



RCL FOODS LIMITED  
**GROUP INTERIM  
 FINANCIAL RESULTS**  
 FOR THE SIX MONTHS ENDED DECEMBER 2022

RCL FOODS is a South African food manufacturer with over 20 000 employees producing more than 30 much-loved brands. These include Yum Yum peanut butter, Nola mayonnaise, Ouma rusks, Pieman's pies, Number 1 mageu, Sunbake bread, Supreme flour, Selati sugar, Simply Chicken, Rainbow chicken, Bobtail and Catmor pet food, and Epol and Molatek animal feed.

RCL FOODS has delivered a resilient set of results amidst exceptionally challenging trading conditions marked by high input costs, significant load shedding and rising living costs for our consumers. Focusing on the factors within our control, we have sought to deliver a stable Rand profit and grow market share while supporting cash-strapped consumers as far as possible, both through value innovations and responsibly-managed price increases. In so doing, our concern has been to balance the need for margin protection with the pressure on consumers' pockets. We continue to actively invest in securing our future in line with our strategic growth agenda."  
*Paul Cruickshank, Chief Executive Officer*

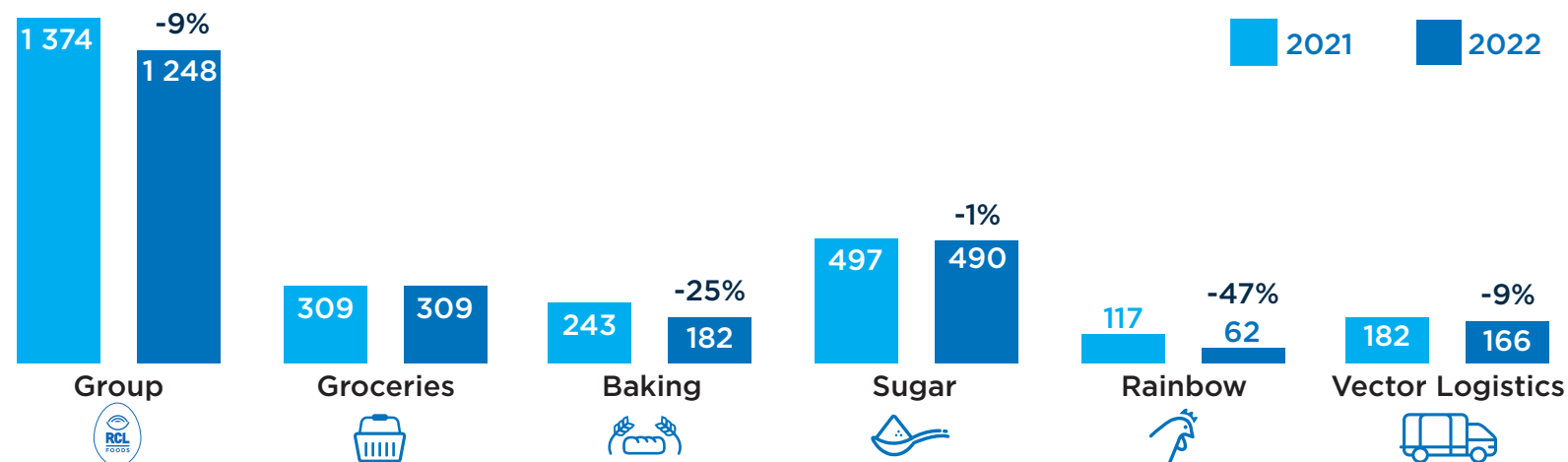
**KEY FEATURES**

- Revenue up 17.6% driven by higher pricing to counter rising input costs, as well as higher volumes in Sugar, Rainbow and Vector Logistics
- EBITDA declined 8.9% as a result of volume and margin pressure in challenging conditions
  - » Resilient Grocery market shares in a declining market
  - » Good Sugar performance off a high prior-year base
  - » Rainbow turnaround hampered by high feed input costs
  - » Vector Logistics impacted by cost pressures
- Load shedding and industrial action significantly impacted operations

**RESULTS SNAPSHOT**



**A RESILIENT PERFORMANCE IN TOUGH MARKET CONDITIONS, AIDED BY FOCUS ON CONTROLLABLES**  
 UNDERLYING\* EBITDA (RM) AND GROWTH (%) PER BUSINESS UNIT SIX MONTHS ENDED DECEMBER 2022



\* The underlying view of the results excludes material once-offs and accounting adjustments related to fair value adjustments on commodity positions in terms of IFRS 9 Financial Instruments (IFRS 9) in the current and prior period, as well as the direct cost impact of the civil unrest in July 2021 and the fire at our Sugar warehouse in Komatipoort in the prior period.

**CORPORATE INFORMATION**

RCL Foods Limited ("RCL FOODS" or "the Company") (Incorporated in the Republic of South Africa)  
 Registration number: 1966/004972/06 JSE share code: RCL ISIN: ZAE000179438  
 Registered Office: Ten The Boulevard, Westway Office Park, Westville, 3629  
 Directors: JJ Durand (Non-executive Chairman), PD Cruickshank (CEO)<sup>1</sup>, HJ Carse, RH Field<sup>1</sup>, G Dingaan<sup>2</sup>, CJ Hess<sup>3</sup>, GCJ Tielenius Kruythoff<sup>4</sup>, PR Louw, NP Mageza, PM Mounakwa, DTV Msibi, PJ Neethling<sup>5</sup>, GM Steyn and GC Zondi. **Company Secretary:** LG Kelso  
<sup>1</sup>Executive directors; <sup>2</sup>Appointed 9 November 2022; <sup>3</sup>Retired by rotation 9 November 2022; <sup>4</sup>Dutch; <sup>5</sup>Alternate director  
 Transfer Secretaries: Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196  
 Auditors: PricewaterhouseCoopers Inc.  
 Sponsor: Rand Merchant Bank (a division of FirstRand Bank Limited)  
 Bankers: Absa Bank Limited, FirstRand Bank Limited, Nedbank Limited, Investec Bank Limited and The Standard Bank of South Africa Limited  
 Website: www.rclfoods.com

**RCL FOODS Value-Added Business**  
 grows market share in several categories despite lower volumes

**Vector Logistics'**  
 revenue gains dampened by higher costs mainly related to load shedding, fuel and electricity

**Rainbow's improved volumes, pricing and mix** outweighed by **high feed input costs, poor agricultural performance** and **load shedding impacts**

Continued progress on **strategic transformation journey and portfolio reshaping**, with **RCL FOODS making headway** in engagements with a **potential acquiror for Vector Logistics**

With the Vector and Rainbow separation processes still in progress, and considering the impact of the ongoing external market pressures on the Group, the directors have resolved not to declare an interim dividend in order to preserve cash while the Group repositions its portfolio.

The contents of this short-form announcement are the responsibility of the board of directors of the Company. 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 on the Stock Exchange News Service (SENS) and on the RCL FOODS website, www.rclfoods.com on 6 March 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 on SENS and on the Company's website set out above). Investors and/or stakeholders may request copies of the full announcement by contacting the company secretary at lauren.kelso@rclfoods.com or on 031 242 8500.