Premier

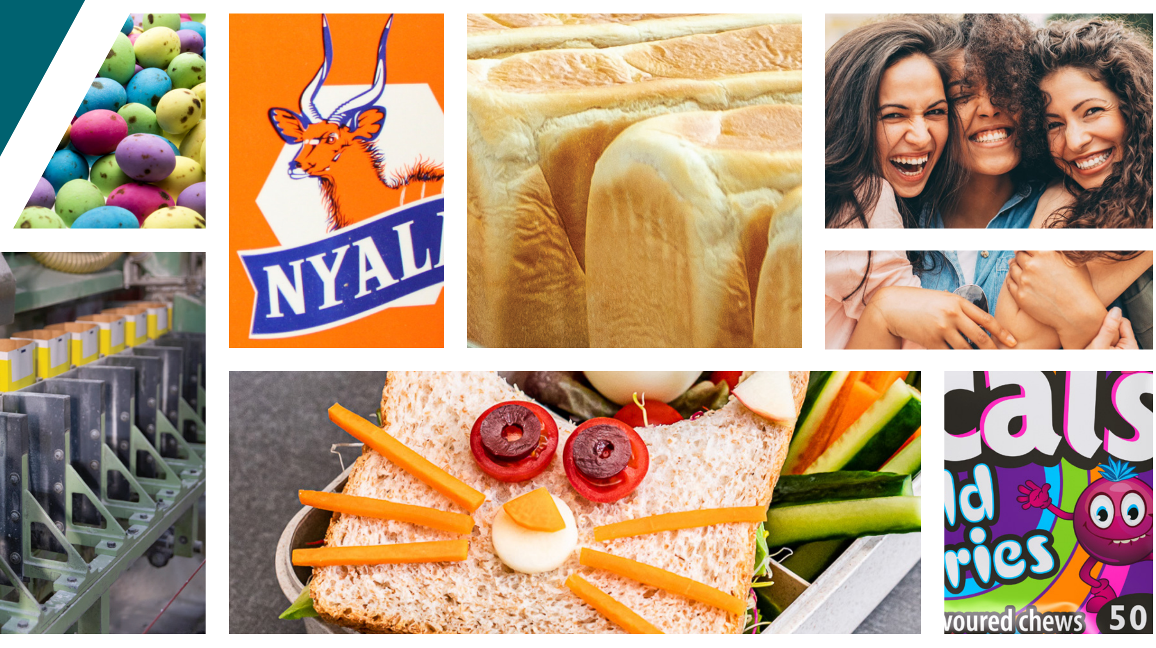
200

Growing Together Since 1824

ANNUAL FINANCIAL RESULTS AND DIVIDEND DECLARATION

for the year ended 31 March

2024



FINANCIAL HIGHLIGHTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

Revenue **R18.6 billion** ↑ 3.6%	EBITDA **R2.1 billion** ↑ 18.6%	EBITDA margin **11.0%** (2023: 9.6%)
Operating profit **R1.6 billion** ↑ 26.4%	Operating profit margin **8.8%** (2023: 7.2%)	Normalised HEPS **744 cps** ↑ 34.8%(1)
Maiden dividend **220 cps**	Cash generated from operations **R2.4 billion** ↑ 54.8%	Voluntary debt repayment(2) **R916 million** (2023: R294 million)
ROIC(3) **22.4%** (2023: 19.1%)	Group leverage ratio **0.9x** (2023: 1.7x)	ROE(4) **30.9%** (2023: 31.5%)

(1) Prior year normalised headline earnings per share were reduced for foreign exchange gains on cash and loans of a funding nature of R60 million and by the reversal of accrued withholding tax on preference dividends of R43 million to profit on the conversion of the redeemable preference shares to ordinary shares. These items were once-off items that were included in prior year net profit.

(2) Voluntary debt repayment consists of R706 million voluntary capital repayments made on the RCF borrowings facility and R210 million repayment made on the bank overdraft during the year.

(3) Refers to return on average invested capital adjusted for the historical revaluation of intangibles.

(4) Refers to return on equity adjusted for the historical revaluation of intangibles.

COMMENTARY

OVERVIEW

We are pleased to present another set of robust results for Premier Group Limited and its subsidiaries (together “Premier” or the “Group”) for the year ended 31 March 2024. Premier maintained an unrelenting focus on optimising operational efficiencies, margin management and upskilling our people, paving the way for the Group’s success. The deteriorating municipal infrastructure, port congestion and the overhang of political uncertainty, in the lead up to the May election, have imposed challenges on the operating landscape. Although the debilitating effect of loadshedding was somewhat diminished in the second half of the year, high interest rates and unemployment levels are still impacting buying power. Notwithstanding these constraints, Premier has managed to deliver on its investment case with resilience and commitment to its purpose.

Maintaining focus on being the lowest cost producer is a key element of our corporate strategy. Investment in our infrastructure during the year, contributing to the R6 billion of capital expenditure over the past decade, confirmed our commitment to that strategy, helping deliver the best-in-class efficiencies and execution required to extract enhanced returns for our shareholders. In parallel, the ongoing investment in our people equipped the team to perform with confidence and a commitment to excellence.

Aligning with our strategic imperative to unlock future growth, Premier entered the Rice category early in the year, teaming up with Goldkeys International (Pty) Ltd (“Goldkeys”) to distribute the Golden Delight range of rice products nationally. The anticipated benefits of the partnership, including leveraging Premier’s customer relationships and distribution network to provide sales, merchandising and distribution services to Goldkeys, are coming to fruition. The Sunblest pasta range was launched during the first half of the year into select channels in the South African market, after completion of the pasta manufacturing plant rebuild in Mozambique. Premier also concluded the acquisition of a 35% stake in a UK based specialist skincare treatment range, under the brand Science of Skin (“SOS”), with an exclusive sales and distribution agreement for existing Lil-lets UK markets.

In March 2024, Brait PLC successfully placed 15 million ordinary shares in Premier into the market. Following the strong demand received during the bookbuild, Brait increased the size of the placement which remained oversubscribed at the closing date. The placement increased the size of the free float from approximately 23% to 34%.

