



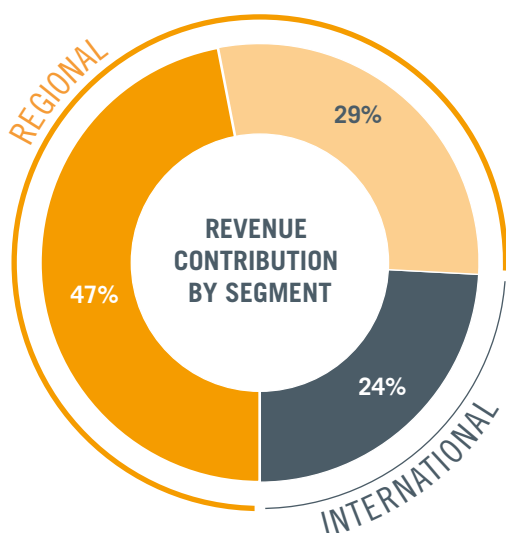
2023 SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 1 October 2023



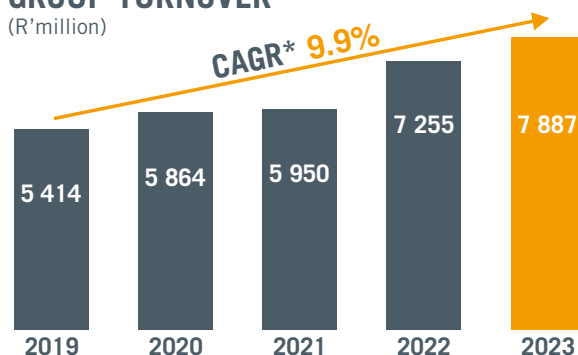
KEY FEATURES

<p>Group revenue</p> <p>+ 8.7% to R7.9 billion</p>	<p>Group operating profit</p> <p>+ 32.0% to R757 million</p>	<p>Group operating margin up 170 basis points to</p> <p>9.6%</p>
<p>Headline earnings</p> <p>+ 35.3% to R488 million</p>	<p>Diluted headline earnings per share</p> <p>+ 35.4% to 185.9 cents</p>	<p>Cash generated from operations</p> <p>+ 59.8% to R1 075 million</p>
<p>Net debt-to-equity ratio improved to</p> <p>21.3% from 36.2%</p>	<p>Dividend per share</p> <p>+ 35.4% to 62.0 cents</p>	<p>Return on equity improved to</p> <p>14.9% from 12.5%</p>



- Long Life Foods
- Fresh Foods
- International

GROUP TURNOVER (R'million)



*Compound annual growth rate.

COMMENTARY

PROFILE

RFG is a leading producer of fresh, frozen and long life convenience meal solutions for customers and consumers across South Africa, sub-Saharan Africa and major global markets. RFG's balanced portfolio of market leading brands, which includes Rhodes, Bull Brand, Magpie, Squish, Hinds and Today, is complemented by private label product ranges packed for all major South African retailers and international customers.

TRADING AND FINANCIAL PERFORMANCE

Group revenue increased by 8.7% to R7.9 billion with the growth being driven by price inflation of 12.9% as the Group continued to recover the high input cost increases of the past two years. After increasing by 10.0% for the first 11 months of the year, revenue for September was 1.8% lower due to the strong base effect from September 2022 when revenue grew by 28.7% for the month.

Slower consumer spending and competitor promotional activity resulted in volume pressure in certain product categories as total Group volumes declined by 8.3%, with negative mix changes of 0.2%. The impact of the volume declines was partially offset by foreign exchange gains which contributed 3.4% to revenue growth and acquisitive growth of 0.9% from the Today acquisition.

Revenue (% change)	Increase	Price	Volume	Mix	Acquisition	Forex
Regional segment	9.8	15.5	(6.6)	(0.4)	1.3	–
International segment	5.3	4.6	(13.6)	0.6	–	13.7
Total Group	8.7	12.9	(8.3)	(0.2)	0.9	3.4

Management continued to maintain the balance between price and volume, with cost recoveries aimed at improving the regional segment's operating margin towards the targeted 10% level. The rate of volume decline slowed as the year progressed, with regional volumes down 6.6% for the full year after declining by 8.0% for the first half. The Group's volume decline is lower than the market in comparable categories.

