



Premier

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NOTICE OF ANNUAL GENERAL MEETING

for the year ended 31 March

2024



Notice of annual general meeting

PREMIER GROUP LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2007/016008/06)

JSE share code: PMR

ISIN: ZAE000320321

(Premier or the company)

NOTICE OF ANNUAL GENERAL MEETING

In terms of section 62(1) of the Companies Act No. 71 of 2008, as amended (**Companies Act**), notice is hereby given to all shareholders of the company that the annual general meeting (**AGM or meeting**) of Premier will be held in hybrid format, both electronically (online) through the interactive meeting platform of Premier's transfer secretaries, Computershare Investor Services Proprietary Limited (**Computershare**), and in person at the Premier Head Office, Building 5, Maxwell Office Park, Magwa Crescent West, Waterfall City, Midrand, Johannesburg at 09:00 on Wednesday, 4 September 2024, in order to deal with such business as may lawfully be dealt with at the AGM and to consider and, if deemed fit, to pass, with or without modification, the ordinary resolutions, non-binding advisory resolutions and special resolutions set out hereunder in the manner required by the Companies Act, the JSE Limited Listings Requirements (**Listings Requirements**) and the company's Memorandum of Incorporation (**MOI**).

This notice sets out the procedures which shareholders should follow in order to participate in the AGM either in person or by electronic participation.

IMPORTANT DATES TO NOTE

Record date to be eligible to receive the notice of AGM	Friday, 19 July
Date for posting of notice of AGM	Friday, 26 July
Last day to trade to be eligible to attend and vote at the AGM	Tuesday, 27 August
Record date to be eligible to participate and vote at the AGM (voting record date)	Friday, 30 August
Forms of proxies due (for administration purposes)	Monday, 2 September
AGM at 09:00	Wednesday, 4 September
Results of AGM to be released on SENS by no later than:	Thursday, 5 September

SHAREHOLDER PARTICIPATION

APPOINTMENT OF PROXIES

Each shareholder is entitled to appoint one or more proxy(ies) (who need not be a shareholder(s) of the company) to participate, speak and vote in their stead at the AGM.

Any appointment of a proxy(ies) must be effected by using the form of proxy attached hereto as Annexure A. For purposes of efficiency, shareholders are kindly requested to submit completed forms of proxy to Computershare at proxy@computershare.co.za, by 14:00 on Monday, 2 September 2024. Any forms of proxy not lodged by this time must be handed to the chair of the AGM or emailed to Computershare immediately prior to the proxy exercising a shareholder's right at the AGM.

Unless revoked before then, a signed form of proxy shall remain valid at any adjournment or postponement of the AGM and the proxy so appointed shall be entitled to vote, as indicated on the form of proxy, on any resolution (including any resolution which is amended). Any registered shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend and vote in person at the AGM should the shareholder subsequently decide to do so.

ELECTRONIC PARTICIPATION¹

As Premier will be holding the AGM in a hybrid format, shareholders may attend electronically (online) through Computershare's interactive meeting platform. While shareholders attending the AGM online will be able to view the meeting, vote and ask questions in real time, they are encouraged to submit questions in advance by emailing companysecretary@premierfmcg.com by 14:00 on Monday, 2 September 2024. These questions will be addressed at the AGM.

¹ The cost of electronic participation (mobile data consumption or internet connectivity) in the AGM will be carried by the participant.

Notice of annual general meeting (continued)

Shareholders wishing to participate in the AGM online will need to register on <https://meetnow.global/za> by clicking on the Premier logo or submitting a written notice via email to Computershare at proxy@computershare.co.za. A shareholders' guide to AGM participation is set out in Annexure B of this notice, as well as under the investor relations tab on the company's website, www.premierfmcg.com.

Shareholders will have no claim against the company, Computershare or third-party service providers for any loss, damage, penalty or claim arising in any way from the use or possession of the electronic communication services or any defect in them or from total or partial failure of the electronic communication services and connections linking the participant via the electronic communication services to the AGM.

IN PERSON PARTICIPATION

Shareholders attending the AGM in person and who wish to vote thereat will use their cell phones or web enabled devices during the AGM to cast their votes and will follow the same steps to vote at the AGM as the shareholders attending online. Shareholders will not be provided with special voting devices at the AGM.

DEMATERIALIZED SHAREHOLDERS WITH OWN-NAME REGISTRATION AND CERTIFICATED SHAREHOLDERS

Shareholders holding dematerialised shares with 'own name' registration and/or who hold shares in certificated form as at the voting record date:

1. may vote at and attend the AGM in person. Such shareholders may register online using the online registration portal at <https://meetnow.global/za> to allow Computershare to arrange the participation of the shareholder in the AGM or alternatively register at the venue; or
2. may vote at and attend the AGM by electronic participation. Such shareholders must register online using the online registration portal at <https://meetnow.global/za>. Following successful registration, Computershare will provide shareholders with an invitation code in order to connect electronically to the AGM; or
3. may vote at but not attend the AGM in person or by electronic participation. Such shareholders may appoint a proxy or two or more proxies (who need not be a shareholder/s of the company) to represent them at the AGM.

