



**Premier**  
*Growing Together*

# CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March

# 2025



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## DIRECTORS' RESPONSIBILITIES AND APPROVAL

The board of directors ("Board") of Premier Group Limited ("Premier" or the "Company") and its subsidiaries (together the "Group") are required in terms of the South African Companies Act, No 71 of 2008, as amended ("Companies Act") to maintain adequate accounting records and are responsible for the content and integrity of the consolidated annual financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated annual financial statements fairly present the state of affairs of the Group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in accordance with International Financial Reporting Standards ("IFRS®") as issued by the International Accounting Standards Board ("IFRS® Accounting Standards") and 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") Listings Requirements and the requirements of the Companies Act. The external auditor is engaged to express an independent opinion on the consolidated annual financial statements.

The consolidated annual financial statements are prepared in accordance with IFRS and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal controls established by the Group including controls over the security of the website and where applicable, for establishing and controlling the process for electronically distributing consolidated annual financial statements and other financial information to shareholders and to the Companies and Intellectual Property Commission. The directors place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the Board sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Group is on identifying, assessing, managing and monitoring all known forms of risk across the Group. While operating risk cannot be fully eliminated, the Group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, internal audit and comments by the independent external auditor on the results of their audit for this financial year, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the Group's cash flow forecast for the year to 31 March 2026 and, in light of this review and the current financial position, are satisfied that the Group has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the consolidated annual financial statements. The consolidated annual financial statements have been examined by the Group's external auditor and their report is presented on pages 10 to 14.

The consolidated annual financial statements set out on pages 15 to 77, prepared on the going concern basis, were approved by the directors on 9 June 2025 and are signed on their behalf by:

### Approval of financial statements

**I van Heerden**  
*Non-executive Chairman*

**JJ Gertenbach**  
*Chief Executive Officer*

## STATEMENT ON INTERNAL FINANCIAL CONTROLS

In terms of the JSE Listings Requirements, each of the directors, whose names are stated below, hereby confirm that:

- a) the consolidated annual financial statements set out on pages 15 to 77, fairly present in all material respects the financial position, financial performance and cash flows of the Group in terms of IFRS;
- b) to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the consolidated annual financial statements false or misleading;
- c) internal financial controls have been put in place to ensure that material information relating to Premier and its consolidated subsidiaries have been provided to effectively prepare the consolidated annual financial statements of the Group;
- d) the internal financial controls are adequate and effective and can be relied upon in compiling the consolidated annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
- e) where we are not satisfied, we have disclosed to the audit and risk committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have taken steps to remedy the deficiencies; and
- f) we are not aware of any fraud involving directors.

**JJ Gertenbach**  
*Chief Executive Officer*

9 June 2025

**F Grobbelaar**  
*Chief Financial Officer*

## CERTIFICATE BY THE COMPANY SECRETARY

In terms of section 88(2)(e) of the Companies Act, I certify that, to the best of my knowledge, the Company has filed the required returns and notices with the Companies and Intellectual Property Commission and that all such returns and notices appear to be true, correct and up to date.

**B Baker**  
*Company Secretary*

9 June 2025

## AUDIT AND RISK COMMITTEE REPORT

The Audit and Risk Committee (“Committee”) is pleased to present its report for the financial year ended 31 March 2025. The Committee acts for the Company, as well as its South African and offshore subsidiaries (the “Group”).

The Committee's main objective is to assist the Board in fulfilling its oversight responsibilities, in particular with regard to the evaluation of the adequacy of accounting policies, internal controls, combined assurance arrangements, financial and corporate reporting processes and compliance with laws and regulations. The Committee further oversees the effectiveness of the Group's internal and external auditors, as well as risk management which includes information technology governance and commodity procurement.

This report aims to provide details on how the Committee satisfied its various statutory obligations, as well as addressing the key and significant audit matters that arose during the period, to assist in ensuring the integrity of the Group's financial reporting.

The Committee's terms of reference were reviewed in March 2025 and the Committee is satisfied that they remain consistent with its statutory duties and the objectives and responsibilities of the Board.


### COMPOSITION AND MEETING PROCEDURES

The Committee, at all times, comprised a minimum of three non-executive directors, all of whom satisfied the requirements of section 94(4) of the Companies Act. The Board believes that the Committee was and continues to be adequately skilled and that all members possess the appropriate financial and related qualifications, skills, financial expertise and experience required to discharge their responsibilities.

The composition of the Committee and the attendance of meetings by its members during the 2025 financial year are set out below:

Member	Appointed	Attendance	Regular Invitees
<b>Harish Ramsumer (Chair)</b> BCom; Post Grad Dip Acc; CA (SA)	1 June 2022	100% 5/5 meetings	Chief Executive Officer Chief Financial Officer Commercial Executive Group Finance Executive
<b>Daniel Dirk Ferreira<sup>1</sup></b> BCom; Honours BComp; CA(SA)	4 September 2024	100% 2/2 meetings	Risk Executive IT Executive
<b>Faith Nondumiso Khanyile</b> BA Economics Honours; MBA; HDip Tax	6 March 2023	100% 5/5 meetings	Legal Executive Internal Auditors External Auditors Company Secretary
Jonathan Edward Roland Matthews <sup>1</sup> B.Bus Sci Honours; CA(SA)	11 March 2022	100% 3/3 meetings	

<sup>1</sup> Daniel Dirk Ferreira was appointed to the Committee on 4 September 2024, replacing Jonathan Edward Roland Matthews. The Committee is now comprised solely of independent non-executive directors.

 Independent non-executive director

The Committee met on four occasions, which meetings were scheduled in line with the Group's financial reporting cycle and held an adhoc meeting to approve the FY2024 Integrated Report. The Committee also met separately with the internal and external auditors.

The Committee chair has regular contact with the management team to discuss relevant matters directly. The internal and external auditors have direct access to the Committee to discuss any matter that they regard as relevant to the fulfilment of the Committee's responsibilities.

### KEY FOCUS AREAS IN 2025

The Committee focused its attention on the following areas during the year:

- The accounting treatment of the investments in Goldkeys and ZEN Commodities, with a particular focus on ensuring appropriate initial recognition and subsequent measurement in the Group financial statements.
- Addressing the findings raised in the JSE's proactive monitoring reports, with particular emphasis on segment reporting in accordance with IFRS 8: Operating Segments, and other regulatory and financial reporting developments.
- Prioritising IT risk management through the commissioning of independent cyber risk and disaster recovery assessments, as well as oversight of improvements in the Group's NIST and Microsoft security scores.

## AUDIT AND RISK COMMITTEE REPORT (continued)

### DISCHARGE OF DUTIES IN 2025

During the financial year, in the execution of its statutory duties and in accordance with its terms of reference, the Committee effectively discharged the following responsibilities:

#### Finance function

##### Reviewed the expertise, resources and experience of the finance function

In accordance with the JSE Listings Requirements, the Committee considered and satisfied itself that Fritz Grobbelaar CA(SA), being the Group's Chief Financial Officer, had the appropriate expertise and experience to meet the responsibilities of his appointed position. The Committee similarly satisfied itself regarding the quality and effectiveness of the finance function and the adequacy of the resources employed therein.

##### Evaluated financial reporting and accounting practices

The Committee reviewed the integrity of the interim results for the six months ended 30 September 2024 and annual financial statements for the year ended 31 March 2025, including the public announcements of the Group's financial results, and made recommendations to the Board for their approval. In the course of its review, the Committee:

- Took steps to ensure that the financial statements were prepared in accordance with IFRS and in compliance with the provisions of the Companies Act and the JSE Listings Requirements.
- In accordance with paragraph 3.84(g)(ii) of the JSE Listings Requirements, satisfied itself that appropriate financial reporting procedures are in place and are operating effectively.
- Considered the key audit matters reported in the external audit opinion and satisfied itself with management's treatment thereof.
- Considered the appropriateness of significant accounting policies, key estimates, assumptions and disclosures made.
- Reviewed the going concern assumption, considering management budgets and capital and liquidity profiles and recommended to the Board that it was appropriate in the preparation of the financial statements.
- Reviewed the solvency and liquidity tests and recommended the dividend proposal for approval by the Board.
- Considered and noted the proactive monitoring reports issued by the JSE and the steps taken by management to apply the recommendations made by the JSE therein.
- Evaluated the approach and processes that enabled the CEO and CFO to sign the responsibility statement on the annual financial statements and internal financial controls as required by paragraph 3.84(k) of the JSE Listings Requirements.

#### External audit-related matters

The Committee, amongst other matters:

- Assessed the suitability of PricewaterhouseCoopers Inc. ("PwC") for appointment as the Company's independent, external auditor for the 2025 financial year, with Mr E Gerrits as the designated engagement partner in accordance with paragraph 3.84(g)(iii) of the JSE Listings Requirements. As part of this assessment, the Committee considered the decision letters and explanations issued by IRBA and any summaries relating to monitoring procedures and/or deficiencies issued by the auditors. A similar assessment will be conducted by the Committee in July 2025 with respect to the auditors' appointment for the 2026 financial year.
- Reviewed and approved the external audit plan and related scope of work.
- Reviewed and approved, in consultation with management, external audit fees amounting to R13.8 million.
- Monitored adherence with the Group's non audit services policy. No non-audit service fees were incurred during the period.
- Considered the report by PwC on the findings arising from the audit.
- Received confirmation from PwC that it was independent of the Company and that its independence was not impaired during the period.
- Having considered all relevant matters, concluded that it was satisfied that auditor independence, objectivity and effectiveness were maintained during the financial year and confirmed that the criteria for independence, as set out in the rules of the Independent Regulatory Board for Auditors ("IRBA") and other relevant international bodies, had been followed.
- Confirmed that no reportable irregularities were identified and reported by PwC in terms of the Auditing Profession Act, 26 of 2005.

## AUDIT AND RISK COMMITTEE REPORT (continued)

### Internal audit matters

Ernst & Young (“EY”) perform outsourced internal audit services to the Group. They work collaboratively with the internal operational audit team.

The Committee reviewed and approved the internal audit charter and internal audit plan for the financial year ended 31 March 2025, ensuring that material risk areas were included, and that coverage of significant business processes was acceptable. It oversaw and monitored that the internal audit function:

- Objectively assured the effectiveness of risk management and internal control frameworks.
- Analysed and assessed business processes and associated controls.
- Reported significant audit findings and recommendations to management and the Committee.

The Committee satisfied itself that EY was independent and had the necessary resources, standing and authority to discharge its duties. Mr A Tilakdari, representing EY attended all committee meetings.

The internal audit function provided a written assessment regarding the Group’s system of internal controls and confirmed that, based on the results of the work undertaken, these were deemed adequate and effective.

### Internal controls

The Committee reviewed reports of the internal control team, internal auditors and external auditors in respect of audits conducted on the internal control environment, took note of any matters arising from these audits and considered the appropriateness of the responses received from management. Where findings were noted, the Committee was satisfied that management’s proposed remedial actions will improve the control environment.

In particular, the Committee evaluated whether key financial reporting risks were appropriately identified and addressed in the Group’s Internal Financial Controls (“IFC”) plan.

Furthermore, the Committee:

- Reviewed quarterly funding reports prepared by management and monitored compliance with financial covenants.
- Oversaw compliance with the internal controls relating to the Group’s grain procurement policy.
- Fulfilled an oversight function with regard to tax governance. In this regard, the Committee received regular feedback on tax compliance and is satisfied that no material non-compliance has occurred.
- Considered whistleblowing complaints in so far they related to fraud or accounting practices.
- Considered and, where appropriate, made recommendations on internal controls.

The Committee was not required to deal with any complaints relating to accounting practices or internal audit, nor to the content or audit of the financial statements, nor internal financial controls or related matters.

Having considered the above, the Committee is satisfied that the Group’s system of internal financial controls is effective and forms a basis for the preparation of reliable financial statements.

### Governance functional areas

#### Risk Management and Information Technology

The Committee received regular reports provided as part of the Group’s risk management framework, including updates on the Group’s strategic risk register, heat maps and emerging risk exposures. The Committee also reviewed the mitigation strategies developed by management in relation to the strategic risks. It similarly reviewed and confirmed the adequacy of the Group’s insurance cover and monitors the impact of litigation that could have a material impact on the Group.

The Committee monitored the Group’s IT systems and service providers and oversaw initiatives and measures to manage cybersecurity, information management and data security risks.

#### Combined Assurance

The Committee reviewed the Group’s combined assurance processes and confirmed that these arrangements are effective in supporting a robust control environment. The Committee further noted that management continues to make good progress in enhancing the maturity of the combined assurance model.

## AUDIT AND RISK COMMITTEE REPORT (continued)

### Integrated Report

During June and July 2025, the Committee will evaluate the integrated report for the 2025 financial year and assess its consistency with operational, financial and other information available to the Committee.

In conjunction with the Social and Ethics Committee, the Committee will review the integrity of the sustainability disclosures included in the integrated report and confirm that they do not conflict with financial information included in the annual financial statements and other information available to the Committee.

Based on the above processes, the Committee will thereafter recommend the 2025 integrated report to the Board for approval.

The performance of the Committee is reviewed annually by the Board. Following its latest review, the Board concluded that the Committee continued to operate effectively.

The Committee is satisfied that, in respect of the financial year ended 31 March 2025, it fulfilled its responsibilities in accordance with its statutory obligations, the Companies Act, JSE Listings Requirements and its Board-approved terms of reference.

On behalf of the Audit and Risk Committee

**H Ramsumer**  
*Committee Chairman*

# DIRECTORS' REPORT

The directors have pleasure in submitting their report on the consolidated annual financial statements of the Group for the year ended 31 March 2025.

## 1. NATURE OF BUSINESS

The Company is incorporated in the Republic of South Africa. The Company's registration number is 2007/016008/06. The Company's shares are listed on the JSE with share code PMR.

The Group is a leading consumer packaged goods ("CPG") company in Southern Africa that has expanded its portfolio from a traditional milling and baking ("Millbake") business to include a groceries business ("Groceries and International"). The Group's Millbake business comprises operations and distribution facilities throughout South Africa, Lesotho and Eswatini, operating bakeries, maize and wheat mills supported by extensive distribution capability. The Groceries and International business operates sugar confectionery manufacturing sites producing a wide range of sugar confectionery products in South Africa; a home and personal care ("HPC") manufacturing site producing intimate care, menstrual and cotton wool products in South Africa; HPC offices in the United Kingdom; as well as manufacturing sites in Mozambique producing milling products, biscuits, pasta and animal feeds.

During the current year the Group acquired a 30% shareholding in Goldkeys International (Pty) Ltd ("Goldkeys") for a purchase consideration of R313.6 million with effect from 3 June 2024. The Group also acquired a 13.3% shareholding in ZEN Commodities Trading DWC - LLC ("ZEN Commodities") at a nominal value of AED40,000 (R197,570) with effect from 1 December 2024. Refer to note 7 for further details on these transactions.

Other than the above, there have been no material changes to the nature of the Company's business from the prior year.

## 2. FINANCIAL RESULTS

The Group's revenue increased by 7.0% from R18 587 million in the prior year to R19 885 million, while the Group's EBITDA increased by 14.7% from R2 053 million to R2 354 million for the year ended 31 March 2025.

Profit for the year ended 31 March 2025 increased by 31.1% from R921 million in the prior year to R1 207 million. Headline earnings per share increased by 26.8% from 744 cents in the prior year to 943 cents.

Full details of the financial results of the Group are set out in these consolidated annual financial statements and accompanying notes for the year ended 31 March 2025.

## 3. SHARE CAPITAL

The Company's authorised share capital is comprised of 200 000 000 no-par value ordinary shares, 25 000 unlisted "A" ordinary shares and 50 000 unlisted "A1" ordinary shares. At 31 March 2025, 128 905 800 no-par value ordinary shares, 15 457 unlisted "A" ordinary shares and 23 060 unlisted "A1" ordinary shares were issued.

The Group has a Share Appreciation Rights Plan 2024 (the "SARs Plan") that provides participants with conditional rights to receive ordinary shares in the Company. Refer to note 19 for further details on the implementation of the Plan.

There were no changes to the authorised and issued share capital of the Company during the financial year.

## 4. CASH DIVIDEND DECLARATION

The directors declared a final gross dividend of 271 cents per share in respect of both the ordinary shares and the unlisted "A" and "A1" ordinary shares. This equates to a final gross dividend of R349.3 million in respect of the ordinary shares. The dividend was declared out of the Company's reserves.

A dividend withholding tax of 20% or 54.2 cents per share will be applicable, resulting in a net dividend of 216.8 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 final dividend is payable on Monday, 14 July 2025 (payment date) to shareholders of the Company registered as such at close of business on Friday, 11 July 2025 (record date).

Share certificates may not be dematerialised or rematerialised between Wednesday, 9 July 2025 and Friday, 11 July 2025, both days inclusive. Refer to page 79 for further details on the declaration of the final dividend.

## 5. DIRECTORATE

There were no changes to the Board during the current year.

Details of directors' emoluments, incentive schemes and interest in the Company are set out in note 33.

## DIRECTORS' REPORT (continued)

### 6. DIRECTORS' INTERESTS IN CONTRACTS

No material contracts involving directors' interests were entered into in the current year. The directors had no interest in any third party or company responsible for managing any of the business activities of the Group.

### 7. EVENTS AFTER THE REPORTING PERIOD

#### Cash dividend declaration

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

#### Tariffs

Based on current analysis and available information, management does not anticipate that the tariffs imposed by the United States government during April 2025 will have a significant effect on the Group's operations and financial results.

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.

### 8. AUDITOR

PricewaterhouseCoopers Inc. ("PwC") was the external auditor of the Group for the financial year ended 31 March 2025.

### 9. GOING CONCERN

The consolidated annual financial statements are prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The directors have reviewed the Group's budget and believe that the Group has adequate financial resources to continue in operation for the foreseeable future. Based on cash flow forecasts, the Group will be able to realise its assets and settle its liabilities as they fall due in the ordinary course of business. Refer to note 36 for further details on the going concern assessment.

# INDEPENDENT AUDITOR’S REPORT

## To the shareholders of Premier Group Limited

### REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

#### Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Premier Group Limited (the “Company”) and its subsidiaries (together the “Group”) as at 31 March 2025, and its consolidated financial performance and consolidated cash flows for the period then ended in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa.

#### What we have audited

Premier Group Limited's consolidated financial statements set out on pages 15 to 77 comprise:

- the consolidated statement of financial position as at 31 March 2025;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the financial statements, including material accounting policy information.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (“ISAs”). Our responsibilities under those standards are further described in the *Auditor’s responsibilities for the audit of the consolidated financial statements* section of our report.


We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We are independent of the Group in accordance with the Independent Regulatory Board for Auditors’ *Code of Professional Conduct for Registered Auditors* (“IRBA Code”) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants’ *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

#### Our audit approach

##### Overview

	<b>Final materiality</b> R78 243 000, which represent 4.8% of the profit before tax
	<b>Group audit scope</b> The consolidated financial statements comprise 13 operating components and we performed full scope audits on four of these components due to their financial size and audit of one or more financial statement line items on another three components due to their financial significance or risk and analytical reviews on two components we considered non-significant.
	<b>Key audit matters</b> Impairment assessment of goodwill and indefinite life intangible assets

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

## INDEPENDENT AUDITOR'S REPORT (continued)

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette Number 49309 dated 15 September 2023 (EAR Rule), we report final materiality and group audit scope below.

### Final materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the final materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the consolidated financial statements as a whole.

	Consolidated financial statements
Final materiality	R78 243 000
How we determined it	4.8% of profit before tax
Rationale for the materiality benchmark applied	We chose profit before tax as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users, and is a generally accepted benchmark. We chose 4.8% which is consistent with quantitative materiality thresholds used for profit-oriented companies in this sector.

### Group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The Group operates in numerous countries with 13 operating companies. The operating companies are split into two different operating segments, namely Millbake and Groceries and International - refer to the segment information (note 9 to the Group financial statements).

We performed full scope audits at four components and audited one or more financial statement line items for three other components. We also performed group-wide targeted analytical review procedures over the non-significant components, to obtain an appropriate level of audit coverage. We concluded that all other entities within the Group are financially inconsequential, individually and in aggregate.

