

**for the year ended 29 June 2025****for the year ended 29 June 2025**

# RAINBOW®

- ~ Rainbow Chicken Limited (“Rainbow”) has made every effort to ensure the accuracy and completeness of the information in this presentation. However, the recipients should be aware that any information contained in this presentation has not been audited or reviewed by Rainbow’s external auditors.
- ~ This presentation does not constitute an invitation to invest in Rainbow shares. Any decision made based on this presentation is the sole responsibility of the recipient of the information contained herein.
- ~ This presentation may include certain forward-looking statements regarding Rainbow and its business operations. Any forward looking or forecast statements are not factual claims but are based on current assessments, estimates, expectations, and assumptions about Rainbow 's future financial position. Any forecast financial information or statement in this presentation has not been reviewed by Rainbow’s external auditors and should not be interpreted as a profit forecast. These forward-looking statements carry inherent risks and uncertainties, and the accuracy thereof should not be relied upon.
- ~ Rainbow Chicken Limited does not intend to nor assumes any obligation or responsibility to update or revise any forward-looking statement contained in this presentation, even if new information becomes available due to future events, except as required by legislation and/or regulation. Rainbow does not accept any responsibility for any harm or loss of any nature resulting from reliance on the information in this presentation, including, but not limited to, loss of earnings, profits, or any consequential loss or damage.

## 01 SALIENT FEATURES & STRATEGIC REVIEW

• Marthinus Stander – CEO

## 02 FINANCIAL REVIEW

• Kerry Van der Merwe – CFO

## 03 OPERATIONAL REVIEW

• Wouter De Wet – COO

## 04 PROSPECTS

• Marthinus Stander – CEO

# 01

## **SALIENT FEATURES & STRATEGIC REVIEW**

**MARTHINUS STANDER | CEO**



# REFLECTIONS BY THE CEO



Since Rainbow's listing on the JSE on 26 June 2024, the entity has been marked by strong progress.

Rainbow's ambition is clear: to be **South Africa's market leading, best-in-class and low-cost chicken producer**, delivering sustainable value to all stakeholders.

Commodity **prices remain volatile**, placing continued pressure on our **consumers**.  
**Localising supply** is essential to navigate economic uncertainty and support affordability.

**Operational Excellence:** Focusing on "**Brilliant Basics**" - core operations, feed quality, farming practices, and streamlining processes.

**Balanced Portfolio:** Driving the best resolution of volume through a balanced product and customer mix.

**Sustainable volume growth**, with **innovation** remaining key.

Focus on **agricultural performance**.

Continued **focus** on **cost control** and **driving efficiencies**.

**Investments prioritised on ROI** and **strategic value** creation.

Driving **inclusive growth** empowering small-scale farmers.

**Committed to sustainability** and "Make more, Use less".

**People-centric approach:** empowering, but holding them accountable.



# KEY HIGHLIGHTS



## STRATEGY IS DELIVERING AS INTENDED, WITH CLEAR PROGRESS ACROSS OUR CORE OPERATIONS

- The Groups turnaround strategy has yielded positive results.
- We have strengthened our foundation by focusing on agricultural excellence, feed quality, cost efficiency, and the successful breed transition.
- Strong cash position enabling a dividend declaration of 20c per share

### REVENUE

**R15,8 billion**

↑ 9.0%

### EBITDA<sup>1</sup>

**R1,059 billion**

↑ 66.2%

### EARNINGS

**R571.2 million**

↑ 216.9%

### EPS

**64.04 cents**

↑ 216.3%

### CASH

GENERATED FROM OPERATING ACTIVITIES

**R1,9 billion**

↑ 63.6%

### ROIC

**16.3%**

June 2024: 6.5%

### HEADLINE EARNINGS

**R584,8**

↑ 224.3%

### HEPS

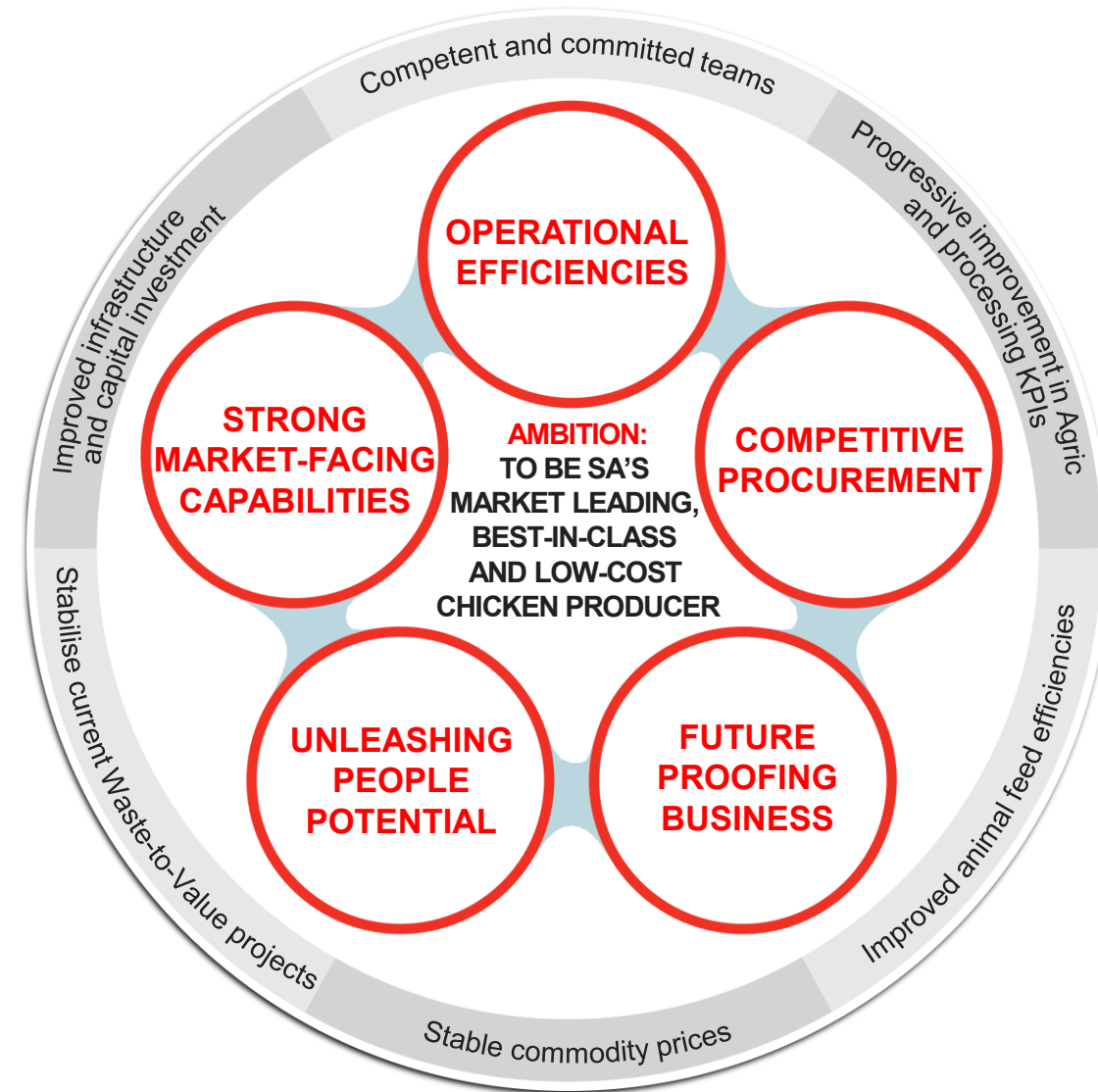
**65.57 cents**

↑ 223.6%

<sup>1</sup> Operating profit before interest, taxes, depreciation, amortisation and impairment (EBITDA)

A thorough assessment of the operating environment has shaped the development of the five strategic pillars.