DEMATERIALIZED SHAREHOLDERS WITHOUT OWN-NAME REGISTRATION

Shareholders holding dematerialised shares without 'own name' registration as at the voting record date:

1. may vote at and attend the AGM in person. Such shareholders must request their CSDP or broker to issue them (or their proxy(ies)) with the necessary authority (i.e., a letter of representation) in terms of the relevant custody agreement/mandate entered into between them. Thereafter, they may register online using the online registration portal at <https://meetnow.global/za> to allow Computershare to arrange the participation of the shareholder in the AGM or alternatively register at the venue;
2. may vote at and attend the AGM by electronic participation. Such shareholders must request their CSDP or broker to issue them (or their proxy(ies)) with the necessary authority (i.e., a letter of representation or letter of electronic participation) in terms of the relevant custody agreement/mandate entered into between them and thereafter register online using the online registration portal at <https://meetnow.global/za>. Following successful registration, Computershare will provide shareholders with an invitation code in order to connect electronically to the AGM; or
3. may vote at but not attend the AGM in person or by electronic participation. Such shareholders must provide their CSDP or broker with their voting instructions in terms of the relevant custody agreement/mandate entered into between them.

Premier does not accept responsibility and will not be held liable for any failure on the part of the CSDP or broker of a dematerialised shareholder to notify such shareholder of the AGM or any business to be conducted thereat.

'A' AND 'A1' ORDINARY SHAREHOLDERS

In terms of the company's MOI, holders of 'A' and 'A1' ordinary shares (as such terms are defined in the MOI) are entitled to receive notice of, and to be present either in person or by proxy, at the AGM, but shall not be entitled to vote thereat unless a resolution of the company is proposed which affects the preferences, rights, limitations or other terms associated with the 'A' or 'A1' ordinary shares respectively.

Notice of annual general meeting (continued)

PROOF OF IDENTIFICATION REQUIRED

In compliance with section 63(1) of the Companies Act, meeting participants (including proxies) are required to provide reasonably satisfactory identification before being entitled to participate in or vote at the AGM. Acceptable forms of identification include valid identity documents, driver's licences and passports.

QUORUM AND VOTING REQUIREMENTS

A quorum for the purposes of considering the resolutions to be proposed at the AGM shall consist of three shareholders of the company, personally present or represented by proxy(ies) and entitled to vote at the AGM. In addition, a quorum shall comprise 25% of all voting rights entitled to be exercised by shareholders in respect of the resolutions to be proposed at the AGM. Voting will be by way of a poll, and every shareholder of the company, present or represented by proxy(ies), shall have one vote for every share held in the company by such shareholder.

NOTICE OF PERCENTAGE OF VOTING RIGHTS

Unless specifically stated otherwise, in order for an ordinary resolution and a special resolution to be approved by shareholders, same must be supported by more than 50% and at least 75% respectively of the voting rights exercised on the relevant resolution by shareholders present or represented by proxy(ies) at the AGM.

PRESENTATION TO SHAREHOLDERS

The below items do not require formal resolutions; however, shareholders are given the opportunity to ask questions and make comments about the reports.

AUDITED ANNUAL FINANCIAL STATEMENTS

The audited annual financial statements of the company and the group for the year ended 31 March 2024 (as approved by the board of directors of the company), including the independent auditor, audit and risk committee and directors' reports, are presented to shareholders in terms of section 30(3) of the Companies Act.

The summarised financial statements are set out in Annexure C of this notice. The complete annual financial statements are available on the company's website, www.premierfmcg.com, or can be requested from the company secretary at companysecretary@premierfmcg.com.

REPORT OF THE SOCIAL AND ETHICS COMMITTEE

The report of the group social and ethics committee for the year ended 31 March 2024, read together with the detailed sustainability report, as set out on pages 37 and 78 -101 respectively of the 2024 integrated report, is presented to shareholders in terms of regulation 43(5)(c) of the Companies Act.

The report is available on the company's website, www.premierfmcg.com, or can be requested from the company secretary at companysecretary@premierfmcg.com.

RESOLUTIONS FOR CONSIDERATION AND ADOPTION

Ordinary resolutions:

ELECTION OF DIRECTOR WHO RETIRES FOR THE FIRST TIME IN ACCORDANCE WITH THE COMPANY'S MOI

In accordance with the provisions of the Listings Requirements and clause 35.5(d) of the company's MOI, directors appointed by the board are obliged to retire at the first annual general meeting post their appointment. Mr D Ferreira accordingly retires at this AGM and is eligible for election by shareholders.

Based on the recommendation of the remuneration and nomination committee regarding the composition and diversity of the board, the board recommends the election of Mr D Ferreira as an independent non-executive director of the company.

A brief curriculum vitae in respect of the above-mentioned director is set out in Annexure D of this notice.

Notice of annual general meeting (continued)

ORDINARY RESOLUTION NUMBER 1

ELECTION OF MR D FERREIRA AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE COMPANY

‘RESOLVED THAT Mr D Ferreira, who retires for the first time in terms of clause 35.5(d) of the company’s MOI, be and is hereby elected as an independent non-executive director of the company.’

RE-ELECTION OF DIRECTORS RETIRING BY ROTATION

In accordance with clause 35.5(b) of the company’s MOI, one-third of the non-executive directors are subject to retirement by rotation and re-election by shareholders at each annual general meeting. The non-executive directors due to retire in terms of clause 35.5(b) are those who have been longest in office since their last election, provided that if more than one of them were elected directors on the same day, those to retire shall be determined by lot. Messrs W Sihlobo and I Van Heerden are obliged to retire by rotation at this AGM in accordance with these requirements.

Having so retired, the aforementioned members are eligible for re-election as directors of the board. The remuneration and nomination committee has reviewed the composition and diversity of the board and evaluated the independence, performance and contribution of the directors listed above. Furthermore, the committee has considered their individual knowledge, skills and experience, and recommended to the board that they be proposed for re-election. The board has considered the proposals of the remuneration and nomination committee and recommends the re-election of Messrs W Sihlobo and I Van Heerden by way of separate resolutions.

Brief curricula vitae in respect of the above-mentioned directors are set out in Annexure D of this notice.