Revenue in the regional segment increased by 9.8%, with fresh foods revenue increasing by 8.1% and long life foods by 10.9%.

The pie category produced robust growth in turnover and profitability, supported by the sustained performance of the Today acquisition and the benefit of the integration and consolidation of the pie facilities over the past two years.

In long life foods, the fruit juice and dry foods categories recorded double-digit revenue growth while the meat products category showed an encouraging recovery in the second half of the year. Industrial pulps and purees delivered good growth in the regional market.

Volumes in the canned fruit and vegetable categories remain under pressure from weaker consumer demand, high raw material and packaging costs as well as the competitive environment.

International revenue grew by 5.3%. Strong international selling prices and the tailwinds from the weaker Rand were offset by a 13.6% volume decline after production volumes returned to historical levels. The 13.7% weakening in the Rand against the basket of trading currencies contributed R245.4 million to international revenue.

Export shipments were hampered by extreme winter weather conditions, particularly in September, as well as low productivity and congestion at the Cape Town port. The port delay is currently averaging 12 to 16 days, with shipping lines bypassing the port when it is too costly to dock due to the slower turnaround and waiting time at the port.

The Group's operating profit increased by 32.0% to R757 million with the operating profit margin improving by 170 basis points to 9.6%. The prior period included once-off costs of R25.7 million relating to the Today acquisition and an insurance claim proceeds of R43.4 million for loss of profits during the Covid-19 lockdown.

The Group continues to manage the impact of load shedding on production facilities and operating efficiencies. The Group has invested extensively in back-up power generation over the past seven years, with a further R25 million spent on new and replacement generators in the reporting period. Diesel costs to operate generators totalled R65.7 million for the year. At the current levels of load shedding, the average monthly diesel cost to operate generators amounts to approximately R0.5 million to R1.0 million. By year end, solar energy solutions had been installed at seven production facilities.

Regional operating profit increased by 63.0% to R527.1 million as the operating margin expanded from 5.9% to 8.8%. This was mainly due to the recovery of higher input costs from customers in most product categories, particularly fruit juice, ready meals, dry foods and meat as well as the strong performance from the pie category.

The operating profit for the international segment increased by 17.0% to R244.6 million as the operating margin strengthened from 11.7% to 13.0%. Profitability was supported by stable export pricing across the product portfolio and the weakening of the Rand against the US dollar during the year.

Earnings before interest, tax, depreciation and amortisation (EBITDA) increased by 28.9% to R1 055 million, while the EBITDA margin strengthened by 210 basis points to 13.4%.

The Group's interest expense was R10.1 million higher at R99.4 million due to the 200 basis points increase in the prime lending rate over the past year.

Headline earnings increased by 35.3% to R488.0 million, with diluted headline earnings per share (HEPS) 35.4% higher at 185.9 cents. Earnings per share increased by 32.7% to 183.0 cents and HEPS by 35.9% to 187.4 cents.

The board declared a final dividend of 62.0 cents per share, an increase of 35.4% on the prior year, maintaining the Group's dividend policy of three times diluted HEPS cover.

The increase in net working capital was contained at 2.5% to R1 855 million. Inventory levels have normalised as expected from the peak at the half year due to increased shipments to international markets.

COMMENTARY CONTINUED

Net cash flow generated from operations increased by 59.8% to R1 075 million, due mainly to improved profitability. The increased cash contributed to a significantly improved debt position, with net debt decreasing by R370.6 million to R726.9 million and the net debt-to-equity ratio improving to 21.3% from 36.2%.

Long-term loans of R215.0 million were repaid while no further loan funding was raised during the year.

Capital expenditure of R288 million (2022: R260 million) included the expansion and replacement of pineapple plantations in Eswatini of R40 million and capacity expansion at the pie and meat facilities.

