



2024

ANNUAL RESULTS PRESENTATION

for the year ended 30 September 2024

- **Business Overview** *Slide 3 – Chris Schutte*
- **Operational Overview** *Slide 12 – Gary Arnold*
- **Industry Matters** *Slide 29 – Gary Arnold*
- **Financial Overview** *Slide 32 – Dries Ferreira*
- **Outlook** *Slide 44 – Chris Schutte*
- **Additional Information** *Slide 50*



BUSINESS OVERVIEW

Chris Schutte
Chief Executive Officer



KEY FINANCIAL INDICATORS

- Revenue @ R20,5 billion
- Profit before interest and tax @ R1 125 million
- Profit for the period @ R753 million
- Headline earnings per share @ 1 920 cents
- Gearing / debt levels cleared
- Final dividend per share declared of 520 cents



SALIENT POINTS



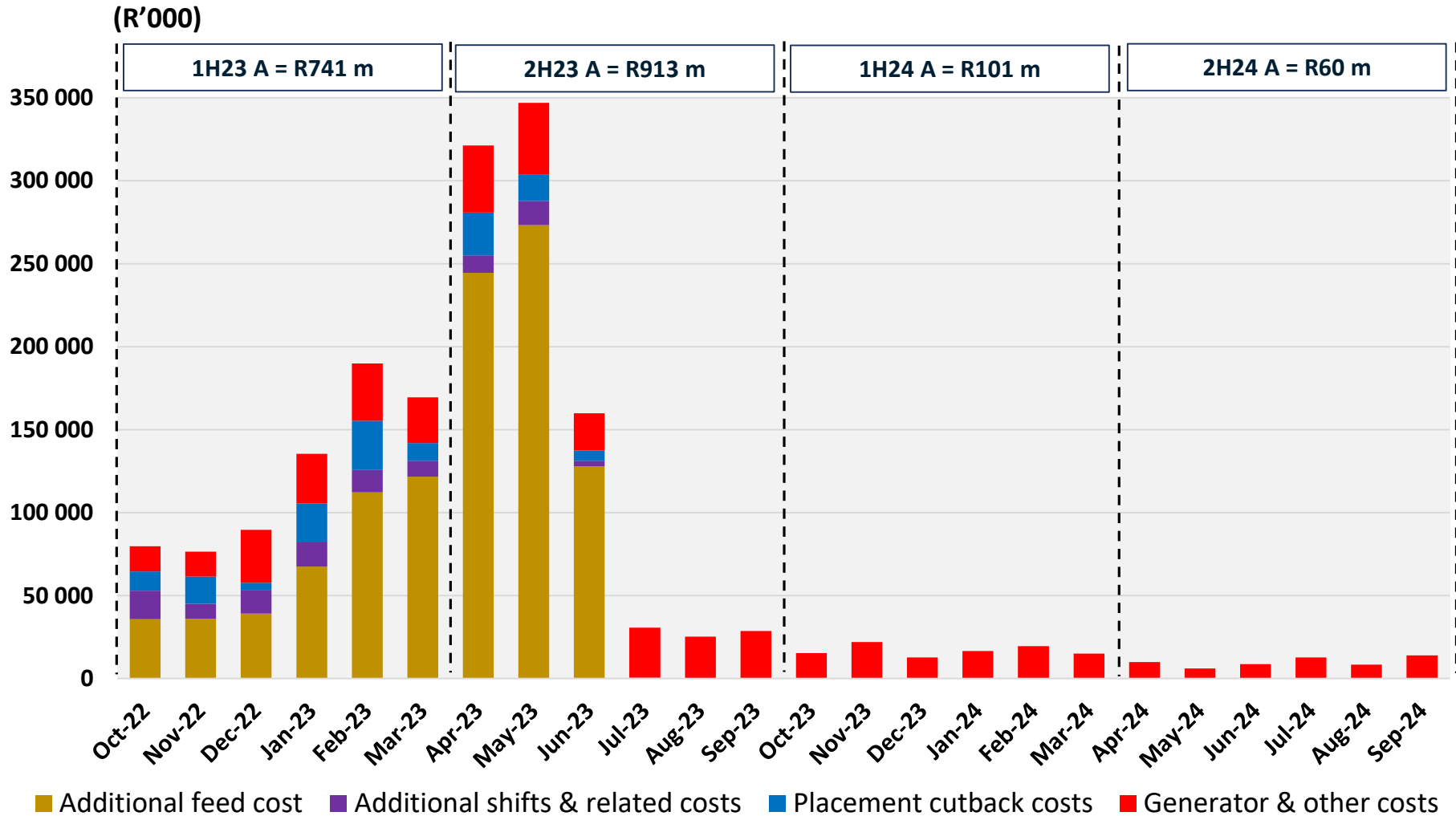
- **Broiler day-old chick costs increased** following contingency measures to mitigate the impact of bird flu in 2023
- **Poultry feeding costs decreased** significantly with reduced levels of feed consumed against the comparable period which suffered under “big birds” given the effects of the F2023 load shedding
- **Broiler live cost decreased** for the year under review assisted by lower feed raw material input costs (feed at 65% of the live cost)
- **On-farm broiler performances** improved significantly over the comparable period, surpassing historical levels
- **No incidents of bird flu** recorded by Astral since October 2023

SALIENT POINTS

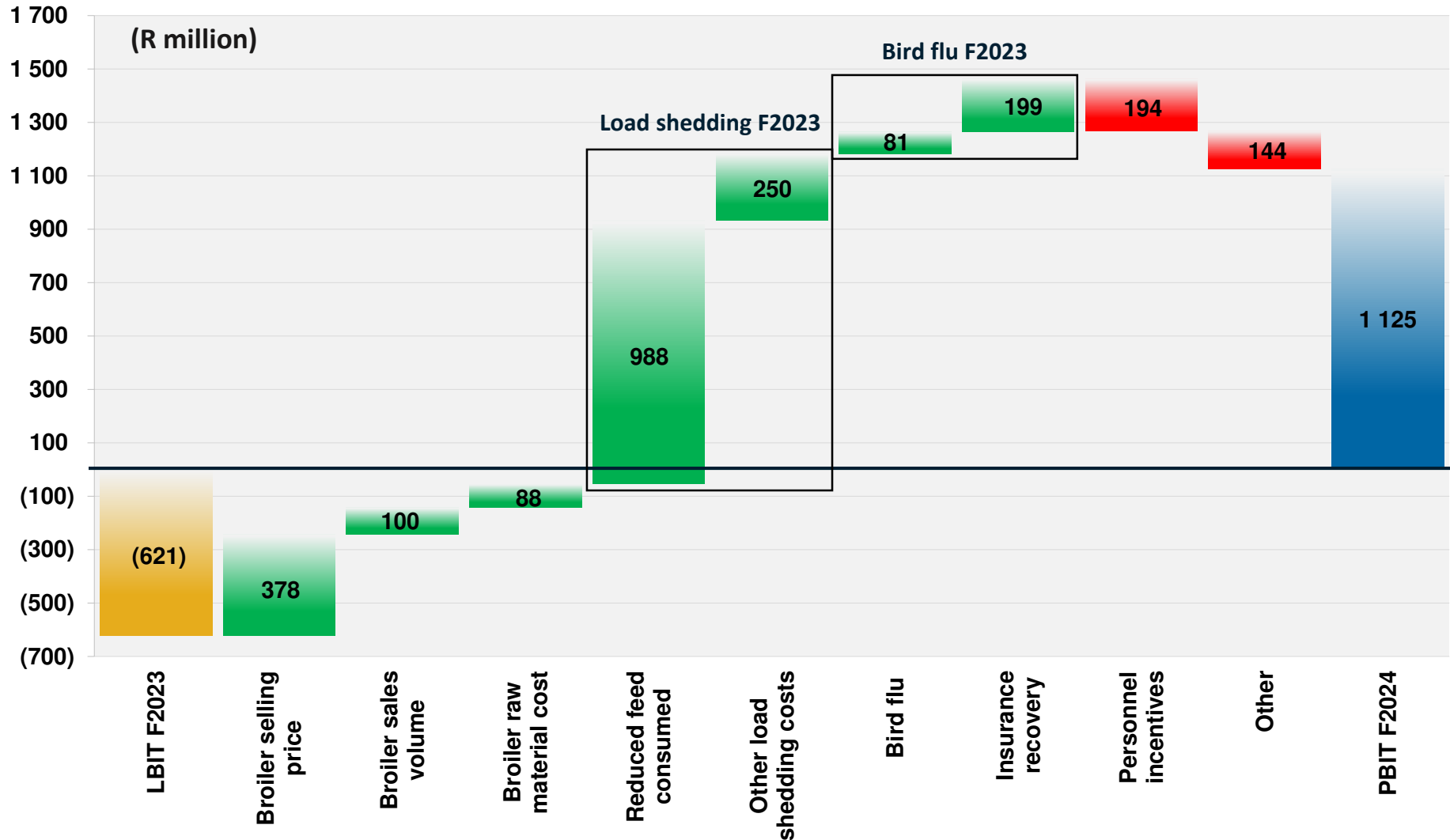


- **Broiler placement cutbacks** were implemented, in an effort to better balance Astral's supply with demand, this on the back of a weak macro-economic environment characterised by constrained consumer spending
- **Poultry sales volumes increased** on sales out of stock reducing finished good stock levels, supported by an improvement in the product mix
- **Poultry selling prices improved year-on-year** (on avg.) following excessive discounting in F2023, however recent months have seen substantial price deflation
- **Positive broiler margins** are reported for the year under review, however remain extremely thin on extensive retail promotional activity
- **Debt levels cleared** as profitability returned to the business, with focus on working capital requirements and normalised capital expenditure