Emphasis remained on entrenching and delivering on our sustainability vision. By cementing the principles outlined in our ESG strategy into daily operations within the business, we have realised tangible results progressing our corporate citizenship. Throughout the year, we maintained our partnerships with non-profit organisations, donating products valued at R53 million consisting of approximately 29 million nutritional meals and feminine hygiene products enabling over 13 000 girls to attend school during their period. Our solar installations, focus on logistics optimisation and waste reduction in both the manufacture and distribution of our products, continue to reduce our environmental footprint and provide essential cost savings.

FINANCIAL REVIEW

As anticipated, the growth in the Group’s revenue moderated to 3.6% bringing revenue up to R18.6 billion. Both the Millbake and the Groceries and International categories contributed to the growth increasing by 3.7% and 3.3% respectively. The softening to single digit revenue growth was expected given the impact of significant soft commodity inflation in the prior year and its subsequent stabilisation. The reduced loadshedding regime during the year has been a welcome relief for the economy and the consumer. The costs incurred for the year, which are not considered to be material to the business, were approximately R27 million, down from R32 million last year.

Earnings before finance income and costs, tax, depreciation and amortisation (“EBITDA”) increased by 18.6% to R2.1 billion, underpinned by strong results in both categories. Millbake EBITDA grew by 20.6%, while the Groceries and International EBITDA grew by 3.7%. The Group’s EBITDA margin of 11.0% improved by 140 basis points compared to the prior year’s level of 9.6%.

Operating profit increased by 26.4% to R1.6 billion. The operating profit margin improved by 160 basis points to 8.8% when compared to last year.

Net finance costs increased by 26.9% to R367 million as a result of a higher weighted average interest rate in the current year of 9.65% compared to 7.51% in the prior year. This was partially offset by interest savings from voluntary debt repayments of R150 million, R100 million and R456 million in June 2023, September 2023 and December 2023 respectively. The accrued withholding tax on preference dividends of R43 million, which was reversed to profit during the prior year, also contributed to the increase in net finance costs. In addition, there was a decrease in the foreign exchange gains on cash and intergroup loans of a funding nature of R57 million as a result of the conversion of the intergroup loan into equity on 30 March 2023.

The effective tax rate for the year increased to 27.2% from 24.9%. The effective tax rate in the prior year was lower due to exempt income relating to withholding tax on preference dividends that was released to profit.

Net profit increased by 15.8% to R921 million with a margin of 5.0%, an improvement of 60 basis points over the prior year.

Earnings per share (“EPS”) increased by 13.3% to 715 cents and headline earnings per share (“HEPS”) increased by 17.4% to 744 cents. Normalised HEPS increased by 34.8% to 744 cents. There was no difference between HEPS and normalised HEPS for the current year. Normalised HEPS in the prior year was adjusted for foreign exchange gains on cash and loans of a funding nature of R60 million (net of tax) and by the reversal of accrued withholding tax on preference dividends of R43 million to profit on the conversion of the redeemable preference shares to ordinary shares, both of which were once off in nature. It is the Board’s opinion that normalised headline earnings per share provides shareholders with the most consistent perspective on Premier’s performance.

FINANCIAL REVIEW (CONTINUED)

Cash generated from operations increased by 54.8% to R2.4 billion, underpinned by the growth in the Group's EBITDA and supported by well managed working capital with improved debtor collections and lower inventory balances at 31 March 2024.

Cash outflows from investing activities increased by 37.7% to R692 million mainly attributable to capital expenditure (including prepaid capital expenditure) on the Aeroton bakery project. The Group acquired a 35% shareholding in a skin care business in the United Kingdom for R7 million during the year.

The cash outflow from financing facilities of R992 million mainly relates to repayment of the bank overdraft facility of R210 million and capital repayments on borrowings of R728 million, of which R706 million were voluntary capital repayments made during the year. This voluntary capital repayment remains available to drawdown for future funding requirements.

Other material cash flows during the year include net interest paid of R370 million and tax paid of R326 million.

The Group's net debt (including lease liabilities but excluding the trade financing facility) on 31 March 2024 was R1.8 billion translating into a leverage ratio of 0.9x (2023: 1.7x) for the Group. The cash generated by the Group has enabled substantial deleveraging reducing the leverage ratio to a level that is significantly lower than historical levels.

Property, plant and equipment increased by R127 million, mainly attributable to additions of R474 million and exchange translation movement of R18 million, which was partially offset by depreciation charges of R310 million and disposals of R55 million. A further R161 million of capital expenditure was prepaid to suppliers for the upgrade of Aeroton bakery. Capital expenditure ("Capex"), including prepayments, translated into capex to revenue of 3.4% (2023: 2.6%). Investment to maintain best-in-class efficiencies remains integral to drive growth and create opportunities for expansion. Significant projects undertaken during the year include completion of the upgrade of Eswatini Wheat Mill and the biscuit line in Mozambique, site optimisation at the Home and Personal Care ("HPC") manufacturing facility and upgrades to the capacity of tampon manufacturing in Durban. The Mthatha and George bakeries underwent refurbishment to achieve capacity expansion, while the upgrade of Aeroton bakery is in progress. The capex programme is expected to average R700 million per year for the 2025 and 2026 financial years.

Return on invested capital ("ROIC") improved by 330 basis points to 22.4%. ROIC is calculated by using net operating profit after tax (including net profit in equity-accounted investments) divided by average invested capital for the year which has been reduced for the historical revaluation of intangibles of R722 million.

Return on equity ("ROE") decreased by 60 basis points to 30.9%. ROE is calculated using net profit attributable to the owners of the Company divided by equity reduced by the historical revaluation of intangibles.