Our business and strategy are anchored in a clearly defined target-based approach. The successful execution of this strategy depends on the careful and efficient allocation of available resources.



**Uncertainty in trade policy and tariff enforcement** mainly due to the volatile USA tariff situation. South African poultry is a national asset and should be protected as it is crucial to sustainable food security.

**Volatile exchange rate (R:USD)** adds inflationary pressure on imported inputs such as feed ingredients, vaccines, and equipment. This volatility creates a lag between rising costs and the ability to recover them through pricing.

**Avian Influenza vaccinations:** the rollout of vaccinations include onerous monitoring protocols, surveillance and execution costs, the handling of depleted breeders, and the impact to exports. More work is needed in this space.

**Poultry Master Plan 2.0** is centred on driving exports. The South African poultry industry requires further engagement between DTIC, DOA, and Trade Desk to cohesively drive this agenda and support access to export markets.

**Deteriorating infrastructure and utilities** causing operational challenges through electricity and water disruptions and a dysfunctional rail freight system. This is a major impediment to the reform of the country's distribution chain and must be driven at the highest levels of Government.

**VAT- Free Chicken:** Industry will always be in support of making chicken more accessible to our most vulnerable consumers. Nothing more to report at this stage.

There have been no further developments in the **Competition Commission's** ongoing inquiry into anti-competitive behaviour in the broiler and laying industries due to their concentrated structure.



# 02

## FINANCIAL REVIEW

KERRY VAN DER MERWE | CFO



# SUMMARY CONSOLIDATED INCOME STATEMENT

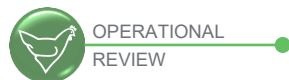


FOR THE YEAR ENDED 29 JUNE 2025

	June 2025 R'000	June 2024 R'000	Movement	%	
Revenue	15 838 044	14 527 425	1 310 619	9.0	↑ Revenue R1,3 billion, up 9.0%
EBITDA <sup>1</sup>	1 058 677	637 174	421 503	66.2	↑ EBITDA R421,5 million, up 66.2%
EBITDA Margin	6.7%	4.4%		2.3 pts	↑ EBITDA Margin increased from 4.4% to 6.7%
Operating Profit (EBIT) <sup>2</sup>	696 686	335 676	361 010	107.6	
Net Finance Income/(Costs)	54 875	(124 830)	179 705	144.0	↓ Net Finance costs R179,7 million lower
Headline Earnings	584 830	180 333	404 497	224.3	
Headline earnings per share (cents)	65.57	20.26	45.31	223.6	↑ HEPS 65.57 cents, up 223.6%
Earnings	571 163	180 241	390 922	216.9	
Earnings per share (cents)	64.04	20.25	43.79	216.2	↑ EPS 64.04 cents, up 216.2%

<sup>1</sup> Operating profit before interest, taxes, depreciation, amortisation and impairment (EBITDA)

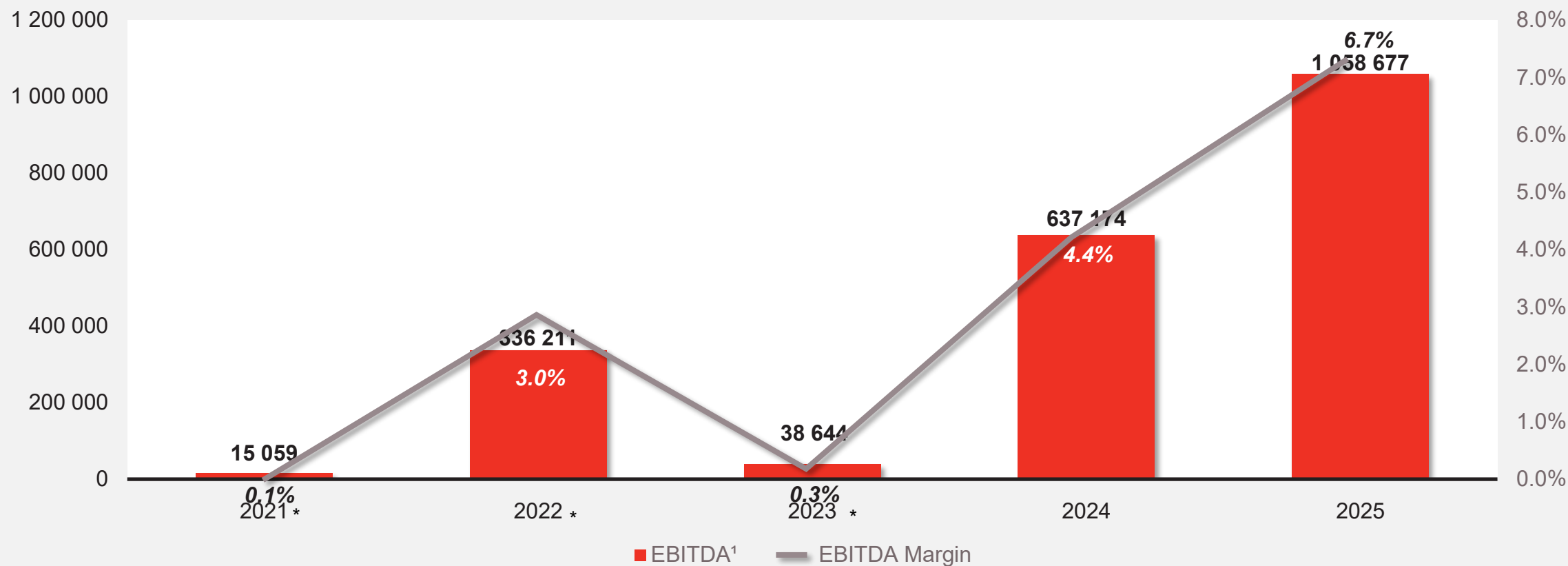
<sup>2</sup> Operating profit before interest and taxes (EBIT)



# RAINBOW HISTORICAL PERFORMANCE

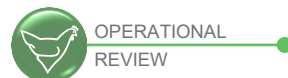


## EBITDA<sup>1</sup> AND EBITDA MARGIN %



<sup>1</sup> Operating profit before interest, taxes, depreciation, amortisation and impairment (EBITDA)

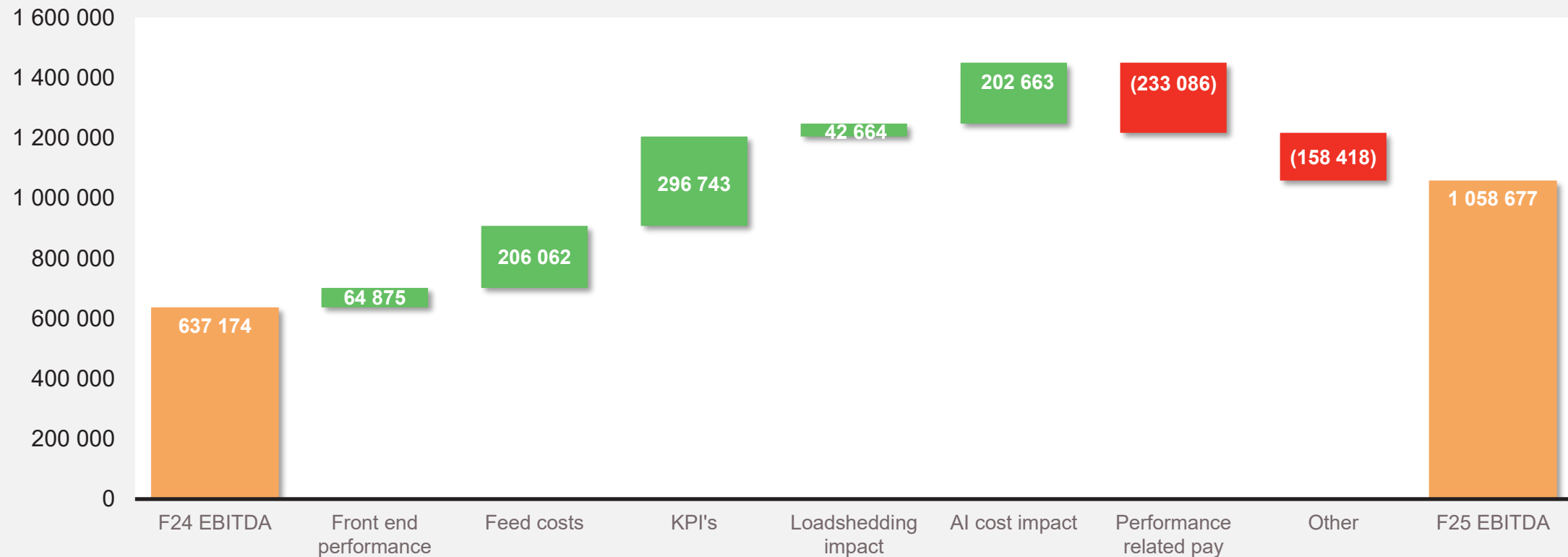
\* As per the Rainbow Pre-listing Statement