The Group achieved its revenue growth target and made good progress in delivering on its medium-term targets for operating profit margin and return on equity.

Metric	Medium-term target	Achieved in 2023
Revenue growth	GDP + CPI + 2.0% (0.6% + 5.4% + 2.0% = 8.0%)	8.7% (2022: 21.9%)
Operating profit margin	10.0%	9.6% (2022: 7.9%)
Return on equity	WACC + 2.0% (14.0% + 2.0% = 16.0%)	14.9% (2022: 12.5%)

OUTLOOK

Sales volumes in the regional business are expected to remain under pressure due to constrained consumer spending. In this environment, management will continue to focus on price, volume and margin management to recover costs and to strengthen the operating margin. While inflationary input cost increases have moderated in most categories, tinned can and paper packaging costs in particular remain high.

Current international pricing and demand for RFG's canned fruit products are expected to be maintained. The Group is confident of maintaining an international operating margin of at least 10% through-the-cycle.

Capital expenditure of R280 million is planned for the new financial year, including the upgrade and replacement of equipment at the Tulbagh fruit products factory, the replacement of canning equipment and capacity expansion at the meat products factory in Krugersdorp, new and replacement generators and R40 million for the annual replacement of pineapple plantations in Eswatini.

RFG's renewable energy programme has been accelerated in response to the sustained levels of load shedding and a further four solar projects are planned for the 2024 financial year.

Any reference to future performance included in this announcement has not been reviewed or reported on by the Group's independent auditor.

CASH DIVIDEND DECLARATION

The board of directors has declared a final gross dividend of 62.0 cents per share in respect of the year ended 1 October 2023 for holders of ordinary shares.

The dividend has been declared out of income reserves. A dividend withholding tax of 20% will be applicable to all shareholders who are not exempt, resulting in a net dividend to these shareholders of 49.6 cents per share.

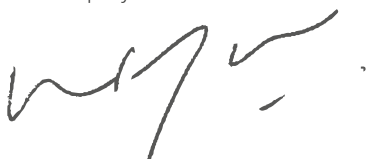
Shareholders are advised of the following salient dates in respect of the dividend declaration:

Last day to trade to receive a dividend	Tuesday, 16 January 2024
Shares commence trading "ex" the dividend	Wednesday, 17 January 2024
Record date	Friday, 19 January 2024
Dividend payment to shareholders	Monday, 22 January 2024

Share certificates may not be dematerialised or rematerialised between Wednesday, 17 January 2024 and Friday, 19 January 2024, both days included.

The number of ordinary shares in issue at the date of declaration is 262 762 018.

The company's tax reference number is 9348/292/17/9.



Pieter Hanekom
Chief executive officer

Groot Drakenstein
22 November 2023



Tiaan Schoombie
Chief financial officer

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 1 October 2023

	Notes	2023 R'000	2022 R'000
ASSETS			
Non-current assets		2 645 832	2 657 659
Property, plant and equipment	2	1 898 663	1 845 124
Right-of-use assets	3	113 902	146 185
Intangible assets		156 923	189 550
Goodwill		444 857	444 857
Investment in associate		6 866	7 384
Deferred taxation asset		395	283
Biological assets		14 684	14 857
Loans and other receivables		9 542	9 419
Current assets		2 904 060	2 765 945
Inventory	4	1 669 543	1 543 959
Accounts receivable		1 159 781	1 171 968
Biological assets		27 769	27 655
Loans and other receivables		12 260	11 970
Taxation receivable		18	26
Cash and cash equivalents		34 689	10 367
Total assets		5 549 892	5 423 604
EQUITY AND LIABILITIES			
Capital and reserves		3 406 583	3 032 943
Stated capital		1 544 818	1 554 251
Equity-settled employee benefits reserve		37 615	15 994
Accumulated profit		1 813 407	1 452 951
Equity attributable to owners of the Group		3 395 840	3 023 196
Non-controlling interest		10 743	9 747
Non-current liabilities		614 419	877 284
Loans		261 382	476 826
Lease liabilities		100 729	137 197
Deferred taxation liability		240 092	250 086
Employee benefit liability		12 216	13 175
Current liabilities		1 528 890	1 513 377
Accounts payable and accruals		974 328	905 408
Employee benefits accruals		117 750	95 274
Taxation payable		37 325	18 827
Loans		217 867	217 388
Lease liabilities		49 274	45 339
Bank overdraft		132 346	231 141
Total equity and liabilities		5 549 892	5 423 604