SEGMENTAL REVIEW

Millbake

The Millbake division continued to deliver pleasing results for the year ended 31 March 2024. Revenue increased by 3.7% to R15.5 billion and EBITDA increased by 20.6% to R2.0 billion. The EBITDA margin of 12.7% improved by 180 basis points compared to last year. The moderating of revenue growth was due largely to soft commodity prices subsiding during the year and the stabilisation of global volatility, coupled with a highly productive South African maize crop in 2023 helping alleviate food inflation for consumers.

The improvement in EBITDA was driven by a resolute focus on efficiencies, margin management and service level excellence. Site efficiencies attained through upgrades of several bakeries and wheat mills have yielded positive results improving the quality and consistency of our premium Millbake products, most notably in the inland region. The Aeroton bakery, which was closed during the year for a scheduled upgrade, is anticipated to be fully operational in the first half of FY2026. The bakery will be renovated to match the standard of the coastal sites and the new Pretoria site. The new mega-bakery in Pretoria is bedded down and delivering anticipated efficiencies. Agile procurement, to mitigate wheat import delays as a result of the port congestion, was critical in ensuring that optimal service levels were provided to the customer.

Despite the persistent burdens of high interest rates and unemployment levels, which continue to negatively impact disposable income, Premier remains well positioned to service low-income consumers with its broad product offering in the staples basket. Innovative product launches aim to support our consumer by improving accessibility and affordability.

Groceries and International

The Groceries and International division delivered an encouraging performance for the year ended 31 March 2024. The division's revenue increased by 3.3% to R3.1 billion and EBITDA increased by 3.7% to R214 million. The EBITDA margin was maintained at 7.0%.

The Sugar Confectionery category achieved strong growth for the full year, with momentum building in the second half. Both revenue and EBITDA were up for the year with solid EBITDA margin improvements. The performance was driven by a combination of improved efficiencies, product mix and margin management.

Optimisation and functionality of the candy footprint remained critical and resulted in enhanced efficiencies across the sites and established the operational standards at Mister Sweet that are characteristic of the Group. Cost inflation in sugar, chocolate and packaging material was offset through price increases. Private label in Sugar Confectionery has shown promising progress with new launches undertaken during the year. Superior service levels have sustained this growth and reinforced strategic relationships with our key retail partners. The new Manhattan liquorice line is anticipated to be operational in FY2025.

SEGMENTAL REVIEW (CONTINUED)

The Home and Personal Care category once again delivered pleasing results with increases in both revenue and EBITDA. Additional capacity has been installed at the Durban facility prompted by growth in volumes and has enabled the onshoring of supply to the UK market. The new HPC supply chain strategy focuses on becoming the best cost supplier out of the Durban facility as well as driving market share and brand equity for the Lil-lets and Dove brands through in-market execution. Revenue growth in the UK market has been stimulated by growth in the eCommerce channel, but local port constraints early in 2024 impacted available export volumes of HPC products. This situation has eased and is anticipated to recover. Differentiated ranges for entry into export markets to leverage the UK infrastructure, drive international growth and enter new channels is an important element of the UK HPC strategy.

The Group's business division in Mozambique, CIM, continues to face headwinds with both revenue and EBITDA down for the year. Several macro-economic constraints exist in Mozambique with historically high food inflation and widespread poverty impacting household consumption. The economy gained some momentum in 2023, growing at 5%, largely driven by the start of the offshore Liquefied Natural Gas (LNG) project, and lower levels of inflation are forecast. This is expected to have a knock-on effect boosting growth in mining, agriculture and gas exports. The CIM biscuit line and pasta plant upgrades have recently been completed and supply of selected products has been initiated into the SADC region. The business remains well positioned to capitalise on the economic recovery through established efficiencies in manufacturing capability and an extensive product range.

CHANGES TO DIRECTORATE

On 5 September 2023, Corrie Roodt resigned as Chairman of the Board after twelve years of service and elected to remain on the Board as an independent non-executive director until his resignation in February 2024. Iaan van Heerden was appointed Chairman with immediate effect. Iaan has been an important and integral part of the Board since his appointment in June 2021 and the Company is confident that he will ably lead the Board in the future. In compliance with King IV and the JSE Listings Requirements, Faith Khanyile was then appointed as the Company's Lead Independent Director. Rolf Hartmann resigned from the Board after 16 years as a non-executive director on 5 September 2023 and subsequently joined our Executive Committee as the Commercial Managing Executive on the 16th of October. Accordingly, in compliance with the Company's MOI, the appointment of Peter Hayward-Butt as an alternate director to Rolf Hartmann was terminated and he was re-appointed as an alternate director to Jonathan Matthews with effect from the same date.

The Board also appointed Daniel Dirk Ferreira as an independent non-executive director of the Company with effect from 12 December 2023. He has held numerous financial and executive roles, where he gained extensive experience in operational and financial management, group accounting and tax matters. He joined Astral Foods Limited in 2001 as group financial manager and in May 2009, he was appointed Chief Financial Officer of Astral Foods, a position he occupied until his retirement in February 2023. The Board wishes to congratulate his on his appointment to the Board and looks forward to his valuable insight and contribution.

CASH DIVIDEND DECLARATION

Premier is pleased to announce that a final gross dividend of 220 cents per share has been declared out of the Company's reserves in respect of both the ordinary shares of no-par value and the unlisted "A" and "A1" ordinary shares of no par-value, for the year ended 31 March 2024. This equates to a final gross dividend of R283.6 million in respect of the ordinary shares and R2.6 million in respect of the "A" ordinary shares.

Cash flows over FY2024 remained ahead of expectations, and the Company has shown strong deleveraging of the balance sheet ahead of initial guidance. Premier continues to maintain appropriate cash reserves to execute on committed capital requirements, as well as to retain flexibility to assess organic and inorganic growth opportunities as they may arise. Furthermore, the Board is satisfied that the Company is solvent and liquid, and that it has sufficient capital and reserves after the payment of the final dividend, to support its operations for the foreseeable future.

