



ANNUAL RESULTS FOR THE YEAR
ENDED 28 SEPTEMBER

2014

Turnover up

↑ 31.5%

to **R2.4 billion**



Operating profit up

↑ 47.9%

to **R236 million**

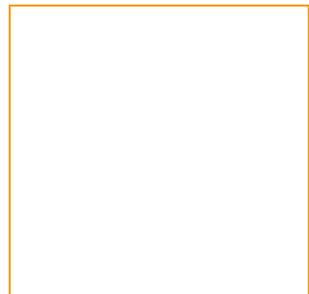
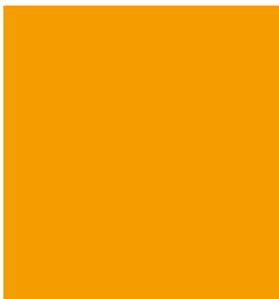
Normalised HEPS up

↑ 40.5%

to **36.8 cents**

Operating margin up
from **8.6% to**

9.7%



Commentary

Profile

Rhodes Food Group is a leading producer of convenience meal solutions in fresh, frozen and long life product formats, catering for needs across all consumer income groups. The group's growing portfolio of strong brands includes Rhodes, Bull Brand, Magpie, Hazeldene and Portobello. These brands are complemented by private label product ranges prepared for selected domestic and international retailers.

Listing on JSE

Rhodes Food Group Holdings Limited listed on the main board of the JSE Limited on 2 October 2014, shortly after its financial year end. Primary capital of R600 million was raised through the listing and the net proceeds are being used to invest in capacity expansion of production facilities in South Africa and Swaziland, reduce debt and accelerate the group's growth strategy through strategic acquisitions.

Financial performance

The group delivered a strong trading and financial performance for the year to 28 September 2014 ("the period"), driven by sustained organic growth in both the regional and international businesses. The results for the period include Bull Brand for the full 12 months compared to only two months in the prior period.

The business has proven resilient in the current constrained consumer environment owing to the strength of its brands, its exposure to higher LSM customers who have been less impacted than the middle market income groups, and its well established international customer base.

Turnover for the period increased by 31.5% to R2 444 million (2013: R1 859 million) through continued organic growth and the inclusion of the Bull Brand business for the full year.

Turnover also benefited from the 13% depreciation in the value of the Rand against the group's basket of trading currencies. Export sales accounted for 35% of revenue for the year.

Currency volatility is managed through a combination of a natural internal hedge and a foreign currency hedging policy. This results in the foreign currency movement not fully reflecting in earnings. The internal hedge arises through the importing of packaging and raw materials, other costs paid in foreign currencies, and linking deciduous fruit prices to the net export price realised in Rand.

The gross profit margin declined from 28.8% in 2013 to 26.8% in 2014 mainly as a result of the inclusion of the lower margin Bull Brand business for the full period. The gross profit increased by 22.2% or R118.8 million to R654.1 million.

Operating costs grew by 10.7%, impacted by the inclusion of the Bull Brand business.

The operating margin improved by 110 basis points from 8.6% to 9.7%. The higher margin, together with the growth in turnover, contributed to a 47.9% or R76.4 million increase in operating profit to R236.1 million. The inclusion of Bull Brand has diluted margins for the regional segment but this has largely been offset by margin expansion in the international segment through further operating efficiencies and the weaker currency. The operating margin on a normalised basis, excluding transaction costs and other sundry revenue, remained at 9.6% for the year.

Profit after tax more than doubled and increased by R44.3 million to R82.5 million, with headline earnings for the period R45.6 million higher at R81.3 million. The effective tax rate of 38.1% is higher than the SA corporate rate due to the non-deductibility of accrued dividends on preference shares which are treated as a finance cost.

Normalised headline earnings per share (HEPS) increased by 40.5% to 36.8 cents, assuming the number of shares in issue post listing applied in both 2013 and 2014 and adjusting for R22.2 million after taxation transaction costs in the prior period. Normalised diluted HEPS on the same basis increased by 40.1% to 35.3 cents.