ORDINARY RESOLUTION NUMBER 2

RE-ELECTION OF MR W SIHLOBO AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR OF THE COMPANY

‘RESOLVED THAT Mr W Sihlobo, who retires by rotation in accordance with the company’s MOI, and who, being eligible, offers himself for re-election, be and is hereby re-elected as an independent non-executive director of the company.’

ORDINARY RESOLUTION NUMBER 3

RE-ELECTION OF MR I VAN HEERDEN AS A NON-EXECUTIVE DIRECTOR OF THE COMPANY

‘RESOLVED THAT Mr I Van Heerden, who retires by rotation in accordance with the company’s MOI, and who, being eligible, offers himself for re-election, be and is hereby re-elected as a non-executive director of the company.’

ELECTION OF MEMBERS OF THE AUDIT AND RISK COMMITTEE

The board is satisfied that the audit and risk committee diligently executed its mandate and responsibilities during the 2024 financial year and confirms that no matters of concern were flagged during the annual review of the committee’s performance and effectiveness. In order to more fully comply with the requirements of King IV, the board has resolved to replace Mr J Matthews with Mr D Ferreira as a member of the committee with effect from the conclusion of the AGM.

Accordingly, the board proposes that shareholders elect Mr D Ferreira (independent non-executive director), Ms F Khanyile (independent non-executive director) and Mr H Ramsumer (independent non-executive director) to the audit and risk committee for the ensuing financial year. The board is satisfied that each member standing for election meets the requirements of section 94(4) of the Companies Act, as well as the minimum qualification requirements for a member of an audit committee and that collectively, they have adequate, relevant knowledge and experience to equip the committee to perform its functions as contemplated in section 94(7) of the Companies Act. The resolutions pertaining to the election of the members of the audit and risk committee are to be voted on individually.

Brief curricula vitae in respect of the above-mentioned directors are set out in Annexure D of this notice.

Notice of annual general meeting (continued)

ORDINARY RESOLUTION NUMBER 4

ELECTION OF AUDIT AND RISK COMMITTEE MEMBERS

‘RESOLVED THAT each of the following non-executive directors, who fulfil the requirements of section 94(4) of the Companies Act, be and are hereby elected, each by way of a separate vote, as members of the audit and risk committee:’

4.1 Mr D Ferreira*

4.2 Ms F Khanyile

4.3 Mr H Ramsumer

**Subject to election as an independent non-executive director pursuant to ordinary resolution number 1.*

ELECTION OF MEMBERS OF THE SOCIAL AND ETHICS COMMITTEE

During FY2024, members of the social and ethics committee included Ms F Khanyile and Messrs R Hartmann, J Matthews and W Sihlobo. Mr Hartmann resigned from the board and the committee with effect from 5 September 2023. The board is satisfied that the social and ethics committee diligently executed its mandate and responsibilities during the 2024 financial year and confirms that no matters of concern were flagged during the annual review of the committee’s performance and effectiveness.

Accordingly, the board proposes that shareholders elect Ms F Khanyile (independent non-executive director), Mr J Matthews (non-executive director) and Mr W Sihlobo (independent non-executive director) to the social and ethics committee for the ensuing financial year. The board is satisfied that each member standing for election meets the requirements of regulation 43(4) of the Companies Act. The resolutions pertaining to the election of the members of the social and ethics committee are to be voted on individually.

Brief curricula vitae in respect of the above-mentioned directors are set out in Annexure D of this notice.

ORDINARY RESOLUTION NUMBER 5

ELECTION OF SOCIAL AND ETHICS COMMITTEE MEMBERS

‘RESOLVED THAT each of the following non-executive directors be and are hereby elected, each by way of a separate vote, as members of the social and ethics committee, to perform, amongst others, the duties and responsibilities stipulated in regulation 43(5) of the Companies Act:’

5.1 Ms F Khanyile

5.2 Mr J Matthews

5.3 Mr W Sihlobo*

** Subject to re-election as an independent non-executive director pursuant to ordinary resolution number 2.*

RE-APPOINTMENT OF INDEPENDENT EXTERNAL AUDITORS

In accordance with paragraph 3.84(g) of the Listings Requirements, the audit and risk committee has reviewed the credentials and accreditation information relating to PricewaterhouseCoopers Inc. (PwC) and to Mr Eben Gerryts (in his capacity as the designated audit partner) in order to assess their suitability for re-appointment as the company’s independent external auditors for the 2025 financial year. The assessment encompassed a review of, inter alia, the relevant IRBA inspection reports, transparency reports, proof of registration and qualifications report. The audit and risk committee is comfortable that PwC and Mr Eben Gerryts are suitable for re-appointment as the independent and designated auditor respectively of the group for the ensuing year. The board agrees with this assessment and accordingly proposes their appointment.

ORDINARY RESOLUTION NUMBER 6

RE-APPOINTMENT OF INDEPENDENT EXTERNAL AUDITORS

‘RESOLVED THAT PwC, on recommendation by the audit and risk committee, be and is hereby reappointed as the independent registered auditor of the company, and that Mr Eben Gerryts be noted as the individual determined by PwC to be responsible for performing the functions of the auditor and who will undertake the audit of the company for the ensuing year.’