SUMMARISED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 1 October 2023

	Notes	2023 R'000	2022 R'000
Revenue	5	7 886 679	7 255 150
Direct manufacturing costs	4	(5 085 573)	(4 889 047)
Manufacturing operating costs	4	(822 914)	(725 314)
Selling and distribution costs		(539 870)	(559 067)
Other operating costs		(699 676)	(565 154)
Other income		18 059	56 533
Operating profit before associate profit		756 705	573 101
Associate (loss)/profit		(518)	1 323
Profit before interest and taxation		756 187	574 424
Interest expense		(99 358)	(89 214)
Interest income		444	749
Profit before taxation		657 273	485 959
Taxation		(179 737)	(124 036)
Profit for the year		477 536	361 923
Other comprehensive income			
Items that will not be reclassified to profit or loss		1 181	65
Remeasurement of employee benefit liability		1 629	77
Deferred taxation effect		(448)	(12)
Total comprehensive income for the year		478 717	361 988
Profit for the year attributable to:			
Owners of the Group		476 595	360 684
Non-controlling interest		941	1 239
		477 536	361 923
Total comprehensive income for the year attributable to:			
Owners of the Group		477 721	360 749
Non-controlling interest		996	1 239
		478 717	361 988
Earnings per share (cents)	6.2	183.0	137.9
Diluted earnings per share (cents)	6.2	181.6	137.3

SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 1 October 2023

	Notes	Stated capital R'000	Equity-settled employee benefits reserve R'000	Accumulated profit R'000	Non-controlling interest R'000	Total R'000
Balance at 26 September 2021		1 562 509	15 470	1 166 065	8 508	2 752 552
Profit for the year		–	–	360 684	1 239	361 923
Other comprehensive income for the year		–	–	65	–	65
Equity-settled employee benefits expense recognised		–	7 694	–	–	7 694
Equity-settled employee benefits settlement ¹		–	(7 170)	2 275	–	(4 895)
Acquisition of treasury shares		(8 258)	–	–	–	(8 258)
Dividend paid	9	–	–	(76 138)	–	(76 138)
Balance at 2 October 2022		1 554 251	15 994	1 452 951	9 747	3 032 943
Profit for the year		–	–	476 595	941	477 536
Other comprehensive income for the year		–	–	1 126	55	1 181
Equity-settled employee benefits expense recognised		–	26 073	–	–	26 073
Equity-settled employee benefits settlement ¹		–	(4 452)	2 557	–	(1 895)
Acquisition of treasury shares		(9 433)	–	–	–	(9 433)
Dividend paid	9	–	–	(119 822)	–	(119 822)
Balance at 1 October 2023		1 544 818	37 615	1 813 407	10 743	3 406 583

¹ Settled by purchase of shares in the open market.

SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 1 October 2023

	Notes	2023 R'000	2022 R'000
Cash flows from operating activities			
Cash generated from operations		1 075 075	672 696
Interest paid		(99 162)	(90 503)
Interest received		444	749
Taxation paid		(171 785)	(155 577)
Net cash inflow from operating activities		804 572	427 365
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(288 412)	(259 863)
Purchase of intangible assets		–	(141)
Proceeds on disposal of property, plant and equipment		717	8 168
Acquisition of business	10	–	(53 726)
Loans and other receivables advanced		(7 266)	(5 296)
Loans and other receivables repaid		7 284	3 308
Net cash outflow from investing activities		(287 677)	(307 550)
Cash flows from financing activities			
Equity-settled employee benefits settlement ¹		(1 895)	(4 895)
Acquisition of treasury shares		(9 433)	(8 258)
Loans raised		–	150 000
Loans repaid		(214 965)	(91 900)
Principal portion of lease liabilities repaid		(47 663)	(35 419)
Dividend paid	9	(119 822)	(76 138)
Net outflow from bank overdraft		(98 795)	(46 224)
Net cash outflow from financing activities		(492 573)	(112 834)
Net increase in cash and cash equivalents		24 322	6 981
Cash and cash equivalents at beginning of the year		10 367	3 386
Cash and cash equivalents at end of the year		34 689	10 367

¹ Settled by purchase of shares in the open market.