These results are in line with the trading statement released on SENS on 13 November 2014.

Working capital for the period reflects an increase of R106.1 million owing mainly to an increase in trade receivables and inventory in line with trading activities. Net working capital days improved from 120 days in 2013 to 98 days in 2014.

Cash generated from operations was R25.8 million lower than the prior period owing mainly to the increased investment in working capital. Income tax payments of R49.8 million (2013: R15.6 million) reflect the impact of two provisional tax payments made in the year owing to the timing of the financial year end, compared to one payment in the prior year. The net cash inflow from operating activities was R87.8 million (2013: R151.4 million).

Capital expenditure of R88 million has been invested mainly in increasing warehouse capacity at the fruit production facility in Tulbagh, upgrading the meat production facility and creating capacity in the pie facility for the take-on of a large supply contract with Corner Bakery. These capital projects will extend into the new financial year.

Commentary (continued)

Trading performance

Regional segment

The regional segment includes business generated in South Africa, which accounts for the majority of the segment, and Sub-Saharan Africa. Sales in this segment are diversified across the entire product range.

Turnover for the period increased 37.0% to R1 596 million and accounted for 65.3% of the group's revenue. Within this segment, Fresh Foods grew sales by 10.7% to R777 million and Long Life Foods by 76.9% to R818 million, lifted by the inclusion of the Bull Brand sales for the full period. Operating profit increased by 15.4% to R139.3 million.

International segment

The international segment exports canned fruit, fruit juice purees and concentrates. The main export markets are Europe, the Far East, USA, Canada, Australasia, Russia and the Middle East.

International turnover grew by 22.2% to R848 million owing to higher export volumes, foreign price increases and the weakening of the Rand. Operating profit increased by 65.3% to R96.0 million due to volume and price increases, the impact of the weakening Rand, good cost containment and improved operational efficiencies.

Market share

The group's brands occupy either the number 1 or strong number 2 positions in most of its targeted product categories and have experienced strong growth in market share in recent years. In South Africa, the Rhodes brand has leading market share positions in canned pineapple, tomato paste and jam in glass jars, supported by number two positions in canned fruit, canned jams, canned vegetables and canned tomatoes. Bull Brand is the iconic market leader in corned meat.

Outlook

The group will continue to capitalise on the strength of its brands and long-term customer relationships to drive organic growth and grow market share in both the Fresh Foods and Long Life segments. This will be supported by further expansion into Sub-Saharan Africa.

Bull Brand is expected to increase its revenue and profit contribution as the benefits of integration into the group's operations and the upgrading of facilities become evident.

Management plans to complement the organic growth strategy by pursuing selective acquisition opportunities of other food producers that are aligned to the group's core products.

As 35% of revenue is generated through exports, managing the volatility of the Rand is a perennial challenge. The group will maintain its hedging policy to limit the impact of currency fluctuations on earnings.

The settlement of debt with capital raised through the listing will result in an annual interest saving of approximately R76 million, while the settlement of preference share funding will reduce the group's tax rate to approximately 30% in 2015.

Capital expenditure of R129 million is planned for 2015 for the ongoing investment in capacity expansion and the upgrading of production facilities aimed at improving margins.

The directors plan to declare the first dividend for the financial year to September 2015, payable early in 2016, based on a dividend cover ratio of three times diluted HEPS.

Any reference to future performance included in this announcement has not been reviewed or reported on by the auditors.