The "A" and "A1" ordinary shareholders have a right to receive a distribution each time the Board authorises a dividend to the Company's ordinary shareholders. The "A" and "A1" distribution is determined in relation to the number of ordinary shares that equal the value of the "A" and "A1" ordinary shares. The issued share capital at the declaration date is 128 905 800 ordinary shares, 15 457 "A" ordinary shares and 23 060 "A1" shares. The latter shares equate to 1 171 167 and 0 ordinary shares respectively.

A dividend withholding tax of 20% or 44 cents per share will be applicable, resulting in a net dividend of 176 cents per share, unless the shareholder concerned is exempt from paying dividend withholding tax or is entitled to a reduced rate in terms of an applicable double-tax agreement. The Company's tax reference number is 9102629160.

The salient dates relating to the payment of the dividend are as follows:

Last day to trade in order to participate in the dividend	Tuesday, 30 July 2024
First day to trade ex-dividend	Wednesday, 31 July 2024
Record date	Friday, 2 August 2024
Payment date	Monday, 5 August 2024

Share certificates may not be dematerialised or rematerialised between Wednesday, 31 July 2024 and Friday, 2 August 2024, both days inclusive.

CASH DIVIDEND DECLARATION (CONTINUED)

In terms of the Company's Memorandum of Incorporation, dividends will only be transferred electronically to the bank accounts of shareholders. In the instance where shareholders do not provide the Transfer Secretaries with their banking details, the dividend will not be forfeited but will be marked as 'unclaimed' in the share register until the shareholder provides the Transfer Secretaries with the relevant banking details for payout.

For FY2025, as part of the 30% – 60% targeted pay-out ratio, Premier will consider a combination of ordinary dividends, special dividends and share buybacks in an ongoing commitment to total shareholder returns in line with expectations. Any share buyback will be executed with consideration to liquidity parameters.

ACQUISITION AFTER YEAR END

Premier has acquired a 30% shareholding in Goldkeys International Proprietary Limited ("Goldkeys") with effect 3 June 2024.

The investment builds on the relationship that commenced on 10 May 2023, when Premier entered into a Sales, Merchandising and Route to Market Services Agreement with Goldkeys to manage their sales function to assist them in building its brands and sales outside of KwaZulu-Natal.

Goldkeys is a rice distributor based in KwaZulu-Natal that was founded in 1994 and is one of the largest rice importers into South Africa. It supplies branded Thai and Indian sourced rice under its brands "Golden Delight", "Golden Pride" and "Light & Right", as well as house brands to a number of South Africa retailers and independent wholesalers. Goldkeys is a growing business and for the month of February 2024, its "Golden Delight" brand achieved the No.2 national market share by volume (as measured by NielsenIQ).

The investment is aligned with Premier's strategy to grow its branded product portfolio. Rice complements Premier's staple foods basket of bread, maize, and wheat products offering synergies along the value chain. The investment in Goldkeys will benefit Premier's existing rice operations outside South Africa where it sources rice for sale under its own brands.

Premier settled the purchase consideration of R313.6 million in cash on 3 June 2024, and has appointed representatives to the board of directors of Goldkeys. The investment in Goldkeys will be treated as an associate and equity accounted for.

OUTLOOK(1)

Premier continues to execute on the business strategy articulated in the Pre-listing statement, retaining focus on efficiencies and agile execution. Lingering volatility remains, impacting soft commodity prices, and these inflationary pressures are expected to sustain revenue growth in the coming year. Operational efficiencies exhibited throughout the business will support the continuation of margins experienced during the past year. From a capital projects perspective, the refurbishment of the Aeroton bakery will remain the primary focus for the year.

We continue to align our sustainability journey with our corporate strategy supporting a long-standing commitment to our purpose. Premier engages constructively with all spheres of government and looks forward to engaging with the new administration post the national and provincial elections.

APPRECIATION

On behalf of the Board, we would like to express our gratitude to all our shareholders, our people, our customers, suppliers and all other stakeholders for their valued support during these challenging times.

For and on behalf of the Board

I van Heerden
Chairman

JJ Gertenbach
Chief Executive Officer

Waterfall
11 June 2024

(1) Any reference to future performance included in this announcement has not been reviewed or reported on by the Group's external auditors.

SUMMARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 R'000	2023 R'000
Revenue from contracts with customers	2	18 587 224	17 938 460
Cost of sales		(12 289 261)	(12 521 106)
Gross profit		6 297 963	5 417 354
Other operating income		39 412	39 110
Credit loss allowances raised		(4 800)	(5 259)
Sales and marketing expenses		(1 804 292)	(1 678 648)
Distribution expenses		(969 558)	(918 530)
Administration expenses		(1 925 735)	(1 562 422)
Operating profit		1 632 990	1 291 605
Finance income	3	28 413	56 259
Finance costs	4	(395 597)	(345 671)
Foreign exchange (losses)/gains	5	(605)	56 116
Share of net profit in equity-accounted investment		132	-
Profit before tax		1 265 333	1 058 309
Income tax expense		(344 719)	(263 505)
Profit for the year		920 614	794 804
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Remeasurement gain on defined benefit obligations		(1 980)	2 320
Deferred tax on remeasurements		495	(468)
Total items that will not be reclassified to profit or loss		(1 485)	1 852
Items that may be reclassified to profit or loss:			
Foreign currency translation reserve		40 173	84 511
Other comprehensive income for the year net of tax		38 688	86 363
Total comprehensive income for the year		959 302	881 167
Profit attributable to:			
Owners of the Company		921 080	794 390
Non-controlling interest		(466)	414
		920 614	794 804
Total comprehensive income attributable to:			
Owners of the Company		959 768	880 753
Non-controlling interest		(466)	414
		959 302	881 167
Earnings per ordinary share attributable to the owners of the Company			
Basic earnings per share (cents)	6	714.54	630.41
Basic earnings per share - diluted (cents)	6	705.24	593.29