SUMMARISED CONSOLIDATED SEGMENTAL REPORT

for the year ended 1 October 2023

PRODUCTS AND SERVICES FROM WHICH REPORTABLE SEGMENTS DERIVE THEIR REVENUE

Information reported to the chief operating decision-maker for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided, and in respect of the “regional” and “international” operations, the information is further analysed based on the different classes of customers. The chief operating decision-maker of the Group has chosen to organise the Group around the difference in geographical areas and operate the business on that basis.

Specifically, the Group’s reportable segments under IFRS 8: Operating segments are as follows:

- Regional
- International

SEGMENT REVENUE AND RESULTS

The Group’s revenue and results by reportable segment are analysed and incorporate disaggregation of revenue.

	Notes	2023 R'000	2022 R'000
Segment revenue			
Regional			
Fresh products sales		2 264 421	2 095 228
Long life products sales		3 735 508	3 367 311
		5 999 929	5 462 539
International			
Long life products sales		1 886 750	1 792 611
Total	5	7 886 679	7 255 150
Segment profit			
Regional		527 090	323 410
International		244 571	209 108
Operating profit from normal activities¹		771 661	532 518
Impairment loss		(15 474)	(1 348)
Acquisition costs		–	(146)
Insurance claim proceeds ²		–	43 400
Interest income		444	749
Interest expense		(99 358)	(89 214)
Profit before taxation		657 273	485 959
Segment depreciation			
Regional		177 429	172 827
International		93 143	58 332
	2, 3	270 572	231 159
Segment amortisation			
Regional		27 642	12 404
International		519	266
		28 161	12 670

¹ Operating profit from normal activities excludes items that do not occur in the normal course of the Group’s operating activities.

² Insurance claim proceeds relate to an insurance settlement for loss of profits during the Covid-19 lockdown in 2020. This amount relates to the regional segment and is recognised in other income in the statement of profit or loss and other comprehensive income.

SUMMARISED CONSOLIDATED SEGMENTAL REPORT CONTINUED

for the year ended 1 October 2023

	2023 R'000	2022 R'000
	Share of (loss)/profit of associate	
Regional	(518)	1 323

Segment revenue reported above represents revenue generated from external customers. Intercompany sales in the regional long life segment amounted to R461.778 million (2022: R425.229 million), which have been eliminated upon consolidation.

Segment profit represents the profit before tax earned by each segment without allocation of impairment losses, acquisition costs, interest received and interest paid. This is the measure reported to the chief operating decision-maker for the purpose of resource allocation and assessment of segment performance.

GEOGRAPHICAL INFORMATION

The Group's non-current assets by location of operations (excluding goodwill and deferred taxation asset) and revenue are detailed below. The chief operating decision maker does not evaluate the Group's assets or liabilities on a segmental basis for decision-making purposes.

	2023 R'000	2022 R'000
	Non-current assets	
South Africa	1 977 939	1 986 613
Eswatini	222 641	225 906
	2 200 580	2 212 519
	Revenue	
South Africa	7 600 428	7 009 756
Eswatini	286 251	245 394
	7 886 679	7 255 150

INFORMATION REGARDING MAJOR CUSTOMERS

Two customers (2022: two customers) individually contributed 10% or more of the Group's revenue arising from both regional and international sources.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 1 October 2023

1. GENERAL INFORMATION

RFG Holdings Limited is a company domiciled in South Africa. These consolidated financial statements ("financial statements") as at and for the financial year ended 1 October 2023 comprise the company and its subsidiaries (together referred to as the "Group"). The main business of the Group is the manufacturing and marketing of convenience meal solutions. These include ready meals, pies and other pastry-based products, dairy products, fruit juices, fruit purees and concentrates and long life meals including jams, fruits, salads, vegetables, meat and dry packed foods. There were no major changes in the nature of the business of the Group during the year ended 1 October 2023.