In establishing the overall approach to the Group audit, we determined the type of work that needed to be performed by us, as the Group engagement team, or a component auditor from another PwC network firm operating under our instruction. Where the work was performed by a component auditor, we determined the level of involvement we needed to have in the audit work at the component to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the consolidated financial statements as a whole.

### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In terms of ISA 701 *Communicating key audit matters in the independent auditor's report* / the EAR Rule (as applicable), we are required to report key audit matters and the outcome of audit procedures or key observations with respect to the key audit matters, and these are included below.

## INDEPENDENT AUDITOR'S REPORT (continued)

Key audit matter	How our audit addressed the key audit matter
<p><b>Impairment assessment of goodwill and indefinite life intangible assets</b></p> <p>Refer to note 14: Goodwill and intangible assets</p> <p>International Accounting Standard 36 Impairment of Assets requires goodwill and indefinite life intangible assets to be tested annually for impairment, or more frequently if impairment indicators are identified. At 31 March 2025, the Group's total goodwill and indefinite life intangible assets balance amounted to R1.7 billion.</p> <p>Management applied the fair value less costs of disposal ("FVLCD") method to determine the recoverable amount of each CGU to which goodwill and indefinite life intangible assets has been allocated.</p> <p>In determining the FVLCD of the respective CGUs, management prepares cashflow projections based on financial budgets approved by management. This method further involves management having to apply judgement in determining the following key assumptions:</p> <ul style="list-style-type: none"> <li>• Future revenue growth rates,</li> <li>• Operating cost increases,</li> <li>• Terminal growth rates, and</li> <li>• Discount rates</li> </ul> <p>We considered the impairment assessment of goodwill and indefinite life intangible assets to be a matter of most significance to the current year audit due to the following:</p> <ul style="list-style-type: none"> <li>• The judgement applied by management in determining the key assumptions used in their FVLCD calculation; and</li> <li>• The magnitude of the carrying value of goodwill and indefinite life intangible assets recognised in relation to the consolidated financial statements.</li> </ul>	<p>Our audit addressed the key audit matter as follows:</p> <ul style="list-style-type: none"> <li>• Through discussions with management, we obtained an understanding of the processes and procedures applied by management in making their impairment assessment of goodwill and indefinite life intangible assets, which included: <ul style="list-style-type: none"> <li>– an understanding of the process followed in determining cash-flow projections; and</li> <li>– the determination of the key assumptions applied in their FVLCD calculation.</li> </ul> </li> <li>• We challenged and tested the reasonability of the key assumptions used by management in their calculations, which included future revenue growth rates, operating cost increases, terminal growth rates and the discount rate. This was done by comparing these key assumptions to industry benchmarks and discount rates determined by auditors' experts. Based on our work performed, we accepted management's key assumptions.</li> <li>• We agreed the cash flows projections used in management's FVLCD calculation to management approved financial budgets, with no material exceptions noted.</li> <li>• We considered the reasonableness of management's budgeting process by comparing the 2025 actual results to the prior year cash flow projections for 2025 performed in prior periods.</li> </ul> <p>Where variances were noted, we followed up with management and evaluated the reasonability of the variances. We did not note any aspect in this regard which required further consideration.</p> <ul style="list-style-type: none"> <li>• Making use of our internal valuation experts, we assessed the appropriateness and reasonability of the post-tax discount rate of the respective CGUs used in the FVLCD calculation by independently calculating the discount rate, taking into account independently obtained data from credible sources. We found that the discount rates used by management fell within an acceptable range.</li> <li>• We compared the terminal growth rates used by management to the long term inflation rate within the respective CGU territories. We found the terminal growth rates to be within an acceptable range.</li> <li>• We tested the mathematical accuracy of management's valuation model and compared the valuation methodology applied by management in the prior years for consistency. No material difference or inconsistencies were noted.</li> <li>• We performed independent sensitivity calculations on the impairment assessments in order to determine the degree by which the key assumptions needed to change in order to trigger any impairments.</li> </ul> <p>We discussed these with management and considered the likelihood of such changes occurring. Whilst some of our independently determined key assumptions were different from those applied by management, this had no impact on the conclusion reached.</p>

## INDEPENDENT AUDITOR'S REPORT (continued)

### Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Premier Consolidated Annual Financial statements for the year ended 31 March 2025" and the document titled "Premier Annual Financial statements for the year ended 31 March 2025", which includes the Directors' Report, the Audit and Risk Committee Report and the Certificate by the Company Secretary as required by the Companies Act of South Africa, which we obtained prior to the date of this auditor's report, and the document titled "Premier Group Limited Integrated Annual Report for the year ended 31 March 2025", which is expected to be made available to us after that date. The other information does not include the consolidated or the separate financial statements and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the directors for the consolidated financial statements<sup>1</sup>

The directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

1. The examination of controls over the maintenance and integrity of the Company's website is beyond the scope of the audit of the financial statements. Accordingly, we accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

## INDEPENDENT AUDITOR'S REPORT (continued)

- Plan and perform the group audit to obtain sufficient appropriate audit evidence, regarding the financial information of the entities or business units within the Group, as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on other legal and regulatory requirements

#### Audit tenure

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Inc. has been the auditor of Premier Group Limited for seven years.



PricewaterhouseCoopers Inc.

Director: EJ Gerryts

Registered Auditor

4 Lisbon Lane, Waterfall City, Jukskei View, 2090, Private Bag X36, Sunninghill, 2157, Johannesburg

9 June 2025

# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 R'000	2024 R'000
Revenue from contracts with customers	2	19 884 658	18 587 224
Cost of sales		(12 988 712)	(12 289 261)
<b>Gross profit</b>		<b>6 895 946</b>	<b>6 297 963</b>
Other operating income	3	24 705	39 412
Credit loss allowances raised	4	(8 291)	(4 800)
Sales and marketing expenses		(2 034 676)	(1 804 292)
Distribution expenses		(1 015 254)	(969 558)
Administration expenses		(1 953 324)	(1 925 735)
<b>Operating profit</b>		<b>1 909 106</b>	<b>1 632 990</b>
Finance income	5	23 889	28 413
Finance costs	6	(329 598)	(395 597)
Foreign exchange losses		(2 168)	(605)
Share of net profit in equity-accounted investments	7	28 846	132
<b>Profit before tax</b>		<b>1 630 075</b>	<b>1 265 333</b>
Income tax expense	10	(423 494)	(344 719)
<b>Profit for the year</b>		<b>1 206 581</b>	<b>920 614</b>
<b>Other comprehensive income:</b>			
Items that will not be reclassified to profit or loss:			
Remeasurement loss on defined benefit obligations		(5 259)	(1 980)
Deferred tax on remeasurements	10	1 321	495
<b>Total items that will not be reclassified to profit or loss</b>		<b>(3 938)</b>	<b>(1 485)</b>
Items that may be reclassified to profit or loss:			
Foreign currency translation reserve		(24 011)	40 173
<b>Other comprehensive income for the year net of tax</b>		<b>(27 949)</b>	<b>38 688</b>
<b>Total comprehensive income for the year</b>		<b>1 178 632</b>	<b>959 302</b>
<b>Profit attributable to:</b>			
Owners of the Company		1 206 559	921 080
Non-controlling interest		22	(466)
		<b>1 206 581</b>	<b>920 614</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		1 178 610	959 768
Non-controlling interest		22	(466)
		<b>1 178 632</b>	<b>959 302</b>
<b>Earnings per ordinary share attributable to the owners of the Company</b>			
Basic earnings per share (cents)	8	936.0	714.5
Basic earnings per share – diluted (cents)	8	897.7	705.2

# STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

	Note	2025 R'000	2024 R'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	12	4 286 400	3 967 510
Right-of-use assets	13	180 672	200 246
Goodwill	14	233 147	233 147
Intangible assets	14	1 480 562	1 490 199
Equity-accounted investments	7	353 061	7 246
Loans receivable	15	117 143	27 339
Deferred income tax	11	38 048	38 145
		6 689 033	5 963 832
<b>Current assets</b>			
Inventories	16	2 260 585	2 064 230
Trade and other receivables	17	1 846 706	1 588 366
Prepayments	18	197 685	160 971
Income tax receivable	28	3 139	9 641
Restricted cash		2 645	2 454
Cash and cash equivalents	29	467 144	636 006
		4 777 904	4 461 668
<b>Total assets</b>		<b>11 466 937</b>	<b>10 425 500</b>
<b>EQUITY</b>			
Share capital	19	2 464 267	2 464 267
Reserves		(58 482)	(34 682)
Retained income		2 715 061	1 756 998
Equity attributable to the equity holders of the Company		5 120 846	4 186 583
Non-controlling interest		7 685	7 874
<b>Total equity</b>		<b>5 128 531</b>	<b>4 194 457</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	20	1 920 000	2 194 703
Lease liabilities	21	199 894	224 011
Deferred income tax	11	634 633	618 939
Employee benefit obligations	22	41 252	38 421
		2 795 779	3 076 074
<b>Current liabilities</b>			
Trade and other payables	23	1 918 026	1 694 748
Trade financing facility	24	537 325	478 560
Refund liabilities	25	630 221	481 192
Employee benefit obligations	22	395 441	384 081
Borrowings	20	-	25 813
Lease liabilities	21	47 633	34 937
Income tax payable	28	13 981	55 638
		3 542 627	3 154 969
<b>Total liabilities</b>		<b>6 338 406</b>	<b>6 231 043</b>
<b>Total equity and liabilities</b>		<b>11 466 937</b>	<b>10 425 500</b>

# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2025

	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
<b>Balance at 31 March 2023</b>	2 464 267	(72 421)	810 986	3 202 832	7 538	3 210 370
<b>Total comprehensive income for the year</b>	-	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	-
<b>Balance at 31 March 2024</b>	2 464 267	(34 682)	1 756 998	4 186 583	7 874	4 194 457
<b>Total comprehensive income for the year</b>	-	(24 011)	1 202 621	1 178 610	22	1 178 632
Profit for the year	-	-	1 206 559	1 206 559	22	1 206 581
Other comprehensive income	-	(24 011)	(3 938)	(27 949)	-	(27 949)
Share-based payment transactions	-	-	42 126	42 126	-	42 126
Dividend distribution	-	-	(286 684)	(286 684)	-	(286 684)
Other movements	-	211	-	211	(211)	-
<b>Balance at 31 March 2025</b>	2 464 267	(58 482)	2 715 061	5 120 846	7 685	5 128 531

Note

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# STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 R'000	2024 R'000
<b>Cash flows from operating activities</b>			
Cash generated from operations	27	2 391 119	2 391 110
Finance income received		25 352	25 905
Finance costs paid		(329 598)	(395 597)
Tax paid	28	(442 130)	(325 787)
<b>Cash available from operations</b>		<b>1 644 743</b>	<b>1 695 631</b>
Dividends paid		(286 684)	-
<b>Net cash inflow from operating activities</b>		<b>1 358 059</b>	<b>1 695 631</b>
<b>Cash flows from investing activities</b>			
Replacement of property, plant and equipment	12	(195 735)	(341 797)
Expansion of property, plant and equipment	12	(364 461)	(132 043)
Proceeds from disposal of property, plant and equipment	12	5 550	9 196
Purchase of intangible assets	14	(41 219)	(66 990)
Prepayments for capital expenditure	18	(166 178)	(160 971)
Payment for acquisition of equity-accounted investments	7	(316 937)	(7 051)
Payment on loan advanced	15	(108 433)	-
Proceeds from loans receivable		18 188	2 205
Insurance proceeds on property, plant and equipment		-	5 346
Increase in restricted cash		(191)	(180)
<b>Net cash outflow from investing activities</b>		<b>(1 169 416)</b>	<b>(692 285)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings	30	200 000	-
Repayment of borrowings	30	(500 516)	(728 456)
Payment of principal portion of lease liabilities	30	(44 377)	(53 955)
Net repayments of bank overdraft	30	-	(209 624)
<b>Net cash outflow from financing activities</b>		<b>(344 893)</b>	<b>(992 035)</b>
<b>Net movement in cash and cash equivalents</b>		<b>(156 250)</b>	<b>11 311</b>
Cash and cash equivalents at the beginning of the year	29	636 006	595 402
Effect of exchange rate changes on cash and cash equivalents		(12 612)	29 293
<b>Cash and cash equivalents at the end of the year</b>	<b>29</b>	<b>467 144</b>	<b>636 006</b>

# ACCOUNTING POLICIES

## CORPORATE INFORMATION

Premier is a company domiciled in South Africa. The consolidated annual financial statements of the Group for the year ended 31 March 2025 comprise the Company and its subsidiaries (together referred to as the “Group”). The Group is involved in the manufacture, distribution and sale of bread, flour, maize meal, animal feeds and sugar confectionery products, nutritional beverages, feminine hygiene and other personal care products.

The consolidated annual financial statements for the year ended 31 March 2025 were authorised for issue in accordance with a resolution of the directors on 09 June 2025.

### 1. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated annual financial statements are set out within the notes to the consolidated annual financial statements. These policies have been consistently applied to all years presented, unless otherwise stated.

#### 1.1 BASIS OF PREPARATION

The consolidated annual financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS®”) as issued by the International Accounting Standards Board (“IFRS® Accounting Standards”) and 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 Listing Requirements and the requirements of the Companies Act.

The consolidated annual financial statements have been prepared on the going concern basis as described in note 36 and the historic cost convention, except for items measured at fair value as indicated in the accounting policies described in the notes to the consolidated annual financial statements. These accounting policies are consistent with previous periods. The financial statements are rounded to the nearest thousand, unless otherwise stated. The consolidated annual financial statements have been prepared under the supervision of the Chief Financial Officer, F Grobbelaar CA(SA).

The preparation of consolidated annual financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. Areas involving a high degree of judgement or complexity or areas where assumptions and estimates are significant to the Group’s consolidated annual financial statements are disclosed in the relevant notes.

#### 1.2 BASIS OF CONSOLIDATION AND EQUITY ACCOUNTING

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect these returns through its power over the entity.

Subsidiaries are consolidated from the date on which control is transferred to the Group.

The financial statements of the subsidiaries are prepared for the same reporting period applying the Group’s accounting policies. Where a subsidiary has a different reporting period or adopts different accounting policies with that of the Group, the financial statements of the subsidiary are adjusted in accordance with the Group’s reporting period and accounting policies.

All intercompany transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interest in the net assets of consolidated subsidiaries is identified and recognised separately from the Group’s interest therein and is recognised within equity. On an acquisition basis, non-controlling interest in the acquiree may initially be measured either at fair value, or at the non-controlling shareholder’s proportion of the net identifiable assets acquired and liabilities assumed. Transactions with non-controlling shareholders that do not result in loss of control are accounted for as equity transactions and are recognised directly in the Statement of Changes in Equity.

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (refer to note 7), after initially being recognised at cost.

## ACCOUNTING POLICIES (continued)

### 1. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 1.3 TRANSLATION OF FOREIGN CURRENCIES

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated annual financial statements are presented in South African Rands (rounded to thousands), which is the Group's presentation currency and the Company's functional and presentation currency.

The financial results and position of foreign subsidiaries are translated into the presentation currency as follows:

- Assets and liabilities presented are translated at the closing rate at the reporting date.
- Income, expenses and cash flows are translated at average exchange rates during the reporting period.
- All resulting foreign exchange differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve ("FCTR"), except to the extent the difference is allocated to non-controlling interest.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 2. REVENUE FROM CONTRACTS WITH CUSTOMERS

	2025 R'000	2024 R'000
Sale of goods	19 841 296	18 565 724
Rendering of services	32 144	21 500
Royalties received	11 218	-
	19 884 658	18 587 224

The Group derives revenue from the sale of goods and the rendering of services at a point in time which have been disaggregated as follows:

	2025 R'000	2024 R'000
<b>Sale of goods</b>		
Sale of food products	18 629 356	17 468 156
From operations in South Africa	16 221 344	15 259 126
From operations outside South Africa	2 408 012	2 209 030
Sale of personal care products	901 399	819 666
From operations in South Africa	527 332	453 042
From operations outside South Africa	374 067	366 624
Sale of animal feeds	310 541	277 902
From operations in South Africa	102 877	102 168
From operations outside South Africa	207 664	175 734
	19 841 296	18 565 724
<b>Rendering of services in South Africa</b>		
Sales, merchandising and customer management services	32 144	21 500
<b>Royalties received in South Africa</b>		
Royalties received	11 218	-
<b>Top 6 customers</b>		
Customer A	2 367 982	2 295 063
Customer B	1 176 133	1 034 019
Customer C	697 407	735 970
Customer D	520 745	564 399
Customer E	444 543	431 787
Customer F	428 111	479 184
	5 634 921	5 540 422

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 2. REVENUE FROM CONTRACTS WITH CUSTOMERS (continued)

### Accounting policy

#### Sale of goods

Revenue is generated from the sale of bread, flour, maize meal, animal feeds and sugar confectionery products, nutritional beverages, feminine hygiene and other personal care products in the ordinary course of the Group's activities. Revenue is recognised when control of the products is transferred, being when the products are delivered to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Revenue is therefore recognised at a point in time.

Revenue is measured at an amount that the Group expects to be entitled to in exchange for those goods to the extent that it is highly probable that there will be no significant reversal. Revenue is recognised net of value added tax, returns, rebates, discounts and other allowances and after eliminating sales within the Group. The Group bases its estimates of rebates and settlement discounts on historical trends and the trading terms contained in signed agreements with customers, along with the value of sales which took place during the month. The transaction price might include an element of consideration that is variable depending on the outcome of future events in the form of settlement discounts and growth rebates. Settlement discounts are considered to be variable consideration as a result of the uncertainty as to whether the customer will pay the invoice within the discount period as specified in the trading terms. Growth rebates are considered to be variable consideration as a result of the uncertainty as to whether the customer will achieve the growth targets as specified in the trade agreement with the customer. The expected settlement value is based on the contractual terms with the customer. Any rebates and allowances not claimed in a three-year period are written back to revenue. A refund liability for rebates, discounts and other allowances is recognised for the expected amounts payable to customers in relation to sales made until the end of the reporting period.

No element of financing is deemed present as the Group does not expect to have any contracts where the period between the transfer of control of the goods and payment by the customer exceeds one year and accordingly the practical expedient in IFRS 15 has been applied. Payment terms between 0 to 60 days are applicable to the Group.

#### Rendering of services

Revenue is generated from the rendering of services. These services include sales, merchandising and customer management services.

Revenue is measured at an amount based on a contractually agreed percentage of the customer's revenue in their sale of goods. Revenue is recognised at a point in time when the service is rendered to the customer.

Payment terms of 30 days are applicable to revenue from the rendering of services.

#### Royalties received

Royalty income is recognised at a point in time when a customer sell products that utilise the Group's trademarks. Royalty income is measured as a percentage of the customer's revenue derived from the sale of products in relation to which the Group's trademarks are used.

## 3. OTHER OPERATING INCOME

	2025 R'000	2024 R'000
Rental income	4 018	2 354
Scrap sales	2 765	2 313
Other income	17 922	15 869
Insurance claim received	-	18 876
	24 705	39 412

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 4. OPERATING PROFIT

In arriving at operating profit, the following significant items have been taken into account:

	2025 R'000	2024 R'000
External auditor remuneration	13 777	11 972
Audit fees	13 777	11 972
Internal auditors' remuneration	2 899	4 080
Amortisation of intangible assets	50 856	48 009
Depreciation on property, plant and equipment <sup>1</sup>	342 869	309 701
Depreciation on right-of-use assets	51 364	62 026
Loss on disposal/scraping of property, plant and equipment	11 524	45 444
Credit loss allowances raised	8 291	4 800
Cost of inventory recognised in cost of sales	11 894 805	11 281 934
Staff costs <sup>2</sup>	2 657 156	2 457 854
Salaries and wages	2 427 563	2 247 751
Retirement funds and medical aid contributions	162 011	149 770
Cash-settled share appreciation rights (Refer to note 32)	25 456	35 548
Equity-settled share-based payments (Refer to note 19)	42 126	24 785
Lease charges <sup>3</sup>	28 297	24 408
Short-term	11 140	9 688
Low-value assets	17 157	14 720

<sup>1</sup> Depreciation included in the cost of sales amounted to R256 million (2024: R222 million).