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 R'000	2023 R'000
ASSETS			
Non-current assets			
Property, plant and equipment[1]		3 967 510	3 840 239
Right-of-use assets		200 246	251 435
Goodwill		233 147	233 147
Intangible assets		1 490 199	1 471 218
Equity-accounted investment		7 246	-
Loans receivable		27 339	24 577
Deferred income tax		38 145	32 812
		5 963 832	5 853 428
Current assets			
Inventories		2 064 230	2 402 173
Trade and other receivables		1 588 366	1 794 914
Prepayments[2]		160 971	-
Loans receivable		-	6 454
Income tax receivable		9 641	13 539
Restricted cash		2 454	2 274
Cash and cash equivalents	8	636 006	595 402
		4 461 668	4 814 756
Total assets		10 425 500	10 668 184
EQUITY			
Share capital		2 464 267	2 464 267
Reserves		(34 682)	(72 421)
Retained income		1 756 998	810 986
Equity attributable to the equity holders of the Company		4 186 583	3 202 832
Non-controlling interest		7 874	7 538
Total equity		4 194 457	3 210 370
LIABILITIES			
Non-current liabilities			
Borrowings	7	2 194 703	2 926 602
Lease liabilities		224 011	249 372
Deferred income tax		618 939	618 990
Employee benefit obligations		38 421	46 574
		3 076 074	3 841 538
Current liabilities			
Trade and other payables		1 694 748	1 830 621
Trade financing facility		478 560	760 222
Refund liabilities		481 192	423 123
Employee benefit obligations		384 081	288 862
Borrowings	7	25 813	22 370
Lease liabilities		34 937	52 687
Income tax payable		55 638	37 176
Bank overdraft	8	-	201 215
		3 154 969	3 616 276
Total liabilities		6 231 043	7 457 814
Total equity and liabilities		10 425 500	10 668 184

1 *Property, plant and equipment increased by R127 million, mainly attributable to additions of R474 million and exchange translation movement of R18 million, which was partially offset by depreciation charges of R310 million and disposals of R55 million.*

2 *Prepayments mainly relate to payments made for capital expenditure on the upgrade of the Aeroton bakery.*

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2024

	Share capital R'000	Foreign currency translation reserve R'000	Retained income R'000	Total attributable to equity holders of the group R'000	Non-controlling interest R'000	Total equity R'000
Balance at 31 March 2022	126 879	(156 932)	20 668	(9 385)	3 963	(5 422)
Total comprehensive income for the year	-	84 511	796 242	880 753	414	881 167
Profit for the year	-	-	794 390	794 390	414	794 804
Other comprehensive income	-	84 511	1 852	86 363	-	86 363
Issue of shares	3 284 626	-	-	3 284 626	-	3 284 626
Dividend distribution[1]	-	-	(2 763)	(2 763)	-	(2 763)
Return of capital[2]	(947 238)	-	-	(947 238)	-	(947 238)
Changes in ownership interest-control not lost	-	-	(3 161)	(3 161)	3 161	-
Balance at 31 March 2023	**2 464 267**	**(72 421)**	**810 986**	**3 202 832**	**7 538**	**3 210 370**
Total comprehensive income for the year	**-**	**40 173**	**919 595**	**959 768**	**(466)**	**959 302**
Profit for the year	**-**	**-**	**921 080**	**921 080**	**(466)**	**920 614**
Other comprehensive income	**-**	**40 173**	**(1 485)**	**38 688**	**-**	**38 688**
Share-based payment transactions	**-**	**-**	**24 785**	**24 785**		**24 785**
Changes in ownership interest-control not lost	**-**	**-**	**1 632**	**1 632**	**(1 632)**	**-**
Other movements	**-**	**(2 434)**	**-**	**(2 434)**	**2 434**	**-**
Balance at 31 March 2024	**2 464 267**	**(34 682)**	**1 756 998**	**4 186 583**	**7 874**	**4 194 457**

1 *Prior to the Company listing on the JSE the Company declared a dividend of R2.8 million, of which R1.6 million was paid in cash and the remaining portion set-off against the loans receivable from employees.*

2 *Prior to the Company listing on the JSE the Board resolved to return capital of R947.2 million to shareholders, of which R932.1 million was paid in cash and the remaining portion of R15.1 million was set-off against the loans receivable from employees.*

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 R'000	2023 R'000
Cash flows from operating activities			
Cash generated from operations		**2 391 110**	1 545 092
Finance income received		**25 905**	9 534
Finance costs paid		**(395 597)**	(345 681)
Tax paid		**(325 787)**	(171 784)
Dividends paid		**-**	(1 590)
Net cash inflow from operating activities		**1 695 631**	1 035 571
Cash flows from investing activities			
Replacement of property, plant and equipment		**(341 797)**	(324 795)
Expansion of property, plant and equipment		**(132 043)**	(147 889)
Proceeds from disposal of property, plant and equipment		**9 196**	10 483
Purchase of intangible assets		**(66 990)**	(44 709)
Prepayments for capital expenditure		**(160 971)**	-
Payment for acquisition of equity-accounted investment		**(7 051)**	-
Payment for acquisition of business, net of cash acquired		**-**	(23 499)
Insurance proceeds on property, plant and equipment		**5 346**	
Proceeds from loans receivable		**2 205**	-
(Increase)/decrease in restricted cash		**(180)**	27 726
Net cash outflow from investing activities		**(692 285)**	(502 683)
Cash flows from financing activities			
Proceeds from issue of shares		**-**	2 484
Repayment of share capital		**-**	(932 060)
Proceeds from borrowings		**-**	1 040 000
Repayment of borrowings		**(728 456)**	(393 275)
Payment of principal portion of lease liabilities		**(53 955)**	(52 484)
Net (repayments of)/proceeds from bank overdraft	8	**(209 624)**	201 215
Net cash outflow from financing activities		**(992 035)**	(134 120)
Net movement in cash and cash equivalents		**11 311**	398 768
Cash and cash equivalents at the beginning of the year	8	**595 402**	177 006
Effect of exchange rate changes on cash and cash equivalents		**29 293**	19 628
Cash and cash equivalents at the end of the year	8	**636 006**	595 402

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1. BASIS OF PREPARATION

The summary consolidated financial statements have been prepared in accordance with the framework concepts and the measurement and recognition concepts of International Financial Reporting Standards ("IFRS®"), the interpretations as issued by the IFRS Interpretations Committee ("IFRIC® Interpretations"), and comply with the South African Institute of Chartered Accountants ("SAICA") Financial Reporting Guides as issued by the Accounting Practices Committee ("APC"), Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council ("FRSC"), the JSE Limited ("JSE") Listing Requirements, the requirements of the South African Companies Act, No. 71 of 2008, as amended ("Companies Act"), and to also, as a minimum, contain the information required by IAS 34 Interim Financial Reporting. They have been prepared under the supervision of the Chief Financial Officer, F Grobbelaar CA(SA).