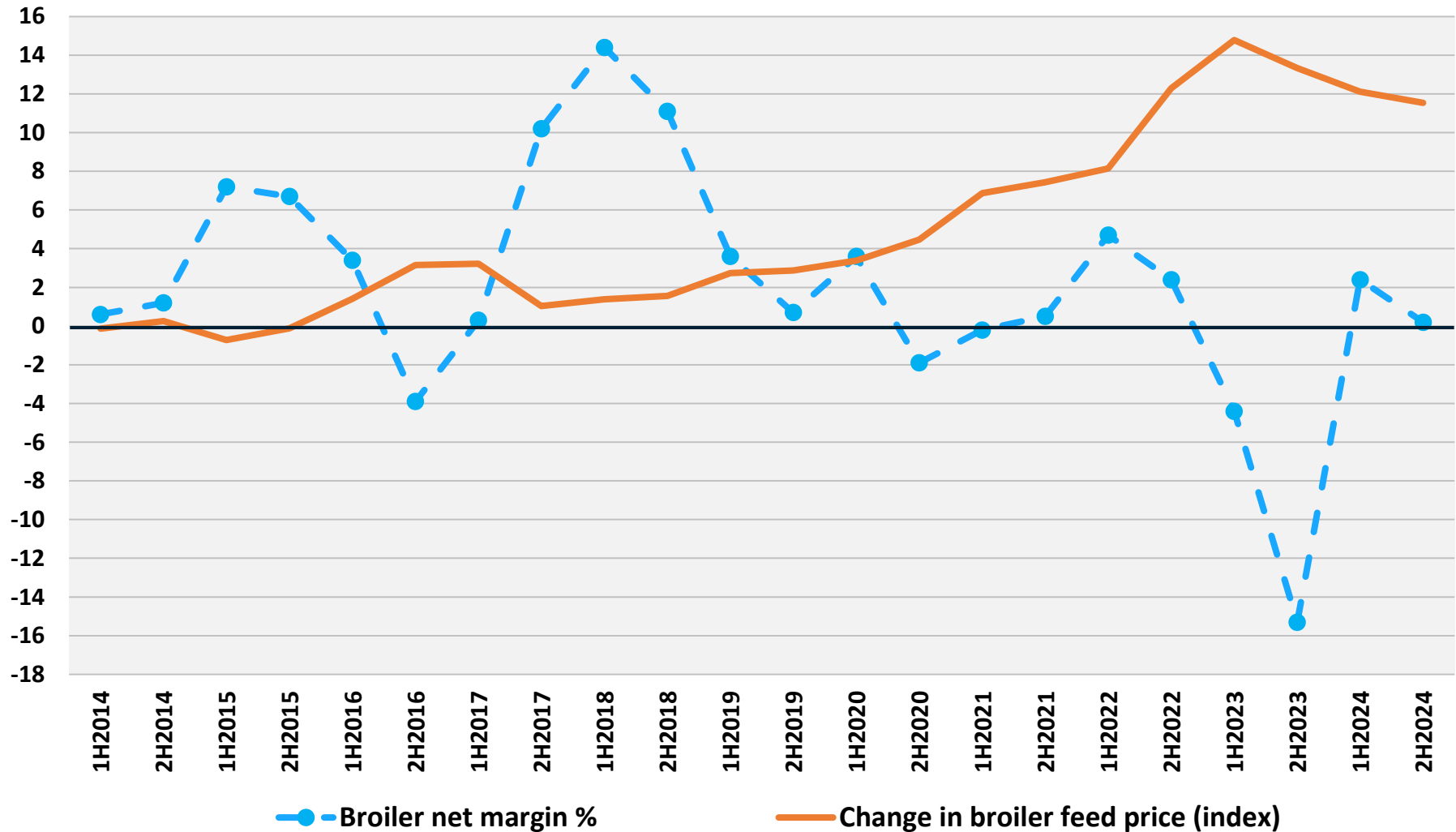
LOAD SHEDDING COSTS – F2023 & F2024



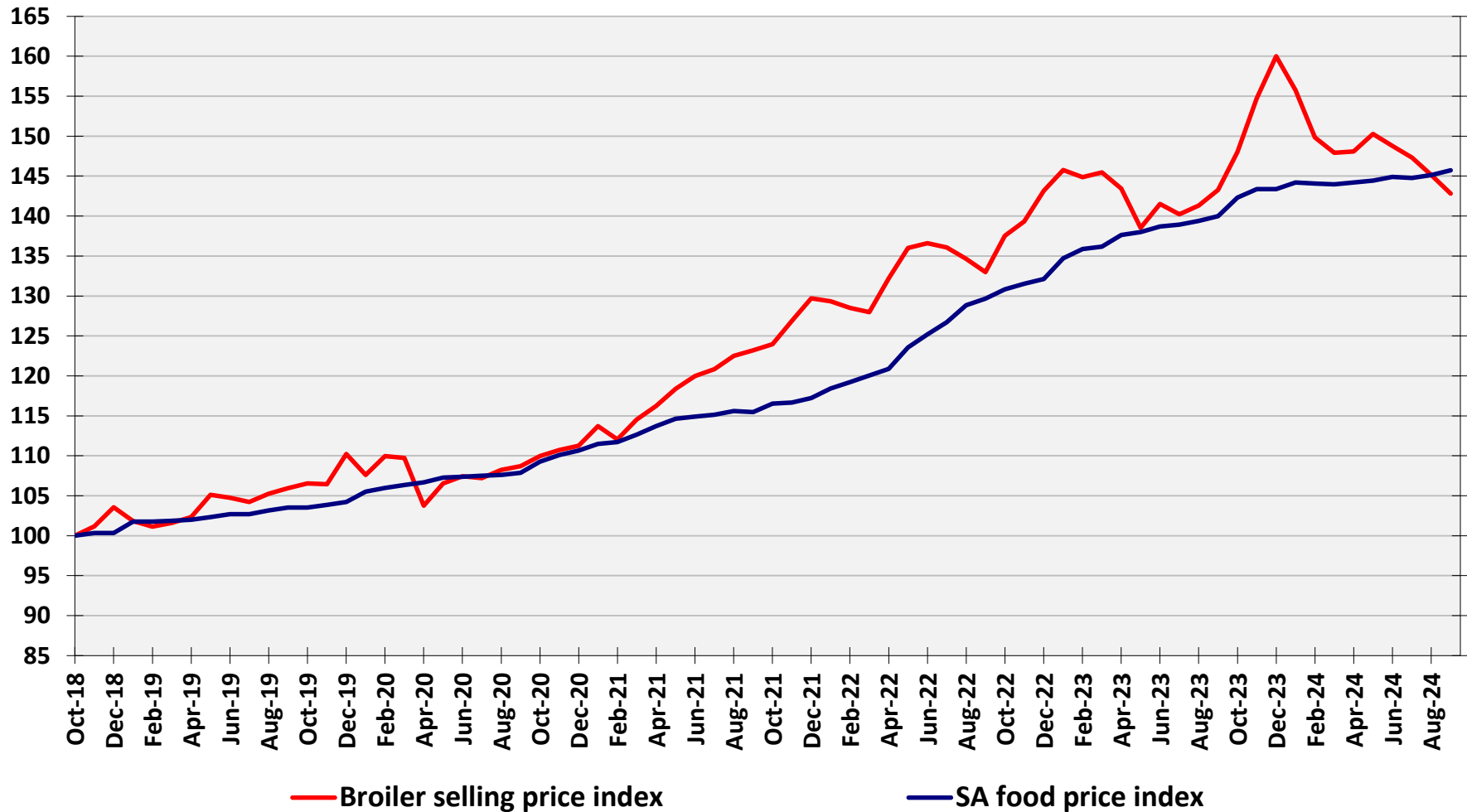
PBIT MOVEMENT F2024 vs. F2023



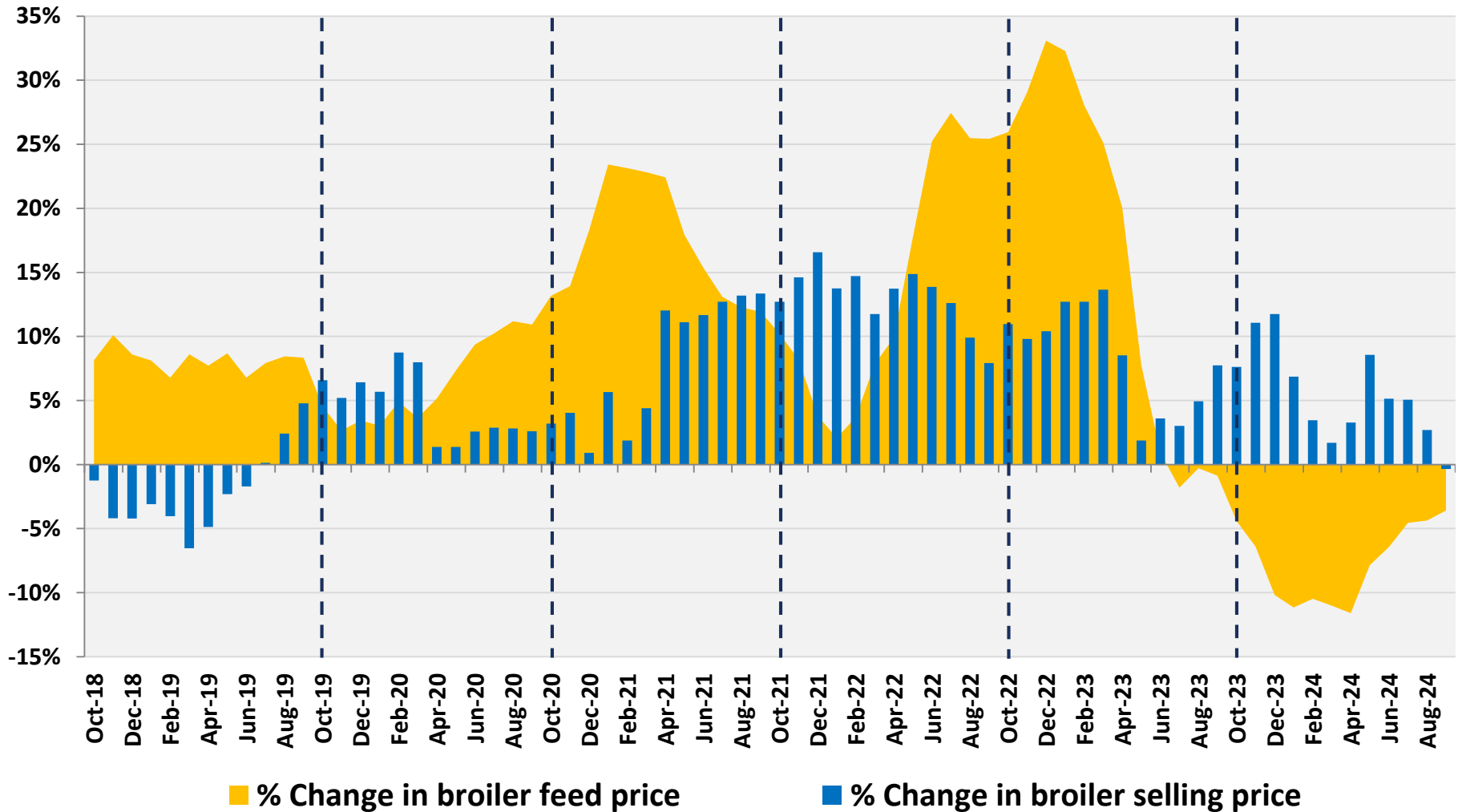
BROILER NET MARGIN vs. FEED PRICE



BROILER PRICE vs. FOOD PRICE INFLATION



BROILER SELLING PRICE vs. FEED PRICE





RAW MATERIALS



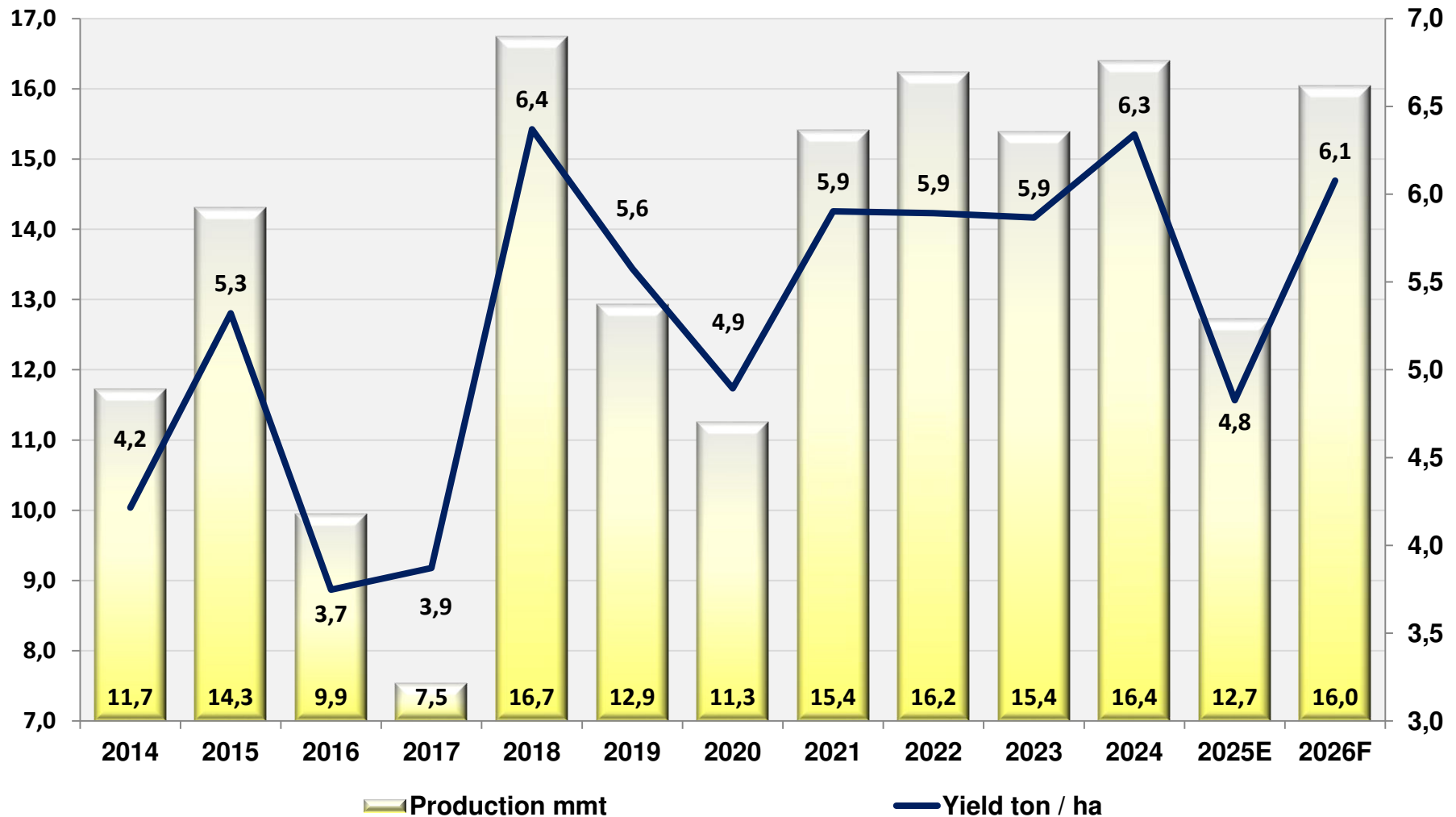
Gary Arnold
Group Chief Operating Officer



RSA TOTAL MAIZE SUPPLY & DEMAND

Marketing year (May to April) '000 tons	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	Actual	Actual	Actual	Actual	Actual	Estimate	Forecast
Carry In (1 May)	2 662	1 000	2 115	2 124	1 955	2 405	782
Crop Estimate	11 275	15 300	16 315	15 470	16 430	12 724	16 044
Retentions	388	90	1 048	281	645	553	667
Sagis Delivery	10 887	15 268	15 267	15 189	15 785	12 171	15 377
<i>Minus early deliveries</i>	0	0	0	0	0	0	0
Imports	510	0	8	0	0	650	0
Total Supply	14 059	16 268	17 389	17 314	17 740	15 226	16 159
Domestic Usage Food	5 378	5 685	5 172	5 388	5 905	5 895	5 800
Domestic Usage Feed	5 699	5 517	5 898	5 948	5 760	6 092	6 100
Gristing, withdrawn & released	177	121	103	83	60	60	95
Total Domestic Usage	11 264	11 324	11 173	11 419	11 725	12 047	11 995
Exports & Sundries	1 795	2 830	4 093	3 941	3 960	2 397	2 520
<i>Plus early deliveries</i>	0	0	0	0	0	0	0
Carry Out (30 Apr)	1 000	2 115	2 124	1 955	2 054	782	1 644
No of days usage	32	68	69	62	64	24	50
STU	7,66%	14,94%	13,92%	12,73%	13,10%	5,41%	11,32%