<sup>2</sup> Staff costs included in cost of sales amounted to R822 million (2024: R772 million).

<sup>3</sup> Lease charges of R16 million (2024: R14 million) are included in cost of sales.

### Accounting policy

#### Employee-related expenditure

Remuneration of employees is charged to profit or loss and recognised as an expense in the period in which the employees render the related service. Further information on benefits provided to employees is set out below.

#### Short-term employee benefits

Short-term employee benefits include salaries and wages, medical aid contributions, paid leave, sick leave and incentive bonuses. These benefits are expected to be settled within 12 months after the reporting date.

#### Long-term employee benefits

Long-term employee benefits include deferred incentive bonuses that are expected to be wholly settled more than 12 months after the end of the reporting period in which the services have been rendered.

#### Retirement benefits

The Group (except for the UK operation) provides retirement benefits to its full-time employees by means of monthly contributions to defined contribution retirement funds. The assets of these funds are held in separate trustee administered funds. The Group has no legal or constructive obligation to pay further contributions if the funds do not hold sufficient assets to pay all employees the benefits relating to employee services in current and prior periods. The Group's contributions to the retirement funds are recognised as an expense in the period in which the employees render the related service. The UK operation has a funded defined benefit plan in place. The assets of this pension plan are managed by third party investment managers and are held in separate trustee administered funds.

## NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

### 5. FINANCE INCOME

	2025 R'000	2024 R'000
Loans receivable – Loan to key management personnel	1 181	2 992
Loans receivable – Loan to associate	2 966	-
Banks	11 463	17 676
Other receivables	8 279	7 745
	<b>23 889</b>	<b>28 413</b>

#### Accounting policy

Finance income is recognised in profit or loss by applying the effective interest rate to financial assets.

### 6. FINANCE COSTS

	2025 R'000	2024 R'000
Borrowings	208 566	258 318
Other payables	9 208	3 208
Lease liabilities	26 397	27 529
Bank overdraft	25 422	38 502
Trade financing facility	60 005	68 040
	<b>329 598</b>	<b>395 597</b>

Finance costs on borrowings decreased mainly as a result of a reduced level of borrowings during the current year. Refer to note 20 for further details on the voluntary debt repayments made on borrowings during the current year.

#### Accounting policy

Finance costs are recognised in profit or loss by applying the effective interest rate to financial liabilities.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 7. EQUITY-ACCOUNTED INVESTMENTS

Reconciliation of carrying amount of equity-accounted investments	Goldkeys R'000	ZEN Commodities R'000	Science of Skin R'000	Total R'000
<b>2025</b>				
Carrying amount at the beginning of the year	-	-	7 246	7 246
Acquisition of investments in associates	313 664	198	3 075	316 937
Share of net profit/(loss) in equity-accounted investments	31 553	358	(3 065)	28 846
Effect of foreign currency movement	-	-	32	32
<b>Carrying amount at the end of the year</b>	<b>345 217</b>	<b>556</b>	<b>7 288</b>	<b>353 061</b>
<b>2024</b>				
Carrying amount at the beginning of the year	-	-	-	-
Acquisition of investments in associates	-	-	7 051	7 051
Share of net profit in equity-accounted investments	-	-	132	132
Effect of foreign currency movement	-	-	63	63
<b>Carrying amount at the end of the year</b>	<b>-</b>	<b>-</b>	<b>7 246</b>	<b>7 246</b>

The Group's investments in associates are measured using the equity method. The countries of incorporation are also the principal place of business of each entity. Set out below are the associates of the Group.

Name of entity	Countries of incorporation	Ownership interest		Carrying amount	
		2025 %	2024 %	2025 R'000	2024 R'000
Goldkeys (refer 7.1)	South Africa	30.0%	0.0%	345 217	-
ZEN Commodities (refer 7.2)	United Arab Emirates	13.3%	0.0%	556	-
Science of Skin (refer 7.3)	England and Wales	37.4%	35.1%	7 288	7 246
				<b>353 061</b>	<b>7 246</b>

There are no contingent liabilities relating to the associates.

### 7.1 Goldkeys

During the current year the Group acquired a 30% shareholding in Goldkeys for a purchase consideration of R313.6 million with effect from 3 June 2024. The Group subscribed for Ordinary A shares which comprise 30% of Ordinary A shares immediately following the completion thereof.

The investment is built 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 assist Goldkeys in building its 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 in South Africa.

The investment is aligned with Premier's strategy to grow its product portfolio. Rice compliments the Group's staple foods basket of bread, maize and wheat products offering synergies along the value chain and will benefit Premier's existing rice operations outside South Africa.

Goldkeys' share capital consists of Ordinary A shares, of which 30% are held directly by the Group with the same proportion of voting rights held, and Ordinary B shares that are 100% held by the major shareholder (previous 100% owner). The sole purpose of the Ordinary B shares is to enable the major shareholder to extract profits generated by Goldkeys prior to Premier acquiring the 30% shareholding in Goldkeys above the normalised working capital requirements. The Ordinary B Shareholder has the right to participate in a distribution to the Ordinary B Shareholder as determined by the Board.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 7. EQUITY-ACCOUNTED INVESTMENTS (continued)

### 7.1 Goldkeys (continued)

Set out below is Goldkeys' summarised financial information for nine months, from the date the Group acquired its shareholding in Goldkeys up to its financial year end, being 28 February 2025. The information disclosed reflects the amounts presented in the management accounts of the associate and is not the Group's share of those amounts. The information has been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments and modifications for differences in accounting policies. There were no significant transactions or events that occurred between the associate's year end and the Group's year end.

	2025 R'000	2024 R'000
<b>Statement of Profit or Loss and Other Comprehensive Income</b>		
Revenue from contracts with customers	2 445 453	-
Profit for the period	105 176	-
Attributable to the Group	31 553	-
Attributable to other owners of Goldkeys	73 623	-
Total comprehensive income	105 176	-
Attributable to the Group	31 553	-
Attributable to other owners of Goldkeys	73 623	-
<b>Statement of financial position</b>		
Non-current assets	24 805	-
Current assets	1 118 186	-
<b>Total assets</b>	<b>1 142 991</b>	<b>-</b>
Non-current liabilities	301	-
Current liabilities	591 800	-
<b>Total liabilities</b>	<b>592 101</b>	<b>-</b>
Net asset value	550 890	-
Group's share in %	30%	-
Group's share in R'000	165 267	-
Goodwill	179 950	-
<b>Carrying amount</b>	<b>345 217</b>	<b>-</b>

### 7.2 ZEN Commodities

During the current year the Group acquired a 13.3% shareholding in ZEN Commodities, a company incorporated in accordance with the laws of the Emirate of Dubai, United Arab Emirates at a nominal value of AED40,000 (R197 570) with effect from 1 December 2024.

ZEN Commodities is a Dubai-based, soft commodities trading business that procures rice from Thailand, and elsewhere, for supply to rice packers in Southern Africa.

The Group advanced a loan of \$5.985 million (R108.4 million) to ZEN Commodities as its proportionate shareholder funding of the entity's working capital. Refer to note 15 for further details on the loan.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 7. EQUITY-ACCOUNTED INVESTMENTS (continued)

### 7.2 ZEN Commodities (continued)

Set out below is ZEN Commodities' summarised financial information for three months, from the date the Group acquired its shareholding in ZEN Commodities up to its financial year end, being 28 February 2025. The information disclosed reflects the amounts presented in the management accounts of the associate and is not the Group's share of those amounts. The information has been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments and modifications for differences in accounting policies. There were no significant transactions or events that occurred between the associate's year end and the Group's year end.

	2025 R'000	2024 R'000
<b>Statement of Profit or Loss and Other Comprehensive Income</b>		
Revenue from contracts with customers	487 519	-
Profit for the period	2 695	-
Attributable to the Group	358	-
Attributable to other owners of ZEN Commodities	2 337	-
Total comprehensive income	2 695	-
Attributable to the Group	358	-
Attributable to other owners of ZEN Commodities	2 337	-
	2025 R'000	2024 R'000
<b>Statement of financial position</b>		
Non-current assets	64 961	-
Current assets	837 369	-
<b>Total assets</b>	<b>902 330</b>	-
Non-current liabilities	831 828	-
Current liabilities	52 797	-
<b>Total liabilities</b>	<b>884 625</b>	-
Net asset value	17 705	-
Group's share in %	13.3%	-
Group's share in R'000	2 355	-
Bargain purchase gain	(1 752)	-
Exchange translation differences	(47)	-
<b>Carrying amount</b>	<b>556</b>	-

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 7. EQUITY-ACCOUNTED INVESTMENTS (continued)

### 7.3 Science of Skin

SOS Science of Skin Limited ("Science of Skin") offers a range of specialist skincare treatments formulated with naturally active ingredients.

In November 2024, the majority shareholder's outstanding loan to Science of Skin was extinguished through the issue of new ordinary shares. In addition the majority shareholder, along with Premier, subscribed for new shares in Science of Skin to raise cash of GBP150,000 of which Premier contributed GBP134,489 (R3.1 million). As a consequence, the Group's shareholding in Science of Skin increased to 37.40%.

The Group holds an irrevocable call option to acquire the remaining shareholding in Science of Skin at a valuation based on five times the EBITDA of the 12 months prior to the exercise date. The call option is exercisable from 24 August 2027.

Similarly, the Group holds an irrevocable put option to sell to the original shareholders its shareholding in Science of Skin for GBP1. The put option can be exercised when Science of Skin can no longer reasonably continue to conduct its business in accordance with the business plan without additional funding being provided by the shareholders of Science of Skin or third parties.

The associate is not material to the Group's consolidated financial statements and therefore no summarised financial information is presented.

#### Accounting policy

The investments in associates are accounted for using the equity method. Under the equity method of accounting, the interests in associates are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition net profits and losses and movements in other comprehensive income. The Group's share of the net profit or loss is recognised in profit or loss. Distributions received from associates reduce the carrying amount of the investments. The carrying amount of the equity-accounted investments are tested for impairment when there are indicators that the carrying amount may exceed the recoverable amount.

The Group accounts for its share in net profit and losses of associates from the date the Group acquired a shareholding in the underlying associate up to the associate's financial year end. Both Goldkeys and ZEN Commodities' financial year end is 28 February, which differ by 1 month from the Group's financial year end.

#### Significant judgement: Existence of significant influence

##### Science of Skin

The Group holds more than 20% of the voting power of Science of Skin and through the shareholder agreement one seat is guaranteed on the Board of Science of Skin. The Group has therefore determined that it has significant influence over this entity.

The Group holds a call option to acquire the remaining shareholding in Science of Skin which is exercisable from 24 August 2027. Since the Group cannot exercise the call option yet, the option is assessed to have no impact on the assessment of power or control over Science of Skin.

##### ZEN Commodities

Through the shareholder agreement, the Group is guaranteed one seat on the Board of ZEN Commodities, and it participates in all significant financial and operating decisions. The Group has therefore determined that it has significant influence over this entity, even though it only holds 13.3% of the voting rights.

The Group has advanced a material loan to ZEN Commodities and therefore summarised financial information of ZEN Commodities is disclosed.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 8. EARNINGS PER SHARE

	2025	2024
Number of ordinary shares in issue	128 905 800	128 905 800
Weighted average number of ordinary shares in issue	128 905 800	128 905 800
Diluted weighted average number of ordinary shares in issue	134 402 852	130 605 598
Basic earnings per share (cents)	936.0	714.5
Basic earnings per share - diluted (cents)	897.7	705.2
Headline earnings per share (cents)	942.8	743.7
Headline earnings per share - diluted (cents)	904.2	734.0

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:

	2025	2024
Weighted average number of ordinary shares in issue	128 905 800	128 905 800
Adjusted for:		
“A” and “A1” ordinary shares <sup>1</sup>	3 154 570	1 171 167
Equity-settled share-based payments	2 342 482	528 631
<b>Weighted average number of shares for calculation of diluted earnings per share</b>	<b>134 402 852</b>	<b>130 605 598</b>

<sup>1</sup> The increase in the potential ordinary shares relating to the “A” and “A1” ordinary shares is mainly due to the increase in Premier’s 7-day VWAP from R62.51 at 31 March 2024 to R126.54 at 31 March 2025.

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

	2025		2024	
	Gross R'000	Net R'000	Gross R'000	Net R'000
Profit attributable to the owners of the Company		1 206 559		921 080
Adjusted for:				
Loss on disposal/scrapping of property, plant and equipment	11 524	8 757	45 444	42 903
Insurance proceeds on property, plant and equipment	-	-	(5 346)	(5 346)
<b>Headline earnings</b>		<b>1 215 316</b>		<b>958 637</b>

### Accounting policy

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 period 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 period, increased by ordinary shares issued during the period, 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 for the after-tax dilutive effect, if any. The Company has dilutive potential ordinary shares which comprise of the Group’s equity-settled SARs and “A” and “A1” ordinary shares.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 9. OPERATING SEGMENTS

	Millbake R'000	Groceries and International R'000	Corporate office R'000	Total R'000
<b>2025</b>				
Revenue from contracts with customers – External	16 414 721	3 469 937	-	19 884 658
Sale of food products	16 382 577	2 246 779	-	18 629 356
Sale of personal care products	-	901 399	-	901 399
Sale of animal feeds	-	310 541	-	310 541
Rendering of services	32 144	-	-	32 144
Royalties received	-	11 218	-	11 218
Inter-segment sales	45 334	75 226	-	120 560
Cost of sales	10 438 923	2 549 789	-	12 988 712
Staff costs	2 058 180	505 124	93 852	2 657 156
EBITDA	2 254 906	233 241	(133 952)	2 354 195
Depreciation and amortisation	306 734	67 212	71 143	445 089
Operating profit	1 948 172	166 029	(205 095)	1 909 106
Finance costs	99 234	13 278	217 086	329 598
Share of net profit/(loss) in equity-accounted investments	31 911	(3 065)	-	28 846
Capital expenditure <sup>1</sup>	540 774	153 546	32 054	726 374

<sup>1</sup> Includes capital expenditure that was prepaid to suppliers.

	Millbake R'000	Groceries and International R'000	Corporate office R'000	Total R'000
<b>2024</b>				
Revenue from contracts with customers – External	15 525 952	3 061 272	-	18 587 224
Sale of food products	15 504 452	1 963 704	-	17 468 156
Sale of personal care products	-	819 666	-	819 666
Sale of animal feeds	-	277 902	-	277 902
Rendering of services	21 500	-	-	21 500
Inter-segment sales	38 916	9 321	-	48 237
Cost of sales <sup>2</sup>	10 075 943	2 213 318	-	12 289 261
Staff costs <sup>2</sup>	1 884 158	492 778	80 918	2 457 854
EBITDA	1 965 764	213 616	(126 654)	2 052 726
Depreciation and amortisation	286 382	65 772	67 582	419 736
Operating profit	1 679 382	147 844	(194 236)	1 632 990
Finance costs <sup>3</sup>	105 572	31 297	258 728	395 597
Share of net profit in equity-accounted investments	-	132	-	132
Capital expenditure <sup>1</sup>	502 504	120 545	11 762	634 811

<sup>1</sup> Includes capital expenditure that was prepaid to suppliers.

<sup>2</sup> The segment information for 31 March 2024 has been restated in light of the guidance provided by the IFRS Interpretations Committees ("IFRIC") final agenda decision relating to IFRS 8 Operating Segments on the disclosure of income and expense line items for reportable segments. The Group has elected to provide additional disclosure in light of the IFRIC agenda decision.

<sup>3</sup> IFRS 8 required finance costs to be specifically disclosed per segment. This error has been corrected in the segment information for the current and comparative period in accordance with IAS 8. This has no impact on the primary statements.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 9. OPERATING SEGMENTS (continued)

	2025 R'000	2024 R'000
<b>Non-current assets by geography</b>		
South Africa	5 439 846	4 788 692
Outside South Africa	1 093 996	1 109 656
	<b>6 533 842</b>	<b>5 898 348</b>
Loans receivable	117 143	27 339
Deferred income tax	38 048	38 145
<b>Non-current assets per Statement of Financial Position</b>	<b>6 689 033</b>	<b>5 963 832</b>

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 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 is 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.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 10. INCOME TAX EXPENSE

The total income tax expense for the year comprises:

	2025 R'000	2024 R'000
<b>Current tax</b>		
South Africa		
Current period	368 146	321 559
Prior period	(27 765)	(29 801)
Foreign		
Current period	59 240	50 426
Prior period	(829)	-
<b>Withholding tax</b>	8 282	5 615
	<b>407 074</b>	<b>347 799</b>
<b>Deferred tax</b>		
Current year originating and reversing temporary differences	21 497	(660)
Changes in tax rates <sup>1</sup>	(1 700)	-
Adjustments to deferred tax in respect of prior years	(3 377)	(2 420)
	<b>16 420</b>	<b>(3 080)</b>
<b>Total income tax expense</b>	<b>423 494</b>	<b>344 719</b>

<sup>1</sup> The corporate tax rate in Eswatini has decreased from 27.5% to 25% for years of assessment commencing on or after 1 July 2024.

### Reconciliation of the tax rate

The income tax expense charged to profit or loss differs from the income tax expense that would apply if all the Group's profits from different tax jurisdictions had been taxed at the South African corporate tax rate. For South African entities that are in a tax paying position, tax has been provided at 27% (2024: 27%). The Group uses the South African tax rate in respect of its tax rate reconciliation as Premier Group Limited is domiciled in South Africa and the most significant operations are in South Africa.

	2025 %	2024 %
South African tax rate	27.0	27.0
<b>Adjusted for:</b>		
Exempt income – learnership allowances	(0.3)	(0.5)
Exempt income – Share of net profit in equity-accounted investments	(0.5)	-
Depreciation on non-allowance assets	0.3	0.6
Equity-settled share-based payments	0.7	0.5
Expenditure not in production of income	1.0	1.3
Withholding taxes	0.5	0.4
Prior year over provision	(2.0)	(2.6)
Temporary differences (utilised not previously recognised)/not recognised	(0.3)	0.9
Effect of change in tax rates	(0.1)	-
Effect of difference tax rates in foreign countries		
Mozambique <sup>1</sup>	-	(0.1)
United Kingdom	(0.1)	(0.1)
Eswatini	0.1	0.1
Lesotho	(0.3)	(0.3)
<b>Effective tax rate</b>	<b>26.0</b>	<b>27.2</b>

<sup>1</sup> The current year impact is not shown due to rounding.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 10. INCOME TAX EXPENSE (continued)

The tax effects relating to items of other comprehensive income are as follows:

	2025 R'000	2024 R'000
Remeasurement loss on defined benefit obligations	(1 321)	(495)

### Global minimum top-up tax

The Group is within the scope of the OECD Pillar Two model rules. The ultimate parent entity of the Group is located in South Africa.

The South African global minimum tax legislation was enacted during December 2024 and is retrospectively effective from 1 January 2024 for groups with fiscal years commencing on or after that date. The Group also operates in the United Kingdom where legislation has been enacted.

Under this legislation, the Group are required to pay a top-up tax, on their jurisdictional GLoBE Income, for the difference between its ETR as determined by the Pillar Two rules per jurisdiction and the 15% minimum rate, where applicable.

The Group has performed an impact assessment of its potential exposure in relation to the Pillar Two legislation based on relevant 2024 and 2025 financial year information. Based on the outcome of the assessment, the Group does not anticipate being subject to a material top-up tax exposure in any of the jurisdictions in which it operates.

### Accounting policy

The tax expense for the period comprises current tax, deferred tax and withholding tax.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date in the countries where the Company and the Company's subsidiaries operate and generate taxable income.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Deferred income tax assets and deferred income tax liabilities are only offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same tax authority.