The directors are responsible for the preparation and integrity of the summarised consolidated financial statements and other information contained therein and have not been audited by the external auditors. The summarised consolidated financial statements are derived from a correct extraction from the audited consolidated financial statements for the year ended 1 October 2023, and have been prepared in accordance with the framework concepts, the measurement and recognition requirements of International Financial Reporting Standards ("IFRS") and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Pronouncements as issued by the Financial Reporting Standards Council, and the requirements of the Companies Act of South Africa applicable to summarised financial statements and the JSE Limited Listings Requirements. The summarised consolidated financial statements contain, as a minimum, the information required by IAS 34: Interim Financial Reporting.

The accounting policies and methods of computations applied in the preparation of the summarised consolidated financial statements comply with IFRS and are consistent with those applied in the consolidated financial statements for the year ended 2 October 2022, except as mentioned below.

Management has considered all standards, interpretations and amendments that are in issue but not yet effective. The Group intends to adopt these new and amended standards and interpretations, which are relevant to the Group, when they become effective but which are not expected to have a material impact on the Group's financial statements:

- **Amendments to IAS 1, Classification of Liabilities as Current or Non-current**
The amendment provides a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date, and clarifies the requirements for classifying liabilities as current or non-current. The amendments are effective for annual periods beginning on or after 1 January 2024.
- **Amendments to IAS 12, Deferred tax relating to Assets and Liabilities arising from a single transaction**
Amendments to IAS 12 Income Taxes which narrow the scope of the initial recognition exception under IAS 12, to the effect that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments are effective for annual periods beginning on or after 1 January 2023.
- **Amendments to IAS 1 and IFRS Practice Statement 2, Disclosure of Accounting Policies**
Amendments to IAS 1 require entities to disclose their material rather than their significant accounting policies. The amendments define what is "material accounting policy information" and explain how to identify when accounting policy information is material. Amendments to IFRS Practice Statement 2 Making Materiality Judgements provide guidance on how to apply the concept of materiality to accounting policy disclosures. The amendments are effective for the annual periods beginning on or after 1 January 2023.
- **Amendments to IAS 8, Accounting policies, Changes in Accounting Estimates and Errors: definition of accounting estimates**
Amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors clarifies distinguishing between changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period. The amendments are effective for the annual periods beginning on or after 1 January 2023.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 1 October 2023

2. PROPERTY, PLANT AND EQUIPMENT

COST	Opening balance R'000	Acquisition of business R'000	Additions R'000	Disposals R'000	Closing balance R'000
2023	2 788 910	–	289 985	(52 686)	3 026 209
2022	2 583 327	11 500	259 863	(65 780)	2 788 910

ACCUMULATED DEPRECIATION AND IMPAIRMENT	Opening balance R'000	Depreciation R'000	Disposals R'000	Impairment R'000	Closing balance R'000
2023	943 786	224 046	(51 294)	11 008	1 127 546
2022	809 709	189 551	(56 822)	1 348	943 786

NET ASSET VALUE	Opening balance R'000	Closing balance R'000
2023	1 845 124	1 898 663
2022	1 773 618	1 845 124

Decommissioning of redundant plant and equipment during the year amounted to an impairment loss of R11.008 million (2022: impairment loss of R1.348 million). These impairment losses were recognised in other operating costs in the summarised consolidated statement of profit or loss and other comprehensive income.

During the year, the Group contracted R76.033 million (2022: R54.855 million) for future capital commitments. This will be financed through a combination of operating cash flows and available overdraft facilities.

There has been no major change in the nature of property, plant and equipment, the policy regarding the use thereof, or the encumbrances over the property, plant and equipment.