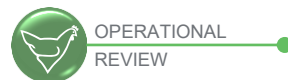
# RESULTS SUMMARY: EBITDA (R'000)



## EBITDA<sup>1</sup> MOVEMENT JUNE 2024 TO JUNE 2025



<sup>1</sup> Operating profit before interest, taxes, depreciation, amortisation and impairment (EBITDA)



# SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION (INCL. WORKING CAPITAL ANALYSIS)

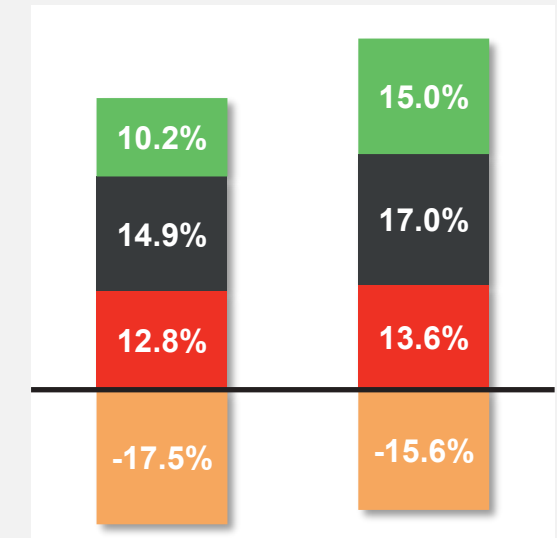


FOR THE YEAR ENDED 29 JUNE 2025

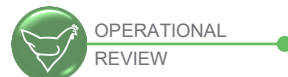
	June 2025 R'000	June 2024 R'000	Movement %
<b>Non-Current Assets</b>	<b>2 335 841</b>	<b>2 187 034</b>	<b>6.8%</b>
<b>Non-Current Liabilities</b>	<b>(839 093)</b>	<b>(572 991)</b>	<b>46.4%</b>
Current Assets	6 202 065	4 962 352	25.0%
Current Liabilities	(3 062 302)	(2 548 360)	20.2%
<b>Net Current Assets</b>	<b>3 139 763</b>	<b>2 413 992</b>	<b>30.1%</b>
<b>Total Equity</b>	<b>4 636 511</b>	<b>4 028 035</b>	<b>15.1%</b>
<b>Cash</b>	<b>1 806 490</b>	<b>12 594</b>	<b>NM*</b>
<b>Working Capital</b>			
Inventories	1 047 322	1 042 604	0.5
Biological assets	978 463	929 712	5.2
Trade and other receivables	2 366 335	2 466 888	(4.1)
Trade and other payables	(2 767 936)	(2 265 090)	22.2
<b>Net working capital</b>	<b>1 624 184</b>	<b>2 174 114</b>	<b>(25.3)</b>

\* Not Meaningful

Net working capital as a % of revenue



- Net
- Trade and other payables
- Trade and other receivables
- Inventories & Biological Assets

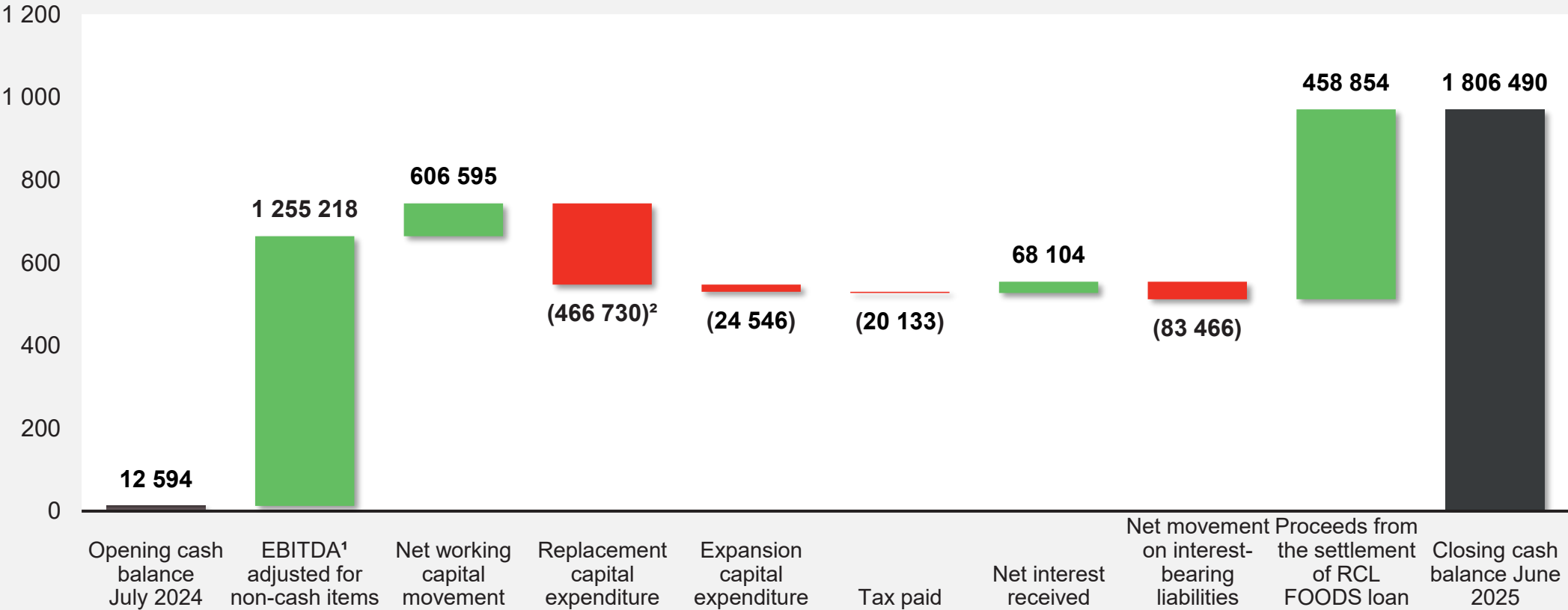




# SUMMARY CONSOLIDATED CASH FLOW STATEMENT (R'000)



FOR THE YEAR ENDED 29 JUNE 2025



<sup>1</sup> Operating profit before interest, taxes, depreciation, amortisation and impairment (EBITDA)

<sup>2</sup> Included within Replacement capital expenditure are proceeds on the disposal of property, plant and equipment and intangible assets