Dividend withholding tax is withheld on behalf of the tax authority on dividend distributions where applicable. A withholding tax expense is recognised by the group entity that receives dividends from its foreign subsidiary. The withholding tax expense represents the amount of tax withheld on dividends paid by foreign subsidiaries. The amount of tax withheld is paid to the tax authority by the foreign subsidiary that paid the dividend to its holding company.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 11. DEFERRED INCOME TAX

	Balance at the beginning of the year R'000	Recognised in profit or loss R'000	Recognised in other comprehensive income R'000	Exchange rate translation R'000	Balance at the end of the year R'000
<b>2025</b>					
Property, plant and equipment	(414 836)	(39 162)	-	(590)	(454 588)
Trademarks	(381 922)	1 324	-	-	(380 598)
Right-of-use assets	(80 579)	33 692	-	-	(46 887)
Lease liabilities	96 422	(31 997)	-	-	64 425
Provisions	200 863	17 483	-	(102)	218 244
Payments received in advance	3 020	543	-	-	3 563
Unrealised exchange differences	(2 903)	2 903	-	-	-
Defined benefit obligations	(859)	(1 206)	1 321	-	(744)
<b>Net deferred income tax liability</b>	<b>(580 794)</b>	<b>(16 420)</b>	<b>1 321</b>	<b>(692)</b>	<b>(596 585)</b>
<b>Comprising of:</b>					
Deferred tax assets	38 145				38 048
Deferred tax liabilities	(618 939)				(634 633)
	<b>(580 794)</b>				<b>(596 585)</b>

	Balance at the beginning of the year R'000	Recognised in profit or loss R'000	Recognised in other comprehensive income R'000	Exchange rate translation R'000	Balance at the end of the year R'000
<b>2024</b>					
Property, plant and equipment	(378 758)	(37 710)	-	1 632	(414 836)
Trademarks	(381 922)	-	-	-	(381 922)
Right-of-use assets	(63 229)	(17 350)	-	-	(80 579)
Lease liabilities	77 216	19 206	-	-	96 422
Provisions	162 085	38 412	-	366	200 863
Payments received in advance	3 997	(977)	-	-	3 020
Unrealised exchange differences	(4 680)	1 966	-	(189)	(2 903)
Deferred interest	-	-	-	-	-
Defined benefit obligations	(887)	(467)	495	-	(859)
<b>Net deferred income tax liability</b>	<b>(586 178)</b>	<b>3 080</b>	<b>495</b>	<b>1 809</b>	<b>(580 794)</b>
<b>Comprising of:</b>					
Deferred tax assets	32 812				38 145
Deferred tax liabilities	(618 990)				(618 939)
	<b>(586 178)</b>				<b>(580 794)</b>

The Group has tax losses of R47.3 million (2024: R40.9 million) for which no deferred tax asset has been recognised at the reporting date due to the uncertainty that remains regarding the future recoverability of those tax credits. These tax losses are depicted in the table below.

	2025 R'000	2024 R'000
<b>Year of expiry</b>		
2029	39 635	40 917
2030	7 682	-
	<b>47 317</b>	<b>40 917</b>

## NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

### 11. DEFERRED INCOME TAX (continued)

#### Accounting policy

Deferred tax is calculated using the liability method on all temporary differences between the accounting carrying amount and the tax carrying amount of assets and liabilities using the tax rates and tax laws that have been enacted or substantively enacted at the reporting date and are expected to apply when the asset is realised or the liability is settled. Deferred income tax liabilities are not recognised if they arise from the initial recognition of goodwill or if it arises from the initial recognition of an asset or a liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities.

The Group has applied the exemption to the requirements of IAS 12 to recognise and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 12. PROPERTY, PLANT AND EQUIPMENT

	Land R'000	Buildings R'000	Plant and machinery R'000	Furniture and equipment R'000	Vehicles R'000	Capital-in- progress R'000	Total R'000
<b>2025</b>							
<i>Balance at 31 March 2024</i>							
Cost	205 603	1 674 327	4 313 052	212 630	803 502	285 101	7 494 215
Accumulated depreciation and impairment	-	(688 022)	(2 267 090)	(149 396)	(422 197)	-	(3 526 705)
<b>Opening carrying amount</b>	<b>205 603</b>	<b>986 305</b>	<b>2 045 962</b>	<b>63 234</b>	<b>381 305</b>	<b>285 101</b>	<b>3 967 510</b>
Additions	11 005	-	-	16 657	82 486	579 511 <sup>1</sup>	689 659
Transfers	-	60 124	333 169	-	-	(393 293)	-
Reclassification	(30 985)	30 985	-	-	-	-	-
Disposals	-	(1 802)	(11 483)	(823)	(2 966)	-	(17 074)
Exchange translation differences	-	(3 251)	(4 090)	(147)	(49)	(3 289)	(10 826)
Depreciation	-	(67 941)	(192 014)	(20 364)	(62 550)	-	(342 869)
<b>Closing carrying amount</b>	<b>185 623</b>	<b>1 004 420</b>	<b>2 171 544</b>	<b>58 557</b>	<b>398 226</b>	<b>468 030</b>	<b>4 286 400</b>
<i>Balance at 31 March 2025</i>							
Cost	185 623	1 753 088	4 508 948	204 153	854 135	468 030	7 973 977
Accumulated depreciation and impairment	-	(748 668)	(2 337 404)	(145 596)	(455 909)	-	(3 687 577)
<b>Closing carrying amount</b>	<b>185 623</b>	<b>1 004 420</b>	<b>2 171 544</b>	<b>58 557</b>	<b>398 226</b>	<b>468 030</b>	<b>4 286 400</b>
<b>2024</b>							
<i>Balance at 31 March 2023</i>							
Cost	198 890	1 628 702	4 219 270	203 827	704 899	298 254	7 253 842
Accumulated depreciation and impairment	-	(639 696)	(2 199 998)	(140 305)	(433 604)	-	(3 413 603)
<b>Opening carrying amount</b>	<b>198 890</b>	<b>989 006</b>	<b>2 019 272</b>	<b>63 522</b>	<b>271 295</b>	<b>298 254</b>	<b>3 840 239</b>
Additions	6 713	-	-	22 594	170 312	274 221	473 840
Transfers	-	38 739	243 620	-	-	(282 359)	-
Acquired through business combination	-	-	-	-	-	-	-
Disposals	-	(1 886)	(39 684)	(352)	(3 324)	(9 248)	(54 494)
Exchange translation differences	-	4 783	8 082	291	238	4 233	17 627
Depreciation	-	(44 337)	(185 328)	(22 821)	(57 216)	-	(309 702)
<b>Closing carrying amount</b>	<b>205 603</b>	<b>986 305</b>	<b>2 045 962</b>	<b>63 234</b>	<b>381 305</b>	<b>285 101</b>	<b>3 967 510</b>
<i>Balance at 31 March 2024</i>							
Cost	205 603	1 674 327	4 313 052	212 630	803 502	285 101	7 494 215
Accumulated depreciation and impairment	-	(688 022)	(2 267 090)	(149 396)	(422 197)	-	(3 526 705)
<b>Closing carrying amount</b>	<b>205 603</b>	<b>986 305</b>	<b>2 045 962</b>	<b>63 234</b>	<b>381 305</b>	<b>285 101</b>	<b>3 967 510</b>

1 R129.5 million in additions were prepaid during the prior financial year. This represents non-cash flow items that were transferred from Prepayments to Property, Plant and Equipment during the current year. Therefore R560.2 million of additions were settled in cash during the current year.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 12. PROPERTY, PLANT AND EQUIPMENT (continued)

Capital commitments at the reporting date are as follows:

	2025 R'000	2024 R'000
Capital expenditure approved not contracted	598 634	606 355
Capital expenditure contracted for not recognised as liabilities	491 184	221 042

A register of freehold land and buildings is available for inspection at the registered office of the Company. Refer to note 20 for assets encumbered as security.

### Accounting policy

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses, except for land which is stated at cost less any accumulated impairment losses. Cost includes expenditure which is directly attributable to the acquisition or construction of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation commences when the asset is available for use as intended by management. Depreciation is calculated on the straight-line method at rates considered appropriate to reduce book values over the useful lives of the assets, as follows:

- Buildings 5 - 50 years
- Plant and machinery 2 - 45 years
- Furniture and equipment 2 - 25 years
- Vehicles 4 - 15 years

The assets' useful lives and residual values are reviewed, and adjusted if appropriate, at least at each financial year-end.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on the derecognition of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

### Significant estimates and judgements

When an asset is first acquired and capitalised for use, management assigns estimated useful lives by considering the class of asset, its expected usage, and industry norms. Each year, the assets' useful lives and residual values are reviewed at least once and adjusted if appropriate. This review is achieved through a process of consultation with the technical teams making use of the assets to determine whether any of the original useful lives need to be updated due to the condition of the assets warranting use of the asset beyond the initial estimated life. During the current year, the assessment resulted in a change in useful lives mainly relating to plant and machinery. Based on the assessment performed by management, the average useful lives of the amended assets changed from 21 years to 20 years. This equated to an increase in depreciation of R7.2 million recognised against plant and machinery in the current year.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 13. RIGHT-OF-USE ASSETS

	Land and buildings R'000	Vehicles R'000	Total R'000
<b>2025</b>			
<i>Balance at 31 March 2024</i>			
Cost	328 687	34 581	363 268
Accumulated depreciation	(141 425)	(21 597)	(163 022)
<b>Opening carrying amount</b>	<b>187 262</b>	<b>12 984</b>	<b>200 246</b>
Additions	52 227	-	52 227
Lease remeasurement	(19 989)	-	(19 989)
Exchange translation differences	-	(448)	(448)
Depreciation	(45 757)	(5 607)	(51 364)
<b>Closing carrying amount</b>	<b>173 743</b>	<b>6 929</b>	<b>180 672</b>
<i>Balance at 31 March 2025</i>			
Cost	346 406	32 639	379 045
Accumulated depreciation	(172 663)	(25 710)	(198 373)
<b>Closing carrying amount</b>	<b>173 743</b>	<b>6 929</b>	<b>180 672</b>
<b>2024</b>			
<i>Balance at 31 March 2023</i>			
Cost	386 772	32 826	419 598
Accumulated depreciation	(152 589)	(15 574)	(168 163)
<b>Opening carrying amount</b>	<b>234 183</b>	<b>17 252</b>	<b>251 435</b>
Additions	8 736	1 346	10 082
Lease remeasurement	-	(146)	(146)
Exchange translation differences	-	901	901
Depreciation	(55 657)	(6 369)	(62 026)
<b>Closing carrying amount</b>	<b>187 262</b>	<b>12 984</b>	<b>200 246</b>
<i>Balance at 31 March 2024</i>			
Cost	328 687	34 581	363 268
Accumulated depreciation	(141 425)	(21 597)	(163 022)
<b>Closing carrying amount</b>	<b>187 262</b>	<b>12 984</b>	<b>200 246</b>

Right-of-use assets are effectively ceded as security for the concomitant lease liabilities as the rights to the leased assets revert to the lessor in the event of default.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 13. RIGHT-OF-USE ASSETS (continued)

### Accounting policy

Right-of-use assets mainly relate to distribution depots, office buildings and leased vehicles. Rental contracts are typically made for fixed periods of 3 to 12 years. Lease terms are negotiated on an individual basis and contain a wide range of terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes. A right-of-use asset and a corresponding lease liability are recognised at the date at which the leased asset is available for use by the Group.

Right-of-use assets are measured at cost, comprising of the following:

- The amount of the initial measurement of the lease liability.
- Any lease payments made at or before the commencement date less any lease incentives received.
- Any initial direct costs.

Right-of-use assets are subsequently stated at cost less accumulated depreciation and impairment losses. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis and recognised in profit or loss.

Lease liabilities are remeasured and the corresponding adjustment recognised against right-of-use assets using the revised lease payments and updated discount rate in order to appropriately account for all lease remeasurements.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise certain IT-equipment and small items of office equipment.

Extension and termination options are included in a number of the property leases. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. Most of the extension and termination options held are exercisable only by the Group and not by the respective lessors.

### Significant estimates and judgements

The Group determines the lease term as the non-cancellable term of the lease, together with any periods where an option exists to extend or terminate the lease. In making this judgement, the Group evaluates whether it is reasonably certain to exercise the option to renew or terminate the lease term. Extension options are only included in the lease term if the lease is reasonably certain to be extended. The Group considers all relevant factors that create an economic incentive for it to exercise the renewal and the circumstances and facts for each lease, including past experiences. This includes an assessment of the length of time remaining before the option is exercisable, current trading conditions and planned future growth of the business. The Group continuously reassess the lease term. At the reporting date, no extension options were considered in determining the lease term.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 14. GOODWILL AND INTANGIBLE ASSETS

	Goodwill R'000	Trademarks R'000	Software R'000	Total R'000
<b>2025</b>				
<i>Balance at 31 March 2024</i>				
Cost	1 119 824	2 007 270	56 466	3 183 560
Accumulated amortisation and impairment	(886 677)	(558 452)	(15 085)	(1 460 214)
<b>Opening carrying amount</b>	<b>233 147</b>	<b>1 448 818</b>	<b>41 381</b>	<b>1 723 346</b>
Additions	-	-	41 219	41 219
Amortisation	-	-	(50 856)	(50 856)
<b>Closing carrying amount</b>	<b>233 147</b>	<b>1 448 818</b>	<b>31 744</b>	<b>1 713 709</b>
<i>Balance at 31 March 2025</i>				
Cost	1 119 824	2 007 270	44 354	3 171 448
Accumulated amortisation and impairment	(886 677)	(558 452)	(12 610)	(1 457 739)
<b>Closing carrying amount</b>	<b>233 147</b>	<b>1 448 818</b>	<b>31 744</b>	<b>1 713 709</b>
<b>2024</b>				
<i>Balance at 31 March 2023</i>				
Cost	1 138 774	1 995 270	47 446	3 181 490
Accumulated amortisation and impairment	(905 627)	(558 452)	(13 046)	(1 477 125)
<b>Opening carrying amount</b>	<b>233 147</b>	<b>1 436 818</b>	<b>34 400</b>	<b>1 704 365</b>
Additions	-	12 000	54 990	66 990
Amortisation	-	-	(48 009)	(48 009)
<b>Closing carrying amount</b>	<b>233 147</b>	<b>1 448 818</b>	<b>41 381</b>	<b>1 723 346</b>
<i>Balance at 31 March 2024</i>				
Cost	1 119 824	2 007 270	56 466	3 183 560
Accumulated amortisation and impairment	(886 677)	(558 452)	(15 085)	(1 460 214)
<b>Closing carrying amount</b>	<b>233 147</b>	<b>1 448 818</b>	<b>41 381</b>	<b>1 723 346</b>

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 14. GOODWILL AND INTANGIBLE ASSETS (continued)

Goodwill and indefinite life trademarks are allocated to the Group's cash-generating units ("CGUs") as follows:

	Goodwill R'000	Trademarks R'000	Total R'000
<b>2025</b>			
South Africa			
Millbake	177 242	826 226	1 003 468
Groceries – Personal care products	-	243 436	243 436
United Kingdom			
Groceries – Personal care products	-	314 173	314 173
Eswatini			
Millbake	55 905	64 983	120 888
	233 147	1 448 818	1 681 965

<b>2024</b>			
South Africa			
Millbake	177 242	826 226	1 003 468
Groceries – Personal care products	-	243 436	243 436
United Kingdom			
Groceries – Personal care products	-	314 173	314 173
Eswatini			
Millbake	55 905	64 983	120 888
	233 147	1 448 818	1 681 965

The CGUs which contain goodwill and indefinite live trademarks are tested annually for impairment, and other CGUs when an impairment indicator exists. The following key assumptions were used in the impairment tests:

	Revenue growth rate %	Cost increases %	Terminal growth rate %	Discount rate %	Forecast period Years
<b>2025</b>					
South Africa					
Millbake	5.5	5.4	4.8	13.5	5
Groceries – Personal care products	9.0	8.2	4.8	13.5	5
United Kingdom					
Groceries – Personal care products	4.2	4.2	2.0	10.5	5
Eswatini					
Millbake	3.9	3.8	4.7	15.8	5
<b>2024</b>					
South Africa					
Millbake	5.9	5.6	4.8	13.5	5
Groceries – Personal care products	4.6	3.4	4.8	13.5	5
United Kingdom					
Groceries – Personal care products	6.1	5.7	2.0	10.1	5
Eswatini					
Millbake	6.7	6.8	4.7	15.9	5

## NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

### 14. GOODWILL AND INTANGIBLE ASSETS (continued)

The discount rates for South Africa and Eswatini remained relatively consistent compared to the prior year, while the increase in the United Kingdom's discount rate was primarily driven by a rise in the risk-free rate on cost of equity.

Sensitivity tests were performed on a 10% change in the revenue growth rate, percentage operating cost increase, terminal growth rates and discount rates used in the underlying impairment tests in the current and preceding financial years. The outcomes of these sensitivity tests supported that no impairments were necessary.

Based on the calculations performed for the annual impairment tests, no impairment losses were recognised on CGU's in the current and previous financial year.

#### Accounting policy

Goodwill arises on the acquisition of a business and is recognised at the acquisition date when the consideration transferred and the recognised amount of non-controlling interests exceeds the fair value of the net identifiable assets of the entity acquired. Goodwill is measured at cost less accumulated impairment.

Goodwill and indefinite life trademarks are allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose. The groups of CGUs are not larger than operating segments.

The trademarks are considered to have an indefinite useful life as there is no foreseeable limit to the period over which they are expected to generate cash inflows for the respective CGUs based on the essential products that these trademarks represent and its sizable market share.

Goodwill and trademarks are tested annually for impairment, or when an impairment indicator exists by comparing the carrying amount of each CGU to its recoverable amount. The recoverable amount of the relevant CGUs is the higher of value-in-use or fair value less cost to sell of the CGU and is within level 3 of the fair value hierarchy. Level 3 of the fair value hierarchy measurement is indicative that inputs were used that are not based on observable market data.

Goodwill and trademarks are carried at cost less accumulated impairment.

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives (average two years). Software licenses have a finite life and are measured at cost less accumulated amortisation.

#### Significant estimates and judgements

In the current year the recoverable amounts were based on the fair value less cost to sell. These calculations require the entity to estimate cash flow projections based on revenue growth rates, operating cost increases and terminal growth rates as disclosed in this note. The growth rates (including terminal growth rates) are based on industry trends and historical performance including the long-term inflation forecasts for each territory. A risk-adjusted post-tax discount rate is used for each CGU to discount the future cash flow projections.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 15. LOANS RECEIVABLE

	2025 R'000	2024 R'000
Loan to associate (refer to 15.1)	110 140	-
Loan to key management personnel	7 003	27 339
	117 143	27 339

### 15.1 Loan to associate

	2025 R'000	2024 R'000
Loan receivable from ZEN Commodities	110 140	-

During the current year the Group entered into an agreement with ZEN Commodities to fund the entity's working capital through a Revolving Loan Facility. The loan is denominated in USD, bears interest at Secured Overnight Financing Rate ("SOFR") plus 3% and is repayable no later than 30 November 2034.

The Group advanced \$5.985 million (R108.4 million), which is proportionate to its respective shareholding in the associate. The facility was fully drawn at 31 March 2025.

The loan is considered to be a "Performing" loan whose credit risk is in line with original expectations where no defaults or late payments occurred since the loan was advanced. Further, the solvency and liquidity of the underlying entity has been assessed together with forward-looking information and is considered to have a low probability of default resulting in an immaterial expected credit loss.