Bruce Henderson
Chief Executive Officer

Tiaan Schoombie
Chief Financial Officer

Groot Drakenstein
25 November 2014

Summarised consolidated statement of financial position

as at 28 September 2014

	Notes	2014 R'000	2013 R'000
ASSETS			
Non-current assets			
		744 609	706 395
Property, plant and equipment	2	529 152	488 789
Intangible assets		51 051	51 051
Goodwill		126 325	126 325
Biological assets	4	28 015	28 046
Deferred taxation asset		–	88
Loans receivable		9 275	9 625
Other financial instruments	5.1	791	2 471
Current assets			
		936 332	770 542
Inventory	3	542 632	457 663
Accounts receivable		390 029	301 497
Loans receivable		1 941	1 973
Bank balances and cash on hand		1 730	9 409
Total assets		1 680 941	1 476 937
EQUITY AND LIABILITIES			
Capital and reserves			
		273 888	193 233
Equity attributable to owners of the company		267 568	187 338
Non-controlling interest		6 320	5 895
Non-current liabilities			
		741 401	675 758
Preference shares		156 005	156 005
Preference shareholders for dividend accrual		67 228	30 517
Long-term loans		465 434	435 237
Deferred taxation liability		43 603	47 548
Employee benefit liability		9 131	6 451
Current liabilities			
		665 652	607 946
Accounts payable		333 113	289 451
Provision for employee benefits		99 275	72 721
Current portion of long-term loans		72 799	84 369
Taxation payable		29 684	25 803
Other loan		–	14 113
Bank overdraft		128 605	116 456
Foreign exchange contract liability	5.2	2 176	5 033
Total equity and liabilities		1 680 941	1 476 937

Summarised consolidated statement of profit or loss and other comprehensive income

for the year ended 28 September 2014

	Notes	2014 R'000	2013 R'000
Revenue		2 444 225	1 859 089
Cost of goods sold		(1 790 090)	(1 323 714)
Gross profit		654 135	535 375
Other income		15 977	16 197
Operating costs		(433 992)	(391 889)
Earnings before interest and taxation		236 120	159 683
Interest paid		(103 446)	(91 275)
Interest received		597	2 246
Earnings before taxation		133 271	70 654
Taxation		(50 804)	(32 467)
Earnings for the year		82 467	38 187
Earnings attributable to:			
Owners of the company		81 898	37 337
Non-controlling interest		569	850
		82 467	38 187
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss		(1 812)	–
Remeasurement of employee benefit liability		(2 783)	–
Deferred taxation effect		971	–
Total comprehensive income for the year		80 655	38 187
Total comprehensive income attributable to:			
Owners of the company		80 230	37 337
Non-controlling interest		425	850
		80 655	38 187
Earnings per share (cents)		47.9	39 302.1
Headline earnings per share (cents)	6.1	47.5	37 535.8
Diluted earnings per share (cents)		45.5	37 337.0
Diluted headline earnings per share (cents)	6.2	45.2	35 659.0

Summarised consolidated statement of changes in equity

for the year ended 28 September 2014

	Share capital R'000	Accumulated profit R'000	Non-controlling interest R'000	Total R'000
Balance at 30 September 2012	–	–	–	–
Issue of ordinary share capital	142 500	–	–	142 500
Issue of redeemable convertible preference shares	7 501	–	–	7 501
Acquisition of subsidiaries	–	–	5 045	5 045
Total comprehensive income for the year	–	37 337	850	38 187
Balance at 29 September 2013	150 001	37 337	5 895	193 233
Total comprehensive income for the year	–	80 230	425	80 655
Balance at 28 September 2014	150 001	117 567	6 320	273 888

Summarised consolidated statement of cash flows

for the year ended 28 September 2014

	2014 R'000	2013 R'000
Cash flows from operating activities		
Cash receipts from customers	2 864 897	2 106 602
Cash paid to suppliers and employees	(2 688 450)	(1 904 393)
Cash generated from operations	176 447	202 209
Net interest paid	(38 853)	(35 246)
Taxation paid	(49 809)	(15 613)
<i>Net cash inflow from operating activities</i>	87 785	151 350
Cash flows from investing activities		
Purchase of property, plant and equipment	(87 763)	(51 392)
Proceeds on disposal of property, plant and equipment	859	4 788
Acquisition of a business as a going concern less cash acquired	–	(798 036)
Acquisition of Bull Brand business less cash acquired	–	(128 087)
Loan receivable raised	(150)	(9 624)
Loans repaid	554	–
<i>Net cash outflow from investing activities</i>	(86 500)	(982 351)
Cash flows from financing activities		
Issue of ordinary share capital	–	142 500
Issue of preference share capital	–	163 506
Loans raised	77 318	507 818
Loans repaid	(98 431)	(89 870)
<i>Net cash (outflow)/inflow from financing activities</i>	(21 113)	723 954
Net decrease in cash and cash equivalents	(19 828)	(107 047)
Cash and cash equivalents at beginning of the year	(107 047)	–
Cash and cash equivalents at end of the year	(126 875)	(107 047)