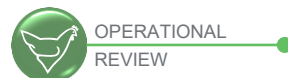
# CAPITAL INVESTMENT



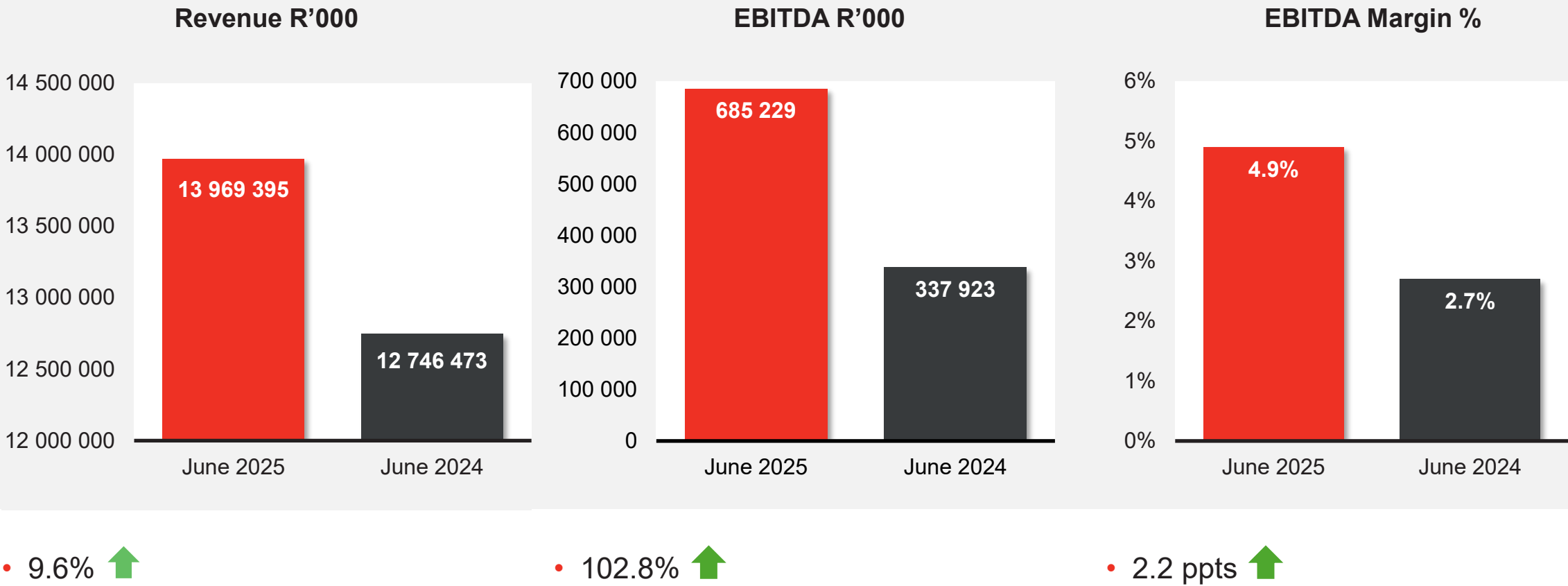
FOR THE YEAR ENDED 29 JUNE 2025

	June 2025 R'000	June 2024 R'000	Movement %
<b>Depreciation, amortisation and impairment</b>	<b>361 991</b>	301 498	20.1
Property, plant, equipment, intangible assets and investment property	<b>300 655</b>	244 184	23.1
Right-of-use assets	<b>61 336</b>	57 314	7.0
<b>Capital Investment</b>	<b>491 276</b>	370 084	32.7
Replacement <sup>1</sup>	<b>466 730</b>	342 007	36.5
Expansion	<b>24 546</b>	28 077	(12.6)
<b>Capital Commitments</b>	<b>193 268</b>	74 517	159.4

<sup>1</sup> Included within replacement capital expenditure are proceeds on the disposal of property, plant and equipment and intangible assets