#### Accounting policy

The loans are recognised at fair value and subsequently measured at amortised cost which represents the initial loan amount, minus the principal repayments, plus cumulative interest using the effective interest method. The loans have been assessed for expected credit losses and did not result in any material expected credit losses.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 16. INVENTORIES

	2025 R'000	2024 R'000
Raw materials	1 493 997	1 422 098
Work-in-progress	67 650	66 438
Finished goods	590 268	488 490
Consumable stores	146 366	115 446
	<b>2 298 281</b>	<b>2 092 472</b>
Provision for obsolete stock	<b>(37 696)</b>	<b>(28 242)</b>
	<b>2 260 585</b>	<b>2 064 230</b>

### Accounting policy

Raw materials, work-in-progress, finished goods and consumable stores are stated at the lower of cost or net realisable value. Cost includes all costs incurred in bringing the inventories to their current location and condition and is determined as follows:

- Raw materials and consumable stores: Cost of purchase on a weighted average cost basis.
- Finished goods and work-in-progress: Cost of materials and production overheads directly attributable to the cost of manufacturing such inventories based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and the estimated cost to make the sale.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 17. TRADE AND OTHER RECEIVABLES

	2025 R'000	2024 R'000
<b>Financial instruments:</b>		
Trade receivables	1 538 193	1 418 045
Less: Credit loss allowances	(25 815)	(30 623)
Net trade receivables	1 512 378	1 387 422
Deposits	93 603	31 232
Other receivables	23 199	19 811
<b>Non-financial instruments:</b>		
VAT	190 506	97 143
Prepayments	27 020	52 758
	<b>1 846 706</b>	<b>1 588 366</b>

Prepayments included in this disclosure note relate to payments made to suppliers for goods or services procured in the ordinary course of the Group's business for principal revenue-producing activities. These prepayments mainly relate to the payments made in advance for the procurement of raw materials.

The fair value of trade and other receivables approximates their carrying value due to the short-term nature of the balances.

During the current year the Group made a R61 million deposit to Nedbank Limited, the Moody's bank ratings relating to this deposit is Baa3. All other deposits are not individually material. These items have been assessed for expected credit losses using the general approach as per IFRS 9 and did not result in expected credit losses.

The other receivables consist of items which are not considered individually material. These items have been assessed for expected credit losses using the general approach as per IFRS 9 and did not result in expected credit losses.

Trade receivables consist of a large number of customers spread across geographical areas. Trade receivables are grouped in classes based on shared credit risk characteristics. The classes of trade receivables identified are as follows:

- South Africa - Retail
- South Africa - Wholesale
- Eswatini and Lesotho
- Mozambique
- United Kingdom

The customer base for the trade receivables is large and widespread, with the result that there is no specific significant concentration of credit risk to any single counterparty or any group of counterparties with similar characteristics.

Trade receivables do not contain a significant financing component. The Group applies the IFRS 9 simplified approach to measure the loss allowance at an amount equal to the lifetime expected credit loss making use of a provision matrix.

To measure the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and aging buckets. The expected credit losses are calculated using adjusted historical loss rates. The historical loss rates are calculated for each age bucket and are based on the payment profiles of historical sales for customers and associated write-offs over the past two years. The historical loss rates are then adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of customers to settle the outstanding balances. The Group identified the economic outlook of the country in which the customer resides, the significant volatility of the local currency, the increase of interest rates and inflationary pressure on customers to be the most relevant factors which increase the risk of defaults on customer accounts. The historical loss rates have been adjusted to reflect the expected changes in these factors.

The Group has credit insurance in place for wholesale and retail trade receivables in South Africa which would pay 90% (2024: 90%) of the outstanding balance, subject to the balance not exceeding the customers insured value. Certain individual customers are covered by insurance for Eswatini and United Kingdom related trade receivables. The Group has an established credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. Creditworthiness, credit limits and insured value of customers are reviewed annually.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 17. TRADE AND OTHER RECEIVABLES (continued)

Customer accounts are normally handed over to a debt collection agency once all internal measures to collect contractual cash flows have been exhausted. If still unsuccessful to collect, all facts and merits of the collection efforts are considered on the cost versus benefit of continuing the collection effort. A decision will then be made as to whether the balance should be written off or whether efforts should continue to collect the outstanding amounts.

The trade receivable balances are segregated by class for balances covered by credit insurance and those balances which management has specifically provided for based on high risk of default. The segregation is depicted in the table below:

2025	Gross trade receivables R'000	Insured balances R'000	Balances specifically provided R'000	Balances subject to provision matrix R'000
<b>Segregation of trade receivables</b>				
South Africa – Retail	797 961	(670 994)	-	126 967
South Africa – Wholesale	426 804	(229 006)	(55)	197 743
Eswatini and Lesotho	76 390	(44 203)	(4 531)	27 656
Mozambique	165 499	-	(9 545)	155 954
United Kingdom	71 539	(15 663)	(1 268)	54 608
	1 538 193	(959 866)	(15 399)	562 928

Balances subject to provision matrix	Current R'000	30 days R'000	60 days R'000	90 days R'000	120 plus days R'000	Total R'000
South Africa – Retail	105 346	20 051	1 115	42	413	126 967
South Africa – Wholesale	156 578	35 769	2 748	2 292	356	197 743
Eswatini and Lesotho	18 087	8 656	868	4	41	27 656
Mozambique	110 862	21 860	1 941	1 480	19 811	155 954
United Kingdom	36 419	16 527	1 106	246	310	54 608
	427 292	102 863	7 778	4 064	20 931	562 928

Loss rate	Current %	30 days %	60 days %	90 days %	120 plus days %
South Africa – Retail	0.2	0.6	2.6	12.3	15.1
South Africa – Wholesale	0.7	2.5	8.9	19.2	23.8
Eswatini and Lesotho	0.3	1.4	5.4	15.0	17.4
Mozambique	0.5	2.4	9.3	24.0	25.9
United Kingdom	0.2	0.5	1.4	4.9	8.3

Expected credit loss	Current R'000	30 days R'000	60 days R'000	90 days R'000	120 plus days R'000	Total R'000
South Africa – Retail	254	120	29	5	62	470
South Africa – Wholesale	1 096	894	245	440	85	2 760
Eswatini and Lesotho	48	121	47	1	7	224
Mozambique	561	525	181	355	5 131	6 753
United Kingdom	73	83	15	12	26	209
	2 032	1 743	517	813	5 311	10 416

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 17. TRADE AND OTHER RECEIVABLES (continued)

Net trade receivables by class	Gross carrying amount R'000	Total credit loss allowance R'000	Net trade receivables R'000
South Africa – Retail	797 961	(470)	797 491
South Africa – Wholesale	426 804	(2 815)	423 989
Eswatini and Lesotho	76 390	(4 755)	71 635
Mozambique	165 499	(16 298)	149 201
United Kingdom	71 539	(1 477)	70 062
	1 538 193	(25 815)	1 512 378

2024

	Gross trade receivables R'000	Insured balances R'000	Balances specifically provided R'000	Balances subject to provision matrix R'000
Segregation of trade receivables				
South Africa – Retail	691 130	(622 017)	-	69 113
South Africa – Wholesale	415 748	(277 983)	(3 399)	134 366
Eswatini and Lesotho	108 306	(50 797)	(1 761)	55 748
Mozambique	127 350	-	(11 390)	115 960
United Kingdom	75 511	(16 423)	(7 218)	51 870
	1 418 045	(967 220)	(23 768)	427 057

Balances subject to provision matrix	Current R'000	30 days R'000	60 days R'000	90 days R'000	120 plus days R'000	Total R'000
South Africa – Retail	48 076	19 034	1 071	174	758	69 113
South Africa – Wholesale	116 983	16 429	648	179	127	134 366
Eswatini and Lesotho	30 901	17 991	2 475	1 564	2 817	55 748
Mozambique	76 597	24 941	4 568	950	8 904	115 960
United Kingdom	43 451	7 780	131	211	297	51 870
	316 008	86 175	8 893	3 078	12 903	427 057

Loss rate	Current %	30 days %	60 days %	90 days %	120 plus days %
South Africa – Retail	0.2	0.6	2.8	12.6	15.6
South Africa – Wholesale	0.7	2.1	8.6	18.4	21.8
Eswatini and Lesotho	0.3	1.5	5.7	14.0	18.2
Mozambique	0.4	2.3	8.9	23.8	25.7
United Kingdom	0.2	0.5	1.5	5.6	8.4

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 17. TRADE AND OTHER RECEIVABLES (continued)

Expected credit loss	Current R'000	30 days R'000	60 days R'000	90 days R'000	120 plus days R'000	Total R'000
South Africa – Retail	89	114	30	22	118	373
South Africa – Wholesale	819	345	56	33	27	1 280
Eswatini and Lesotho	91	270	141	219	510	1 231
Mozambique	311	562	407	226	2 291	3 797
United Kingdom	89	47	2	11	25	174
	1 399	1 338	636	511	2 971	6 855

Net trade receivables by class	Gross carrying amount R'000	Total credit loss allowance R'000	Net trade receivables R'000
South Africa – Retail	691 130	(373)	690 757
South Africa – Wholesale	415 748	(4 679)	411 069
Eswatini and Lesotho	108 306	(2 992)	105 314
Mozambique	127 350	(15 187)	112 163
United Kingdom	75 511	(7 392)	68 119
	1 418 045	(30 623)	1 387 422

Loss allowance reconciliation	Balance at the beginning of the year R'000	Movement in loss allowance recognised in profit or loss R'000	Amounts written off as uncollec- table R'000	Balance at the end of the year R'000
<b>2025</b>				
South Africa – Retail	373	97	-	470
South Africa – Wholesale	4 679	6 568	(8 432)	2 815
Eswatini and Lesotho	2 992	1 763	-	4 755
Mozambique	15 187	2 599	(1 488)	16 298
United Kingdom	7 392	(2 030)	(3 885)	1 477
	30 623	8 997	(13 805)	25 815

<b>2024</b>				
South Africa – Retail	3 658	(3 285)	-	373
South Africa – Wholesale	4 121	853	(295)	4 679
Eswatini and Lesotho	2 921	341	(270)	2 992
Mozambique	14 632	555	-	15 187
United Kingdom	5 520	2 341	(469)	7 392
	30 852	805	(1 034)	30 623

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 17. TRADE AND OTHER RECEIVABLES (continued)

Top 5 trade receivable balances	2025 R'000	2024 R'000
Customer A	332 005	250 639
Customer B	142 090	166 613
Customer C	115 654	90 514
Customer D	72 128	42 017
Customer E	50 431	39 615
	<b>712 308</b>	<b>589 398</b>

### Accounting policy

Trade and other receivables, excluding VAT and prepayments, are classified as financial assets subsequently measured at amortised cost. Trade receivables are amounts due from customers for goods sold in the ordinary course of business. Trade receivables are initially recognised at transaction price and subsequently measured at amortised cost less the expected credit loss allowance. Adjustments in the expected credit loss allowance are recognised in profit or loss and separately presented as credit loss allowances raised on the Statement of Profit or Loss and Other Comprehensive Income. Trade and other receivables are written off where there is no reasonable expectation of recovering amounts due and are recognised against the loss allowance.

## 18. PREPAYMENTS

	2025 R'000	2024 R'000
Prepayments <sup>1</sup>	<b>197 685</b>	<b>160 971</b>

<sup>1</sup> R129.5 million of prepaid expenditure that was incurred in the prior year was transferred from Prepayments to Property, Plant and Equipment during the current year.

Prepayments mainly relate to payments made for capital expenditure on the upgrade of the Aeroton bakery. These cash flows represent capital expenditure for resources intended to generate future income for the Group. Therefore these cash flows are classified under cash flows from investing activities in the Statement of Cash Flows.

### Accounting policy

Prepayments are recognised at the amount that was paid in advance to the supplier. Prepayments are derecognised on the date the goods are received or services rendered.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 19. SHARE CAPITAL

Authorised share capital	2025	2024
Ordinary shares	200 000 000	200 000 000
“A” ordinary shares	25 000	25 000
“A1” ordinary shares	50 000	50 000

The “A” and “A1” ordinary shareholders have a right to receive a distribution each time the Board authorises a distribution to the Company’s ordinary shareholders. The distribution is determined in relation to the equivalent number of ordinary shares which equals the value of the “A” and “A1” ordinary shares. Refer to note 33.4 for further details regarding the “A” and “A1” ordinary shares.

In accordance with the Company's Memorandum of Incorporation, the unissued authorised shares of the Company remain under the control of the directors.

Issued and fully paid	Number of ordinary shares	Number of “A” ordinary shares	Number of “A1” ordinary shares	Share capital R'000
<b>Reconciliation of issued share capital</b>				
<b>2025</b>				
At the beginning and end of the year	128 905 800	15 457	23 060	2 464 267
<b>2024</b>				
At the beginning and end of the year	128 905 800	15 457	23 060	2 464 267

### Accounting policy

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. The subscriptions in the “A” ordinary and “A1” ordinary shares have the same characteristics as a call option, with the subscription price representing a premium paid for the option and recognised in share capital as legally the “A” and “A1” ordinary shares represents issued share capital. Refer to note 33.4 for further details on the accounting treatment of the options.

### 19.1 Share Appreciation Rights Plan 2024

The Company has a Share Appreciation Rights Plan 2024 (the “SARs Plan”) in order to reward and retain valuable employees of the Group with long-term incentive awards that are linked to the success and growth of the Group.

The SARs Plan provides participants with conditional rights to receive ordinary shares of the Company, referred to as Share Appreciation Rights (“SARs”). The Board, on recommendation by the Remuneration and Nominations Committee, approves and awards SARs periodically to compensate new employees for value forfeited from their previous employers or to reward identified key talent.

The value of each SAR will be equal to the difference between the Company's share price on the business day immediately preceding the Exercise Date, less the Strike Price.

50% of Awards vest on the Annual Vesting Date following the 4th anniversary of the Award Date and 50% of the awards vest on the Annual Vesting Date following the 5th anniversary of the Award Date, subject to continued employment with the Group. The Annual Vesting Date being approximately 20 business days following the date that the Group's annual results are announced.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 19. SHARE CAPITAL (continued)

### 19.1 Share Appreciation Rights Plan 2024 (continued)

Vested awards may be exercised for a period of 4 years following the Vesting Date ("Exercise Period"). Any awards not exercised will be deemed to have been exercised on the last day of the Exercise Period. Exercise of the awards is subject to the headline earnings per share of the Group increasing in value by more than the compounded annual growth rate of the Consumer Price Index from the Award Date until the Exercise Date, otherwise awards will not be capable of exercise and will be forfeited.

On resignation, SARs which have not yet been vested will be deemed to have been forfeited and cancelled, unless otherwise decided by the Remuneration and Nomination Committee. SARs which have been vested may be exercised before the last day of employment. On death, unvested SARs vest immediately and all SARs may be exercised by beneficiaries within 6 months from the date of death.

The aggregate number of shares that may be settled under this plan shall not exceed 6 445 290 ordinary shares (being approximately 5% of the issued ordinary share capital of the Company). The maximum number of shares which any one participant may receive in terms of the plan shall not exceed 1 932 870 ordinary shares.

Details of the share appreciation rights awarded are as follows:

Award date	Strike price R	Rights at 31 March 2024	Rights awarded during the year	Rights at 31 March 2025	Average fair value per SAR awarded R	Rights exercisable at 31 March 2025
<b>2025</b>						
15-Jul-24	73.00	-	1 125 000	1 125 000	22.12	-
14-Dec-23	59.33	674 195	-	674 195	15.28	-
06-Nov-23	-	337 096	-	337 096	46.78	-
21-Jul-23	56.71	1 477 500	-	1 477 500	14.77	-
21-Jul-23	-	2 711 958	-	2 711 958	45.79	-
		5 200 749	1 125 000	6 325 749		-

Award date	Strike price R	Rights at 31 March 2023	Rights awarded during the year	Rights at 31 March 2024	Average fair value per SAR awarded R	Rights exercisable at 31 March 2024
<b>2024</b>						
14-Dec-23	59.33	-	674 195	674 195	15.28	-
06-Nov-23	-	-	337 096	337 096	46.78	-
21-Jul-23	56.71	-	1 477 500	1 477 500	14.77	-
21-Jul-23	-	-	2 711 958	2 711 958	45.79	-
		-	5 200 749	5 200 749		-

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 19. SHARE CAPITAL (continued)

### 19.1 Share Appreciation Rights Plan 2024 (continued)

The fair value of the IFRS 2 share-based payment expense relating to SARs was determined in terms of the Black-Scholes option pricing model. The inputs into the model on each of the Award Dates were as follows:

	15-Jul-24	14-Dec-23	06-Nov-23	21-Jul-23	21-Jul-23
Spot price	R73.80	R61.00	R60.00	R56.71	R56.71
Strike price	R73.55	R59.33	-	R56.71	-
Expected life	4-5 years	3.6-4.6 years	4-5 years	4-5 years	4-5 years
Risk-free rate	7.99%-8.20%	8.02%-8.21%	8.95%-9.23%	8.83%-9.04%	8.83%-9.04%
Expected volatility	30%	30%	30%	30%	30%
Dividend yield	2.98%	4.76%	4.76%	4.76%	4.76%
Average Fair value per SAR	R22.12	R15.28	R46.78	R14.77	R45.79
Expected outcome of performance condition					
HEPS growth	100%	100%	100%	100%	100%

The volatility was obtained from Reuters and CapIQ as at the respective Award Dates. The Company listed on the JSE on 24 March 2023 ("Listing Date") and the time elapsed between the Listing Date and the various Award Dates was not sufficient to determine the expected volatility for the Company and therefore an expected volatility of 30% was applied.

The risk-free rate is a 4-year and 5-year South African Zero coupon swap curve, for each tranche, obtained from Thomson Reuters.

Refer to note 4 for the equity-settled share-based payment amounts recognised in the Statement of Profit or Loss and Other Comprehensive Income.

#### Accounting policy

Equity-settled share-based payments are measured at fair value (excluding the effect of service or non-market based vesting conditions) at the Award Date. The fair value is measured using the Black-Scholes option pricing model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations, where applicable. The fair value determined at the Award Date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity, based on the Group's estimate of the SARs that will eventually vest. The expense is adjusted to reflect the actual number of SARs for which the related service and non-market based vesting conditions are met.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 20. BORROWINGS

Secured bank loans	Currency	Interest rate	Maturity date	2025 R'000	2024 R'000
<b>Term loan facilities</b>					
Syndicated Term facility	ZAR	JIBAR plus 1.25%	30 September 2028	1 500 000	-
Syndicated Term facility	ZAR	JIBAR plus 1.35%	2 November 2025	-	1 900 000
Standard Bank of South Africa Limited	ZAR	Prime less 1.90%	30 November 2025	-	160 516
<b>Revolving loan facilities</b>					
Syndicated RCF	ZAR	JIBAR plus 1.25%	30 September 2028	350 000	-
Standard Bank of Eswatini Limited	SZL	Prime plus 0.45%	31 July 2026	35 000	80 000
First National Bank of Eswatini Limited	SZL	Prime plus 0.45%	31 July 2026	35 000	80 000
				1 920 000	2 220 516
Non-current				1 920 000	2 194 703
Current				-	25 813
				1 920 000	2 220 516

During the current year the Group repaid the Standard Bank of South Africa Limited facility in full and refinanced the Syndicated Term and RCF facilities on 30 September 2024. The refinancing of the Syndicated Term and RCF facilities resulted in reduced interest rates to JIBAR plus 1.25% and extended maturity dates to 30 September 2028. Consequently, R1 900 million was retained and an additional R200 million cash inflow was received. The change in loan terms is deemed to be an extinguishment of the previous loans.

The Group made voluntary debt repayments of R250 million on the Syndicated RCF facility on 31 December 2024. Further voluntary debt repayments of R25 million (SZL25 million) and R20 million (SZL20 million) were made on each of the Standard Bank of Eswatini Limited and First National Bank of Eswatini Limited facilities on 31 December 2024 and 31 March 2025 respectively. At 31 March 2025, R1.4 billion on the Syndicated RCF facility remains available to drawdown for future funding requirements.

IFRS 9 requires an entity to consider both quantitative and qualitative factors in determining whether the existing liability should be de-recognised and a new financial liability be recognised. As the terms of the facilities have changed significantly from the qualitative and quantitative perspective it is deemed reasonable to de-recognise the old liability. The following factors were considered:

- The purpose of the agreement was to restructure the debt of the Group;
- The new facility includes additional financing with a significant change in the allocation between the RCF and Term facility;
- The structure of the facility fundamentally changed with a change in the financiers;
- The interest rate margin changed; and
- The maturity dates changed significantly.