Notice of annual general meeting (continued)

GENERAL AUTHORITY TO ISSUE SHARES FOR CASH²

ORDINARY RESOLUTION NUMBER 7

GENERAL AUTHORITY TO ISSUE SHARES FOR CASH

‘RESOLVED THAT, subject to the restrictions set out below and the provisions of the Companies Act, the MOI and the Listings Requirements, the directors of the company be and are hereby authorised by way of a renewable general authority to allot and issue the authorised but unissued shares of the company for cash as and when they in their discretion deem fit, subject to the following:

1. the authority shall only be valid until the company’s next annual general meeting or for 15 months from the date that this resolution is passed, whichever period is shorter;
2. the shares which are the subject of the issue for cash under this authority must be of a class already in issue or, where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue;
3. the allotment and issue of shares for cash shall be made only to persons qualifying as public shareholders, as defined in the Listings Requirements, and to related parties, subject to the clause 4 below;
4. related parties may only participate in a general issue of shares for cash through a bookbuild process, provided that:
 - 4.1 they may only participate with a maximum bid price at which they are prepared to take up shares or at the book close price. In the event of a maximum bid price and the book closing at a higher price, the relevant related party will be ‘out of book’ and will not be allocated shares; and
 - 4.2 shares must be allocated equitably ‘in the book’ through the bookbuild process and the measures to be applied must be disclosed in the SENS announcement in which the bookbuild is launched;
5. the total aggregate number of shares which may be issued for cash in terms of this authority, including instruments which are or may be convertible into shares of any class, may not exceed 6 445 290 shares, being 5% of the company’s issued shares as at the date of notice of this AGM, excluding treasury shares. Accordingly, any shares issued under this authority prior to this authority lapsing shall be deducted from the 6 445 290 shares the company is authorised to issue in terms of this authority, for the purpose of determining the remaining number of shares that may be issued in terms of this authority;
6. in the event of a subdivision or consolidation of shares prior to this authority lapsing, the existing authority shall be adjusted accordingly to represent the same allocation ratio;
7. the maximum discount at which shares may be issued is 10% of the volume weighted average traded price of such shares, measured over the 30 business days prior to the date that the price of the issue is agreed between the company and the party subscribing for the shares (or, in the case of instruments which are or may be compulsorily convertible into shares of any class, the date that such instruments are issued);
8. any such general issues are subject to exchange control regulations and approval at that point in time; and
9. after the company has issued shares for cash which represent, on a cumulative basis within the period that this authority is valid, 5% or more of the number of shares in issue prior to that issue, the company shall publish an announcement containing full details of the issue as required by the Listings Requirements.

2. In terms of the Listings Requirements, for ordinary resolution number 7 to be adopted, at least 75% of the shareholders present in person or by proxy(ies) and entitled to vote on this resolution at the AGM, must cast their vote in favour thereof.

ADVISORY ENDORSEMENT OF THE REMUNERATION POLICY AND IMPLEMENTATION REPORT

King IV recommends that the remuneration policy of the company and the implementation thereof be tabled for separate non-binding advisory votes by shareholders at each annual general meeting of the company. This enables shareholders to express their views on the remuneration policy adopted by the company and the manner in which same is implemented. Ordinary resolutions 8 and 9 are of an advisory nature only, and failure to pass these resolutions will therefore not have any legal consequences relating to existing remuneration arrangements. The board will, however, take the outcomes of these votes into consideration when considering amendments to the company’s remuneration policy. If either the remuneration policy or the implementation thereof is voted against by 25% or more of the votes exercised at the AGM, the company will, in its AGM voting results announcement pursuant to the Listings Requirements, extend an invitation to dissenting shareholders to engage with the company. The manner and timing of such engagement will be specified in the SENS announcement following the AGM.

Notice of annual general meeting (continued)

The remuneration report is set out on pages 102-118 of the 2024 integrated report, available on the company's website, www.premierfmcg.com, or can be requested from the company secretary at companysecretary@premierfmcg.com.

ORDINARY RESOLUTION NUMBER 8

NON-BINDING ADVISORY VOTE ON THE REMUNERATION POLICY OF THE COMPANY

'RESOLVED THAT, in accordance with King IV and the Listings Requirements, shareholders endorse the remuneration policy of the company as set out in part 2 of the remuneration report.'

ORDINARY RESOLUTION NUMBER 9

NON-BINDING ADVISORY VOTE ON THE IMPLEMENTATION OF THE REMUNERATION POLICY OF THE COMPANY

'RESOLVED THAT, in accordance with King IV and the Listings Requirements, shareholders endorse the implementation of the remuneration policy of the company as set out in part 3 of the remuneration report.'

AUTHORISATION TO SIGN DOCUMENTS TO GIVE EFFECT TO RESOLUTIONS

ORDINARY RESOLUTION NUMBER 10

AUTHORISATION TO SIGN DOCUMENTS

'RESOLVED THAT any director of the company or the company secretary be and are hereby authorised to sign all such documentation and to do all such things as may be necessary for or incidental to the implementation of all the ordinary and special resolutions which are passed by the shareholders.'

Special resolutions

NON-EXECUTIVE DIRECTORS' FEES

SPECIAL RESOLUTION NUMBER 1

NON-EXECUTIVE DIRECTORS' FEES

'RESOLVED THAT, in terms of section 66(9) of the Companies Act and on the recommendation of the remuneration and nomination committee, the company be and is hereby authorised to remunerate its non-executive directors for their services as directors and/or pay any fees related thereto as detailed in the following table, in respect of the financial year ending 31 March 2025, provided that the aforementioned authority shall be valid until the next annual general meeting of the company. The proposed remuneration excludes value added tax (VAT), which will be added by the directors in accordance with current VAT legislation, where applicable.'

	Total annual fees: Based on no. of scheduled meetings R'000	Annual retainer R'000	Per meeting fee R'000	No. of scheduled meetings
Board				
Chair	990	396	99	6
Lead independent director	728	290	73	6
Member	461	185	46	6
Audit and Risk Committee				
Chair	297	132	33	5
Member	146	66	16	5
Remuneration and Nomination Committee				
Chair	210	106	26	4
Member	105	53	13	4
Social and Ethics Committee				
Chair	185	74	37	3
Member	105	42	21	3

* Depending on the number of meetings held per annum, the actual fees payable to directors may be higher or lower than the total fees depicted in the table above.