RSA MAIZE PRODUCTION & YIELD



SAFEX YELLOW MAIZE PRICE



DURBAN SOYA MEAL PRICE





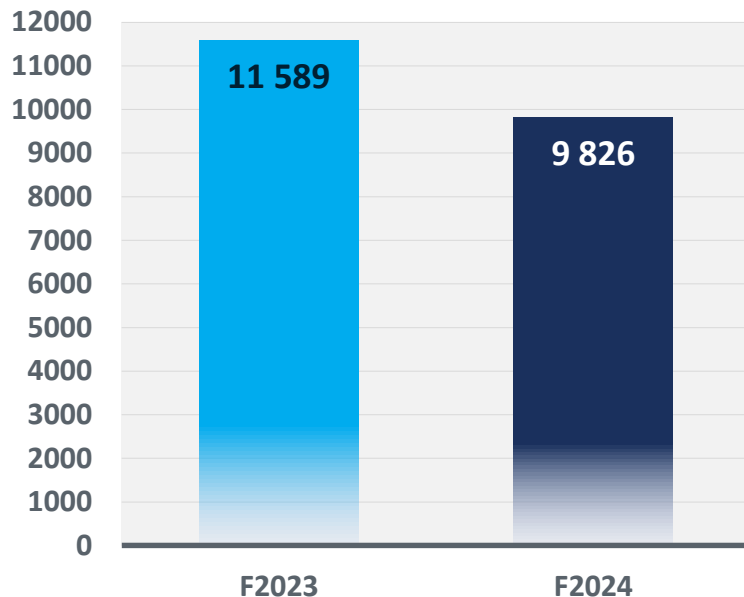
FEED DIVISION



Gary Arnold
Group Chief Operating Officer



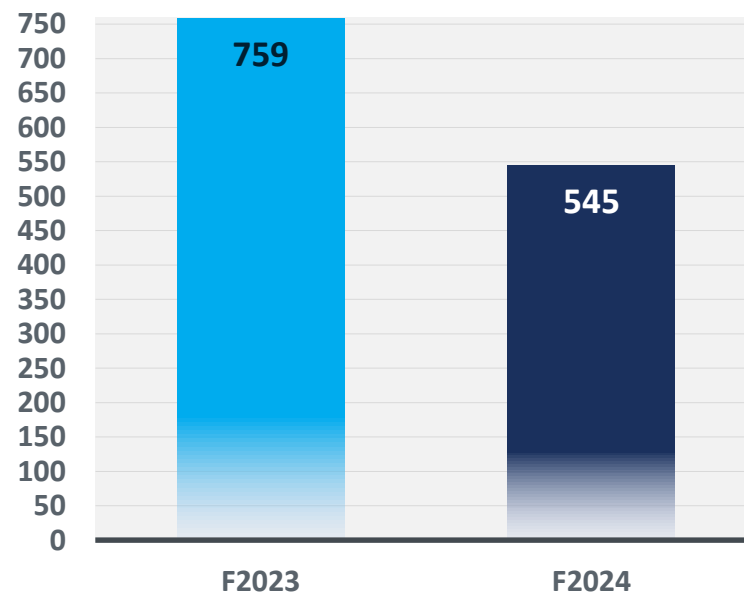
Revenue - R million



Revenue down 15.2%

- Raw material costs down
- Average selling prices down 4.8%
- Sales volumes down 11.0%

Operating profit - R million



Operating profit down 28.3%

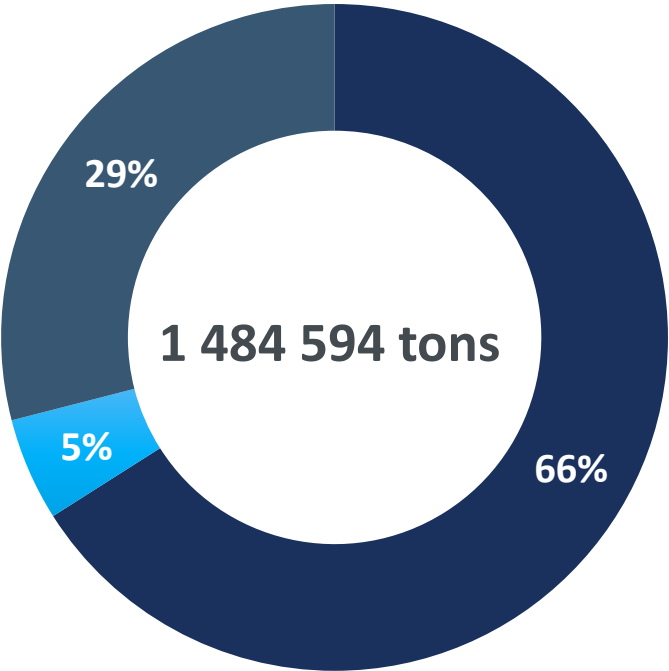
- Net margin 5.5% (F2023: 6.5%)
- Below inflation increase in expenses
- Rand per ton margins decreased

- **SAFEX yellow maize price decreased** for the year under review FY2024 avg. R3 988 per ton (F2023: R4 205) down R217 per ton (decrease of 5.4%)
- **DBN soya meal price decreased** for the year under review FY2024 avg. R9 820 per ton (F2023: R11 721) down R1 901 per ton (decrease of 16.2%)
- **Internal feed sales volumes decreased** by 19.5% due to lower feed consumption as broiler age and weight normalised following the “big bird era” as a result of load shedding, and lower parent stock numbers following bird flu in 2023
- **External feed sales volumes increased** by 4.7% due to higher sales into the beef and pork production livestock sectors
- **Expenses well controlled** across the division despite the lower feed volumes
- The **average net margin decreased** (Rand per ton) for the period under review

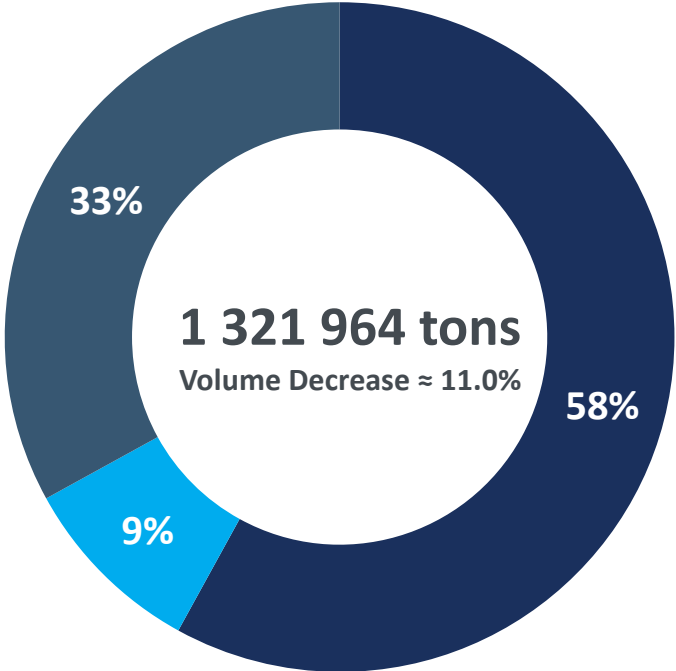
FEED DIVISION



Sales Mix – F2023



Sales Mix – F2024



■ Poultry Integrated ■ Poultry External ■ Other



COMMERCIAL

POULTRY DIVISION

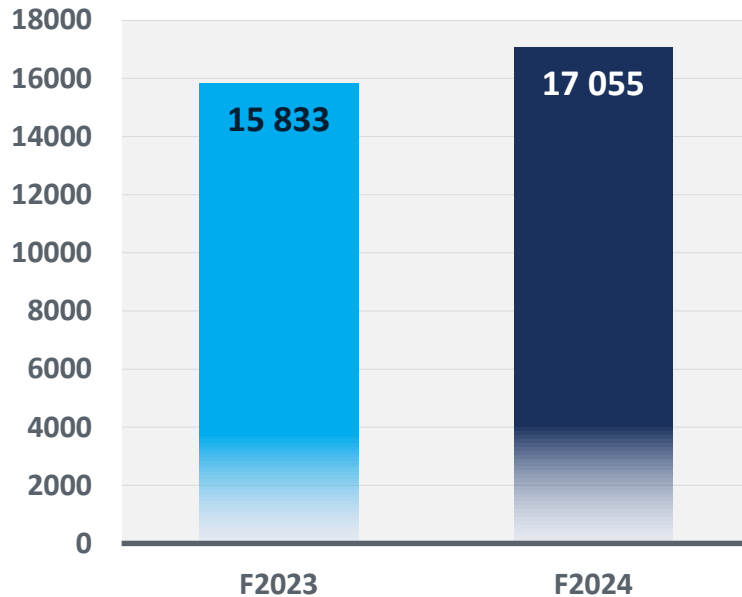


Gary Arnold
Group Chief Operating Officer



POULTRY DIVISION - CONSOLIDATED

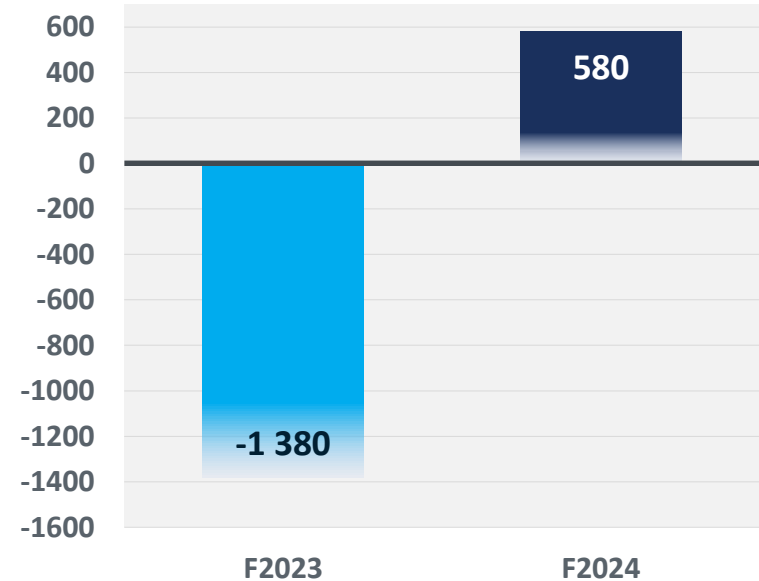
Revenue - R million



Revenue up 7.7%

- Broiler sales volumes up 4.6%
- Broiler sales realisations up 5.2%
- Breeder revenue up 18.9%

Operating profit - R million



Operating profit up 142.1%

- Net margin 3.4% (F2023: -8.7%)
- Avg. broiler feed price down by 2.1%
- Higher day-old chick cost on bird flu 2023

POULTRY DIVISION - COMMERCIAL

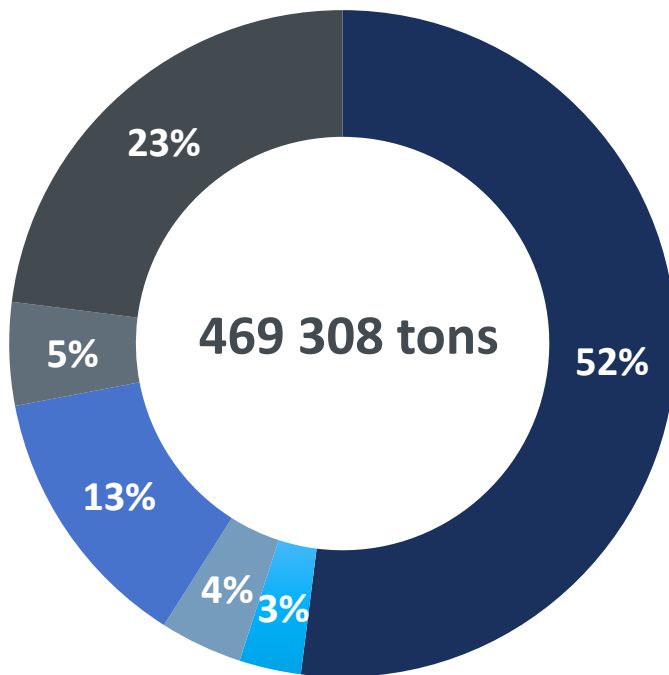


- **Broiler sales volumes increased** on better demand for Astral's finished goods due to an improvement in the product basket, which suffered in the comparable period due to Astral processing "big birds" brought about by a backlog in the slaughter programme as a result of load shedding
- **Production cutbacks were implemented** in an effort to balance supply with demand and frozen chicken stock levels, as consumer spending remained under pressure (F2022 - 5.8 million bpw & F2024 - 5.4 million bpw)
- **Broiler margin improved to 1.3%** for the year under review from -9.7% in F2023 as the cost base normalised following the significant impact of load shedding and bird flu in 2023
- **Operating expenses lower** as the significant costs in feed and additional shifts due to the high stages of load shedding in 2023 were not repeated (generator costs in F2024 @ R151 million)
- **Finished good stock levels** at 30 September substantially lower than prior year end