### Security

Syndicated facilities: Cession over trade receivables, cash and cash equivalents and insurances of the South African operations. Cession and pledge over all shares, claims, insurances, intellectual property, bank accounts and investments of certain group entities. Registered hypothec of certain trademarks and intellectual property rights with a carrying value of R1 070 million (2024: R1 070 million). Movable assets with a carrying value of R1 781 million (2024: R1 756 million) are encumbered as security. Mortgage bonds are registered over certain immovable properties.

Standard Bank of Eswatini Limited and First National Bank of Eswatini Limited: Cession over trade receivables, inventory, cash and cash equivalents and insurances of the Eswatini operations. Certain movable assets with a carrying value of R145 million (2024: R132 million) are encumbered as security. Mortgage bonds are registered over certain immovable properties.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 20. BORROWINGS (continued)

### Interest rate benchmarking reform

The Financial Stability Board has initiated a fundamental review and reform of the major interest rate benchmarks used globally by financial market participants. This review seeks to replace existing interbank offered rates (“IBORs”) with alternative risk-free rates (“ARRs”) to improve market efficiency and mitigate systemic risk across financial markets. The South African Reserve Bank (“SARB”) has indicated their intention to move away from JIBAR and to create an alternative reference rate for South Africa. The SARB has indicated their initial preference for the adoption of the South African Rand Overnight Index Average (“ZARONIA”) as the preferred unsecured candidate to replace JIBAR in cash and derivative instruments. ZARONIA has been published for the purpose of observing the rate and how it behaves, but has not been formally adopted by the SARB as the successor rate to JIBAR. Accordingly, there is still uncertainty surrounding the timing and manner in which the transition would occur and how this would affect various financial instruments held by the Group.

### Financial covenants

The Group has complied with all externally imposed financial covenants during the current financial year. The financial covenant ratios imposed on the Group are as follows:

	Covenants	Actual
<b>Syndicated facilities</b>		
Interest cover ratio	>3.00x	8.04
Leverage ratio	<3.00x	0.78
<b>Standard Bank of Eswatini Limited and First National Bank of Eswatini Limited</b>		
Interest cover ratio	>2.50x	11.48
Leverage ratio	<2.25x	0.16

### Guarantees

Guarantees issued by the bank at year-end amounted to R10 million (2024: R10 million) mainly for guarantees provided to municipalities and lessors.

### Accounting policy

Borrowings constitute a financial liability and are initially recognised at fair value, net of transaction costs incurred and are subsequently stated at amortised cost. The borrowings are classified as a current liability unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. The difference between the carrying amount and the consideration paid and payable at maturity date is charged to profit or loss as finance costs based on the effective interest rate method. Borrowings are derecognised when the obligation is discharged, cancelled, expired or if there was a substantial modification of the terms of a financial liability.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 21. LEASE LIABILITIES

The maturity analysis of the lease liabilities are as follows:

	2025 R'000	2024 R'000
<b>Minimum contractual lease payments</b>		
Within one year	67 747	56 532
One to two years	66 904	54 616
Two to five years	153 489	159 617
More than five years	14 556	61 587
Undiscounted cash flows	302 696	332 352
Less: finance charges	(55 169)	(73 404)
<b>Present value of lease liabilities</b>	<b>247 527</b>	<b>258 948</b>
Non-current	199 894	224 011
Current	47 633	34 937
	<b>247 527</b>	<b>258 948</b>
<b>Cash outflow for leases</b>		
Payment of principal portion of lease liabilities	44 377	53 955
Payment of short-term and low-value asset leases	28 297	24 408
Payment of interest on lease liabilities	26 397	27 529
	<b>99 071</b>	<b>105 892</b>

Lease liabilities are effectively secured as the rights to the leased asset revert to the lessor in the event of default.

### Accounting policy

Lease liabilities mainly relate to distribution depots, office buildings and leased vehicles. Rental contracts are typically made for fixed periods of 2 to 12 years. Lease terms are negotiated on an individual basis and contain a wide range of terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes. A right-of-use asset and a corresponding liability are recognised at the date at which the leased asset is available for use by the Group.

Lease liabilities are measured at the present value of the future lease payments, discounted using the incremental borrowing rate, as in most instances the interest rate implicit in the lease cannot be readily determined. The discount rates applied to the leases for operations in South Africa and Mozambique are 8% (2024: 8%) and 25% (2024: 23.8%) respectively.

Lease liabilities include the net present value of the following lease payments:

- Fixed payments.
- Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Lease payments are allocated between the lease liability and finance costs. The finance costs are expensed to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise certain IT-equipment and small items of office equipment.

### Significant estimates and judgements

Refer to note 13 for further details regarding the significant judgement and estimates affecting both lease liabilities and right-of-use assets.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 22. EMPLOYEE BENEFIT OBLIGATIONS

	2025 R'000	2024 R'000
Leave obligations	137 634	114 628
Employee-related incentives	187 171	180 834
Employee payroll accruals	56 808	53 707
Cash-settled share appreciation rights (Refer to note 32)	50 289	68 966
Defined benefit obligations (Refer to note 26)	4 791	4 367
	436 693	422 502
Non-current	41 252	38 421
Current	395 441	384 081
	436 693	422 502

### Accounting policy

A liability is recognised when an employee is entitled to the benefits as a result of services rendered.

An employee related incentive liability is recognised when the Group has a contractual obligation or a constructive obligation to pay benefits in the future for services rendered during the year. Employees participate in an incentive plan whereby bonuses are paid in respect of achieving certain targets. The incentive bonuses are approved by the remuneration committee.

Employee payroll accruals relate to wages accrued and 13th cheque benefits which employees' structure as part of their cost to company package.

## 23. TRADE AND OTHER PAYABLES

	2025 R'000	2024 R'000
<b>Financial instruments</b>		
Trade payables	1 684 468	1 484 593
Accruals	149 955	134 988
Securities	30 976	30 744
<b>Non-financial instruments</b>		
Payroll statutory liabilities	51 602	44 183
VAT	1 025	240
	1 918 026	1 694 748

### Accounting policy

Trade payables are recognised when the Group becomes a party to the contractual provisions and are initially measured at fair value plus transaction costs, if any. Trade and other payables are subsequently measured at amortised cost. Trade payables are non-interest bearing and are normally settled within 30 - 45 day terms.

Securities represent hawker deposits held as collateral which may be applied against the hawker's trade receivable accounts in the event of default.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 24. TRADE FINANCING FACILITY

	2025 R'000	2024 R'000
Trade financing facility	537 325	478 560

The increase in the trade financing facility is primarily due to higher commodity prices of the financed grain compared to the prior year.

### Accounting policy

The Group has a supplier finance arrangement which is used in the normal operating cycle to finance the procurement of grain. The trade financing facility is measured at amortised cost and bears interest at the South African prime interest rate less 2%. Repayments are triggered within 7 days of consumption of the grain in the milling process. The facility is secured by the purchased commodities stored in the Group's silos and third-party storage facilities.

## 25. REFUND LIABILITIES

	2025 R'000	2024 R'000
Refund liabilities	630 221	481 192

### Accounting policy

Refund liabilities relate to rebates, discounts and other allowances payable to customers as per the terms in the trade agreements with the customers, in relation to sales made until the end of the reporting period.

## 26. DEFINED BENEFIT OBLIGATIONS

### 26.1 Post-retirement medical obligation

The Group provides post-retirement medical benefits to certain of its current employees and retirees based on the qualifying employee remaining in service up to retirement age in the form of a defined benefit medical plan, principally in South Africa. The post-retirement medical obligation is unfunded and will be financed out of reserves. The obligation represents the present value of the Group's share of the expected contributions to be paid in respect of members using the projected unit credit method. The obligation has been provided based on an actuarial valuation prepared annually by an independent qualified actuary with the last valuation date being 31 March 2025.

	2025 R'000	2024 R'000
<b>Reconciliation of defined benefit obligation</b>		
Balance at the beginning of the year	4 367	4 264
<i>Items recognised in profit or loss</i>		
Service cost	36	32
Interest expense	521	471
<i>Items recognised in other comprehensive income</i>		
Remeasurements	306	(10)
Benefit payments	(439)	(390)
<b>Balance at the end of the year</b>	<b>4 791</b>	<b>4 367</b>

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 26. DEFINED BENEFIT OBLIGATIONS (continued)

### 26.1 Post-retirement medical obligation (continued)

The principal actuarial assumptions used in the actuarial valuation are as follows:

Key assumptions	2025 %	2024 %
Discount rate	11.0	12.6
Healthcare cost inflation	7.1	8.6

The sensitivity of the post-retirement medical obligation to changes in the principal assumptions is as follows:

	Change in assumption %	Impact on obligation	
		Increase in assumption R'000	Decrease in assumption R'000
Discount rate	1.0	(340)	393
Healthcare cost inflation	1.0	393	(345)

### 26.2 Defined benefit pension arrangement

The Group operates a defined benefit pension plan for its subsidiary in the United Kingdom. The plan is funded through payments to trustee-administered funds. The scheme provides benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on the members' length of service and their salary in the final years leading up to retirement.

The scheme is managed by an independent trustee appointed by the subsidiary. The trustee has responsibility for obtaining valuations of the scheme, administering benefit payments and investing the scheme's assets. The trustee delegates some of these functions to its professional advisers where appropriate.

A valuation of the scheme is carried out at least once every three years to determine whether the statutory funding objective is met. As part of the process, the subsidiary must agree with the trustee of the scheme on the contributions to be paid to address any shortfall against the statutory funding objective. The most recent comprehensive actuarial valuation of the scheme was carried out as at 8 April 2025.

The scheme has a surplus that is not recognised, on the basis that at reporting date there was no agreement between the Group and the trustee that future economic benefits are available to the Group in the form of a reduction in future contributions or a cash refund. The amounts recognised in the balance sheet and the movements in the net defined benefit obligation are as follows:

	2025 R'000	2024 R'000
Fair value of plan assets in respect of defined benefit obligations	644 393	706 488
Present value of defined benefit obligation	(494 822)	(552 761)
Funded status of defined benefit plan	149 571	153 727
Effective asset ceiling	(149 571)	(153 727)
<b>Net pension asset/(liability)</b>	<b>-</b>	<b>-</b>

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 26. DEFINED BENEFIT OBLIGATIONS (continued)

### 26.2 Defined benefit pension arrangement (continued)

	2025 R'000	2024 R'000
<b>Reconciliation of fair value of plan assets</b>		
Balance at the beginning of the year	706 488	668 711
<i>Items recognised in profit or loss</i>		
Service cost	(2 417)	(4 870)
Interest income	33 341	33 568
<i>Items recognised in other comprehensive income</i>		
Remeasurements	(58 293)	(7 293)
Benefit payments	(32 938)	(32 950)
Exchange translation differences	(1 788)	49 322
<b>Balance at the end of the year</b>	<b>644 393</b>	<b>706 488</b>

	2025	2024
<b>Major categories of plan assets</b>		
Equities	24.3	25.1
Bonds	73.6	72.1
Cash	2.1	2.8
	<b>100.0</b>	<b>100.0</b>

	2025 R'000	2024 R'000
<b>Reconciliation of defined benefit obligation</b>		
Balance at the beginning of the year	(552 761)	(522 004)
<i>Items recognised in profit or loss</i>		
Interest expense	(25 947)	(26 726)
<i>Items recognised in other comprehensive income</i>		
Remeasurements	49 549	1 520
Benefit payments	32 938	32 950
Exchange translation differences	1 399	(38 501)
<b>Balance at the end of the year</b>	<b>(494 822)</b>	<b>(552 761)</b>

The principal actuarial assumptions used in the actuarial valuation are as follows:

	2025 %	2024 %
<b>Key assumptions</b>		
Discount rate	5.7	4.9
Consumer price inflation	2.6	2.6
Pension salary increase (LPI 2.5%)	1.9	1.9
Mortality	110% of the S3PA tables with CMI 2023 projections using a long-term improvement rate of 1.3% p.a.	110% of the S3PA tables with CMI 2022 projections using a long-term improvement rate of 1.3% p.a.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 26. DEFINED BENEFIT OBLIGATIONS (continued)

### 26.2 Defined benefit pension arrangement (continued)

The sensitivity of the defined benefit obligation to changes in the principal assumptions is as follows:

Key assumptions	Change in assumption %	Impact on obligation	
		Increase in assumption R'000	Decrease in assumption R'000
Discount rate	0.5	(25 142)	27 440
Pension fund cost inflation	0.5	20 497	(21 113)

Through its post-retirement medical obligation and defined benefit pension arrangement, the Group is exposed to a number of risks, the most significant of which are detailed below:

Investment risk:	The scheme holds investments in equities, which have volatile market values and, while these assets are expected to provide real returns over the long-term, short-term volatility can cause additional funding to be required if a deficit emerges.
Interest rate risk:	The scheme's liabilities are discounted using market yields on high quality corporate bonds. As the scheme holds assets such as equities, the value of the assets and liabilities may not react to changes in interest rates in the same way.
Inflation risk:	A significant proportion of the benefits under the scheme are linked to inflation. Although the scheme's assets are expected to provide some hedging against inflation over the long-term, movements over the short term could lead to a deficit emerging.
Mortality risk:	In the event that members live longer than assumed, a deficit could emerge in the scheme.

#### Accounting policy

Actuarial gains and losses arising from experience adjustments and changes to actuarial assumptions, the return on plan assets (excluding amounts included in net interest on the defined benefit liability/(asset)) and any changes in the effect of the asset ceiling (excluding amounts included in net interest on the defined benefit liability/(asset)) are remeasurements that are recognised in other comprehensive income in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss at the earlier of:

- the date of the plan amendment or curtailment; and
- the date that the Group recognises related restructuring costs or termination benefits.

Net interest is calculated by applying the discount rate to the net defined benefit liability/asset and recognised in profit or loss.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 27. CASH GENERATED FROM OPERATIONS

	2025 R'000	2024 R'000
Profit before tax	1 630 075	1 265 333
<i>Adjusted for:</i>		
Depreciation and amortisation	445 089	419 736
Finance income	(23 889)	(28 413)
Finance costs	329 598	395 597
Share of profit in equity-accounted investments	(28 846)	(132)
Defined benefit obligations	(4 470)	(12 680)
Cash-settled share appreciation rights (Refer to note 32)	25 456	35 548
Equity-settled share-based payments	42 126	24 785
Credit loss allowances raised	8 291	4 800
Loss on disposal/scrapping of property, plant and equipment	11 524	45 444
Insurance proceeds classified as investing cash flows	-	(5 346)
Loss on lease modification	1 155	-
Foreign exchange gain on loan receivables	(1 022)	-
<i>Changes in working capital:</i>		
Inventories	(196 355)	337 943
Trade and other receivables	(266 631)	205 743
Trade and other payables	223 278	(135 873)
Trade financing facility	58 765	(281 662)
Refund liabilities	149 029	58 069
Employee benefit obligations	(12 054)	62 218
	2 391 119	2 391 110

### Accounting policy

The Group has elected to disclose finance income received and finance costs paid as part of cash flow from operating activities.

## 28. TAX PAID

	2025 R'000	2024 R'000
Balance at the beginning of the year	(45 997)	(23 637)
Current tax recognised in profit or loss	(407 074)	(347 799)
Net exchange differences	99	(348)
<b>Balance at the end of the year</b>	<b>10 842</b>	<b>45 997</b>
Income tax receivable	(3 139)	(9 641)
Income tax payable	13 981	55 638
	(442 130)	(325 787)

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 29. CASH AND CASH EQUIVALENTS

For purposes of the Statement of Financial Position, cash and cash equivalents and bank overdraft consist of:

	2025 R'000	2024 R'000
Cash on hand	16 004	32 738
Bank balances	451 140	603 268
<b>Cash and cash equivalents</b>	<b>467 144</b>	<b>636 006</b>

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

	2025 R'000	2024 R'000
Cash on hand	16 004	32 738
Bank balances	451 140	603 268
<b>Cash and cash equivalents</b>	<b>467 144</b>	<b>636 006</b>

During the current year the bank overdraft fluctuated from being overdrawn to a positive balance and formed an integral part of the Group's cash management. As at 31 March 2025 the Group had no bank balances that were in overdraft. The finance costs incurred on the bank overdraft utilised during the year are disclosed in note 6.

In the year preceding 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 in that year, and instead represented a form of financing. The related net repayments in the prior year were therefore presented as cash flows from financing activities.

### Accounting policy

Cash and cash equivalents include cash on hand, cash at banks and highly liquid investments that are readily convertible to cash. Cash and cash equivalents are measured at cost with balances denominated in foreign currencies being translated at the relevant spot rate at the end of the reporting period. Bank overdrafts are separately shown under current liabilities on the Statement of Financial Position.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 30. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The movements in net debt for the year ended 31 March 2025 are as follows:

	Borrowings R'000	Lease liabilities R'000	Total R'000
<b>Balance at 31 March 2024</b>	2 220 516	258 948	2 479 464
Capital received	200 000	-	200 000
Capital repaid	(500 516)	(44 377)	(544 893)
Recognised during the year	1 900 000 <sup>1</sup>	52 227	1 952 227
Lease remeasurements	-	(18 834)	(18 834)
Derecognised during the year	(1 900 000) <sup>1</sup>	-	(1 900 000)
Finance costs accrued	208 566	26 397	234 963
Finance costs paid	(208 566)	(26 397)	(234 963)
Exchange translation differences	-	(437)	(437)
<b>Balance at 31 March 2025</b>	<b>1 920 000</b>	<b>247 527</b>	<b>2 167 527</b>

<sup>1</sup> The recognition and derecognition of borrowings during the year relates to the refinancing of debt which resulted in an extinguishment of the old debt facility and recognition of the new debt facility and represents a non-cash transaction.

The movements in net debt for the year ended 31 March 2024 are as follows:

	Bank overdraft R'000	Borrowings R'000	Lease liabilities R'000	Total R'000
<b>Balance at 31 March 2023</b>	201 215	2 948 972	302 059	3 452 246
Capital repaid	-	(728 456)	(53 955)	(782 411)
Net repayments	(209 624)	-	-	(209 624)
Recognised during the year	-	-	10 082	10 082
Finance costs accrued	38 502	258 318	27 529	324 349
Finance costs paid	(38 502)	(258 318)	(27 529)	(324 349)
Exchange translation differences	8 409	-	762	9 171
<b>Balance at 31 March 2024</b>	<b>-</b>	<b>2 220 516</b>	<b>258 948</b>	<b>2 479 464</b>

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 31. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

### 31.1 Financial risk management

#### Overview

The Group is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk;
- Market risk (foreign currency risk, interest rate risk and price risk).

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established an Audit and Risk Committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports quarterly to the Board on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through training and standard operating procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit and Risk Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit and Risk Committee is assisted in its oversight role by outsourced internal auditors, working collaboratively with the internal operational audit team and other monitoring committees. These teams undertake both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit and Risk Committee.

#### Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is exposed to credit risk on loans receivable, trade receivables and cash and cash equivalents.

The Group's exposure to credit risk with regards to the South Africa retail and wholesale classes of trade receivables is limited by credit insurance with Lombard Insurance Company Limited, which covers the majority of the trade receivable balances in excess of R100 000. The exposure to credit risk with regards to the Eswatini and United Kingdom classes of trade receivables is limited by credit insurance with Lombard Insurance Company Limited, which covers certain individual trade receivable balances. Credit insurance is reviewed on an ongoing basis. The GCR rating agency affirmed the insurer's financial strength rating as A+ with a positive outlook. New customers for all classes are analysed individually for creditworthiness per the credit policy of each operating subsidiary before terms and conditions are offered. The review includes external ratings, where available, and in some cases bank references. Creditworthiness and credit limits of customers are reviewed on an annual basis. Customers that default on payments are monitored closely and put on hold if required.

Credit risk exposure arising on cash and cash equivalents is managed by the Group through dealing with well-established financial institutions of good standing for investment and cash management purposes. No loss allowance has been recognised in respect of the Group's cash and cash equivalents as all cash balances are held with reputable financial institutions and are short-term in nature with no history of default. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of counterparties. Macro-economic factors have also been considered, however the impact of changes in economic conditions is not expected to be material on the expected credit loss.