Notice of annual general meeting (continued)

REASON FOR AND EFFECT OF SPECIAL RESOLUTION NUMBER 1

In terms of sections 66(8) and 66(9) of the Companies Act, remuneration may only be paid to members of the board for their services as directors in accordance with a special resolution approved by shareholders within the previous two years, and if not prohibited in terms of the company's MOI. Therefore, the reason for and effect of special resolution number 1 is to approve the basis and authorise the payment of non-executive directors' fees for the financial year ending 31 March 2025.

FINANCIAL ASSISTANCE

SPECIAL RESOLUTION NUMBER 2

FINANCIAL ASSISTANCE IN TERMS OF SECTIONS 44 AND 45 OF THE COMPANIES ACT

'RESOLVED THAT, subject to compliance with the provisions of the Companies Act, the MOI and the Listings Requirements and for a period of two years from the date on which this resolution is passed, the directors may authorise the company to provide direct or indirect financial assistance in the manner contemplated in and subject to the provisions of sections 44 and/or 45 of the Companies Act, by way of a loan, guarantee, the provision of security or otherwise, to:

1. any of its present or future subsidiaries and/or any other company or corporation that is or becomes related or interrelated to the company, for any purpose or in connection with any matter including, but not limited to, the subscription of any option or any securities issued or to be issued by the company or a related or interrelated company, or for the purchase of any securities of the company or a related or interrelated company as contemplated under section 44 of the Companies Act; or
2. to any person who is a participant in any of the share or other employee incentive schemes of the group, for the purpose of or in connection with the subscription of any option, or any securities, issued or to be issued by the company or a related or interrelated company, or for the purchase of any securities of the company or a related or interrelated company, where such financial assistance is provided in terms of any such scheme that does not constitute an employee share scheme that satisfies the requirements of section 97 of the Companies Act.'

REASON FOR AND EFFECT OF SPECIAL RESOLUTION NUMBER 2

The reason for and effect of special resolution number 2 is to permit the company to provide direct or indirect financial assistance (within the meaning attributed to that term in sections 44 and/or 45 of the Companies Act) to the entities and/or persons referred to in special resolution number 2 above. Where authorised, these transactions will be executed on an arms-length basis.

BOARD UNDERTAKING IN TERMS OF SECTIONS 43(B) AND 45(5) OF THE COMPANIES ACT

The board undertakes that, in accordance with section 43(b) of the Companies Act, it will not adopt a resolution to authorise the aforementioned financial assistance unless the directors are satisfied that immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test.

In accordance with section 45(5) of the Companies Act, the board undertakes to notify shareholders and trade unions within 10 business days after it has adopted a resolution authorising the company to provide such direct or indirect financial assistance as specified in the special resolution above, if the total value of the financial assistance contemplated in that resolution, together with any previous such resolution during the financial year, exceeds one-tenth of 1% of the company's net worth at the time of the resolution; or within 30 business days after the end of the financial year in any other case.

Notice of annual general meeting (continued)

GENERAL AUTHORITY TO REPURCHASE SHARES

SPECIAL RESOLUTION NUMBER 3

GENERAL AUTHORITY TO REPURCHASE SHARES

‘RESOLVED THAT, the board be and is hereby authorised, by way of a renewable general authority, to approve the repurchase by the company or the purchase by any of its subsidiaries of any of the shares issued by the company, upon such terms and conditions and in such amounts as the board may from time to time determine, but subject to the provisions of sections 46 and 48 of the Companies Act, the MOI and the Listings Requirements, including, *inter alia*, that:

1. this general authority shall only be valid until the company’s next AGM, provided that it shall not extend beyond 15 months from the date of passing this special resolution;
2. any repurchase shall be implemented through the order book of the JSE and done without any prior understanding or arrangement between the company and/or the relevant subsidiary and the counterparty (reported trades are prohibited);
3. the company (or any subsidiary) is duly authorised by its MOI to do so;
4. repurchases of shares in the aggregate in any one financial year may not exceed 5% of the company’s issued ordinary share capital as at the beginning of the financial year;
5. the aggregate number of shares acquired and held by a subsidiary or subsidiaries of the company shall not exceed 10% of the number of issued shares of any class in the company;
6. in determining the price at which shares issued by the company are repurchased by it and/or any of its subsidiaries in terms of this general authority, the maximum premium at which such shares may be repurchased will be 10% of the weighted average of the market value of the shares on the JSE over the five business days immediately preceding the date on which such repurchase is effected. The JSE should be consulted for a ruling if the company’s securities have not traded in such five-business day period;
7. at any point in time the company may appoint only one agent to effect a repurchase on its behalf;
8. any such general repurchases are subject to exchange control regulations and approval at that point in time;
9. repurchases may not take place during a prohibited period (as defined in the Listings Requirements), unless a repurchase programme is in place as contemplated in terms of paragraph 5.72(h) of the Listings Requirements, the full details of which have been submitted to the JSE in writing prior to the commencement of the prohibited period. The company will instruct an independent third party, which makes its investment decisions in relation to the company’s securities independently of, and uninfluenced by, the company, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE;
10. a resolution has been passed by the board of directors of the company and/or any subsidiary of the company, as the case may be, confirming that the board has authorised the general repurchase, that the company passed the solvency and liquidity test as defined in the Companies Act and that since the test was done there have been no material changes to the financial position of the company or the group; and
11. an announcement will be published as soon as the company or any of its subsidiaries have repurchased shares constituting, on a cumulative basis, 3% of the ordinary shares in issue as at the date that the general authority is granted by shareholders at the AGM, and for each 3% in aggregate repurchased thereafter, containing full details of such acquisitions. Such announcement will be made as soon as possible and, in any event, by not later than 08h30 on the second business day following the day on which the 3% threshold is reached or exceeded.’