3. RIGHT-OF-USE ASSETS

The Group leases various buildings, plant and machinery and vehicles. Rental contracts are typically entered into for fixed periods, but may sometimes have extension options. Lease terms are negotiated on an individual basis by the underlying business components and contain a range of terms and conditions. Leases of plant and machinery, office equipment and vehicles have a lease term ranging from three to twenty years (2022: nineteen years). Leases of property have a lease term ranging from two to ten years.

Set out below are the carrying amounts of right-of-use assets recognised in the statement of financial position and the movements during the year:

	Opening balance R'000	Additions R'000	Terminations R'000	Depreciation R'000	Remeasurements ¹ R'000	Closing balance R'000
2023						
Land and buildings	75 851	3 441	–	(20 256)	2 457	61 493
Plant and machinery	70 177	1 748	(197)	(26 113)	6 794	52 409
Vehicles	157	–	–	(157)	–	–
Net book value	146 185	5 189	(197)	(46 526)	9 251	113 902

	Opening balance R'000	Additions R'000	Terminations R'000	Depreciation R'000	Remeasurements ¹ R'000	Closing balance R'000
2022						
Land and buildings	61 591	13 242	(15)	(15 239)	16 272	75 851
Plant and machinery	91 609	1 216	(202)	(26 146)	3 700	70 177
Vehicles	380	–	–	(223)	–	157
Net book value	153 580	14 458	(217)	(41 608)	19 972	146 185

¹ Lease remeasurements relate when the options to extend the lease terms were exercised during the year under review and the prior year.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 1 October 2023

4. INVENTORY

The value of the finished goods disclosed at net realisable value is R65.178 million (2022: R44.068 million).

Cost of sales consists of direct manufacturing costs and an allocation of manufacturing operating costs. Cost of sales amounted to R5 908.487 million for the year ended 1 October 2023 (2 October 2022: R5 614.361 million).

5. REVENUE

The disaggregated revenue from sales contracts with customers is as follows:

	2023 R'000	2022 R'000
Regional		
Fresh products	2 264 421	2 095 228
Long life fruit products	678 889	624 011
Long life grocery products	3 056 619	2 743 300
	5 999 929	5 462 539
International		
Long life fruit products	1 856 546	1 766 136
Long life grocery products	30 204	26 475
	1 886 750	1 792 611
	7 886 679	7 255 150

The revenue categories consist of net sales of the following:

- Fresh products: Ready meals, pies, bakery and dairy products.
- Fruit products: Canned fruit and jam, fruit purees and fruit concentrates.
- Grocery products: Canned vegetables, canned meat, bottled salads & pickles, fruit juice, dry packaged foods and infant meals.

6. EARNINGS AND HEADLINE EARNINGS PER SHARE

6.1 HEADLINE EARNINGS PER SHARE

Reconciliation between earnings attributable to owners of the parent and headline earnings:	2023		2022	
	Gross ¹ R'000	Net R'000	Gross ¹ R'000	Net R'000
Earnings attributable to owners of the parent		476 595		360 684
Adjustments to profit attributable to owners of the parent:				
Loss on disposal of property, plant and equipment	675	493	790	569
Impairment of property, plant and equipment	11 008	8 036	1 348	970
Impairment of intangible assets	4 466	3 260	–	–
Insurance proceeds related to property, plant and equipment	(536)	(391)	(2 138)	(1 539)
Headline earnings		487 993		360 684
Headline earnings per share (cents)		187.4		137.9

¹ Pre-tax amounts attributable to owners of the parent.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 1 October 2023

6. EARNINGS AND HEADLINE EARNINGS PER SHARE CONTINUED

	2023 R'000	2022 R'000
6.2 EARNINGS AND DILUTED EARNINGS PER SHARE		
Earnings attributable to owners of the parent	476 595	360 684
Earnings per share (cents)	183.0	137.9
Diluted earnings per share (cents)	181.6	137.3
6.3 DILUTED HEADLINE EARNINGS PER SHARE		
Headline earnings	487 993	360 684
Diluted headline earnings per share (cents)	185.9	137.3
6.4 WEIGHTED AVERAGE NUMBER OF SHARES IN ISSUE		
Weighted average number of shares in issue	262 762 018	262 762 018
Treasury shares	(2 303 658)	(1 149 171)
Weighted average number of shares in issue	260 458 360	261 612 847
Effect of share options	2 022 535	1 141 990
Weighted average number of dilutive shares in issue	262 480 895	262 754 837

7. FINANCIAL INSTRUMENTS

The carrying amounts of the financial assets and liabilities reported in the summarised consolidated statement of financial position approximate fair values at the reporting date, except where noted otherwise in the notes.