The table that follows shows the cash and cash equivalents allocated in terms of bank ratings. These ratings are based on Moody's bank ratings.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 31. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

### 31.1 Financial risk management (continued)

Rating	2025 R'000	2024 R'000
A1	33 586	56 989
Ba2	4 995	-
Baa3	246 458	439 799
Non-rated <sup>1</sup>	166 101	106 480
Cash on hand	16 004	32 738
	467 144	636 006

<sup>1</sup> Non-rated balances relate to bank balances in Eswatini, Lesotho and Mozambique where the banks are not individually rated.

### Liquidity risk

The Group manages its liquidity risk by ensuring sufficient cash and availability of funding through an adequate amount of borrowing facilities to meet obligations when due. Management monitors rolling cash flow forecasts of the Group's liquidity reserves comprising debt, undrawn borrowing facilities and cash and cash equivalents. Cash flow forecasts are compiled in accordance with external regulatory requirements and maintaining debt finance covenants. As at year-end, the Group had access to undrawn facilities of R3 202 million (2024: R2 782 million).

Trade and other payables are generally settled between 30 to 45 days, therefore most of the balance reflected in the "Less than 1 year" category will be settled in less than 2 months. The maturity profile of contractual cash flows of non-derivative financial liabilities is presented in the following table. The cash flows are undiscounted contractual amounts.

	Less than 1 year R'000	1 to 2 years R'000	2 to 5 years R'000	Over 5 years R'000	Total R'000	Carrying amount R'000
<b>2025</b>						
Borrowings	174 165	239 062	2 098 610 <sup>1</sup>	-	2 511 837	1 920 000
Lease liabilities	67 747	66 904	153 489	14 556	302 696	247 527
Trade and other payables	1 865 399	-	-	-	1 865 399	1 865 399
Trade financing facility	543 386	-	-	-	543 386	537 325
	2 650 697	305 966	2 252 099	14 556	5 223 318	4 570 251

<sup>1</sup> R167 million of the cash flows relates to 2 to 3 years, while R1 932 million relates to 3 to 4 years.

Management is satisfied that the Group will be able to meet its obligations based on the Group's cash flow forecasts, positive net cash and undrawn facilities. This is supported by the cash of R1 358 million (2024: R1 696 million) that was generated from operating activities during the year.

	Less than 1 year R'000	1 to 2 years R'000	2 to 5 years R'000	Over 5 years R'000	Total R'000	Carrying amount R'000
<b>2024</b>						
Borrowings	245 826	2 169 966	167 654	-	2 583 446	2 220 516
Lease liabilities	56 532	54 616	159 617	61 587	332 352	258 948
Trade and other payables	1 650 325	-	-	-	1 650 325	1 650 325
Trade financing facility	484 487	-	-	-	484 487	478 560
	2 437 170	2 224 582	327 271	61 587	5 050 610	4 608 349

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 31. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

### 31.1 Financial risk management (continued)

#### Market risk – Foreign currency risk

The Group is exposed to foreign currency risk as a result of financial assets and liabilities which are denominated in a currency that is not the entity's functional currency. Exchange rate exposures are managed by utilising foreign exchange contracts in terms of the Group's risk management policy. The foreign currencies predominantly traded in by the Group are GBP, USD, EUR and CNY. Some of the entities within the Group, with a functional currency that is different to the Group's functional currency, also trade in ZAR. As a result, the Group is subject to exposure from fluctuations in foreign currency exchange rates.

The exposure and concentration of foreign currency risk at the end of the year is included in the table below.

	GBP R'000	ZAR R'000	USD R'000	EUR R'000	CNY R'000
<b>2025</b>					
<b>Financial assets</b>					
Trade and other receivables	-	21 553	-	-	-
Cash and cash equivalents	4 933	2 097	12 305	14 991	11 347
<b>Financial liabilities</b>					
Trade payables	(3 511)	(77 297)	(125 412)	(2 750)	(7 351)
	1 422	(53 647)	(113 107)	12 241	3 996
<b>2024</b>					
<b>Financial assets</b>					
Trade and other receivables	-	9 372	-	370	-
Cash and cash equivalents	20 409	673	21 239	3 662	3
<b>Financial liabilities</b>					
Trade payables	-	(94 521)	(128 038)	(8 347)	(12 271)
	20 409	(84 476)	(106 799)	(4 315)	(12 268)

The forward exchange contracts entered into by the Group at the end of the year are summarised as follows.

	Average rate R	Foreign contract amount '000	Contract value of FECs R'000
<b>2025</b>			
USD FECs	18.29	1 700	31 091
ZAR FECs <sup>1</sup>	1.00	10 500	10 500
<b>2024</b>			
USD FECs	18.81	1 800	33 854
ZAR FECs <sup>1</sup>	1.00	5 250	5 250

<sup>1</sup> The ZAR FECs relate to FECs that were entered into by entities within the Group, with a functional currency that is different to the Group's functional currency, to manage their foreign currency risk exposure to ZAR.

The gains and losses on foreign exchange contracts are recognised in foreign exchange losses that are presented on the face of the Statement of Profit or Loss and Other Comprehensive Income.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 31. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

### 31.1 Financial risk management (continued)

The Group used a sensitivity analysis technique that measures the estimated change to profit or loss of an instantaneous 10% strengthening in the Rand against the foreign currencies. This analysis is for illustrative purposes only, as in practice, market rates rarely change in isolation.

The analysis excludes foreign exchange translation differences resulting from the translation of group entities that have functional currencies different from the presentation currency, which are recognised in the foreign currency translation reserve.

The analysis has been performed on the basis of the change occurring at the reporting date and assumes that all other variables, in particular interest rates, remain constant. During the year the exchange rates fluctuated between 3 - 10% and therefore a sensitivity test is performed on a 10% basis. A positive number indicates an increase in profit before tax where the ZAR strengthens 10% against the relevant currency.

	2025 R'000	2024 R'000
USD	11 311	10 680
EUR	(1 224)	432
CNY	(400)	1 227
MZN	(5 237)	(8 086)
GBP	(128)	(2 403)

	2025		2024	
	Closing rate R	Average rate R	Closing rate R	Average rate R
<b>Exchange rates</b>				
USD to ZAR	18.29	18.23	18.82	18.73
EUR to ZAR	19.81	19.57	20.32	20.32
CNY to ZAR	2.52	2.53	2.61	2.62
MZN to ZAR	3.49	3.50	0.29	0.29
GBP to ZAR	23.70	23.25	23.76	23.54

#### Market risk – Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities that are sensitive to interest rate risk are loans receivables, trade and other receivables/payables, cash and cash equivalents, borrowings, trade financing facility and bank overdraft. The interest rate risk mainly arises from the repricing of the Group's floating rate debt, incremental funding or new borrowings, the refinancing of existing borrowings and the magnitude of bank overdrafts and cash and cash equivalents.

The Group manages this risk by monitoring interest rates on a regular basis and engaging in discussions with financial institutions to obtain the optimum interest rates.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 31. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

### 31.1 Financial risk management (continued)

#### Interest rate profile

The interest rate profile of interest bearing financial instruments at the end of the reporting period was as follows:

	Note	2025 R'000	2024 R'000
<b>Assets</b>			
Loans receivable	15	117 143	27 339
Cash and cash equivalents	29	467 144	636 006
		<b>584 287</b>	<b>663 345</b>
<b>Liabilities</b>			
Borrowings	20	1 920 000	2 220 516
Trade financing facility	24	537 325	478 560
		<b>2 457 325</b>	<b>2 699 076</b>

The Group used a sensitivity analysis technique that measures the estimated change to profit or loss of an instantaneous change in market interest rates, from the rate applicable at the reporting date for each interest bearing financial instrument. This analysis is for illustrative purposes only, as in practice market rates rarely change in isolation. The Group is exposed to fluctuations in JIBAR and prime interest rates. Changes in these interest rates affect the finance income or costs of floating rate financial instruments.

The following sensitivity analysis has been prepared to indicate the effect on the variable rate financial instruments with the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period, on the basis that all other variables remain constant. The analysis is performed on the same basis as in the prior year. The sensitivity analysis provides two scenarios of percentage changes that could reasonably be expected based on the current economic climate and historical movements in interest rates. An increase in interest rates would have an equal and opposite effect on profit before tax as detailed below.

	2025		2024	
	Decrease in interest rates %	(Decrease)/ Increase in profit before tax R'000	Decrease in interest rates %	(Decrease)/ Increase in profit before tax R'000
Financial assets	0.50	(908)	0.50	(3 698)
	0.75	(1 362)	0.75	(5 547)
Financial liabilities	0.50	15 048	0.50	20 563
	0.75	22 572	0.75	30 845

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 31. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

### 31.1 Financial risk management (continued)

#### Market risk – Price risk

Forward supply contract price risk arises from the Group being subject to raw material price fluctuations caused by factors such as supply conditions, weather, economic conditions and other factors. The strategic raw materials acquired by the Group include wheat and maize. Contractual obligations with regard to these contracts occur when risk and rewards of ownership pass to the Group at which time liabilities are recognised.

The Group has developed a comprehensive risk management process to facilitate, control and monitor these risks. The procurement of raw materials takes place in terms of specific mandates given by the executive management. Position statements are prepared daily and are monitored by management and compared to the mandates. The Board has approved and monitors the risk management process, counterparty limits, controlling and reporting structures.

Forward purchase commitments for wheat and maize tonnage requirement are entered into by the Group with third-party service providers, with the price of the committed wheat and maize tonnes only fixed at a later stage in South African Rand. The forward purchase commitments are not recognised as derivatives as Premier applies the “own-use” exemption and is therefore scoped out of IFRS 9 Financial Instruments.

These forward purchase commitments include exposure to commodity price risk from the date on which the amount of wheat and maize is fixed until the date of fixing the price, as well as exposure to foreign exchange risk for international purchases where the contracts are initially priced in US Dollars. These exposures are not separately accounted for as embedded derivatives as it has been assessed that the economic characteristics and risks are closely related to the economic characteristics and risks of the forward purchase commitments. In making this assessment, the following factors were considered:

- The commodity price adjustment feature is related to the cost of the goods being purchased.
- The contracts do not contain an option feature.
- The local supplier for the international purchases is in substance importing the commodity on the Group’s behalf.
- The US Dollar is commonly used in international contracts to purchase non-financial items.

### 31.2 Capital risk management

The Group’s objective is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain the future development needs of the business. The Board monitors the Group’s leverage ratio.

Management regularly monitors and reviews covenant ratios. In terms of the borrowings, the Group is required to comply with financial covenants. These financial covenants differ based on the contractual terms of each facility and incorporate both IFRS and non-IFRS financial measures. Refer to note 20 for the financial covenants for each facility.

The Group’s leverage ratio is calculated as follows:

	2025 R'000	2024 R'000
Borrowings (excluding trade financing facility)	1 920 000	2 220 516
Lease liabilities	247 527	258 948
Cash and cash equivalents	(467 144)	(636 006)
<b>Total net debt</b>	<b>1 700 383</b>	<b>1 843 458</b>
EBITDA	2 354 195	2 052 726
Leverage ratio	0.7x	0.9x

## NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

### 31. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

#### 31.3 Categories of financial instruments

	2025		2024	
	Assets at amortised cost R'000	Liabilities at amortised cost R'000	Assets at amortised cost R'000	Liabilities at amortised cost R'000
Loans receivable	117 143		27 339	
Trade and other receivables	1 629 180		1 438 465	
Restricted cash	2 645		2 454	
Cash and cash equivalents	467 144		636 006	
Borrowings		1 920 000		2 220 516
Trade and other payables		1 865 399		1 650 325
Trade financing facility		537 325		478 560
	2 216 112	4 322 724	2 104 264	4 349 401

### 32. RELATED PARTIES

	Note	2025 R'000	2024 R'000
<b>Balances owing by related party</b>			
Loan receivable – F Grobbelaar (Executive Director)		7 003	6 310
Loan receivable – ZEN Commodities (Associate company)	15	110 140	-
<b>Revenue from contracts with customers</b>			
Goldkeys (Associate company)	2	32 144	21 500
<b>Finance income</b>			
Loan receivable – F Grobbelaar (Executive Director)		693	637
Loan receivable – ZEN Commodities (Associate company)	5	2 966	-

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 32. RELATED PARTIES (continued)

### Cash-settled share appreciation rights

The Group has a long-term incentive plan where certain employees were granted SARs. The SARs awarded before the Company was listed on the JSE, were issued at the implied market value of Premier's ordinary shares based on the following calculation: Price per share = equity value (being enterprise value less net debt)/number of ordinary shares. Net debt, for the purpose of this calculation, is adjusted for dividends paid to shareholders. The value of these SARs will be similarly calculated on the date on which they are exercised and will be settled in cash on the exercise date. The SARs are exercisable from the fourth until the eighth anniversary of the date of issue. 50% of the SARs vest in the fourth year and a further 50% in the fifth year and can be exercised upon vesting in tranches of either 50% or 100%. All rights will automatically cease to be of any value and no payment will be due or payable in any way whatsoever if the holder of the appreciation right is not in the employ of the Group at the date of exercise.

	2025		2024	
	Number of rights	Amount R'000	Number of rights	Amount R'000
<b>At the beginning of the year</b>	10 240	68 966	10 780	58 300
Granted during the year	-	-	-	-
Exercised during the year	(4 240)	(43 786)	(350)	(24 882)
Forfeited during the year	(200)	(2 373)	(190)	(1 337)
Remeasurement of SARs		27 482		36 885
<b>At the end of the year</b>	<b>5 800</b>	<b>50 289</b>	<b>10 240</b>	<b>68 966</b>

### Accounting policy

The share appreciation rights referred to in this disclosure note are accounted for in terms of IAS 19 since the value of the SARs are not directly linked to the value of equity instruments. The value of the SARs is determined at each reporting date by applying the calculation as described in the note above. A liability is recognised in employee benefit obligations with a corresponding adjustment accounted for in profit or loss. The SARs will be settled in cash once exercised.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 33. DIRECTORS' EMOLUMENTS

### 33.1 Executive directors' emoluments

	Basic salary R'000	Other benefits <sup>1</sup> R'000	Bonus R'000	Total R'000
<b>2025</b>				
JJ Gertenbach	8 143	122	14 480	22 745
F Grobbelaar	5 553	266	7 455	13 274
	<b>13 696</b>	<b>388</b>	<b>21 935</b>	<b>36 019</b>
<b>2024</b>				
JJ Gertenbach	7 713	123	11 038	18 874
F Grobbelaar	5 257	270	4 774	10 301
	<b>12 970</b>	<b>393</b>	<b>15 812</b>	<b>29 175</b>

<sup>1</sup> Other benefits comprise travel allowance and medical benefits.

### 33.2 Share Appreciation Rights Plan 2024

Details on the implementation of the SARs Plan are documented in note 19.1. The table below is a summary of the SARs awarded to executive directors.

Award date	Strike price	Vesting date	Rights at 31 March 2024	Rights awarded during the year	Rights at 31 March 2025	IFRS 2 charge for the year R'000	Rights exercisable at 31 March 2025
<b>2025</b>							
<b>21-Jul-23</b>							
JJ Gertenbach	R0.00	Jul-27	367 491	-	367 491	R4 272	-
JJ Gertenbach	R0.00	Jul-28	367 491	-	367 491	R3 262	-
F Grobbelaar	R0.00	Jul-27	206 511	-	206 511	R2 401	-
F Grobbelaar	R0.00	Jul-28	206 511	-	206 511	R1 833	-
<b>21-Jul-23</b>							
F Grobbelaar	R56.71	Jul-27	87 500	-	87 500	R306	-
F Grobbelaar	R56.71	Jul-28	87 500	-	87 500	R268	-
Award date	Strike price	Vesting date	Rights at 31 March 2023	Rights awarded during the year	Rights at 31 March 2024	IFRS 2 charge for the year R'000	Rights exercisable at 31 March 2024
<b>2024</b>							
<b>21-Jul-23</b>							
JJ Gertenbach	R0.00	Jul-27	-	367 491	367 491	R2 984	-
JJ Gertenbach	R0.00	Jul-28	-	367 491	367 491	R2 279	-
F Grobbelaar	R0.00	Jul-27	-	206 511	206 511	R1 677	-
F Grobbelaar	R0.00	Jul-28	-	206 511	206 511	R1 281	-
<b>21-Jul-23</b>							
F Grobbelaar	R56.71	Jul-27	-	87 500	87 500	R214	-
F Grobbelaar	R56.71	Jul-28	-	87 500	87 500	R187	-

During the current and prior year, no rights were exercised by the executive directors in terms of the share appreciation rights depicted in the tables above.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 33. DIRECTORS' EMOLUMENTS (continued)

### 33.3 Securities issued

The beneficial interests of the directors and their associates in the issued securities of the Group at the reporting date were as follows:

Ordinary shares	2025	2024
JJ Gertenbach	179 005	157 600
F Grobbelaar	31 895	18 490
PRN Hayward-Butt	10 000	10 000
	220 900	186 090

Subsequent to year-end, up to and including 9 June 2025, there were no changes in the directors' and their associates' beneficial interest in Premier Group Limited.

### 33.4 Share options

The "A" ordinary shares and "A1" ordinary shares have been issued to members of the Group's senior management team in order to retain and incentivise management, by allowing them to participate in the future growth of the Company.

Each "A" ordinary share and "A1" ordinary share shall automatically convert on the conversion date into such number of ordinary shares that equal the market value of the underlying shares less a notional vendor financing loan amount (the "conversion formula") per the share terms. The conversion date being the earlier of:

- 1 April 2027; or
- the date immediately preceding the date on which any person other than Brait Mauritius Limited or Titan Premier Investments Proprietary Limited (or their respective related persons) obtain the ability to exercise more than 35% of the voting rights in the Company; or
- the disposal of the Group's business and assets to a bona fide third party in circumstances requiring shareholder approval in terms of section 122 of the Companies Act.

The notional vendor financing loan ("NVF Loan") in respect of an "A" ordinary share shall be an amount equal to 85% of the ordinary share market value on the date on which the "A" ordinary shares were issued plus notional interest thereon which shall accrue daily at prime minus 1% from the date of issue until the conversion date and shall be calculated, capitalised and compounded monthly in arrears. The "A1" ordinary share terms refer to an "NVF A1 Loan", which is defined as an amount equal to the ordinary share market value on the date on which the "A1" ordinary shares were issued plus notional interest thereon which shall accrue daily at prime less 1% from the date of issue until the conversion date and shall be calculated, capitalised and compounded monthly in arrears.

The subscriptions in the "A" ordinary and "A1" ordinary shares have the same characteristics as a call option. Consequently, the methodology employed to determine the fair value of the subscriptions should reflect this. The fair value of the IFRS 2 share-based payment expense relating to these shares was determined in terms of the Black-Scholes option pricing model. No expense relating to the "A1" ordinary shares issued acquired during the current year was recognised in profit or loss as it was negligible. The important aspects of the arrangements are detailed below:

	Grant date	Number of shares	Subscription price R	NVF Loan R	Grant date fair value of the share option R
<b>JJ Gertenbach</b>					
"A" ordinary shares	30 Sept 2020	5 797	1 035	5 865	1 931
"A" ordinary shares	15 Nov 2023	110	1 407	7 476	3 614
"A1" ordinary shares	21 June 2022	5 730	0.01	72.60	15.68
<b>F Grobbelaar</b>					
"A" ordinary shares	26 Aug 2021	1 932	4 530	6 227	4 404
"A" ordinary shares	15 Nov 2023	107	1 407	7 476	3 614
"A1" ordinary shares	21 June 2022	2 000	0.01	72.60	15.68
"A1" ordinary shares	20 June 2024	2 250	0.01	88.28	5.19

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 33. DIRECTORS' EMOLUMENTS (continued)

### 33.4 Share options (continued)

The inputs into the Black-Scholes option pricing valuation model are as follows:

	Grant date 20 June 2024	Grant date 15 Nov 2023	Grant date 21 June 2022	Grant date 26 August 2021	Grant date 30 Sept 2020
Spot price	R71.35	R62.89	R72.60	R10 757	R6 900
Strike price	R116.90	R52.53	R118.40	R10 698	R10 644
Risk-free rate	7.99%	8.02%	8.12%	6.26%	6.10%
Volatility <sup>1</sup>	29.40%	29.40%	29.40%	29.40%	29.40%
Dividend yield	2.98%	4.76%	0.00%	0.00%	0.00%
Fair value of share option	R5.19	R3 614	R15.68	R4 404	R1 931

<sup>1</sup> The volatility of 29.4% was based on an analysis of peers in the sector to which the Group operates.