Summarised consolidated segmental report

for the year ended 28 September 2014

Products and services from which reportable segments derive their revenues

Information reported to the chief operating decision makers 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 directors of the group have 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 are as follows:

- Regional
- International

Segment revenues and results

The following is an analysis of the group's revenue and results by reportable segment.

	Segment revenue	
	2014 R'000	2013 R'000
Regional		
Fresh products sales	777 213	702 196
Long life products sales	818 438	462 720
	1 595 651	1 164 916
International		
Long life products sales	848 574	694 173
Total	2 444 225	1 859 089
	Segment earnings	
Regional	139 316	120 722
International	96 004	58 074
Total	235 320	178 796
Transaction costs incurred relating to management buyout	–	(23 859)
Other income	800	4 746
Interest received	597	2 246
Interest paid	(103 446)	(91 275)
Earnings before taxation	133 271	70 654

Segment revenue reported above represents revenue generated from external customers. Intercompany sales amounted to R321 469 319 (2013: R249 014 678).

The accounting policies of the reportable segments are the same as the group's accounting policies described in note 1. Segment profit represents the profit before tax earned by each segment without allocation of transaction costs incurred relating to management buyout, other income, investment income and finance costs. This is the measure reported to the chief operating decision makers for the purpose of resource allocation and assessment of segment performance.

Geographical information

The group's non-current assets by location of operations (excluding financial instruments, goodwill and deferred tax assets) are detailed below. The chief operating decision makers do not evaluate any other of the group's assets or liabilities on a segmental basis for decision making purposes.

	Non-current assets	
	2014 R'000	2013 R'000
Republic of South Africa	542 470	503 460
Kingdom of Swaziland	75 023	74 051
	617 493	577 511

Information regarding major customers

Three customers individually contributed 10% or more of the group's revenues arising from both regional and international sources.

Notes to the summarised consolidated financial statements

for the year ended 28 September 2014

1. BASIS OF PREPARATION

Rhodes Food Group Holdings Limited is a company domiciled in the Republic of South Africa. These preliminary audited summarised consolidated results ('preliminary financial statements') as at and for the year ended 28 September 2014 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 foods. These include fresh and frozen ready meals, pastry based products, canned jams, canned fruits, canned vegetables, canned meat, fruit purees and concentrates and dairy products. There were no major changes in the nature of the business for the group in the period ended September 2014 and 2013.

The preliminary financial statements are an extract from the audited consolidated financial statements for the year ended 28 September 2014 (as prepared under supervision of A Botha, CA (SA), Financial Manager) and have been prepared in accordance with the framework concepts, the measurement and recognition requirements of International Reporting Standards ('IFRS') and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee or its successor, the Financial Pronouncement as issued by the Financial Reporting Standards Council, and the requirements of the Companies Act of South Africa and the JSE Limited Listings Requirements.

The accounting policies and methods of computation applied in the presentation of the preliminary financial statements are consistent with those applied in the audited consolidated financial statements for the year ended 28 September 2014.

The preliminary financial statements contain, as a minimum, the information required by IAS 34: Interim Financial Reporting, and the accounting policies adopted and methods of computation are in accordance with IFRS.

These preliminary financial statements do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the group's financial position and performance since the last consolidated financial statements as at and for the year ended 29 September 2013. These preliminary financial statements were prepared under the supervision of CC Schoombie CA (SA), Chief Financial Officer.

2. PROPERTY, PLANT AND EQUIPMENT

During the year ended the group acquired assets with a cost of R87 763 245 (2013: R51 391 259).