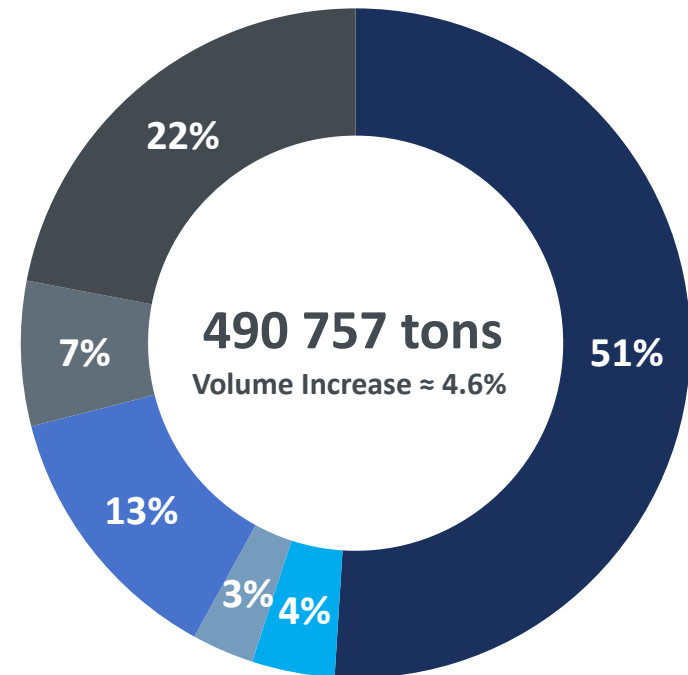
POULTRY DIVISION - COMMERCIAL



Sales Mix – F2023



Sales Mix – F2024



■ IQF Mixed Portions ■ IQF Single Portions ■ Frozen ■ Fresh ■ Value Added ■ Tertiary



AGRICULTURE

POULTRY DIVISION



Gary Arnold

Group Chief Operating Officer

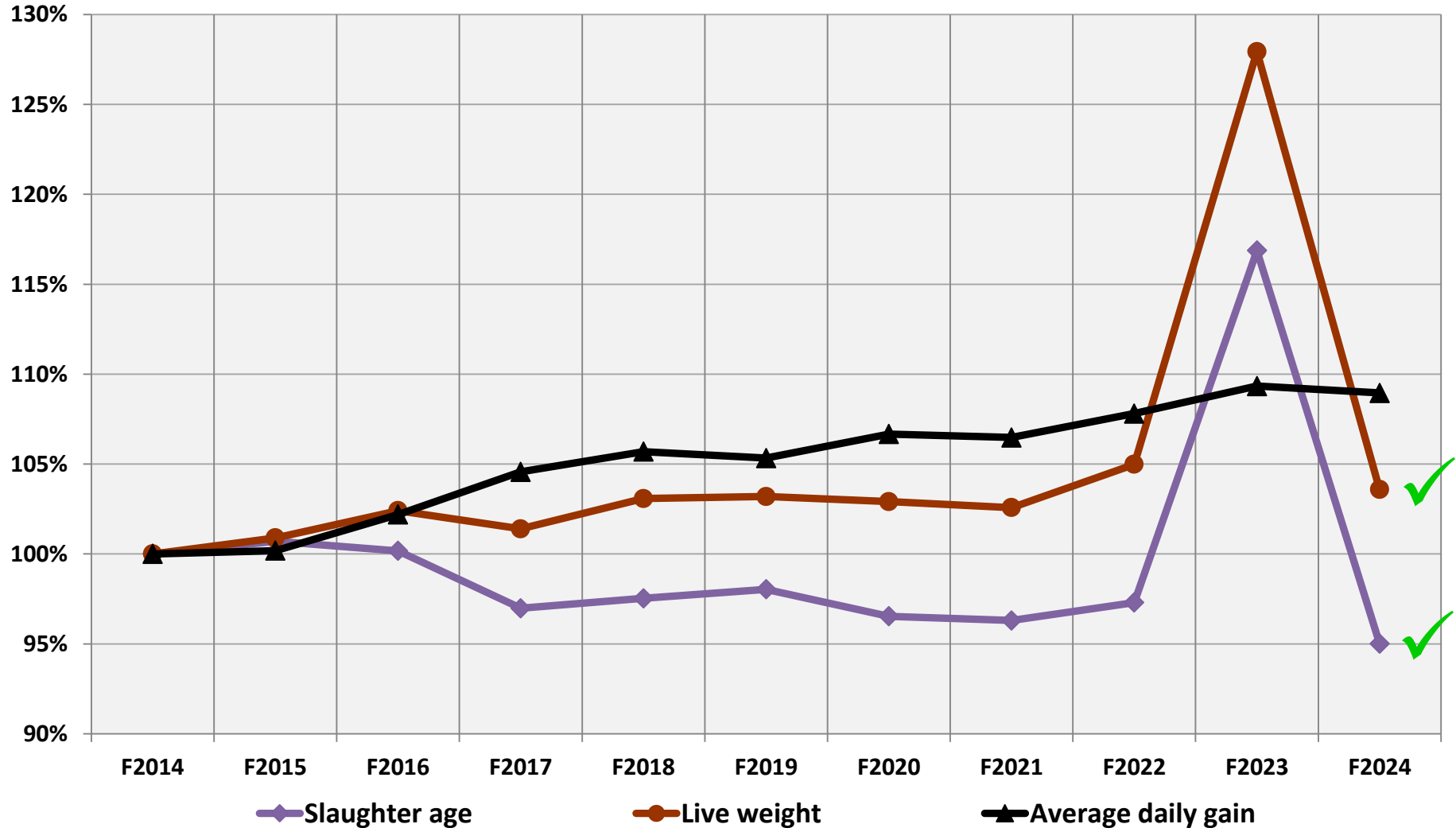


POULTRY DIVISION - AGRICULTURE

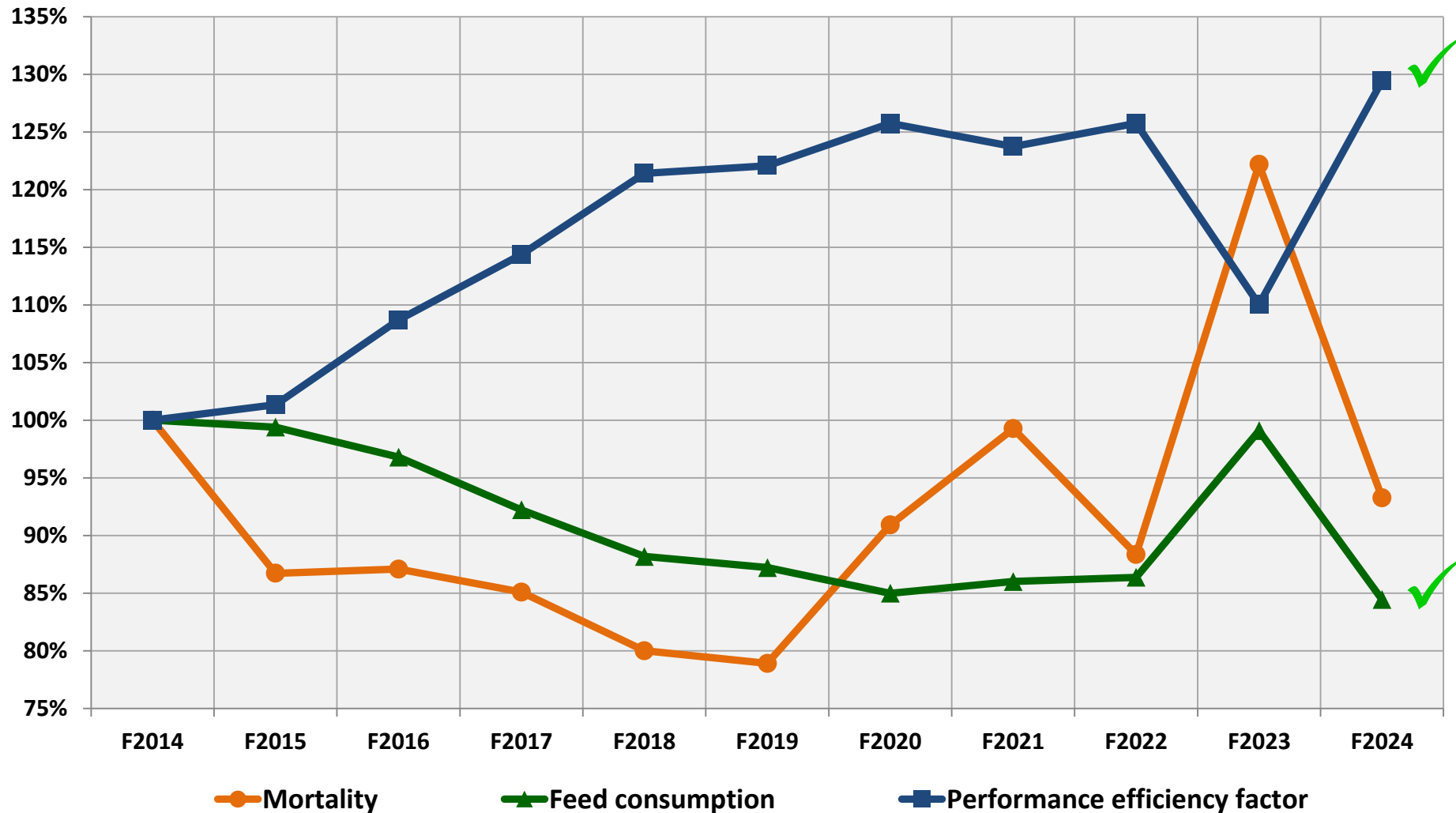


- **Parent stock sales** decreased slightly as customers cancelled or moved placements due to the bird flu outbreak in 2023 and subsequent farm quarantine restrictions
- **Breeder revenue increased** on higher broiler day-old chick selling prices, due to the higher cost of imported hatching eggs following bird flu in 2023
- **Feed input costs decreased** on the back of lower raw material costs, and an improved feed conversion ratio benefitting the live bird production cost
- **Broiler production efficiencies** improved significantly following the normalisation of bird age and live weight in June 2023 as the backlog in the slaughter programme following the load shedding crisis was cleared
- **The restocking of broiler parent stock** lost to bird flu in 2023 was completed

BROILER PERFORMANCE



BROILER PERFORMANCE





INDUSTRY MATTERS

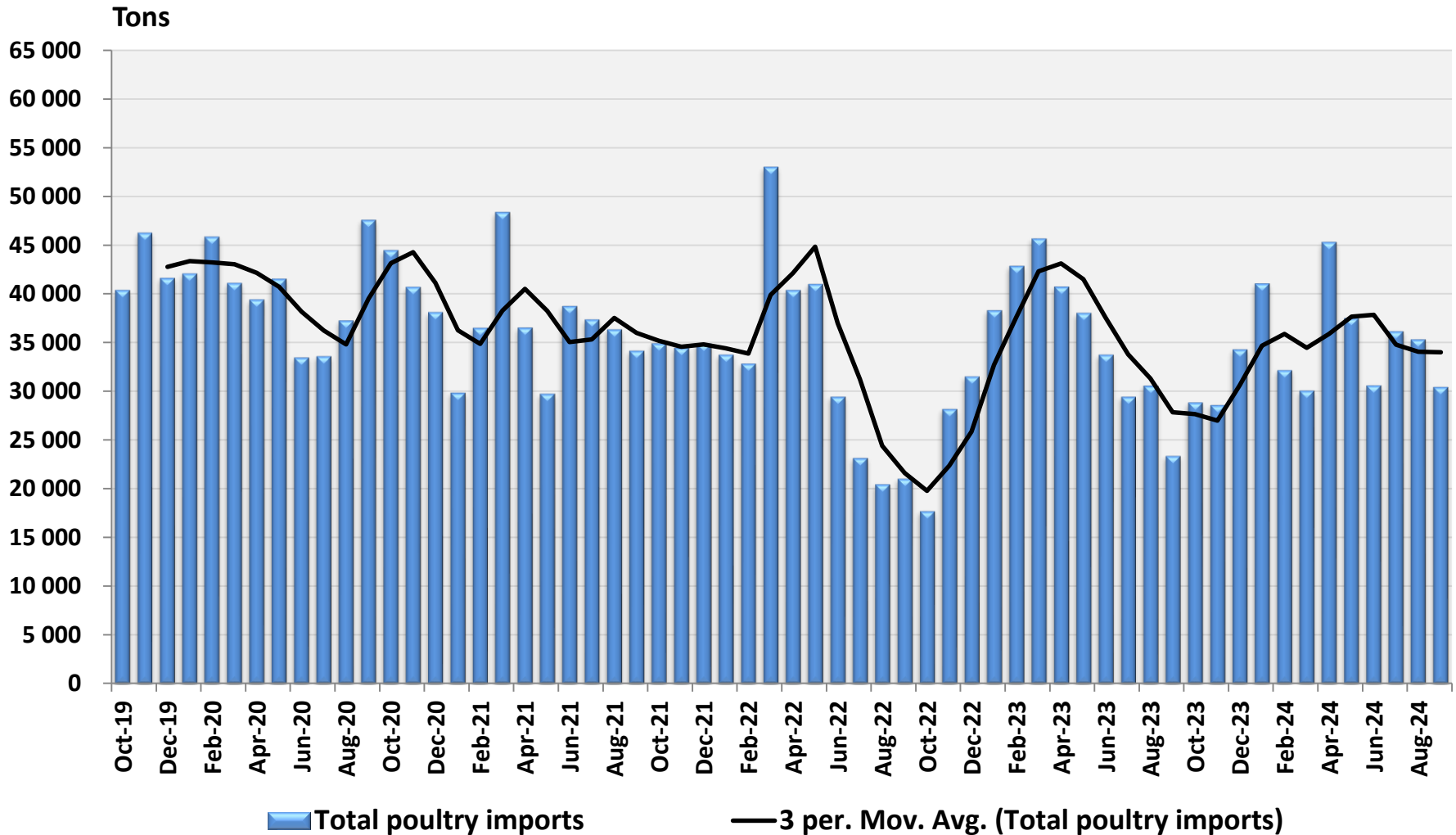


Gary Arnold

Group Chief Operating Officer



POULTRY IMPORTS



POULTRY IMPORTS

- Based on industry statistics **broiler slaughter numbers are approximately 21.2 million birds per week** (July 2024)
- **Imports for the period** averaged 34 232 tons per month ($\approx$ 6.1 million bpw) being approximately **22% of local consumption** (F2023: 33 394 tons per month)
- **Import tariff rebate** implemented in from January 2024 with permits issued to end March 2024
- **Approval for voluntary vaccination** against bird flu **delayed**, as DOA has not approved any permits to vaccinate against the published protocols
- **SAPA in the process of a submission** to National Treasury to include certain poultry products in the Zero VAT basket