The table below shows the number of equivalent ordinary shares from the "A" and "A1" ordinary shares as at the period end:

2025	Opening balance	Movement <sup>1</sup>	Closing balance
JJ Gertenbach	447 570	608 768	1 056 338
F Grobbelaar	154 494	320 112	474 606
Employees	569 103	1 054 523	1 623 626
	1 171 167	1 983 403	3 154 570

2024	Opening balance	Movement <sup>1</sup>	Closing balance
JJ Gertenbach	465 638	(18 068)	447 570
F Grobbelaar	155 186	(692)	154 494
Employees	620 742	(51 639)	569 103
	1 241 566	(70 399)	1 171 167

<sup>1</sup> Movements are mainly due to changes in the inputs to the conversion formula with the increase in Premier's 7-day VWAP from R62.51 at 31 March 2024 to R126.54 at 31 March 2025 being the input that contributed most in the increase in the equivalent ordinary shares.

#### Accounting policy

Equity-settled share-based expense is measured at fair value of the options (excluding the effect of service or any non-market vesting conditions) at grant date, less the subscription price to the equity instruments. The share-based payment expense as determined at the grant date of the equity-settled share-based payment transaction is expensed in profit or loss with a corresponding increase in equity.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 33. DIRECTORS' EMOLUMENTS (continued)

### 33.5 Non-executive directors' emoluments

2025	Board		Audit and Risk		Remuneration and Nomination		Social and Ethics		Ex Gratia R'000	Sub-total R'000	VAT R'000	Total R'000
	Retainer R'000	Meeting R'000	Retainer R'000	Meeting R'000	Retainer R'000	Meeting R'000	Retainer R'000	Meeting R'000				
I van Heerden <sup>1</sup>	396	594	-	-	53	39	-	-	-	1 082	162	1 244
DD Ferreira <sup>2</sup>	185	276	38	32	53	39	-	-	-	623	-	623
PRN Hayward-Butt <sup>3</sup>	-	-	-	-	-	-	-	-	-	-	-	-
FN Khanyile	290	438	66	80	-	-	42	63	-	979	147	1 126
JER Matthews <sup>4</sup>	185	276	28	48	106	78	42	63	-	826	-	826
H Ramsumer	185	276	132	165	-	-	-	-	-	758	114	872
W Sihlobo	185	276	-	-	-	-	74	111	-	646	-	646
	1 426	2 136	264	325	212	156	158	237	-	4 914	423	5 337

<sup>1</sup> I van Heerden's director fees are payable to Oryx Partners (Pty) Ltd.

<sup>2</sup> DD Ferreira's Audit and Risk Committee retainer was pro-rated with effect from his appointment to the committee on 4 September 2024.

<sup>3</sup> Alternate Director is not compensated by the Company or any other company within the Group.

<sup>4</sup> JER Matthews Audit and Risk Committee retainer was pro-rated to take into account his resignation from the committee with effect from 4 September 2024. His fees are payable to Brait Mauritius Limited.

2024	Board		Audit and Risk		Remuneration and Nomination		Social and Ethics		Ex Gratia <sup>1</sup> R'000	Sub-total R'000	VAT R'000	Total R'000
	Retainer R'000	Meeting R'000	Retainer R'000	Meeting R'000	Retainer R'000	Meeting R'000	Retainer R'000	Meeting R'000				
I van Heerden <sup>2</sup>	289	413	-	-	46	50	-	-	-	798	120	918
DD Ferreira <sup>3</sup>	53	88	-	-	8	-	-	-	-	149	-	149
RM Hartmann <sup>4</sup>	-	-	-	-	-	-	-	-	-	-	-	-
PRN Hayward-Butt <sup>5</sup>	-	-	-	-	-	-	-	-	-	-	-	-
FN Khanyile <sup>6</sup>	175	263	63	78	-	-	23	20	53	675	101	776
JER Matthews <sup>7</sup>	175	263	63	78	61	25	40	80	-	785	-	785
H Ramsumer <sup>8</sup>	175	263	125	156	-	-	-	-	155	874	85	959
CJ Roodt <sup>9</sup>	258	400	-	-	45	50	-	-	225	978	147	1 125
W Sihlobo	175	263	-	-	-	-	70	105	75	688	-	688
	1 300	1 953	251	312	160	125	133	205	508	4 947	453	5 400

<sup>1</sup> Ex-gratia payments made to the Independent Non-Executive Directors for additional meetings attended in preparation for the Company's listing in March 2023.

<sup>2</sup> I van Heerden's Board retainer was pro-rated to account for the period during which he was a Board member (1 April 2023 – 5 September 2023) and the period during which he was the Board Chair (6 September onwards). Mr van Heerden's Remuneration and Nomination Committee retainer was pro-rated with effect from his appointment to the committee on 1 May 2023. His director fees are payable to Oryx Partners (Pty) Ltd.

<sup>3</sup> DD Ferreira's Board retainer was pro-rated with effect from his appointment to the Board on 12 December 2023. His Remuneration and Nomination Committee retainer was pro-rated with effect from his appointment to the committee on 1 February 2024.

<sup>4</sup> RM Hartmann resigned as a Non-executive director of the Board, effective from 5 September 2023. Not compensated by the Company or any other company within the Group.

<sup>5</sup> Alternate Director is not compensated by the Company or any other company within the Group.

<sup>6</sup> FN Khanyile's Social and Ethics Committee retainer was pro-rated with effect from her appointment to the committee on 6 September 2023.

<sup>7</sup> JER Matthews Remuneration and Nomination Committee retainer was pro-rated to take into account his resignation from the committee with effect from 30 April 2023, with the retainer further pro-rated to account for his re-appointment as Chair to the committee with effect from 6 September 2023. His fees are payable to Brait Mauritius Limited.

<sup>8</sup> H Ramsumer registered for and started charging VAT on his Non-Executive Director fees with effect from July 2023.

<sup>9</sup> CJ Roodt's Board retainer was pro-rated to account for the period during which he was the Board Chair (1 March 2023 – 5 September 2023) and the period during which he was a Board member (6 September 2023 onwards). It was further pro-rated to take into consideration his resignation from the Board with effect from 31 January 2024. Mr Roodt's Remuneration and Nomination Committee retainer was similarly pro-rated in light of his resignation from the Board.

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 34. FAIR VALUE INFORMATION

The carrying amounts of all financial assets and liabilities approximate their fair values.

## 35. EVENTS AFTER THE REPORTING PERIOD

### Cash dividend declaration

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

### Tariffs

Based on current analysis and available information, management does not anticipate that the tariffs imposed by the United States government during April 2025 will have a significant effect on the Group's operations and financial results.

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.

## 36. GOING CONCERN

The Group reported a net profit for the year ended 31 March 2025 of R1 207 million (2024: R921 million). As at 31 March 2025, the Group's total assets exceeded its total liabilities by R5.1 billion.

The consolidated annual financial statements are prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. This is supported by total current assets exceeding total current liabilities by R1.2 billion at 31 March 2025. Furthermore, based on various assessments performed by management, the directors are satisfied that the total assets, fairly valued, exceed the value of total liabilities at 31 March 2025.

The directors believe that the Group has adequate financial resources to continue in operation for the foreseeable future. Based on cash flow forecasts the Group will be able to realise its assets and settle its liabilities as they fall due in the ordinary course of business.

The directors are not aware of any new material changes that may adversely impact the Group. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Group.

## 37. NEW STANDARDS AND INTERPRETATIONS

The Group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for future years:

Standard/Interpretation	Effective date: Years beginning on or after	Expected impact
Amendments to IAS 21, 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability (Amendments to IAS 21)	1 January 2025	The Group continues to assess based on facts and circumstances that exist in each of the jurisdictions in which the Group operates
Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures)	1 January 2026	Unlikely there will be a material impact
Presentation and Disclosure in Financial Statements (IFRS 18)	1 January 2027	Likely it will be material, the impact of which is currently being assessed

# NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025 (continued)

## 38. INTEREST IN SUBSIDIARY AND ASSOCIATE COMPANIES

All group entities have the same financial year-end as the Company, with the exception of Goldkeys International (Pty) Ltd, ZEN Commodities Trading DWC – LLC and Biz Afrika 710 Proprietary Limited that has a 28 February financial year-end.

The following information relates to the Company's interest in its significant subsidiaries and associates:

			Effective percentage interest	
Name of company	Place of incorporation	Nature of business	2025	2024
			%	%
Directly held				
Premier Eswatini Proprietary Limited	Eswatini	Food processing	100	100
Prem-Cap Investments Proprietary Limited	Mauritius	Investment holding company	100	100
Main Street 1880 Proprietary Limited	South Africa	Investment holding company	49	49
Main Street 1881 Proprietary Limited	South Africa	Investment holding company	90	90
Lesotho Bakery Proprietary Limited	Lesotho	Baking	100	100
Lil-lets UK Limited	England and Wales	Sales and distribution	100	100
Lil-lets Group Limited	England and Wales	Dormant	100	100
Premier Manco Proprietary Limited	South Africa	Management services	100	100
ZEN Commodities Trading DWC - LLC	United Arab Emirates	Commodity trading	13.3	-
Indirectly held				
Premier FMCG Proprietary Limited	South Africa	Food processing	100	100
G & C Shelf 115 Proprietary Limited	South Africa	Dormant	100	100
Main Street 1880 Proprietary Limited	South Africa	Investment holding company	51	51
Main Street 1881 Proprietary Limited	South Africa	Investment holding company	10	10
Premier BEE Trust <sup>1</sup>	South Africa	B-BBEE trust	100	100
Companhia Industrial da Matola S.A	Mozambique	Food processing and animal feeds	99.03	99.03
Goldkeys International Proprietary Limited	South Africa	Rice distributor	30	-
Premier BEE Trust <sup>1</sup>	South Africa	B-BBEE trust	100	100
SOS Science of Skin Limited	England and Wales	Skincare products	37.40	35.06
Lil-lets Loan Company Limited	England and Wales	Dormant	100	100
Lil-lets Holding Limited	England and Wales	Dormant	100	100
CIM Feeds Trading SA Proprietary Limited <sup>2</sup>	South Africa	Deregistered	100	100
Biz Afrika 710 Proprietary Limited	South Africa	Dormant	100	100

<sup>1</sup> Premier FMCG can appoint the trustees of the Premier BEE Trust and therefore the Company has an effective interest of 100% (2024: 100%) in the trust.

<sup>2</sup> CIM Feeds Trading SA Proprietary Limited are in the process of being deregistered.

# FINANCIAL DEFINITIONS

FOR THE YEAR ENDED 31 MARCH 2025

The following financial terms are used in the Annual Financial Statements with the meanings specified:

CEO	Chief Executive Officer
CFO	Chief Financial Officer
CNY	Chinese yuan renminbi
CODM	Chief Operating Decision Maker
EBITDA	Earnings before finance income, finance costs, foreign exchange (losses)/gains on cash, share of net profit in equity-accounted investments, tax, depreciation and amortisation
EUR	Euro
ETR	Effective tax rate calculated in terms of the OECD Pillar Two model rules
FEC	Foreign exchange contract
GBP	British Pound Sterling
GloBE	Global Anti-Base Erosion Rules
Goldkeys	Goldkeys International (Pty) Ltd
Interest cover ratio	Interest cover ratio being EBITDA divided by finance costs calculated in terms of the borrowings in the underlying legal entity.
JIBAR	Johannesburg Interbank Average Rate
Leverage ratio	Leverage ratio being Net debt divided by EBITDA calculated in terms of the borrowings in the underlying legal entity.
Loan to value	Loan to value being borrowings divided by the fair value of properties in terms of the borrowings in the underlying legal entity.
MNEs	Multinational Enterprises
MZN	Mozambican metical
Net debt	Borrowings (excluding trade financing facility), lease liabilities and bank overdrafts less cash and cash equivalents.
OECD	Organisation of Economic Co-operations and Development
SARs Plan	Share Appreciation Rights Plan 2024
RCF	Revolving Credit Facility
SARs	Share Appreciation Rights
SARS	South African Revenue Services
Science of Skin	SOS Science of Skin Limited
SZL	Emalangen
USD	United States Dollar
ZAR	South African Rand
ZEN Commodities	ZEN Commodities Trading DWC - LLC

## DECLARATION OF FINAL DIVIDEND

### FOR THE YEAR ENDED 31 MARCH 2025

The Company is pleased to announce that, in line with its policy of paying out 30% of diluted headline earnings per share, a final gross dividend of 271 cents per share has been declared 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 2025.

Cash flows for the financial year 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.

In accordance with paragraphs 11.17(a)(i) to (x) and 11.17(c) of the JSE Listings Requirements, the following additional information is disclosed:

- The final dividend has been declared out of the Company’s reserves
- A dividend withholding tax rate of 20% (or 54.20000 cents per share) will be applicable unless the shareholder concerned is exempt from paying a dividend withholding tax or is entitled to a reduced rate in terms of an applicable double-tax agreement
- The final gross dividend being 271.00000 cents per share will be paid to shareholders who are exempt from dividend withholding tax.
- The final net dividend of 216.80000 cents per share will be paid to shareholders 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 income tax reference number is 9102629160.

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

Last day to trade in order to participate in the dividend	Tuesday, 8 July 2025
First day to trade ex-dividend	Wednesday, 9 July 2025
Record date	Friday, 11 July 2025
Payment date	Monday, 14 July 2025

Share certificates may not be dematerialised or between Wednesday, 9 July 2025 and Friday, 11 July 2025, 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.

By order of the Board

**B Baker**  
*Company Secretary*

9 June 2025

## SHAREHOLDER INFORMATION

### Ordinary shareholders

Shareholder spread	Number of shareholder accounts	% of total shareholder accounts	Number of shares	% of issued shares
1 – 1 000	1 300	72.7	219 080	0.2
1 001 – 10 000	253	14.2	909 936	0.7
10 001 – 100 000	164	9.2	5 432 953	4.2
100 001 – 1 000 000	58	3.2	18 306 341	14.2
Over 1 000 000	12	0.7	104 037 490	80.7
	1 787	100.0	128 905 800	100.0

Public/Non-public shareholders	Number of shareholder accounts	% of total shareholder accounts	Number of shares	% of issued shares
Non-public shareholders	11	0.6	82 541 226	64.0
Titan Premier Investments (Pty) Ltd <sup>1</sup> (>5% shareholder)	4	0.2	58 686 314	45.5
Brait Mauritius Ltd <sup>1</sup> (>5% shareholder)	2	0.1	23 600 012	18.3
Directors	5	0.3	254 900	0.2
Public shareholders	1 776	99.4	46 364 574	36.0
	1 787	100.0	128 905 800	100.0

Beneficial shareholders holding 5% or more	Number of shares	% of issued shares
Titan Premier Investments (Pty) Ltd <sup>1</sup>	58 686 314	45.5
Brait Mauritius Ltd <sup>1</sup>	23 600 012	18.3
Allan Gray	10 764 969	8.4
Government Employees Pension Fund	8 246 793	6.4
	101 298 088	78.6

<sup>1</sup> The beneficial interests disclosed reflect the arrangements between Titan Premier Investments Proprietary Limited ("Titan") and Brait Mauritius Limited ("Brait") pursuant to a Cession of Voting Rights Agreement concluded between the parties. In terms of the Agreement, Brait has ceded the voting rights attaching to a portion of its shareholding in Premier Group Limited to Titan. The beneficial interests disclosed have been determined with reference to these voting arrangements, in compliance with paragraph 8.61(e) of the JSE Listings Requirements. On an economic basis, Titan and Brait hold 31.5% and 32.3% of the Company's issued shares, respectively.

## SHAREHOLDER INFORMATION (continued)

### “A” ordinary shareholders

Shareholder spread	Number of shareholder accounts	% of total shareholder accounts	Number of shares	% of issued shares
1 – 1 000	3	33.3	321	2.1
1 001 – 10 000	6	66.7	15 136	97.9
	9	100.0	15 457	100.0

Non-public shareholders	Number of shareholder accounts	% of total shareholder accounts	Number of shares	% of issued shares
Non-public shareholders	9	100.0	15 457	100.0
Directors	4	44.4	8 160	52.8
Management	5	55.6	7 297	47.2
	9	100.0	15 457	100.0

Beneficial shareholders holding 5% or more	Number of shares	% of issued shares
JJ Gertenbach	5 907	38.2
F Grobbelaar	2 039	13.2
GJ Campbell	2 039	13.2
JD Simpson	2 039	13.2
SM O'Sullivan	1 556	10.1
AS van der Schyf	1 556	10.1
	15 136	97.9

## SHAREHOLDER INFORMATION (continued)

### “A1” ordinary shareholders

Shareholder spread	Number of shareholder accounts	% of total shareholder accounts	Number of shares	% of issued shares
1 001 - 10 000	8	100.0	23 060	100.0
	8	100.0	23 060	100.0

Public/Non-public shareholders	Number of shareholder accounts	% of total shareholder accounts	Number of shares	% of issued shares
Non-public shareholders	8	100.0	23 060	100.0
Directors	4	50.0	13 600	59.0
Management	4	50.0	9 460	41.0
	8	100.0	23 060	100.0

Beneficial shareholders holding 5% or more	Number of shares	% of issued shares
JJ Gertenbach	5 730	24.8
F Grobbelaar	4 250	18.4
GJ Campbell	2 610	11.3
JD Simpson	2 610	11.3
SM O'Sullivan	2 120	9.2
AS van der Schyf	2 120	9.2
A Sodalay	1 820	7.9
JN Singonzo	1 800	7.8
	23 060	100.0

## GENERAL INFORMATION

Company Name	Premier Group Limited
Company registration number	2007/016008/06
Country of incorporation and domicile	Republic of South Africa
JSE share code	PMR
ISIN	ZAE000320321
Registered office and business address	Building 5 Maxwell Office Park Magwa Crescent West Waterfall, 2090 Private Bag X2127, Isando, 1600 Telephone +27 11 565 4300
Directors	I van Heerden (Non-executive Chairperson) FN Khanyile (Lead Independent Director) JJ Gertenbach (Chief Executive Officer) F Grobbelaar (Chief Financial Officer) DD Ferreira (Independent Non-executive Director) JER Matthews <sup>1</sup> (Non-executive Director) H Ramsumer (Independent Non-executive Director) W Sihlobo (Independent Non-executive Director) <i><sup>1</sup> PRN Hayward-Butt is an alternate director to JER Matthews</i>
Bankers	FirstRand Bank Limited
Company secretary	Bronwyn Baker Email: <a href="mailto:companysecretary@premierfmcg.com">companysecretary@premierfmcg.com</a>
Transfer secretaries	Computershare Investor Services Proprietary Limited Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 Private Bag X9000, Saxonwold, 2132 Telephone +27 11 370 5000
Sponsor	Rand Merchant Bank (a division of FirstRand Bank Limited) 1 Merchant Place, Cnr Fredman Drive and Rivonia Road, Sandton, 2196 PO Box 786273, Sandton, 2146 Telephone +27 11 282 8000
Independent auditor	PricewaterhouseCoopers Inc. 4 Lisbon Lane, Waterfall City, Jukskei View, 2090 Private Bag X36, Sunninghill, 2157 Telephone +27 11 797 4000
Website	<a href="http://www.premierfmcg.com">www.premierfmcg.com</a>
Investor relations	Should you wish to be placed on the mailing list to receive email updates, please send an email to <a href="mailto:investor@premierfmcg.com">investor@premierfmcg.com</a>
Tax reference number	9102629160
Date of release	10 June 2025