REASON FOR AND EFFECT OF SPECIAL RESOLUTION NUMBER 3

The reason for and effect of special resolution number 3 is to grant the company, or a subsidiary of the company, a general authority in terms of the Companies Act and the Listings Requirements for the repurchase by the company or any of its subsidiaries of shares issued by the company, which authority shall be valid until the earlier of the next annual general meeting of the company or the variation or revocation of such general authority by special resolution by any subsequent general meeting of the company, provided that the general authority shall not extend beyond 15 months from the date of this AGM.

Notice of annual general meeting (continued)

STATEMENT OF BOARD'S INTENTION AND UNDERTAKING

In accordance with the Listings Requirements, the directors record that although there is no immediate intention to affect a repurchase of the shares of the company, the directors will utilise this general authority to repurchase shares as and when suitable opportunities present themselves, which may require expeditious and immediate action.

The board undertakes that it will not implement any repurchase of shares while this general authority is valid, unless for a period of 12 months following the date of the repurchase:

1. the company and the group will, in the ordinary course of business, be able to pay its debts as they become due;
2. the consolidated assets of the company and the group, fairly valued in accordance with IFRS, will exceed the consolidated liabilities of the company and the group;
3. the company's and group's share capital, reserves and working capital will be adequate for ordinary business purposes; and
4. the working capital of the company and the group will be adequate for ordinary business purposes.

ADDITIONAL DISCLOSURES/INFORMATION REQUIRED IN TERMS OF THE LISTINGS REQUIREMENTS

For the purposes of considering special resolution number 3, and in compliance with paragraph 11.26 of the Listings Requirements, shareholders are referred to the additional information below:

DIRECTORS' RESPONSIBILITY STATEMENT

The directors collectively and individually accept full responsibility for the accuracy of the information contained in special resolution number 3 and certify that, to the best of their knowledge and belief, no facts have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that this resolution contains all information required by law and the Listings Requirements.

MAJOR SHAREHOLDERS

Details of the major shareholders of the company are set out on page 79 of the consolidated annual financial statements.

SHARE CAPITAL OF THE COMPANY

Details of the share capital of the company are set out on page 48 of the consolidated annual financial statements.

NO MATERIAL CHANGES

There have been no material changes to the financial or trading position of the company and its subsidiaries since the date of publication of the company's annual financial statements on 11 June 2024.

By order of the board

Bronwyn Baker
Company secretary

26 July 2024

Form of proxy

PREMIER GROUP LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2007/016008/06)

JSE share code: PMR

ISIN: ZAE000320321

(Premier or company)

Where appropriate and applicable, the terms defined in the notice of AGM to which this form of proxy is annexed, bear the same meanings in this form of proxy.

This form of proxy is for use and completion by those dematerialised shareholders with 'own name' registration and certificated shareholders, registered as such on the voting record date, who hold ordinary shares of the company and who are unable to attend (electronically (online) or in person) the AGM of the company at 09:00 on Wednesday, 4 September 2024.

Shareholders who have dematerialised their shares without 'own name' registration, must not complete this form of proxy but should contact their CSDP or broker in the manner and time stipulated in their custody agreement or mandate, in order to furnish them with their voting instructions or to obtain the necessary letter of representation or letter of electronic participation in the event that they wish to attend the AGM.

Each shareholder entitled to attend and vote at the AGM is entitled to appoint one or more proxy or proxies (who need not be a shareholder of the Company) to attend, participate in and speak and vote in his/her stead at the AGM, and at any adjournment thereof. Satisfactory identification must be presented by any person wishing to attend the AGM, as set out in the notice of AGM (to which this form of proxy is annexed).

For completion by dematerialised shareholders with 'own name' registration and certificated shareholders:

I/We	(full name)
of	(address)
	(contact number)
	(email address)
being the holder(s) of	ordinary shares in the Company, hereby appoint
1.	or failing him/her,
2.	or failing him/her,
3. the chair of the AGM,	

as my/our proxy to attend, participate in and speak and vote for me/us and on my/our behalf or to abstain from voting at the AGM which will be held of the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at any adjournment thereof, in accordance with the following instructions:

Form of proxy (continued)

		Number of votes (one vote per share)		
		In Favour	Against	Abstain
ORDINARY RESOLUTIONS				
ELECTION OF DIRECTOR WHO RETIRES FOR THE FIRST TIME IN ACCORDANCE WITH THE COMPANY'S MOI				
1	Election of Mr D Ferreria as an independent non-executive director			
RE-ELECTION OF DIRECTORS RETIRING BY ROTATION				
2	Re-election of Mr W Sihlobo as an independent non-executive director			
3	Re-election of Mr Van Heerden as a non-executive director			
ELECTION OF AUDIT AND RISK COMMITTEE MEMBERS				
4.1	Election of Mr D Ferreira as a member of the Audit and Risk Committee			
4.2	Election of Ms F Khanyile as a member of the Audit and Risk Committee			
4.3	Election of Mr H Ramsumer as a member of the Audit and Risk Committee			
ELECTION OF SOCIAL AND ETHICS COMMITTEE MEMBERS				
5.1	Election of Ms F Khanyile as a member of the Social and Ethics Committee			
5.2	Election of Mr J Matthews as a member of the Social and Ethics Committee			
5.3	Election of Mr W Sihlobo as a member of the Social and Ethics Committee			
OTHER ORDINARY RESOLUTIONS				
6	Re-appointment of independent external auditors			
7	General authority to issue shares for cash			
8	Non-binding advisory vote on the remuneration policy of the Company			
9	Non-binding advisory vote on the implementation of the remuneration policy of the Company			
10	Authorisation to sign documents to give effect to resolutions			
SPECIAL RESOLUTIONS				
1	Approval of non-executive directors' fees			
2	Authority to provide financial assistance in terms of sections 44 and 45 of the Companies Act			
3	General authority to repurchase shares			