The accounting policies applied in the preparation of the consolidated annual financial statements from which the summary consolidated financial statements are derived, are in terms of IFRS and are consistent with those applied in the previous year.

These results are extracted from audited information and do not include all the notes of the type normally included in the consolidated annual financial statements. Accordingly, the summary consolidated annual financial statements are to be read in conjunction with the consolidated annual financial statements for the year ended 31 March 2024.

The consolidated annual financial statements were audited by PricewaterhouseCoopers Inc., who expressed an unqualified opinion thereon. The auditor's report does not necessarily report on all the information contained in this announcement. The shareholders are therefore advised that, in order to obtain a full understanding of the nature of the auditor's engagement, they should obtain a copy of the auditor's report together with the accompanying financial information. The audited consolidated annual financial statements and the auditor's report thereon are available for inspection on the Company's website www.premierfmcg.com or at the Company's registered office.

The directors take full responsibility for the preparation of these results and confirm that the financial information has been correctly extracted from the underlying consolidated annual financial statements.

2. OPERATING SEGMENTS

Revenue by segment	Rendering of services R'000	Sale of food products R'000	Sale of personal care products R'000	Sale of animal feeds R'000	Total R'000
2024					
Millbake	**21 500**	**15 504 452**	**-**	**-**	**15 525 952**
Groceries and International	**-**	**1 963 704**	**819 666**	**277 902**	**3 061 272**
	21 500	**17 468 156**	**819 666**	**277 902**	**18 587 224**
2023[1]					
Millbake	-	14 975 443	-	-	14 975 443
Groceries and International	-	1 948 266	707 040	307 711	2 963 017
	-	16 923 709	707 040	307 711	17 938 460

	Capital expenditure		Depreciation and amortisation		EBITDA	
	2024 R'000	2023[1] R'000	**2024 R'000**	2023[1] R'000	**2024 R'000**	2023[1] R'000
Millbake	**502 504[2]**	391 575	**286 382**	292 009	**1 965 764**	1 630 369
Groceries and International	**120 545**	72 265	**65 772**	88 437	**213 616**	206 039
Corporate office	**11 762**	8 844	**67 582**	59 111	**(126 654)**	(105 246)
	634 811	472 684	**419 736**	439 557	**2 052 726**	1 731 162

[1] *The results for the Millbake and Groceries and International segments in the comparative periods have been restated to reallocate nutritional beverages, a maize based product, which now forms part of Millbake for segmental reporting purposes. The nutritional beverages results were previously included as part of the Groceries and International segment.*

[2] *Includes capital expenditure that was prepaid to suppliers for the upgrade of Aeroton bakery.*

Reconciliation from EBITDA to Operating Profit	2024 R'000	2023 R'000
EBITDA	**2 052 726**	1 731 162
Depreciation and amortisation	**(419 736)**	(439 557)
Operating profit	**1 632 990**	1 291 605
Non-current assets by geography		
South Africa	**4 788 692**	4 778 628
Outside South Africa	**1 109 656**	1 017 411
	5 898 348	5 796 039
Loans receivable	**27 339**	24 577
Deferred income tax	**38 145**	32 812
Non-current assets per Statement of Financial Position	**5 963 832**	5 853 428

2. OPERATING SEGMENTS (CONTINUED)

The Chief Operating Decision Maker ("CODM") and the Board review the normalised headline earnings per share and dilutive normalised headline earnings per share of the Group on a regular basis as part of assessing the overall performance of the Group. Refer to note 6 for more details regarding these performance measurements.

Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The CODM is responsible for allocating resources, assessing the performance of operating segments and making strategic decisions. The Chief Executive Officer ("CEO") is the CODM and assesses the performance of operating segments based on EBITDA.

The Group's operating segments are differentiated as follows:

- Millbake: This segment comprises the milling and bakery operations in South Africa, Eswatini and Lesotho. The milling and bakery operations share similar economic characteristics as the flour from the milling operations is the main raw material used in the baking of bread. Income generated from services rendered are derived from the sales function, supply chain and distribution platform in the Millbake business.
- Groceries and International: This segment comprises home and personal care products and sugar-based confectionery products. Also included in this segment are the Group's subsidiary in the United Kingdom involved in the sales and distribution of home and personal care products and the Group's subsidiary in Mozambique which produces diversified products including wheat flour, maize meal, pasta, biscuits and animal feeds.

The corporate office presented comprises the costs incurred by the Group's corporate office.

The Group accounts for intersegment sales as if the sales were entered into under the same terms and conditions as would have been entered into in a market-related transaction.

As part of a strategic review, a decision has been taken that the beverages business would report directly to the Milling Executive from 1 April 2023, on the basis that it is produced from maize and trades using maize brands. Therefore, the results for the Millbake and Groceries and International segments in the comparative period have been restated to reallocate nutritional beverages, which now forms part of Millbake for segmental reporting purposes. The nutritional beverages results were previously included as part of the Groceries and International segment.

3. FINANCE INCOME

	2024 R'000	2023 R'000
Loans receivable	**2 992**	3 212
Banks	**17 676**	8 831
Other receivables	**7 745**	703
Preference dividends	**-**	43 513
	28 413	56 259

The accrued withholding tax provided for on the preference dividends did not become due and payable and was reversed to profit in the prior year as a result of the conversion of the redeemable preference shares on 4 May 2022.