8. RELATED PARTY TRANSACTIONS

The Group sold goods to Peaty Mills Plc for R454.980 million (2022: R372.721 million). Included in trade receivables are amounts due from Peaty Mills Plc for R86.814 million (2022: R69.379 million).

9. DIVIDEND PAID

On 23 January 2023 a dividend of 45.8 cents per share for the year ended 2 October 2022 (2022: 29.1 cents for the year ended 26 September 2021) was paid. The total dividend amounted to R119.8 million (2022: R76.1 million).

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 1 October 2023

10. ACQUISITION OF BUSINESS

On 1 February 2022 the Group acquired the frozen foods business of Pioneer Foods Wellington Proprietary Limited for R53.7 million. The business services South Africa's top end retail market with well-known brands Today, Mama's and Big Jack.

The pie category should benefit from improved operating leverage following the consolidation of the Today pie business into the existing plants.

	2022 R'000
Assets and liabilities acquired	
Property, plant and equipment	11 500
Inventory	43 337
Employee liabilities	(1 111)
Purchase price – settled in cash	53 726

From the date of acquisition until the year ended 2 October 2022, the business contributed R147.2 million to Group revenue and an operating loss of R7.7 million to the profit before income tax of the Group. The operating loss, until the year ended 2 October 2022, includes once off costs of R25.7 million since the date of acquisition.

11. GOING CONCERN

The board of directors believes that the Group has adequate financial resources available within the Group to continue its operations for the foreseeable future and accordingly the financial statements have been prepared on the going concern basis.

12. EVENTS SUBSEQUENT TO REPORTING DATE

On 17 November 2023 the board of directors declared a final gross dividend of 62.0 cents per share for the year ended 1 October 2023.

The board of directors is not aware of any other matter or circumstance of a material nature arising since the end of the year ended 1 October 2023, otherwise not dealt with in the financial statements, which significantly affects the financial position of the Group or the results of its operations.

13. FINANCIAL YEAR-END

The Group's financial year ends on or about 30 September and as a result the reporting date will differ year on year. The previous reporting period included an extra trading week. The current financial statements were prepared for the 52 week year ended 1 October 2023 (2022: 53 week year ended 2 October 2022).

14. APPROVAL OF SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

The summarised consolidated financial statements were approved by the board of directors on 17 November 2023.

15. PREPARER OF SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

These summarised consolidated financial statements were prepared under the supervision of CC Schoombie CA(SA), chief financial officer.

16. AUDIT OPINION

This summarised consolidated financial statements have not been audited or reviewed by the Group's external auditor. The summarised consolidated financial statements have been derived from the consolidated financial statements on which the Group's independent auditor, Ernst & Young Inc., has expressed an unmodified audit opinion.

CORPORATE INFORMATION

RFG HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 2012/074392/06)

JSE share code: RFG

ISIN: ZAE000191979

Registered address

Pniel Road, Groot Drakenstein, 7680
Private Bag X3040, Paarl, 7620

Directors

Dr YG Muthien* (Chairperson)
TP Leeuw* (Lead independent director)
WP Hanekom (Chief executive officer)
S Maitisa*
SV Naidoo* (Appointed 1 May 2023)
BN Njobe*
CC Schoombie (Chief financial officer)
CL Smart**
GJH Willis**

* *Independent non-executive*

** *Non-executive*

Company secretary

BM Lakey

Transfer secretaries

Computershare Investor Services Proprietary Limited

Sponsor

Rand Merchant Bank, a division of FirstRand Bank Limited

Auditors

Ernst & Young Inc.

www.rfg.com