

RFG Holdings Limited  
Incorporated in the Republic of South Africa  
Registration number 2012/074392/06  
Share code: RFG  
ISIN: ZAE000191979  
("RFG" or "the group")

## TRADING UPDATE FOR THE FIVE MONTHS ENDED FEBRUARY 2025

RFG increased revenue by 2.1% to R3.1 billion in the five months ended February 2025 ("the period").

The group's regional segment reported a strong recovery in volumes in both fresh and long life foods despite consumer spending remaining under pressure in the domestic market.

Revenue in the international segment was impacted by declining demand and shifting market dynamics. This led to a large number of canned deciduous fruit contracts not being honoured by customers and these orders needing to be redirected to alternative markets where they were sold at lower prices. Revenue was further impacted by lower pineapple volumes due to the drought conditions in Eswatini in the previous financial year.

Revenue (% change)	Increase / (decrease)	Price	Volume	Mix	Forex
Regional segment	5.6	(0.6)	8.7	(2.5)	
International segment	(19.1)	(1.5)	(15.4)	(0.1)	(2.1)
Total group	2.1	(0.7)	5.3	(2.2)	(0.3)

### Regional segment

Regional revenue increased by 5.6%, driven by volume growth of 8.7% (prior comparative period: volume decline of 5.7%) and price deflation of 0.6% (prior comparative period: price inflation of 10.8%).

Fresh foods showed strong revenue growth, with volume growth in both the ready meals and pie categories. In long life foods, the fruit juice, dry foods and pulps and purees categories delivered double digit revenue growth. The fruit juice and dry foods categories benefited from new product launches in the prior financial year, in particular the fruit nectar juice range. The long life foods performance was adversely impacted by the shortage of canned pineapple products as well as pressure on canned meat sales due to consumer price resistance and higher promotional activity in the category.

### International segment

International revenue declined by 19.1%. Export volumes were 15.4% lower due to the delay in shipments of canned deciduous fruit while the group sourced alternative

customers and this adversely impacted sales. This was compounded by canned pineapple stock shortages due to the drought in Eswatini which resulted in lower quality fruit and yields.

The stronger Rand exchange rate compared to the prior comparative period reduced international turnover by 2.1% while selling price deflation averaged 1.5% for the period.

#### Outlook

The trading momentum in the regional segment is expected to continue into the second half of the financial year. Consumer spending is likely to remain constrained in the short-term, despite the recent interest rate relief, lower levels of inflation and improving consumer confidence.

Management remains focused on effective volume and margin management to maintain the regional operating profit margin at the targeted 10% level.

In the international segment, lower revenue and price deflation has resulted in margin pressure and the group does not expect to meet its operating profit margin target guidance for the first half.

The shortfall in international revenue from deciduous canned fruit for the period should start recovering from March onwards. Shipping of prior season products to alternative customers as well as product from the new canning season will gather momentum from March and over the remainder of the financial year. Inventory levels are expected to normalise by year end.

Improved climatic conditions in Eswatini are expected to contribute to normal pineapple quality and yields as the harvesting of the new crop commences this month. The global pineapple shortage has resulted in higher pricing and stronger demand which should support the recovery in the turnover and profitability of the Eswatini operation in the second half.

#### Interim results

The group's financial results for the six months to March 2025 will be released on the Stock Exchange News Service on or about 21 May 2025.

The financial information in this trading update is the responsibility of the directors and has not been audited, reviewed or reported on by the group's independent external auditor.

Groot Drakenstein  
17 March 2025

Sponsor  
Rand Merchant Bank (A division of FirstRand Bank Limited)