4. FINANCE COSTS

	2024 R'000	2023 R'000
Loan from shareholder	-	14 275
Borrowings	258 318	201 787
Other payables	3 208	1 665
Lease liabilities	27 529	25 730
Bank overdraft	38 502	43 239
Preference dividends	-	9 888
Trade financing facility	68 040	49 087
	395 597	345 671

Finance costs on borrowings increased as a result of higher weighted average interest rates in the current year of 9.65% (2023: 7.51%). It was partially offset by interest savings as a result of voluntary debt repayments on borrowings of R150 million, R100 million and R456 million on 30 June 2023, 29 September 2023 and 13 December 2023 respectively.

The loan from shareholder was ceded for equity during the prior year which resulted in the decrease in the finance cost on the shareholder loan. Furthermore, the conversion of the redeemable preference shares to equity during the prior year resulted in the decrease in preference dividends.

5. FOREIGN EXCHANGE (LOSSES)/GAINS

	2024 R'000	2023 R'000
Foreign exchange (losses)/gains on cash and loans of a funding nature	(605)	56 116

The foreign exchange gains on cash and loans of a funding nature in the prior year were mainly attributable to an intergroup loan with exposure to foreign currency risk linked to the ZAR to MZN exchange rate. The intergroup loan was converted into equity on 30 March 2023 and therefore the Group did not incur any significant foreign exchange (losses)/gains in the current year.

The table below references the exchange rates for each reporting period:

	2024 R'000	2023 R'000
ZAR to MZN exchange rate - Closing rate	3.39	3.57

6. EARNINGS PER SHARE

	2024	2023
Number of ordinary shares in issue	128 905 800	128 905 800
Weighted average number of ordinary shares in issue[1]	128 905 800	126 012 283
Diluted weighted average number of ordinary shares in issue[1]	130 605 598	128 227 731
Basic earnings per share (cents)	714.54	630.41
Basic earnings per share – diluted (cents)	705.24	593.29
Headline earnings per share (cents)	743.67	633.64
Headline earnings per share – diluted (cents)	733.99	596.47
Normalised headline earnings per share (cents)	743.67	551.67
Normalised headline earnings per share - diluted (cents)	733.99	549.85

[1] *In the prior year the weighted average number of ordinary shares of 1 176 937 that equal the value of the "A" and "A1" ordinary shares, was included in the denominator of basic earnings per share. The impact was considered negligible and therefore no restatement was considered necessary.*

The reconciliation of the weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share is as follows:

	2024	2023
Weighted average number of ordinary shares in issue	128 905 800	126 012 283
Adjusted for:		
Right to convert redeemable preference shares	-	2 215 448
"A" and "A1" ordinary shares	1 171 167	[1]
Equity-settled share-based payments	528 631	-
Weighted average number of shares for calculation of diluted earnings per share	130 605 598	128 227 731

[1] *In the prior year, the weighted average number of ordinary shares that equal the value of the "A" and "A1" ordinary shares was included in the denominator of basic earnings per share and therefore not separately shown as an adjustment in the prior year. The weighted average number of ordinary shares that equal the value of the "A" and "A1" ordinary shares in the prior year was 1 176 937.*

Reconciliation between net profit attributable to the owners of the Company and headline earnings:

	2024		2023	
	Gross R'000	Net R'000	Gross R'000	Net R'000
Profit attributable to the owners of the Company		921 080		794 390
Adjusted for:				
Loss on disposal/scrapping of property, plant and equipment	45 444	42 903	4 744	4 080
Insurance proceeds on property, plant and equipment	(5 346)	(5 346)		
Headline earnings		958 637		798 470

6. EARNINGS PER SHARE (CONTINUED)

	2024		2023	
	Gross R'000	Net R'000	Gross R'000	Net R'000
Headline earnings		**958 637**		798 470
Adjusted for:				
Foreign exchange gains on cash and loans of a funding nature	-	-	(56 116)	(59 782)
Finance costs – Preference dividends[1]	-	-	(43 513)	(43 513)
Normalised headline earnings		**958 637**		695 175
Adjusted for:				
Dilutive earnings effect – Preference dividends	-	-	9 888	9 888
Diluted normalised headline earnings		**958 637**		705 063

[1] *The adjustment represents the accrued withholding tax on preference dividends that was reversed to profit during the prior year as it did not become due and payable when the redeemable preference shares were converted to ordinary shares.*

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

Headline earnings per share is calculated using the weighted average number of ordinary shares in issue during the year and is based on the earnings attributable to owners of the Company, after excluding those items as required by Circular 01/2023 Headline Earnings issued by SAICA as amended from time to time and as required by the JSE Limited.

Weighted average number of ordinary shares in issue is calculated as the number of ordinary shares in issue at the beginning of the year, increased by ordinary shares issued during the year weighted on a time basis for the periods during which they have participated in the profit of the Group.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares and is based on the net profit attributable to owners of the Company, adjusted in the prior year for the after-tax dilutive effect of the R33.6 million preference dividends. The Company has dilutive potential ordinary shares which comprise of the Group's equity-settled SARs and the equivalent number of ordinary shares which equals the value of the "A" and "A1" ordinary shares. In the prior year dilutive potential ordinary shares also included the right the Company had to convert the redeemable preference shares to ordinary shares of the Company. These redeemable preference shares were converted into ordinary shares of the Company in the prior year, on 4 May 2022.

The CODM and the Board review the normalised headline earnings per share and dilutive normalised headline earnings per share of the Group on a regular basis as part of assessing the overall performance of the Group.

The calculation of normalised headline earnings per share in the prior year excluded from headline earnings the impact of the foreign exchange gains on cash and the intergroup loan. The intergroup loan was converted into equity on 30 March 2023 and therefore the Group did not incur any significant foreign exchange movement on cash and loans of a funding nature during the current year. Further, the once-off impact of the accrued withholding tax on the preference dividends that was reversed to profit and the related non-controlling interest and tax effect on these items were excluded from normalised headline earnings in the prior year.