Insert an 'X' in the relevant boxes above according to how you wish your votes to be cast. An 'X' in the relevant boxes above indicates the maximum number of votes exercisable. If you wish to cast your votes in respect of a lesser number of shares than you own in the Company, insert the number of ordinary shares held in respect of which you wish to vote.

Signed at _____ on _____ 2024

Signature(s) _____

Assisted by me (where applicable) _____

Notes to the form of proxy

Summary of shareholders' rights in respect of proxy appointments as contained in section 58 of the companies act

Please note that in terms of section 58 of the Companies Act:

1. This form of proxy must be in writing, dated and signed by the shareholder appointing the proxy.
2. A shareholder may appoint an individual(s) as a proxy or proxies, including an individual who is not a shareholder of the company, to participate in, and speak and vote at the AGM, on their behalf.
3. This form or proxy should be delivered to the company, or to the company's transfer secretaries, Computershare Investor Services Proprietary Limited (**Computershare**), before a shareholders' proxy exercises any of their voting rights as a shareholder at the AGM. Any form of proxy not received by the company or Computershare must be handed to the chair of the AGM before a proxy may exercise any of the shareholders voting rights as a shareholder at the AGM.
4. The appointment of a shareholders' proxy or proxies will be suspended at any time to the extent that he/she chooses to act directly and in person in the exercise of any of his/her rights as a shareholder at the AGM.
5. The appointment of a proxy is revocable and accordingly a shareholder may revoke the proxy appointment by (i) cancelling it in writing or making a later inconsistent appointment of a proxy; and (ii) delivering a copy of the revocation instrument to the proxy and to the company. The revocation of a proxy appointment constitutes a complete and final cancellation of a proxy's authority to act on a shareholders' behalf as of the later of the date stated in the revocation instrument, if any, or the date on which the revocation instrument was delivered to the proxy and the company as aforesaid.
6. If this form of proxy has been delivered to the company and for as long as the appointment remains in effect, any notice that is required by the Companies Act or the company's MOI to be delivered by the company to the shareholder, must be delivered by the company to the shareholder or to his/her proxy or proxies if the shareholder has, in writing, directed the company to do so and has paid any reasonable fee charged by the company for doing so.
7. A shareholders' proxy is entitled to exercise, or abstain from exercising, any of the shareholders voting rights without direction at the AGM, except to the extent that this form of proxy provides otherwise.
8. The appointment of a shareholders' proxy remains valid only until the end of the AGM or any adjournment or postponement thereof, unless it is revoked by the shareholder before then on the basis set out above.

Explanatory notes

1. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space/s provided, with or without deleting 'the chair of the AGM', but any such deletion must be initialled by the shareholder. Should this space be left blank, the chair of the AGM will exercise the proxy. The person whose name appears first on the form of proxy and who is present at the AGM will be entitled to act as proxy to the exclusion of those whose names follow.
2. A proxy may not delegate his/her authority to act on behalf of the shareholder to another person.
3. A shareholder's instructions to the proxy must be indicated by the insertion of an 'X' or the relevant number of votes exercisable by the shareholder in the appropriate boxes provided. An 'X' in the appropriate boxes provided indicates the maximum number of votes exercisable by that shareholder. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the AGM as he/she deems fit in respect of all the shareholders' exercisable votes. A shareholder or proxy is not obliged to use all the votes exercisable by the shareholder, but the total number of votes cast, or those in respect of which abstention is recorded, may not exceed the total number of votes exercisable by the shareholder or proxy.
4. Any alterations or corrections made to this form of proxy must be initialled by the signatory/ies. A deletion of any printed matter and the completion of any blank space(s) need not be signed or initialled.

Notes to the form of proxy (continued)

5. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by Computershare or waived by the chair of the AGM.
6. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered Computershare.
7. A company holding shares in the company that wishes to attend and participate at the AGM should ensure that a resolution authorising a representative to act is passed by its directors. Resolutions authorising representatives in terms of section 57(5) of the Companies Act must be lodged with Computershare prior to the meeting.
8. Where there are joint holders of shares, any one of such holders may vote at any meeting in respect of such shares as if he/she were solely entitled thereto; but if more than one of such joint holders is present or represented at the meeting, the joint holder whose name appears first in the register of shareholders of such shares, or his/her proxy, as the case may be, shall alone be entitled to vote in respect thereof.
9. On a poll, a shareholder who is present in person or represented by a proxy or proxies shall be entitled to one vote in respect of each ordinary share he or she holds in the company.
10. The chair of the AGM may reject or accept any form of proxy which is completed and/or received other than in accordance with these instructions, provided that he/she is satisfied as to the manner in which the shareholder wishes to vote.
11. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the AGM and speaking and voting in person thereat to the exclusion of any proxy or proxies appointed in terms hereof.
12. In the interests of efficiency, forms of proxy are requested to be emailed to Computershare at proxy@computershare.co.za, by 14:00 on Monday, 2 September 2024. Any forms of proxy not received by this time must be handed to the chair of the AGM or emailed to Computershare immediately prior to the proxy exercising a shareholders' rights at the AGM.