Assets with a carrying amount of R21 500 (2013: R2 457 507) were disposed of during the period. This disposal resulted in a gain of R838 183 (2013: R2 330 682), which was recognised as part of 'other income' in the group statement of profit or loss and other comprehensive income.

During the year, the group has contracted R28 247 694 (2013: R4 891 992) for future capital commitments.

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

3. INVENTORY

The value of the inventory disclosed at net realisable value is R28 471 013 (2013: R23 349 760).

	2014 R'000	2013 R'000
4. BIOLOGICAL ASSETS		
Livestock	8 602	7 644
Growing crops	19 413	20 402
	28 015	28 046

Measurement of fair value of livestock

The fair value of the livestock have been categorised as level 3 fair values based on the inputs to valuation techniques used. The valuation technique is based on the fair value less estimated point-of-sale costs of which the unobservable inputs consist of premiums on the classification of livestock and premiums for quality depending on the physical attributes of the livestock.

Measurement of fair value of growing crops

The fair value of the pineapple plantations have been categorised as level 3 fair values based on the inputs to valuation techniques used. The valuation technique is based on the fair value (which approximates market value) less estimated point-of-sale costs at the point of harvest of which the unobservable inputs consist of estimated volumes (average of 54 975 tons delivered for a four year period) and estimated pricing (R1 222 per ton delivered) of pineapples harvested.

Notes to the summarised consolidated financial statements (continued)

for the year ended 28 September 2014

4. BIOLOGICAL ASSETS (continued)

The following table shows a reconciliation between the opening balance and closing balance for level 3 valuations:

	2014 R'000	2013 R'000
Carrying value at the beginning of the year	28 046	16 683
Acquisition of business	–	7 485
(Losses)/gains included in profit or loss	(31)	3 878
Change in fair value (realised)	–	–
Change in fair value (unrealised)	(31)	3 878
Gains included in other comprehensive income	–	–
Carrying value at the end of the year	28 015	28 046

5. FINANCIAL INSTRUMENTS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS

5.1 Other financial instruments

Interest rate swap – not designated in hedge accounting relationship

Financial asset		
Non-current	791	2 471
Current (included in accounts receivable)	1 173	–
Financial liability		
Current (included in accounts payable and provisions)	–	359

5.2 Foreign exchange contracts

Contract loss

Financial instruments at fair value through profit or loss	Level	Valuation technique
Interest rate swap	Level 2	Mark to market valuation by issuer of instrument
Foreign exchange contracts	Level 2	Mark to market rates by issuer of instrument

6. HEADLINE EARNINGS PER SHARE

6.1 Headline earnings per share

Reconciliation between earnings attributable to owners of the parent and headline earnings:

Earnings attributable to owners of the parent	81 898	37 337
Adjustments to earnings attributable to owners of the parent	(603)	(1 678)
Gross profit on disposal of property, plant and equipment	(838)	(2 331)
Taxation effect	235	653
Headline earnings	81 295	35 659
Headline earnings per share (cents)	47.5	37 535.8
Normalised headline earnings per share (cents) ¹	47.5	60 907.4
Normalised headline earnings per share (cents) ^{1,2}	36.8	26.2

Notes to the summarised consolidated financial statements (continued)

for the year ended 28 September 2014

	2014 R'000	2013 R'000
6. HEADLINE EARNINGS PER SHARE (continued)		
6.2 Diluted earnings per share		
Diluted headline earnings per share (cents)	45.2	35 659.0
Normalised diluted headline earnings per share (cents) ^{1 3}	45.2	57 862.0
Normalised diluted headline earnings per share (cents) ^{1 2 3}	35.3	25.2
6.3 Weighted average number of shares in issue		
Weighted average number of shares in issue	171 000 000	95 000
Weighted average number of dilutive shares in issue	180 000 000	100 000
Weighted average number of shares in issue assuming the number of shares in issue post listing applied in 2014 and 2013 ^{2 3}	221 000 000	221 000 000
Weighted average number of dilutive shares in issue assuming the number of shares in issue post listing applied in 2014 and 2013 ^{2 3}	230 000 000	230 000 000