FINANCIAL OVERVIEW



Dries Ferreira
Chief Financial Officer



INCOME STATEMENT



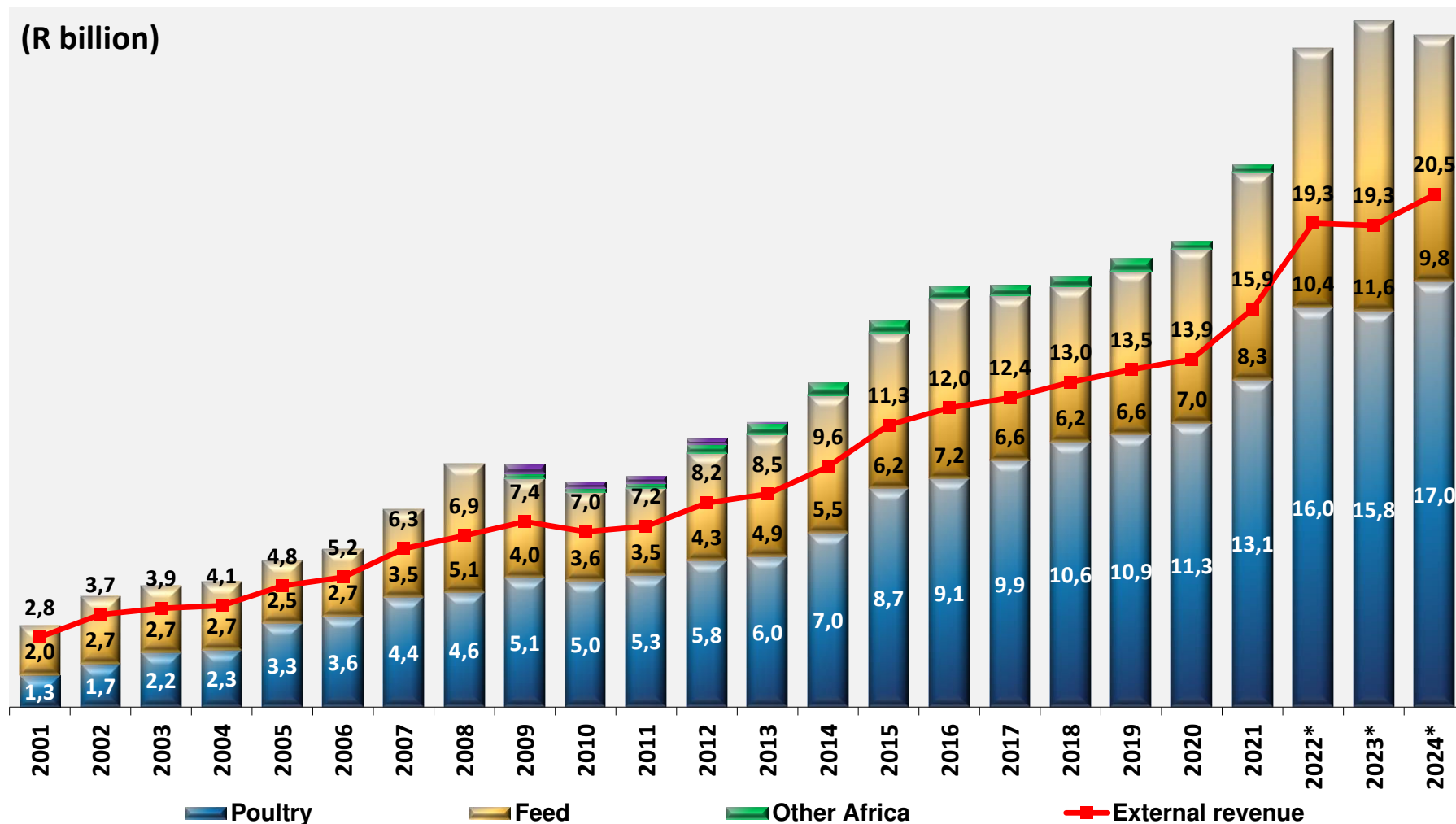
Year ended 30 September

	2024 R million	2023 R million	% change
Revenue	20 480	19 251	 6.4
Operating profit / (loss)	1 125	(621)	 281
<i>Operating profit / (loss) margin</i>	<i>5.5%</i>	<i>-3.2%</i>	
Finance income	37	33	
Finance charges	(138)	(109)	
Profit / (Loss) before tax	1 024	(697)	 247
Tax	(271)	185	
Profit / (Loss) from continuing operations	753	(512)	 247
Headline earnings / (loss)	738	(508)	 245
EPS / (LPS) – Cents	1 959	(1 333)	 247
HEPS / (HLPS) – Cents	1 920	(1 324)	 245

GROUP ANNUAL REVENUE

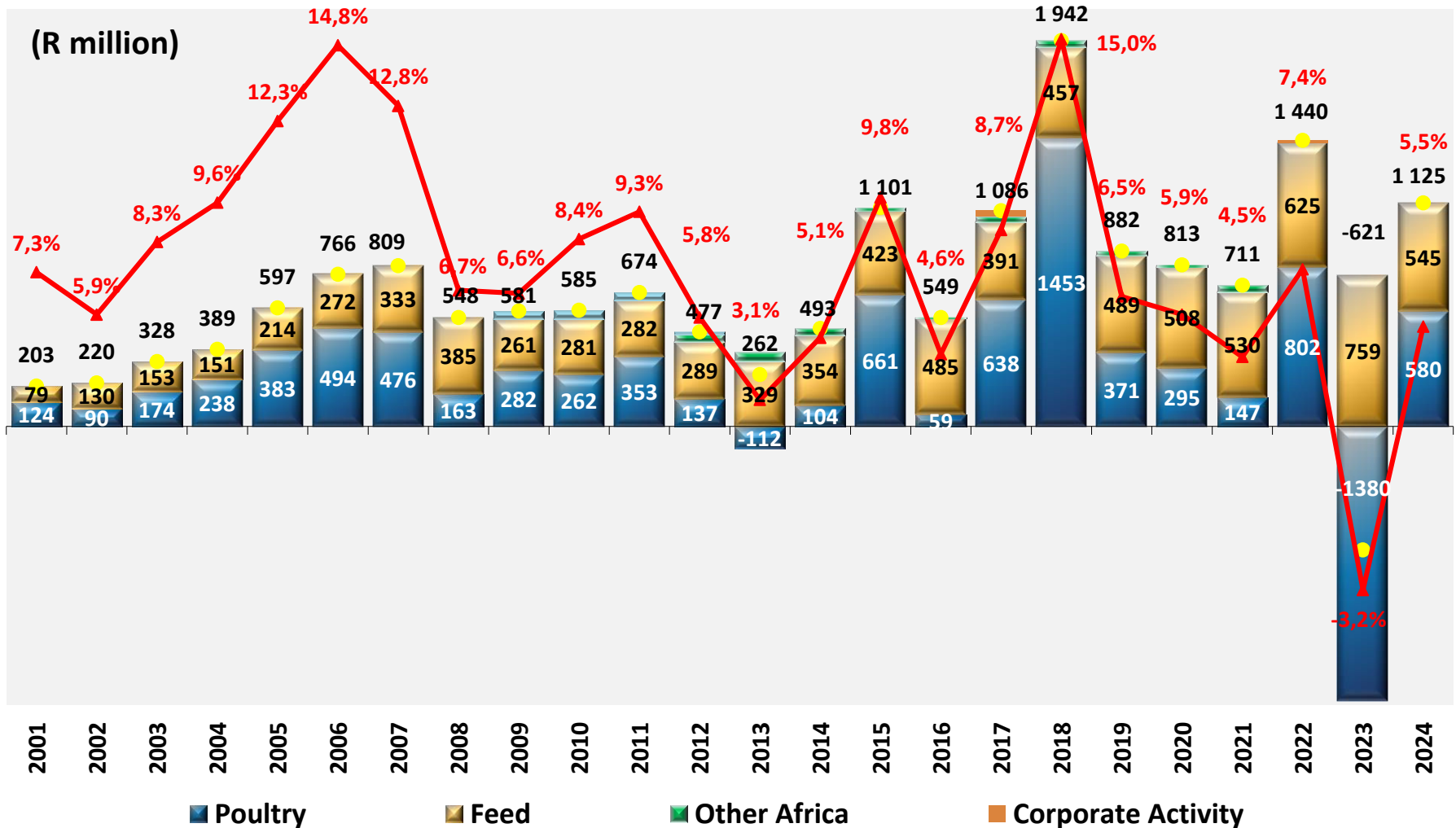


(R billion)

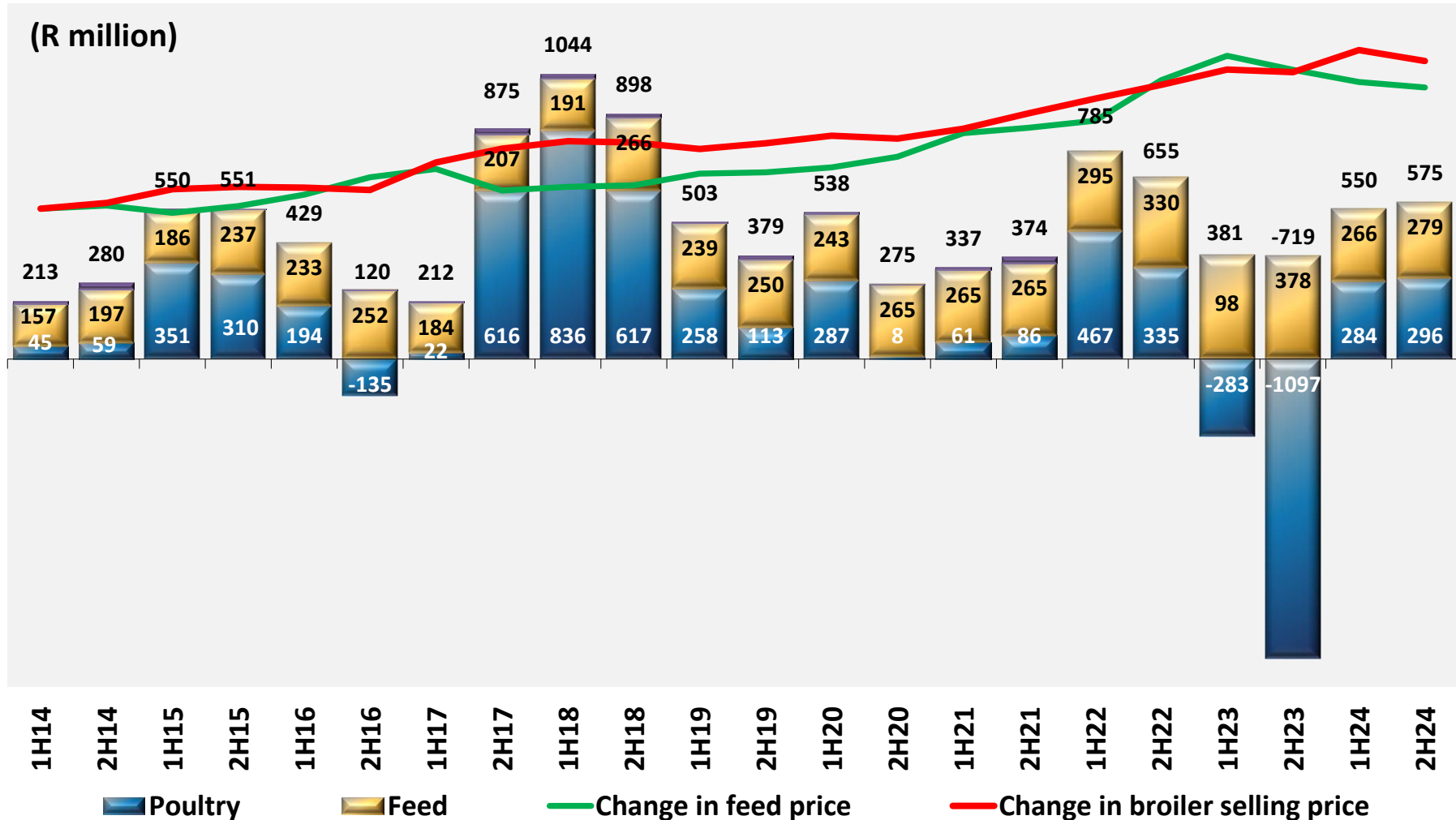


* Other Africa Operations (Zambia) now reported under feed and poultry divisions respectively