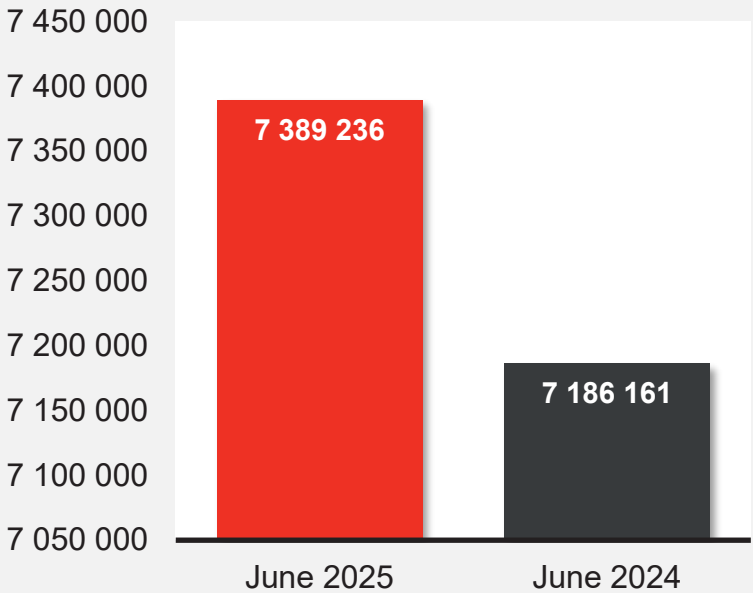



## CHICKEN DIVISION



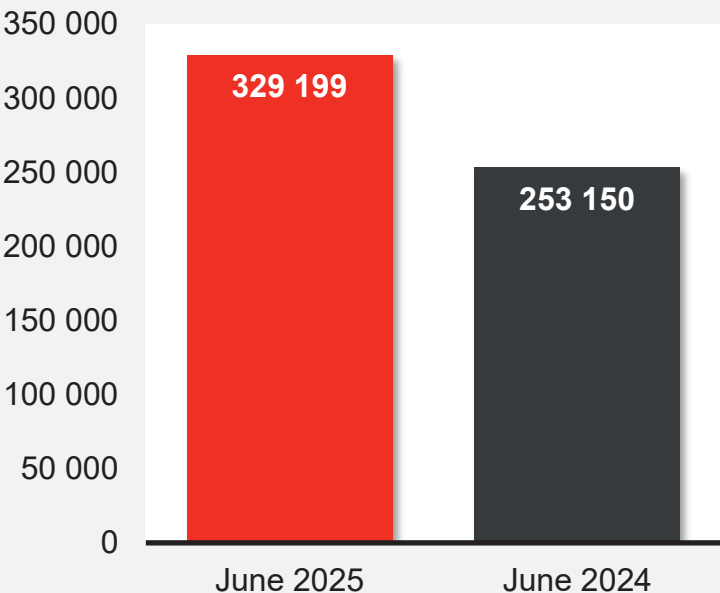
## ANIMAL FEED DIVISION


Revenue R'000



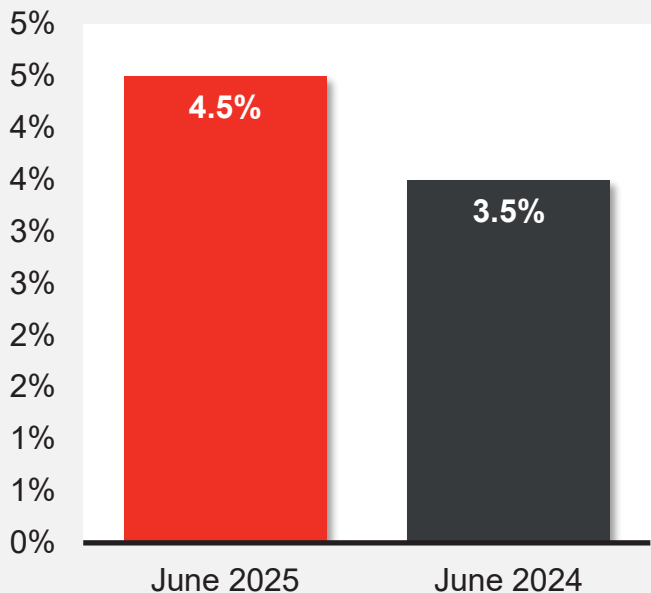
• 2.8% 

EBITDA R'000



• 30.0% 

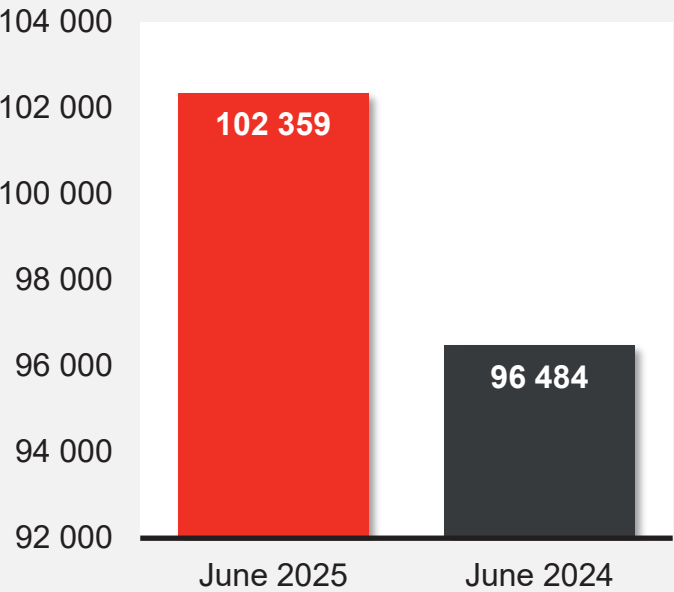
EBITDA Margin %



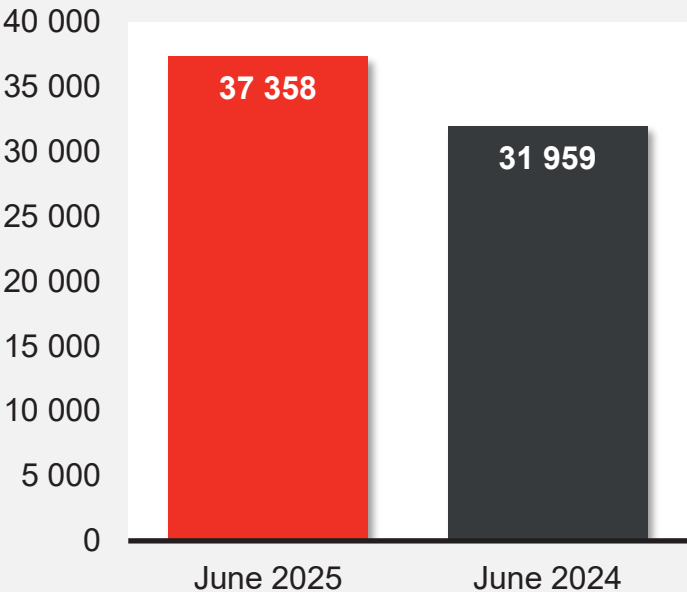
• 1.0 ppts 

WASTE-TO-VALUE DIVISION

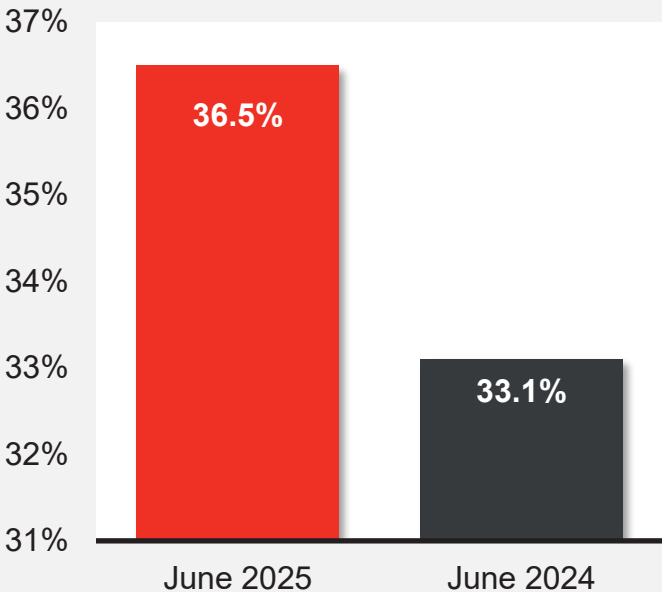
Revenue R'000



EBITDA R'000



EBITDA Margin %



• 6.1% ↑

• 16.9% ↑

• 3.4 pts ↑



# SUMMARY OF FINANCIAL PERFORMANCE



FOR YEAR ENDED 29 JUNE 2025

**Positive momentum** continues, delivering a **robust annual** result in the **first year** as a separately listed entity.

**Focussed working capital management** and relentless financial discipline helping to drive cash conversion

Significant improvement in Return on Invested Capital.