Shareholders guide to AGM participation

Computershare

HOW TO PARTICIPATE IN VIRTUAL/HYBRID MEETINGS

Attending the meeting online

Our online meetings provide you with the opportunity to participate online using your smartphone, tablet or computer.

You will be able to view a live webcast of the meeting, ask questions and submit your votes in real time.

You will need the latest version of Chrome, Safari, Edge or Firefox. Please ensure your browser is compatible.



Visit <https://meetnow.global/za>



Access

Access the online meeting at <https://meetnow.global/za>, select the applicable meeting from the drop down option. Click 'JOIN MEETING NOW'.

If you are a shareholder:

Select 'Invitation' on the login screen and enter the applicable information included in the email received from noreply@computershare.com. Accept the Terms and Conditions and click Continue.

If you are a guest:

Select 'Guest' on the login screen. As a guest, you will be prompted to complete all the relevant fields, including title, first name, last name and email address.

Please note, guests will not be able to ask questions or vote at the meeting.

If you are a proxy holder:

You will receive an email invitation the day before the meeting to access the online meeting. Click on the link in the email invitation from noreply@computershare.com to access the meeting.



Contact

If you have any issues accessing the website please email proxy@computershare.co.za.



Navigation



When successfully authenticated, the home screen will be displayed. You can watch the webcast, vote, ask questions, and view meeting materials in the documents folder. The image highlighted blue indicates the page you have active.

The webcast will appear and begin automatically once the meeting has started.



Voting

Resolutions will be put forward once voting is declared open by the Chair. Once the voting has opened, the resolution and voting options will appear.

To vote, simply select your voting direction from the options shown on screen. You can vote for all resolutions at once or by each resolution.

Your vote has been cast when the green tick appears. To change your vote, select 'Change Your Vote'.



Q&A

Any eligible shareholder/proxy attending the meeting remotely is eligible to ask a question.

Select the Q&A tab and type your question into the box at the bottom of the screen and press 'Send'.

Summarised annual financial statements

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 elections, 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 in the prior 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.

Commentary (continued)

Financial review (continued)

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.

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%). Capital 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.

Commentary (continued)

Segmental review (continued)

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 Aero-ton 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 upgraded and renovated to match the standard of the coastal sites and the new Pretoria site. The new mega-bakery in Pretoria is operating well 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.

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 are important elements 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.

Commentary (continued)

Changes to directorate (continued)

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 him 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:

Declaration date	Tuesday, 11 June 2024
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.

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.

Commentary (continued)

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 their 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 Aero-ton 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

⁽¹⁾ Any reference to future performance included in this document 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.

Notes to the summary consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

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
2023¹					
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

Notes to the summary consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

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.

Notes to the summary consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

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

Notes to the summary consolidated financial statements
FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

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/scraping 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

Notes to the summary consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

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.

Notes to the summary consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2024 (CONTINUED)

7. BORROWINGS

				2024 R'000	2023 R'000
Secured bank loans					
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.

Directors' brief curricula vitae

D FERREIRA (68)

Independent non-executive director

BCom (Honours); BCompt (Honours); CA(SA)

Appointed: 12 December 2023

Tenure: >1 year

Shareholding: Nil

Committee membership¹: Member of the Remuneration and Nomination Committee

Other public company appointments: Nil

W SIHLOBO (33)

Independent non-executive director

Bachelor of Science, Agricultural Economics; Master of Science, Agricultural Economics

Appointed: 22 June 2021

Tenure: 3 years

Shareholding: Nil

Committee membership: Chair of the Social and Ethics Committee

Other public company appointments: Nil

I VAN HEERDEN (52)

Non-executive chairman

BLC; LLB; LLM; HDIP International Tax

Appointed: 22 June 2021

Tenure: 3 years

Shareholding: Nil

Committee membership: Member of the Remuneration and Nomination Committee

Other public company appointments: Invicta Holdings Limited

F KHANYILE (56)

Independent non-executive director

BA Economics (Honours); MBA Finance; HDIP Tax

Appointed: 1 November 2022

Tenure: 2 years

Shareholding: Nil

Committee membership: Member of the Audit and Risk and Social and Ethics Committees

Other public company appointments: Bidvest Group Limited, Discovery Limited, JSE Limited

JER MATTHEWS (49)

Non-executive director

Bachelor of Business Science, Finance (Honours); CA(SA); CFA

Appointed: 11 March 2020

Tenure: 4 years

Shareholding: Nil

Committee membership²: Member of the Audit and Risk, Remuneration and Nomination and Social and Ethics Committees

Other public company appointments: Nil

H RAMSUMER (63)

Independent non-executive director

Bachelor of Commerce; Post Graduate Diploma in Accounting; CA(SA)

Appointed: 9 May 2022

Tenure: 2 years

Shareholding: Nil

Committee membership: Chair of the Audit and Risk Committee

Other public company appointments: Mr Price Group Limited

¹ To be appointed as a member of the Audit and Risk Committee with effect from the conclusion of the AGM.

² To resign as a member of the Audit and Risk Committee with effect from the conclusion of the AGM.

NOTES

ADMINISTRATION

PREMIER GROUP LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 2007/016008/06)

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

www.premierfmcg.com

INDEPENDENT AUDITORS

PricewaterhouseCoopers Inc

4 Lisbon Lane, Waterfall City, Jukskei View, 2090

Private Bag X36, Sunninghill, 2157

Telephone +27 11 797 4000

COMPANY SECRETARY

Bronwyn Baker

Telephone +27 11 565 4300

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

INVESTOR RELATIONS

Should you wish to be placed on the mailing list to receive email updates, please send an email to investor@premierfmcg.com