1 *Normalised earnings have been adjusted for the once-off transaction cost of R22 203 755 net of taxation, relating to the group restructuring in 2013.*

2 *On 2 October 2014 the company commenced the public trading of its issued share capital on the JSE Limited which included the listing of 50 000 000 ordinary shares issued (refer to note 9 for further detail). Normalised headline earnings per share for the period and prior period have been adjusted with the assumption that these additional shares issued were in issue in both 2014 and 2013.*

3 *The pro forma financial information has been prepared for illustrative purposes only to provide information on how the normalised earnings and headline earnings adjustments might have impacted on the financial results of the group. Because of its nature, the pro forma financial information may not be a fair reflection of the group's results of operation, financial position, changes in equity or cash flows.*

The underlying information used in the preparation of the pro forma financial information has been prepared using the accounting policies that comply with International Financial Reporting Standards. These are consistent with the audited consolidated financial statements for the year ended 28 September 2014.

There are no post balance sheet events, other than noted under 2 above, which require adjustment to the pro forma information.

The directors are responsible for compiling the pro forma financial information on the basis of the application criteria specified in the JSE Listing Requirements.

The pro forma financial information should be read in conjunction with the unqualified Deloitte & Touche independent reporting accountants' report thereon, which is available for inspection at the company's registered offices (refer to note 11).

7. CONTINGENT LIABILITIES

The group have entered into guarantees, the outcome of which has not been determined. The guarantees from import and operations activities for the period is R7 434 287 (R2 375 800). There were no other changes in the contingent liabilities from the prior period.

8. RELATED PARTY TRANSACTIONS

During the year the group entered into related party transactions, the substance of which is similar to those explained in the audited consolidated annual financial statements.

Notes to the summarised consolidated financial statements (continued)

for the year ended 28 September 2014

9. EVENTS SUBSEQUENT TO REPORTING DATE

As per 6.3 above the company commenced the public trading of its issued share capital on the JSE Limited on 2 October 2014 during a private placement prior to the listing. R600 000 000 was raised during the private placement prior to the listing and the net proceeds of this was used to repay the following portion of the group's debt:

- the "A" cumulative redeemable preference shares and related dividend accrual for a total amount of R223 233 172;
- the Nedbank Limited Mezzanine Loan of R174 131 260;
- the Capitalworks Rhodes Food Investment Partnership loan of R21 375 690;
- the South African Investment Partnership loan of R3 183 435; and
- the South African Investment Partnership II loan of R9 020 064.

The following directors acquired shares in the company on 2 October 2014: Y G Muthien (29 166 ordinary shares), M R Bower (41 666 ordinary shares), T P Leeuw (29 166 ordinary shares) and L A Makenete (8 333 ordinary shares). A Rich, the company secretary also acquired 41 666 ordinary shares.

The directors are not aware of any other matter or circumstance of a material nature arising since the end of the financial year, otherwise not dealt with in the financial statements, which significantly affect the financial position of the group or the results of its operations.

10. APPROVAL OF PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS

The preliminary group financial statements were approved by the Board of directors on 21 November 2014.

11. AUDIT OPINION

These preliminary summarised consolidated financial statements have been derived from the consolidated financial statements and are consistent, in all material respects, with the consolidated financial statements.

The auditors, Deloitte & Touche, have issued unmodified audit opinions on the consolidated financial statements and on these preliminary summarised consolidated financial statements for the year ended 28 September 2014. The audit opinion on the consolidated financial statements, together with the consolidated financial statements, is available for inspection on the group's website (www.rhodesfoodgroup.com). These reports together with the auditor's ISAE 3420 report are also available at the group's registered office (Pniel Road, Groot Drakenstein, 7680), at no charge, during normal business hours.