**Gross Cash Dividend** declared of 20c per ordinary share.

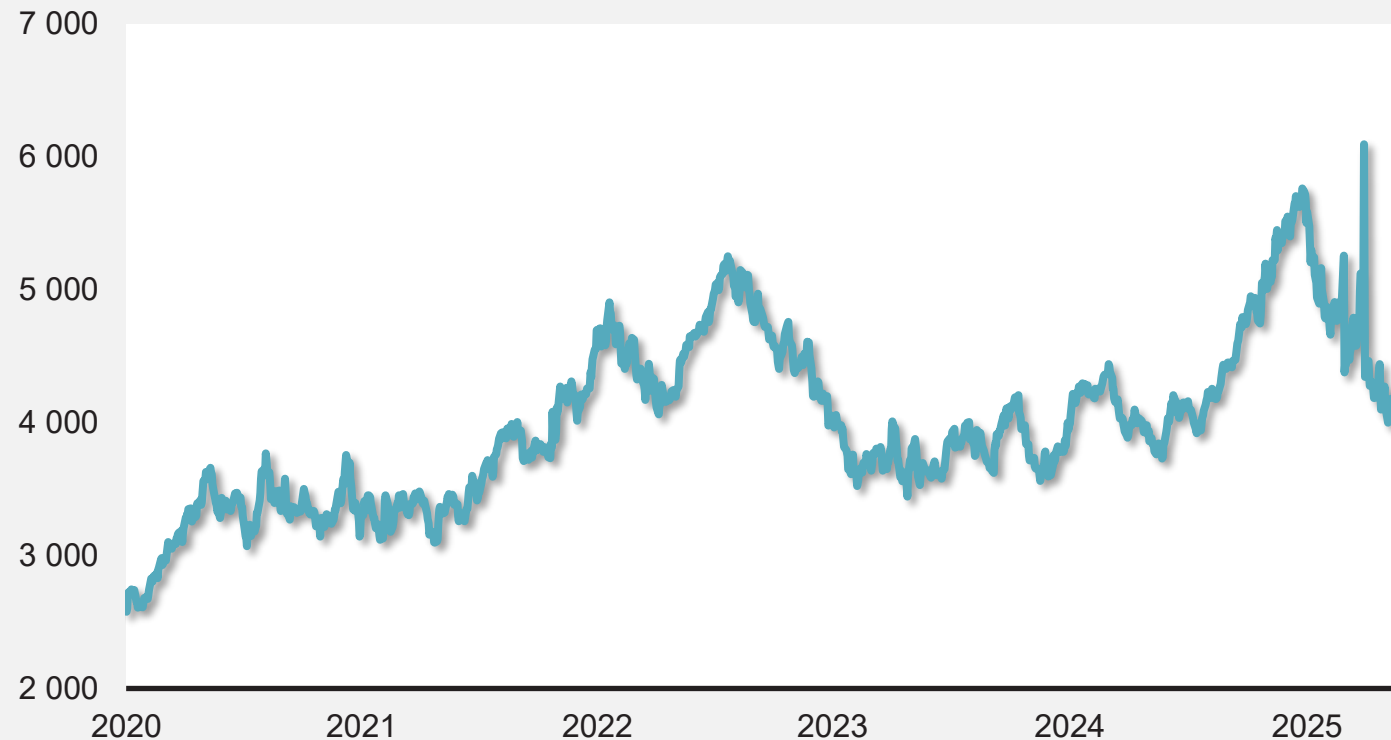
# 03

## OPERATIONAL REVIEW

WOUTER DE WET | COO

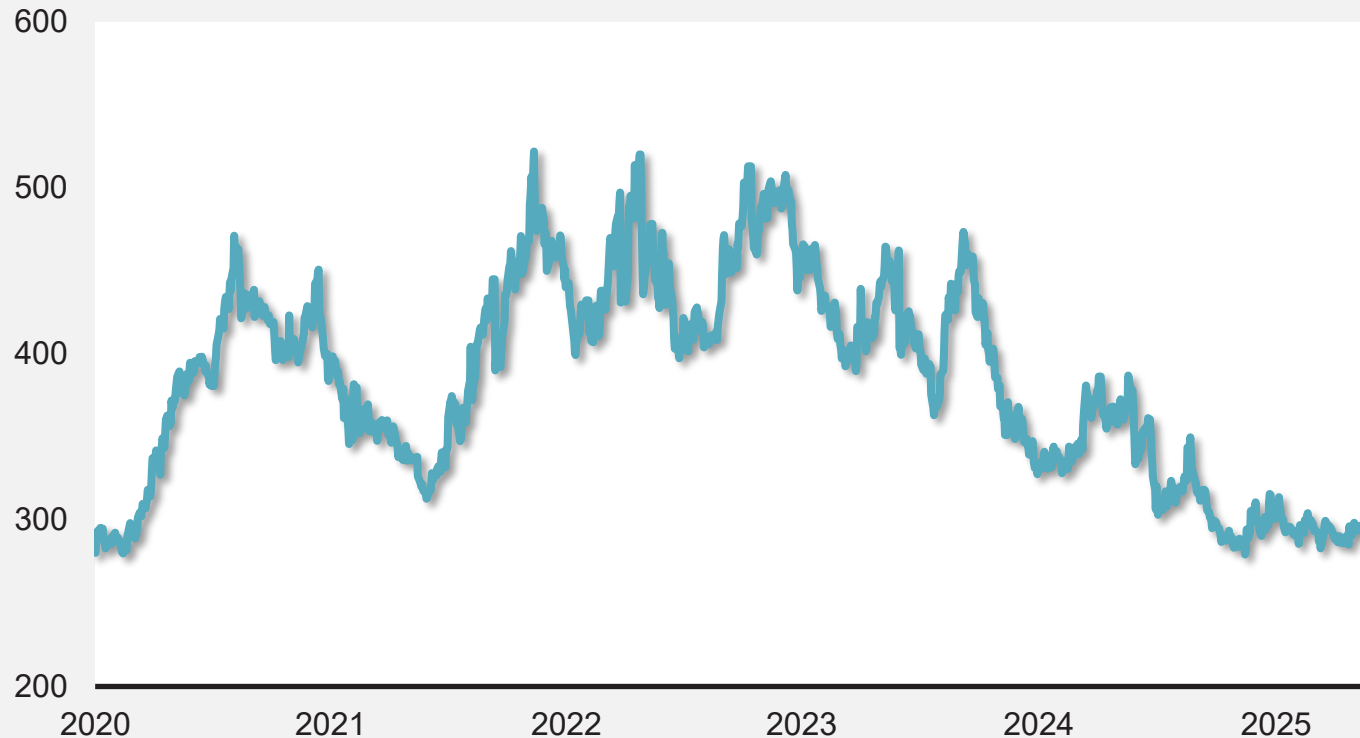


SAFEX yellow maize price (R/ton)



- Maize – a key input of feed cost.
- Trading at levels below the record highs, with price softening toward year end because of improved prospects for the 2024/25 crop.
- Local and international weather outlook remains a key driver of price volatility of maize.

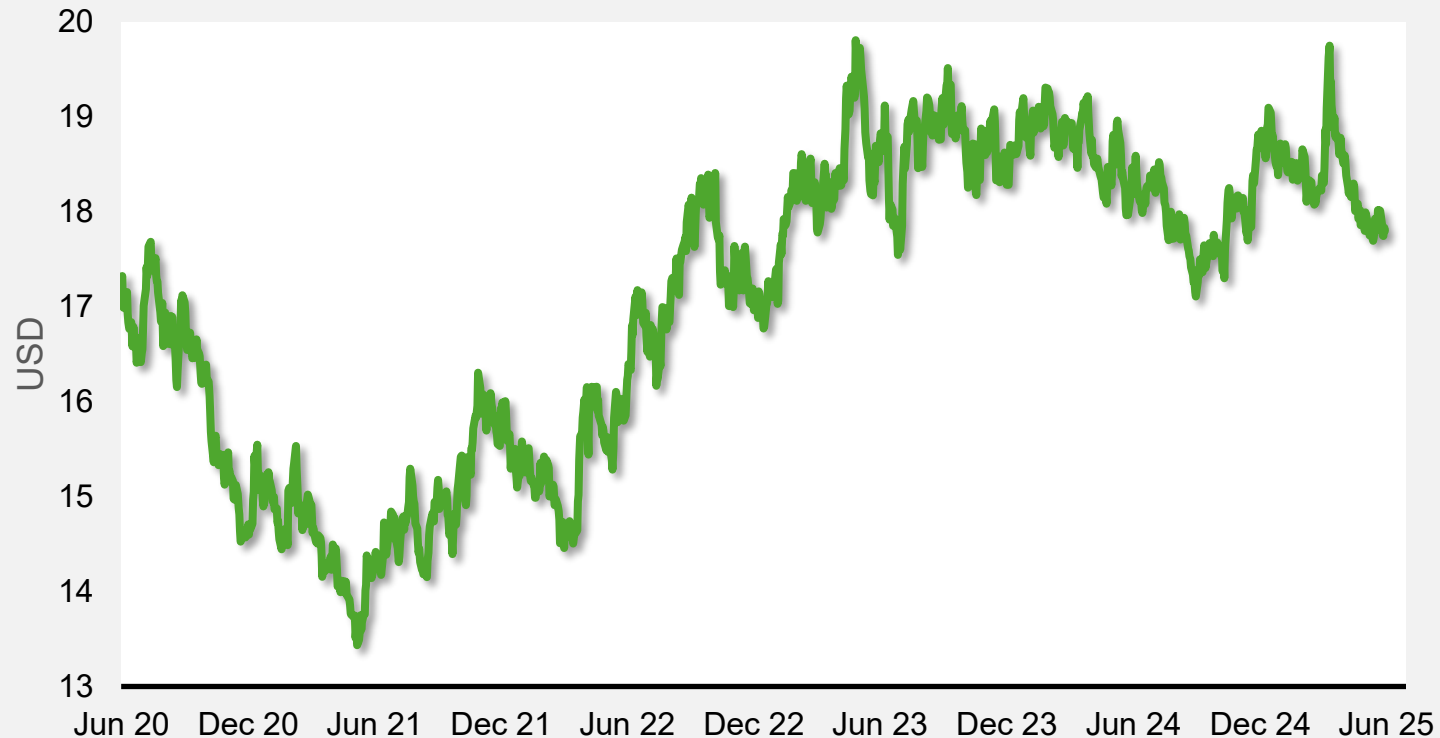
CBOT (US\$/ton)



- Global Soybean supply improved significantly.
- Improved supply resulted in improved availability of Soybean meal and resultant easing of price.
- Prices remain impacted by Rand/US Dollar volatility.
- Local and international weather disruptions remains a concern.