GROUP ANNUAL OPERATING PROFIT



GROUP SIX MONTHLY OPERATING PROFIT



BALANCE SHEET



	September 2024 R million	September 2023 R million	% change
Non-current assets (excl. ROU assets)	3 283	3 414	↓ 4
Non-current assets – ROU assets	178	252	
Net working capital	2 286	2 280	↑
Current assets (excl. cash)	4 872	4 732	
Current liabilities (excl. borrowings & leases)	(2 586)	(2 452)	
Non-current liabilities (excl. borrowings & leases)	(824)	(624)	↑ 32
Lease liabilities	(184)	(272)	
Net assets	4 739	5 050	↓ 6
Net surplus cash / (overdraft)	13	(1 031)	↑ 101
Equity	4 752	4 019	↑ 18

CAPITAL EXPENDITURE



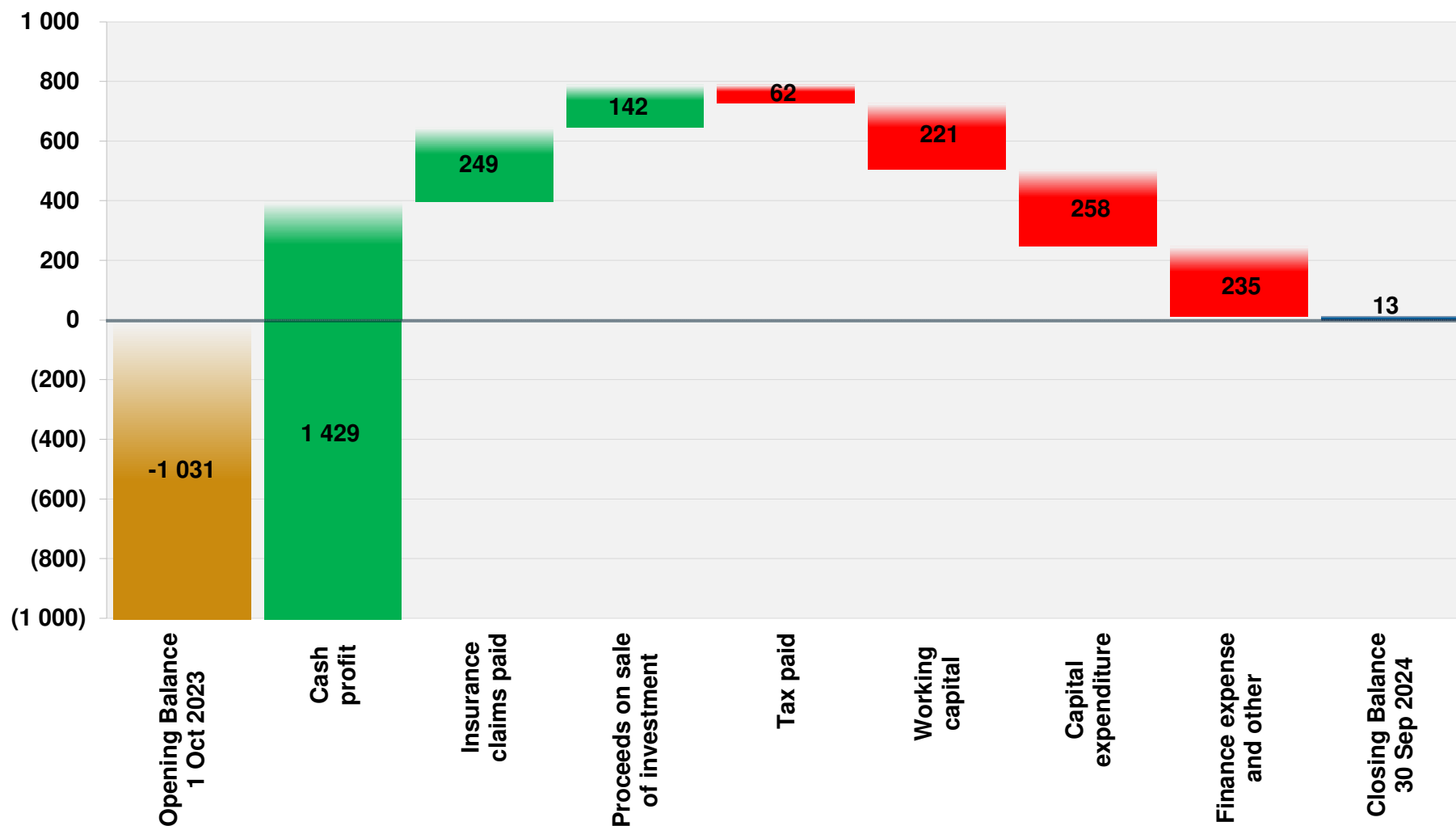
	F2024 R million		F2023 R million
Depreciation and amortisation	321		310
Property, plant & equipment	231		224
Right of use assets	90		86
Total capex	275		398
Normal capex	147		230
Load shedding & water related	128		168
Outstanding commitments	218		594
Ross – GGP farm purchase and build	-	Cancelled	233
Ross – Expansion of production capacity	-	Reschedule	109
Zambia – New feed mill	10		54
Agriculture – Festive expansion phase 2	-	Reschedule	60
Manure beneficiation	-	Reschedule	59
Remaining load shedding and water related	17		
County Fair New Logistics Contract (ROU)	125		
Other	66		79

WORKING CAPITAL



	September 2024 R million	September 2023 R million	Variance R million
Current assets	4 872	4 732	140
Biological assets	1 331	1 048	283
Inventory - Poultry	1 084	1 413	(329)
- Feed	470	482	(12)
Trade receivables	1 721	1 488	233
Other receivables	267	300	(33)
Current liabilities	(2 586)	(2 452)	(134)
Trade payables	(2 107)	(2 200)	93
Other payables	(479)	(252)	(227)
Net working capital	2 286	2 280	6

CASH FLOW MOVEMENT



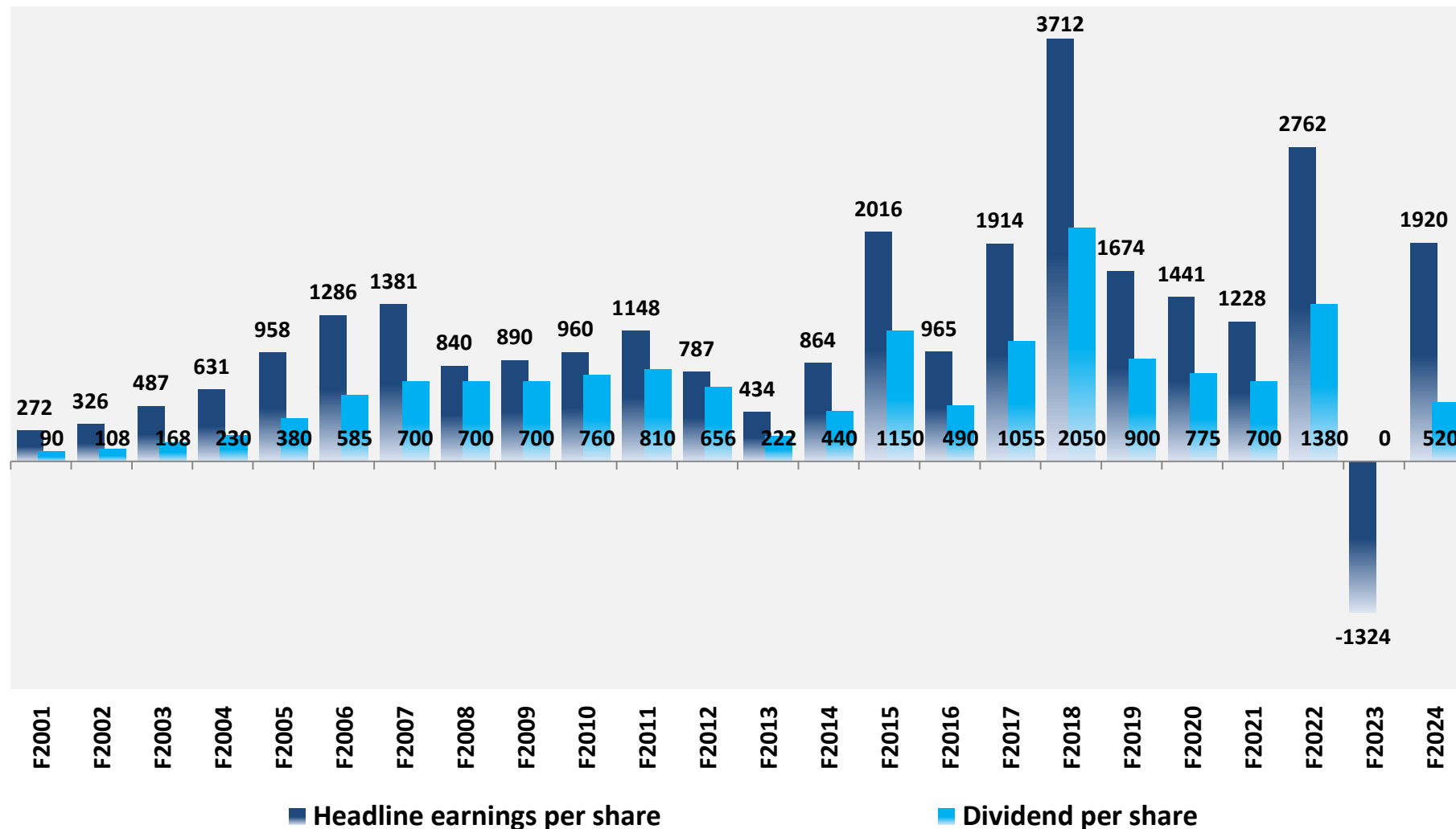
STATEMENT OF CASH FLOWS



For the twelve months ended 30 September

	2024 R million	2023 R million
Cash operating profit / (loss)	1 677	(601)
Working capital movement	(221)	(323)
	1 456	(924)
Tax paid	(62)	(47)
Net interest paid	(74)	(50)
Capital expenditure paid	(258)	(372)
Lease payments	(123)	(108)
Dividends paid	-	(226)
Inflows from borrowings	25	-
Sale of Shares in Quantum Foods Holdings	142	-
Other cash flow items	(11)	(3)
	1 095	(1 730)
Movement in cash equivalents	(51)	(2)
Effect of exchange rate changes	(1 031)	701
Opening balance		
Closing balance	13	(1 031)

HEPS & DIVIDEND PER SHARE



IN SUMMARY



- **Revenue at R20,5 billion** up 6.4% (F2023: R19,3 billion)
- **Operating profit at R1 125 million** on return to profitability
- **Capital expenditure of R275 million** at a normalised level
- **Cash inflow of R1,1 billion** clearing the debt on the balance sheet
- **Dividend declared** of 520 cents per share



OUTLOOK



Chris Schutte
Chief Executive Officer



- **Bird flu remains a major risk** to the local poultry industry, with slow progress towards approval for the vaccination of broiler breeding stock
- **Water supply disruptions** are of concern, as these have become common place with emergency supply measures being costly
- **Constrained consumer spending** a key influence on market conditions, determining the supply and demand dynamics going forward
- **Competitive retail landscape** with extensive chicken promotional activity, placing pressure on selling prices
- **Finished good stock levels** reduced markedly to manageable levels

- **Formation of a Government of National Unity** may stabilise the economy, and support much needed investment and growth
- **Expected interest rate cuts** may result in improved economic prospects in 2025, and the two-pot retirement reforms could provide a boost to consumer spending
- **Weather forecasts** reflect a developing La Niña system, with favourable prospects for the local maize crop currently being planted
- **Revised capital expenditure programme** will assist cash flow in the Group, and support spend on cost efficiency projects
- **Spare processing capacity** bodes well for dilution of fixed costs and revenue growth opportunities

Q & A

Astral's strategy is to be the
**BEST COST INTEGRATED
POULTRY PRODUCER**
in selected Southern African
countries

Confirmed March 2022



CLOSING WORD



Dr. Theuns Eloff
Chairman: Astral Foods Limited

This then concludes my 32nd and final results presentation and roadshow.

Thank you to everybody that has been part of this incredibly eventful journey over the past 40 years.

Carpe Diem!