TO THE SHAREHOLDERS OF RHODES FOOD GROUP HOLDINGS LIMITED

The summary consolidated financial statements of Rhodes Food Group Holdings Limited, contained in the accompanying preliminary report, which comprise the summary consolidated statement of financial position as at 28 September 2014, the summary consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Rhodes Food Group Holdings Limited for the year ended 28 September 2014. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated 24 November 2014. Our auditor's report on the audited consolidated financial statements contained an Other Matter paragraph "Other reports required by the Companies Act" (refer below).

The summary consolidated financial statements do not contain all the disclosures required by the International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to annual consolidated financial statements. Reading the summary consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of Rhodes Food Group Holdings Limited.

Directors' responsibility for the Summary Consolidated Financial Statements

The directors are responsible for the preparation of the summary consolidated financial statements in accordance with the requirements of the JSE Limited Listings Requirements for preliminary reports, set out in the notes to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements, and for such internal control as the directors determine is necessary to enable the preparation of the summary consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The Listings Requirements require preliminary reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Pronouncements as issued by the Financial Reporting Standards Council, and to also, as a minimum, contain the information required by IAS 34, Interim Financial Reporting.

Notes to the summarised consolidated financial statements *(continued)*

for the year ended 28 September 2014

Auditor's responsibility

Our responsibility is to express an opinion on the summary consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, Engagements to Report on Summary Financial Statements.

Opinion

In our opinion, the summary consolidated financial statements derived from the audited consolidated financial statements of Rhodes Food Group Holdings Limited for the year ended 28 September 2014 are consistent, in all material respects, with those consolidated financial statements, in accordance with the requirements of the JSE Limited Listings Requirements for preliminary reports, set out in the notes to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Other reports required by the Companies Act

The "other reports required by the Companies Act" paragraph in our audit report dated 21 November 2014 states that as part of our audit of the consolidated financial statements for the year ended 28 September 2014, we have read the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate for the purpose of identifying whether there are material inconsistencies between these reports and the audited consolidated financial statements. These reports are the responsibility of the respective preparers. The paragraph also states that, based on reading these reports, we have not identified material inconsistencies between these reports and the audited consolidated financial statements. The paragraph furthermore states that we have not audited these reports and accordingly do not express an opinion on these reports. The paragraph does not have an effect on the summary consolidated financial statements or our opinion thereon.

Other matter

We have not audited the market share information included in the accompanying summary consolidated financial statements and accordingly do not express any opinion thereon.



Deloitte & Touche

Registered Auditors

Per MA van Wyk

Partner

25 November 2014

Audit – Cape Town

Unit 11 Ground Floor, La Gratitude, 97 Dorp Street, Stellenbosch 7600

National Executive: LL Barn Chief Executive AE Swiegers Chief Operating Officer GM Pinnock Audit DL Kennedy Risk Advisory NB Kader Tax TP Pillay Consulting K Black Clients & Industries JK Mazzocco Talent & Transformation MJ Jarvis Finance M Jordan Strategy S Gwala Managed Services TJ Brown Chairman of the Board MJ Comber Deputy Chairman of the Board

Regional Leader: MN Alberts

A full list of partners and directors is available on request.

B-BBEE rating: Level 2 contributor in terms of the Chartered Accountancy Profession Sector Code

Member of Deloitte Touche Tohmatsu Limited

Corporate information

Rhodes Food Group Holdings Limited

(Previously Rhodes Food Group Holdings Proprietary 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* (Chair) (Appointed 1 August 2014)
BAS Henderson (Chief Executive Officer)
MR Bower* (Appointed 1 August 2014)
TP Leeuw* (Appointed 1 August 2014)
LA Makenete*
CC Schoombie (Chief Financial Officer)
CL Smart**
GJH Willis**
LB Robertson (Resigned 10 July 2014)
JD Shahim (Resigned 10 July 2014)
* Independent non-executive
**Non-executive

Company secretary Statucor Proprietary Limited

Transfer secretaries Computershare Investor Services Proprietary Limited
70 Marshall Street, Johannesburg 2001
PO Box 61051, Marshalltown 2107

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