CBOT – Chicago Board of Trade

Rand/US Dollar exchange rate



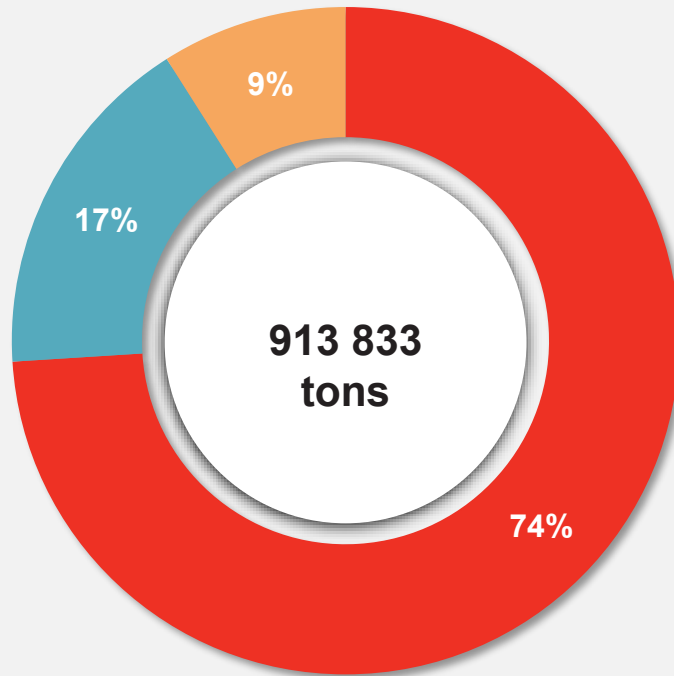
- The South African Rand remained volatile against the US dollar over the year.
- A high of R19.75 and a low of R17.10 vs the US Dollar for the 12-month reporting period.
- The exchange rate has a direct (CBOT) and an indirect (SAFEX IMPORT PARITY) impact on total feed costs

CBOT – Chicago Board of Trade – SAFEX – South African Futures Exchange

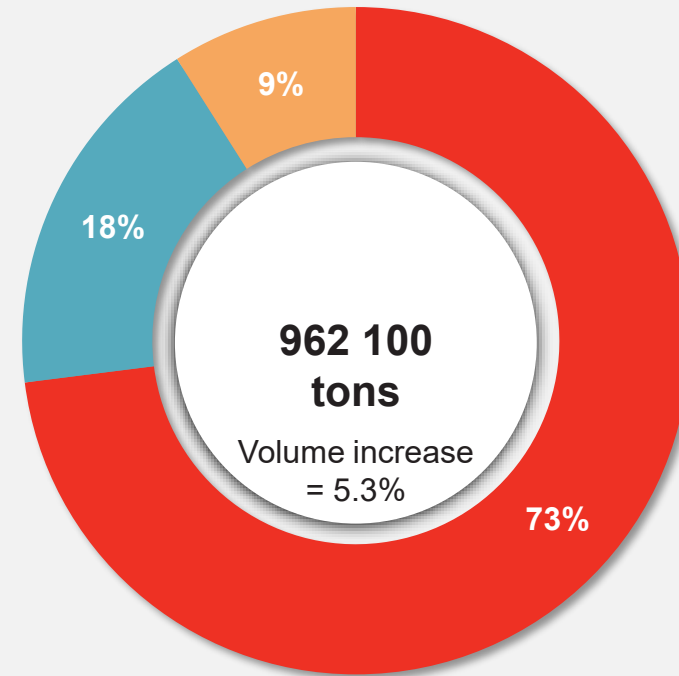


## SALES MIX vs PY

Sales mix – FY2024



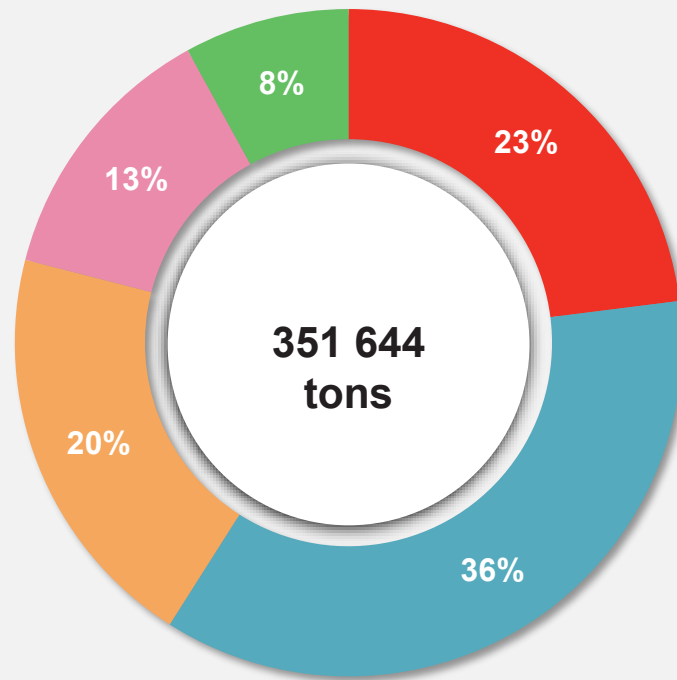
Sales mix – FY2025



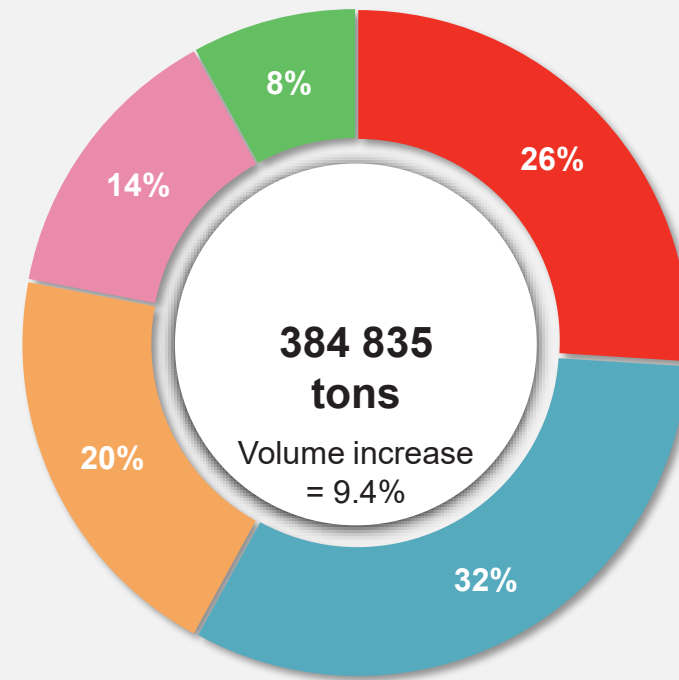
■ Internal Sales   ■ External Poultry   ■ Other