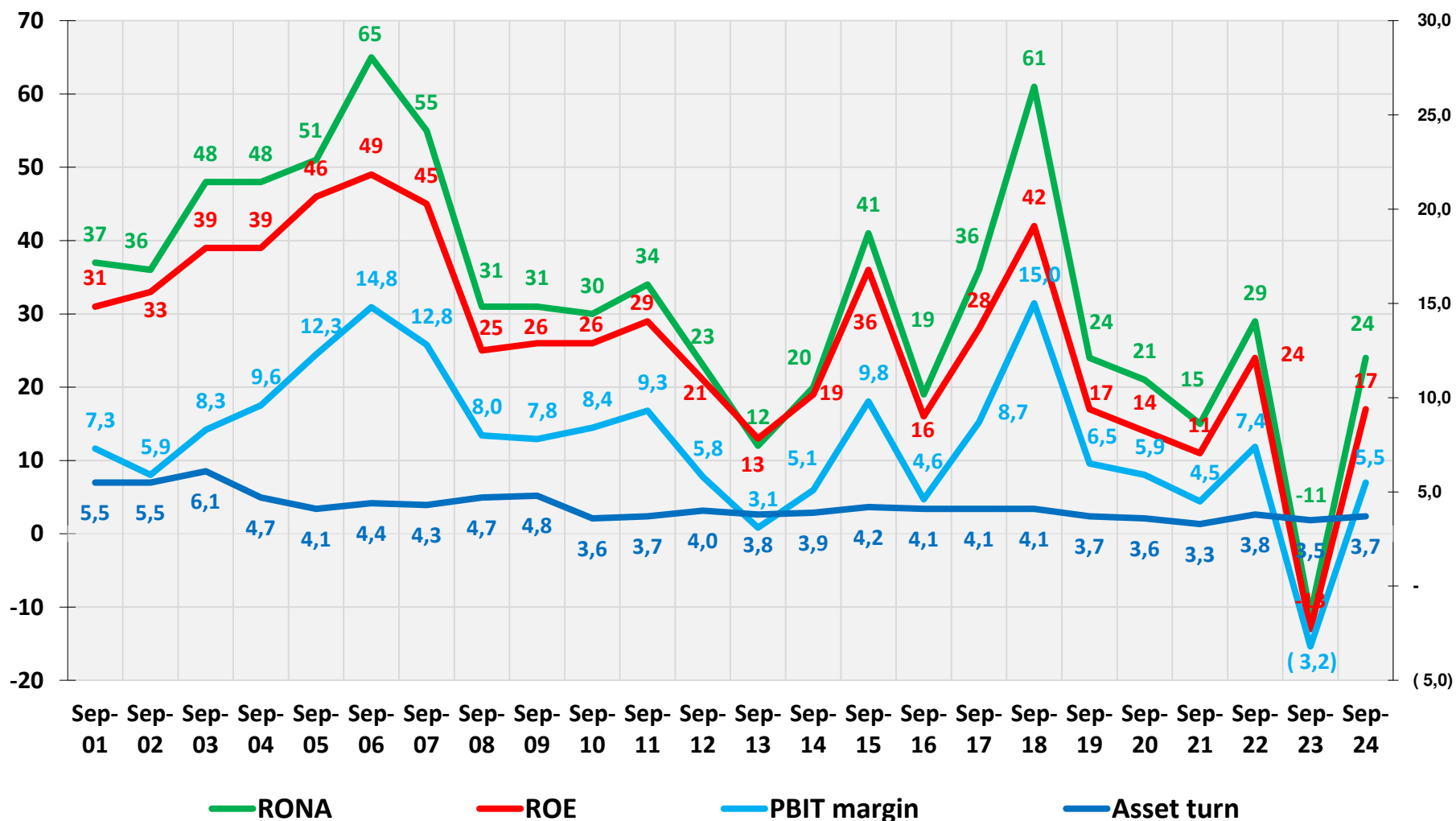
Goodbye and good luck.