7. BORROWINGS

Secured bank loans	Currency	Interest rate	Maturity date	2024 R'000	2023 R'000
Term loan facilities					
FirstRand Bank Limited - Term facility	ZAR	JIBAR plus 1.35%	2 November 2025	1 900 000	1 900 000
Standard Bank of South Africa Limited	ZAR	Prime less 1.90%	30 November 2025	160 516	183 008
Revolving loan facilities					
Standard Bank of Eswatini Limited	SZL	Prime plus 0.45%	31 July 2026	80 000	80 000
First National Bank of Eswatini Limited	SZL	Prime plus 0.45%	31 July 2026	80 000	80 000
FirstRand Bank Limited - RCF	ZAR	JIBAR plus 1.45%	2 November 2026	-	705 964
				2 220 516	2 948 972
Non-current				2 194 703	2 926 602
Current				25 813	22 370
				2 220 516	2 948 972

During the current year the Group made voluntary debt repayments of R706 million on the FirstRand Bank Limited - RCF facility. R1 billion on the RCF facility remains available to drawdown for future funding requirements.

8. CASH AND CASH EQUIVALENTS

	2024 R'000	2023 R'000
Cash on hand	32 738	16 581
Bank balances	603 268	578 821
Cash and cash equivalents	636 006	595 402
Bank overdraft	-	(201 215)

For purposes of the Statement of Cash Flows, cash and cash equivalents consist of:

	2024 R'000	2023 R'000
Cash on hand	32 738	16 581
Bank balances	603 268	578 821
Cash and cash equivalents	636 006	595 402

In the prior year, the bank overdraft did not fluctuate from being overdrawn to a positive balance and therefore the bank overdraft did not form an integral part of the Group's cash management, and instead represented a form of financing. The related net proceeds in the prior year were therefore presented as cash flows from financing activities.

During the current year the bank overdrafts were repaid in full. The net repayments of the bank overdraft were presented as cash flows from financing activities.

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

9. RELATED PARTY TRANSACTIONS

During the year 734 981 and 413 021 share appreciation rights ("SARs") at a strike price of R Nil were awarded to JJ Gertenbach and F Grobbelaar respectively. A further 175 000 SARs at a strike price of R56.71 were awarded to F Grobbelaar.

10. EVENTS AFTER THE REPORTING PERIOD

Acquisition of 30% shareholding in Goldkeys International Proprietary Limited

Premier has acquired a 30% shareholding in Goldkeys International Proprietary Limited ("Goldkeys") with effect 3 June 2024.

The investment builds on the relationship that commenced on 10 May 2023, when Premier entered into a Sales, Merchandising and Route to Market Services Agreement with Goldkeys to manage their sales function to assist them in building its brands and sales outside of KwaZulu-Natal.

Goldkeys is a rice distributor based in KwaZulu-Natal that was founded in 1994 and is one of the largest rice importers into South Africa. It supplies branded Thai and Indian sourced rice under its brands "Golden Delight", "Golden Pride" and "Light & Right", as well as house brands to a number of South Africa retailers and independent wholesalers. Goldkeys is a growing business and for the month of February 2024, its "Golden Delight" brand achieved the No.2 national market share by volume (as measured by NielsenIQ).

The investment is aligned with Premier's strategy to grow its branded product portfolio. Rice complements Premier's staple foods basket of bread, maize, and wheat products offering synergies along the value chain. The investment in Goldkeys will benefit Premier's existing rice operations outside South Africa where it sources rice for sale under its own brands.

Premier settled the purchase consideration of R313.6 million in cash on 3 June 2024 and has appointed representatives to the board of directors of Goldkeys. The investment in Goldkeys will be treated as an associate and equity accounted for.

Cash dividend declaration

In line with IAS10: Events after the Reporting Period, the declaration of the dividend occurred after the reporting period, resulting in a non-adjusting event that is not recognised in the financial statements.

Other than the above, there were no material subsequent events which occurred after year-end and up to the date of this report that may have affected the reported results at the financial reporting date.

11. COMMITMENTS

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	2024 R'000	2023 R'000
Property, plant and equipment	**221 042**	104 966

A further R161 million of capital expenditure was prepaid to suppliers, mainly relating to the upgrade of Aeroton bakery.

GENERAL INFORMATION

Company Name	Premier Group Limited
Company registration number	2007/016008/06
Country of incorporation and domicile	Republic of South Africa
JSE share code	PMR
ISIN	ZAE000320321
Registered office and business address	Building 5 Maxwell Office Park Magwa Crescent West Waterfall, 2090 Private Bag X2127, Isando, 1600 Telephone +27 11 565 4300
Directors	I van Heerden *(Non-executive Chairperson)* FN Khanyile *(Lead Independent Director)* JJ Gertenbach (Chief Executive Officer) F Grobbelaar (Chief Financial Officer) DD Ferreira (Independent Non-executive Director) JER Matthews[1] *(Non-executive Director)* H Ramsumer *(Independent Non-executive Director)* W Sihlobo *(Independent Non-executive Director)* *[1] PRN Hayward-Butt is an alternate director to JER Matthews*
Bankers	FirstRand Bank Limited
Company secretary	Bronwyn Baker Email: companysecretary@premierfmcg.com
Transfer secretaries	Computershare Investor Services Proprietary Limited Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 Private Bag X9000, Saxonwold, 2132 Telephone +27 11 370 5000
Sponsor	Rand Merchant Bank (a division of FirstRand Bank Limited) 1 Merchant Place, Cnr Fredman Drive and Rivonia Road, Sandton, 2196 PO Box 786273, Sandton, 2146 Telephone +27 11 282 8000
Independent auditor	PricewaterhouseCoopers Inc. 4 Lisbon Lane, Waterfall City, Jukskei View, 2090 Private Bag X36, Sunninghill, 2157 Telephone +27 11 797 4000
Website	www.premierfmcg.com
Investor relations	Should you wish to be placed on the mailing list to receive email updates, please send an email to investor@premierfmcg.com
Tax reference number	9102629160
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