## CATEGORY SALES MIX vs PY

Sales mix – FY2024



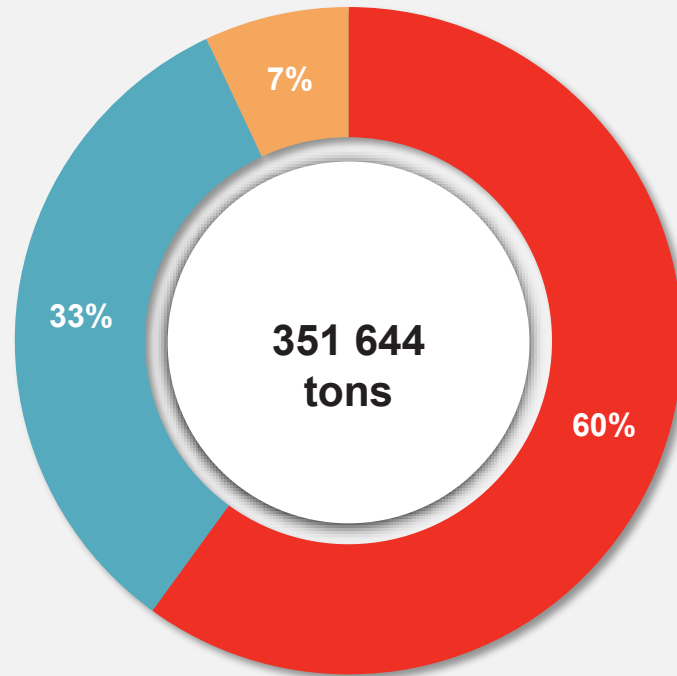
Sales mix – FY2025



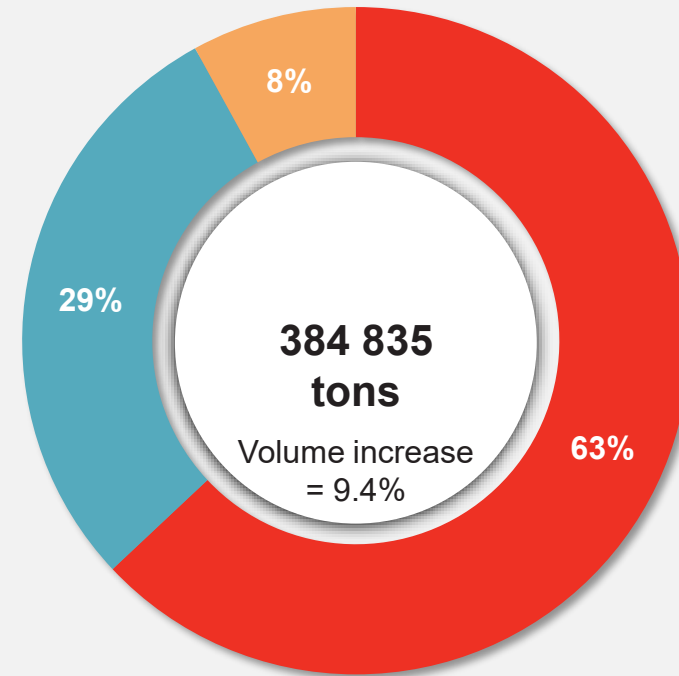
■ IQF Mixed portions 
 ■ Prime Frozen 
 ■ Fresh 
 ■ Secondary & Tertiary 
 ■ Further Processed

## CHANNEL SALES MIX vs PY

Channel mix – FY2024



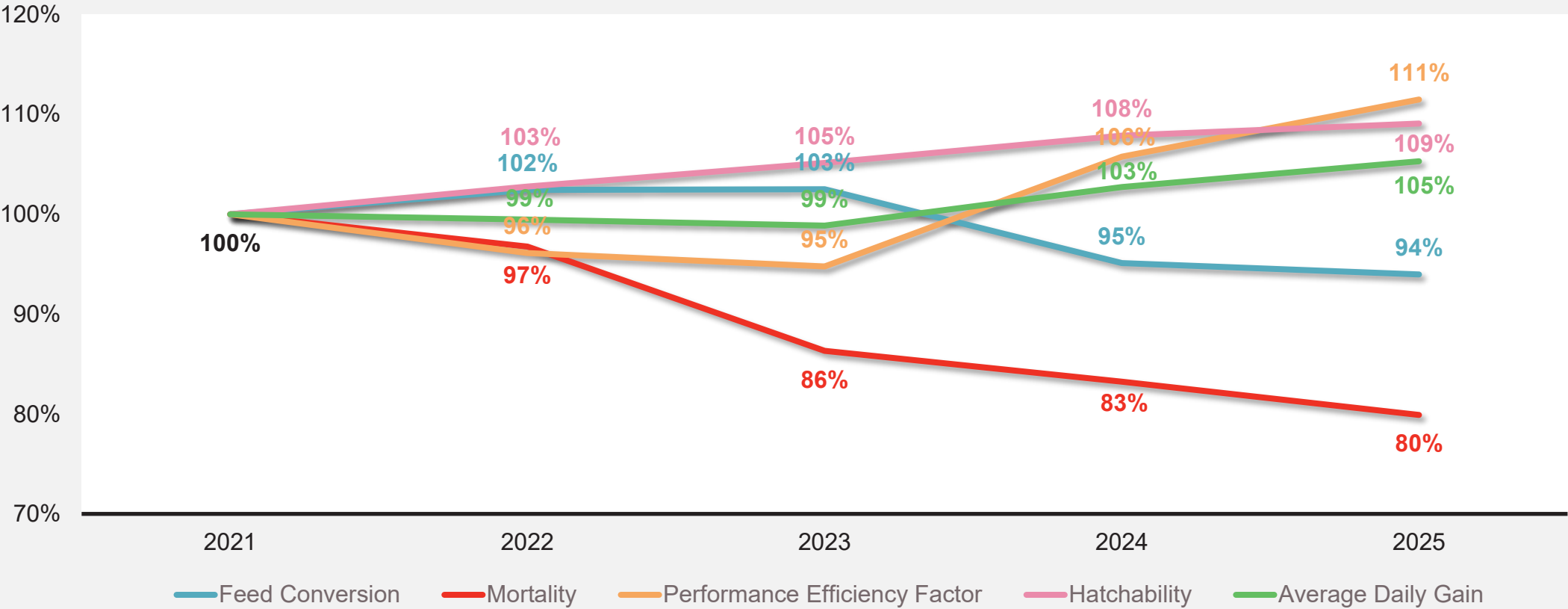
Channel mix – FY2025



■ RWS

■ QSR

■ HORECA



## WASTE-TO-VALUE DIVISION

**Waste-to-Value plants** in Rustenburg and Worcester convert chicken processing and farming waste into usable energy sources and recycled water.

Intent is to **reabsorb all waste** generated for application across Rainbow's manufacturing value chain.

Waste-to-Value plants are **key to Rainbow's sustainability initiatives** to *future-proof* Rainbow against water and electricity supply interruptions. With additional benefits reducing carbon footprint and freeing up electricity and water for surrounding communities.

Whilst an **improvement in operational performance** was achieved, profitability continues to be adversely impacted due to not meeting the minimum volume and specification requirements as per the original business case.





# 04

## PROSPECTS

MARTHINUS STANDER | CEO



## CHICKEN PEOPLE DOING CHICKEN THINGS.... You can expect more of the same from Rainbow!

Rainbow's focus remains on improvements on the **"Brilliant Basics"** strategy.

Our goal remains to **deliver exceptional value** through **innovative products** and a **product mix** that's **responsive** to market trends, brand aspirations and customer & consumer needs.

Our commitment is to **focus on things within our control, better efficiencies, lower costs** and a **strengthened value chain**.

**Commodity pricing will remain volatile** applying pressure to consumers. We will continue to **call for support from Government** to **protect local industry** and make chicken accessible and affordable to South African consumers.

Rainbow will continue focus on **optimising product mix** and we are **well positioned** to meet the changing and growing needs of consumers.

Whilst Rainbow delivered a strong set of financial results in FY2025, we believe there is further potential in our core operations. **Stakeholders can expect more of the same disciplined approach to delivering results.**

**Rainbow's purpose remains to *Nourish the Nation*** with high quality chicken and animal feed, all while operating sustainably and supporting our communities.



THANK YOU

RAINBOW  <sup>®</sup>