, and the comparative period EPS including the gain on disposal of Vector Logistics.

Total operations relate to the sum of continuing and discontinued operations of the Group. In the current period, continuing operations relate to the remaining RCL FOODS business (comprising the Groceries, Baking, Sugar and Group (shared services) segments), post the unbundling of Rainbow on 1 July 2024 and disposal of Vector Logistics in the 2024 financial year. In the current period the discontinued operation relates solely to the non-cash gain realised on accounting for the unbundling of Rainbow. Additional voluntary headline earnings guidance on the results of the continuing operations of the Group has been provided below.

RCL FOODS expects its HEPS from continuing operations for the current period to be between 106.0 cents (+34.5%) and 112.0 cents (+42.1%) when

compared to the restated* HEPS of 78.8 cents from continuing operations for the comparative period.

The improved headline earnings performance across the continuing operations was largely due to gains in Groceries and Baking, as well as a partial recovery of the additional levy raised by the South African Sugar Association (SASA) in our 2023 financial year on the Sugar business unit, as a result of Tongaat and Gledhow suspending payment of their industry obligations. Volumes remained under pressure over the current period in most of the Groceries and Baking categories, with a focus on continuous improvement and net revenue management initiatives, optimising sales mix, lower input costs and the continued suspension of load-shedding driving their improved result. After consecutive years of record performance off a high base, Sugar continued to perform well, aided by continuous improvements in operational performance and a reduced industry exposure to lower margin raw exports.

*Restated in accordance with the requirements of *IFRS 5 Non-current Assets Held for Sale and Discontinued Operations* to remove Rainbow from continuing operations and reflect its results as a discontinued operation in the comparative period.

The Group's financial results for the current period are expected to be released on SENS on 3 March 2025.

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

Westville

7 February 2025

Sponsor

RAND MERCHANT BANK (A division of FirstRand Bank Limited)