~

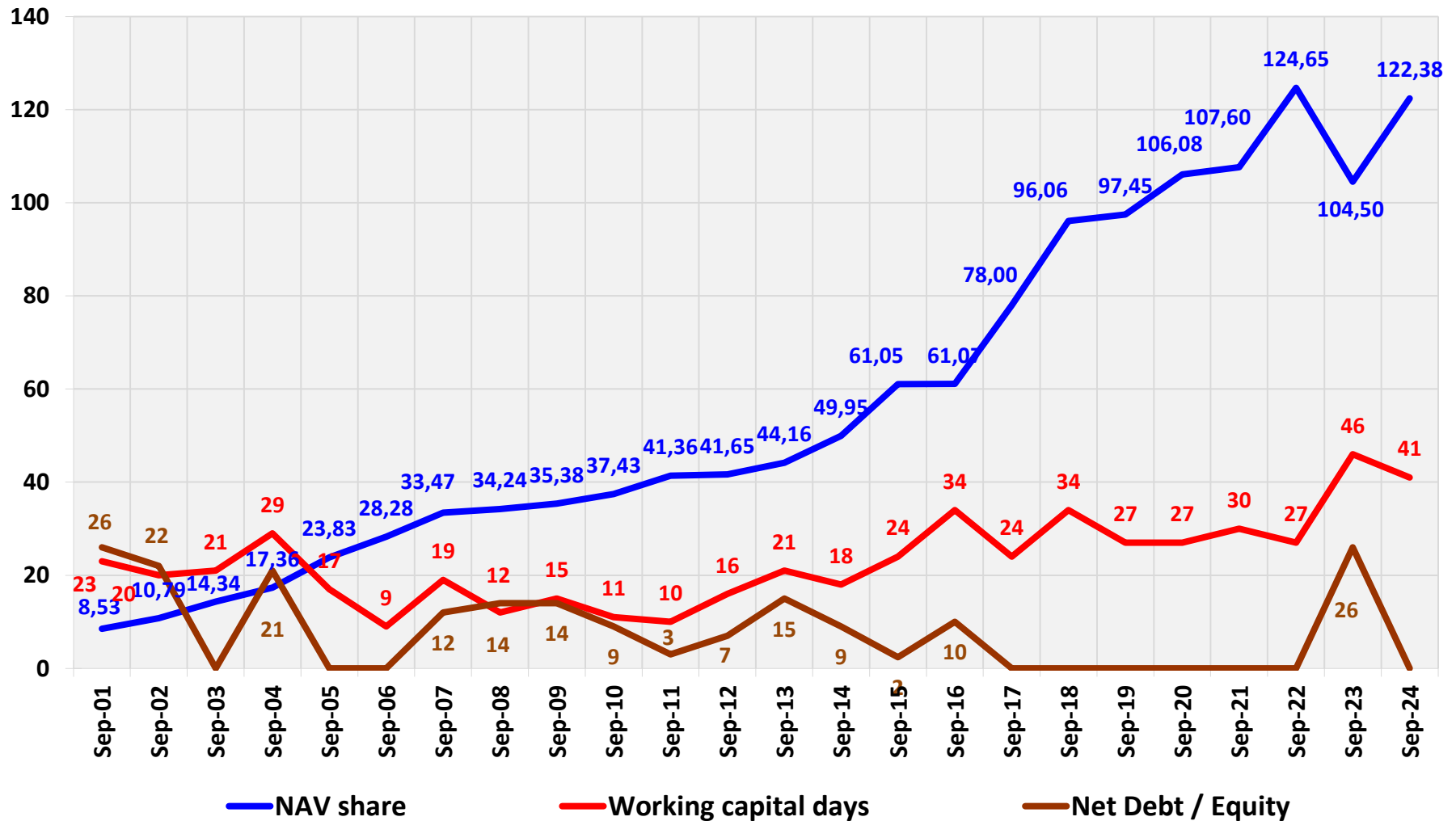


**ADDITIONAL
INFORMATION**

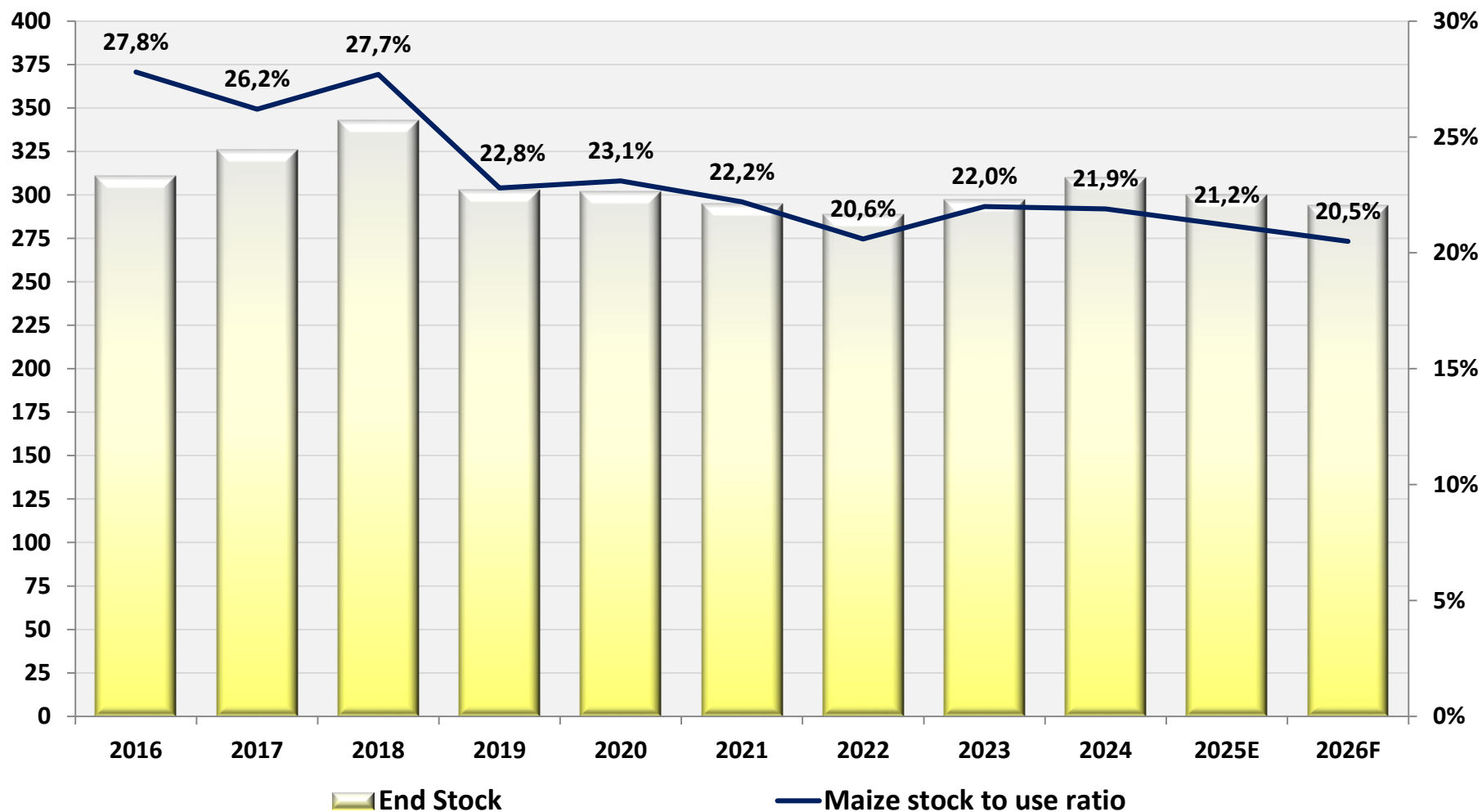
KEY FINANCIAL RATIOS



KEY FINANCIAL INDICATORS



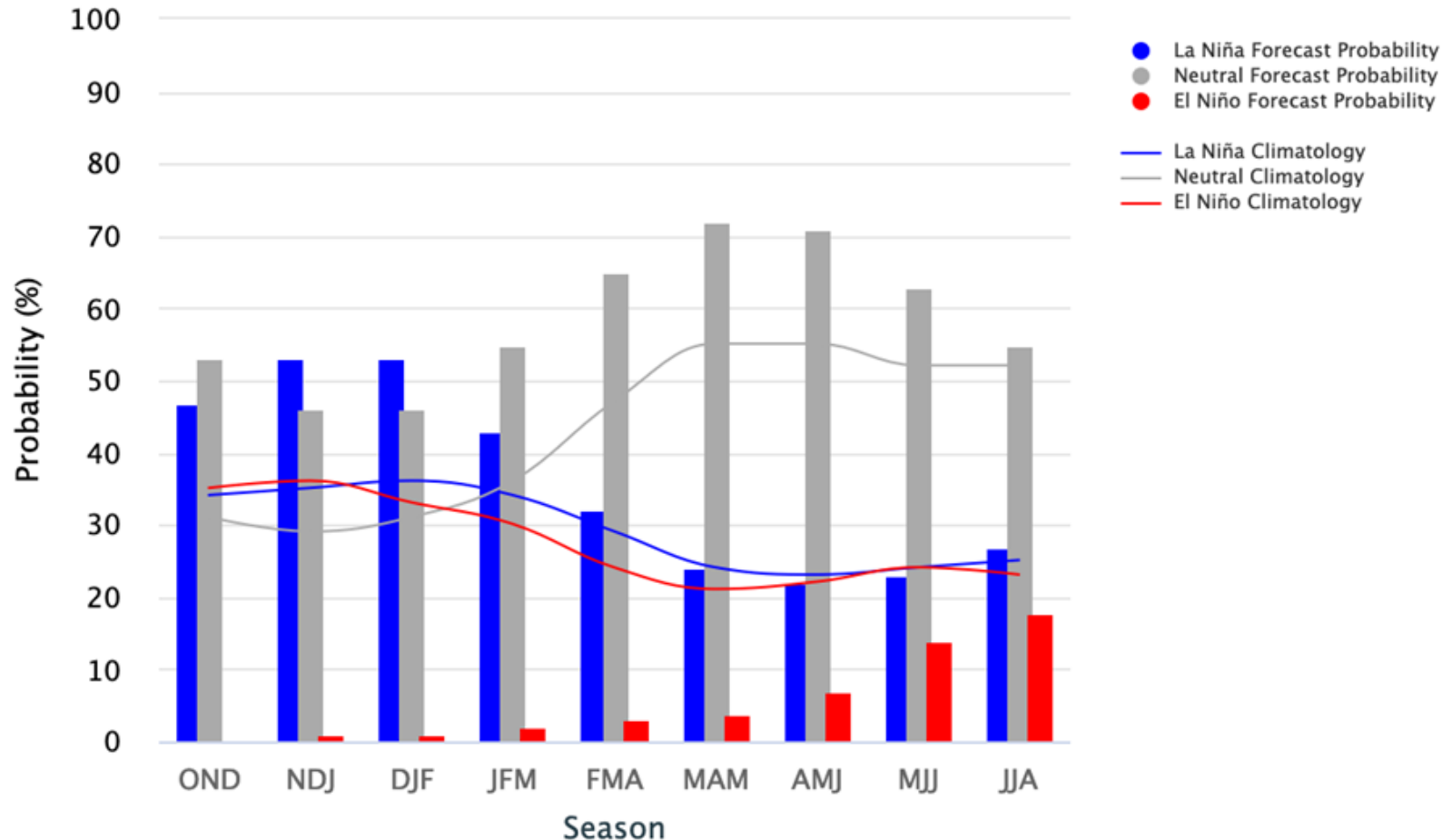
WORLD CORN ENDING STOCKS



EL NIÑO OSCILLATION

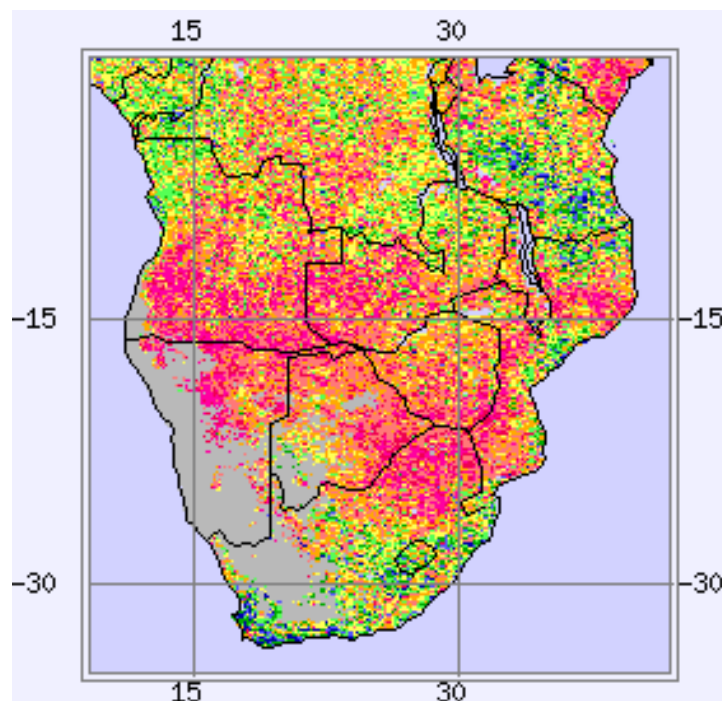
Mid-October 2024 IRI Model-Based Probabilistic ENSO Forecasts

ENSO state based on NINO3.4 SST Anomaly Neutral ENSO: -0.5°C to 0.5°C

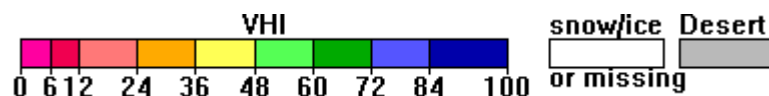
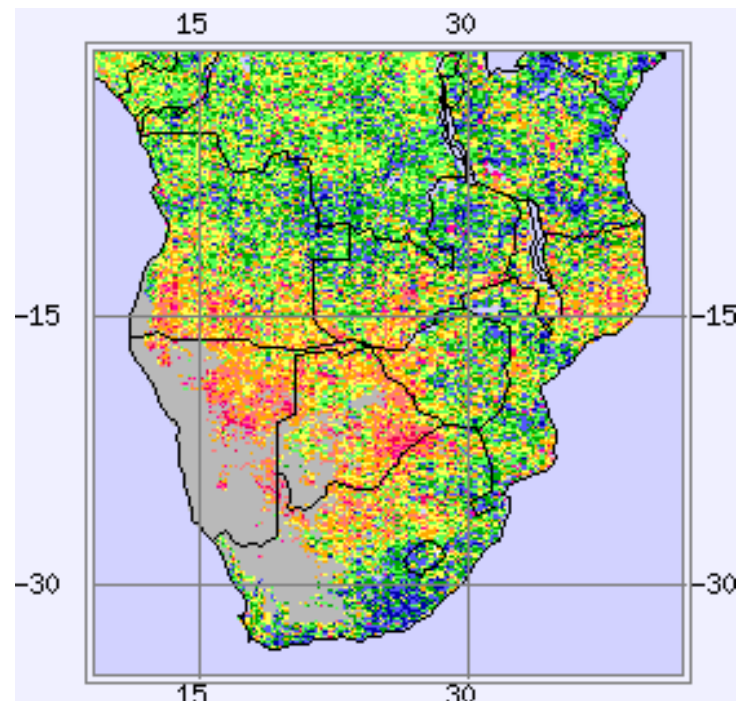


VEGETATIVE HEALTH INDEX

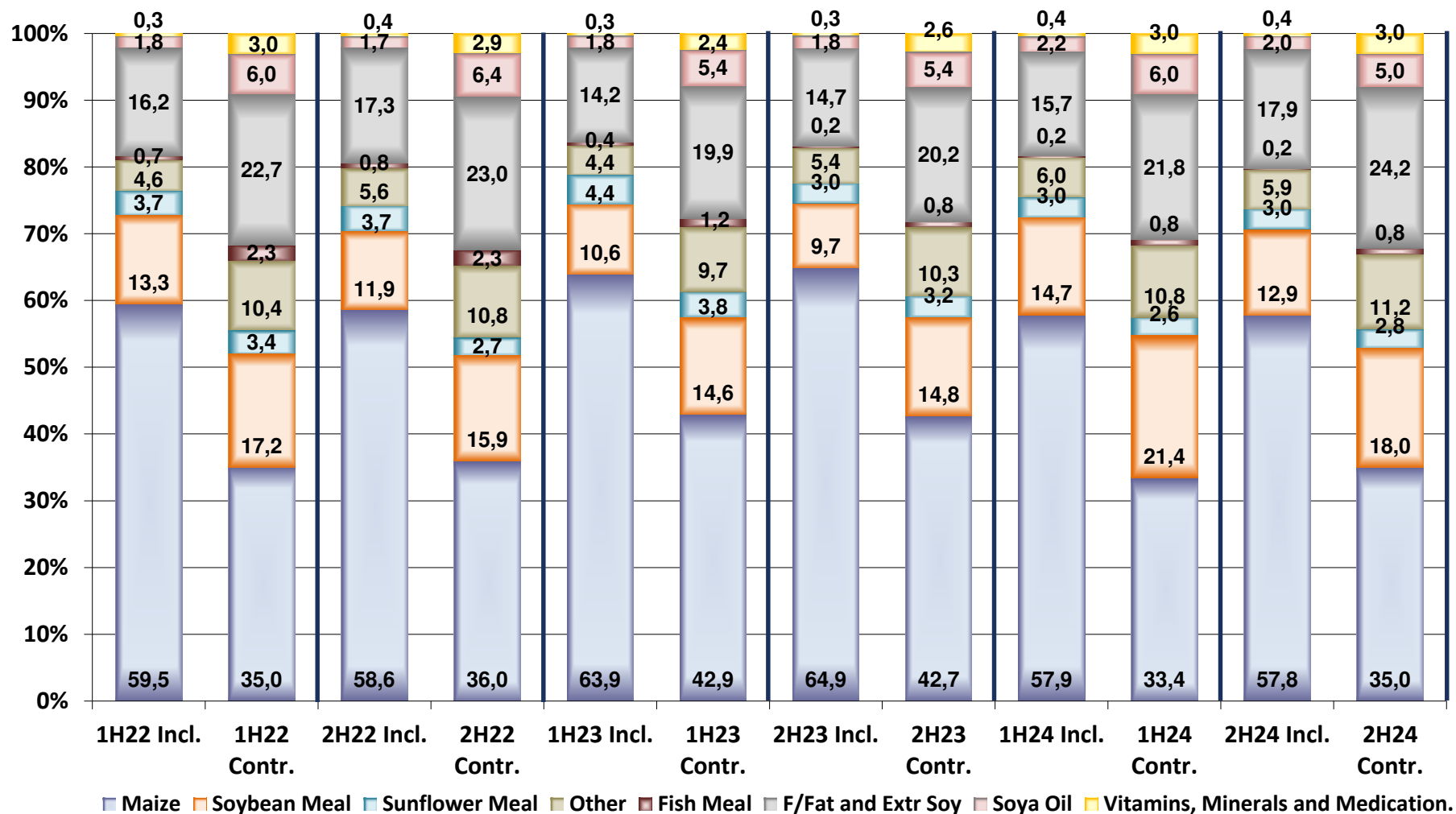
**VHI of current year
November 3, 2024 (week 44)**



**VHI of previous year
November 4, 2023 (week 44)**

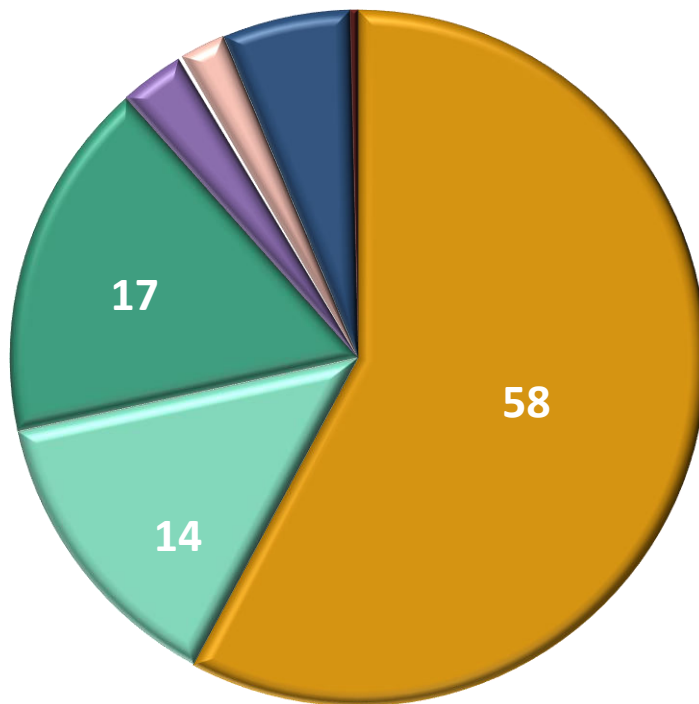


BROILER FEED INGREDIENT CONTRIBUTION



BROILER FEED COST BREAKDOWN

Inclusion (%)



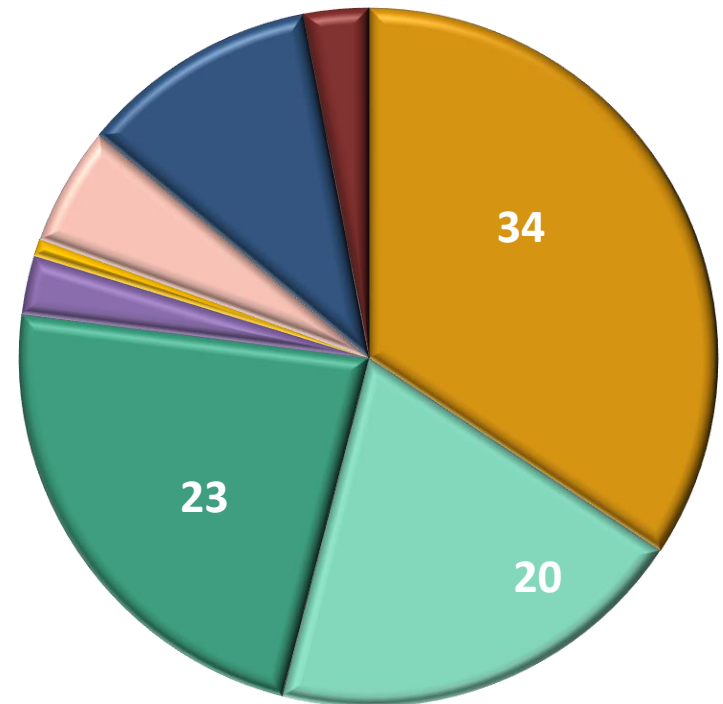
■ Maize
■ Fish meal

■ Soya meal
■ Soya oil

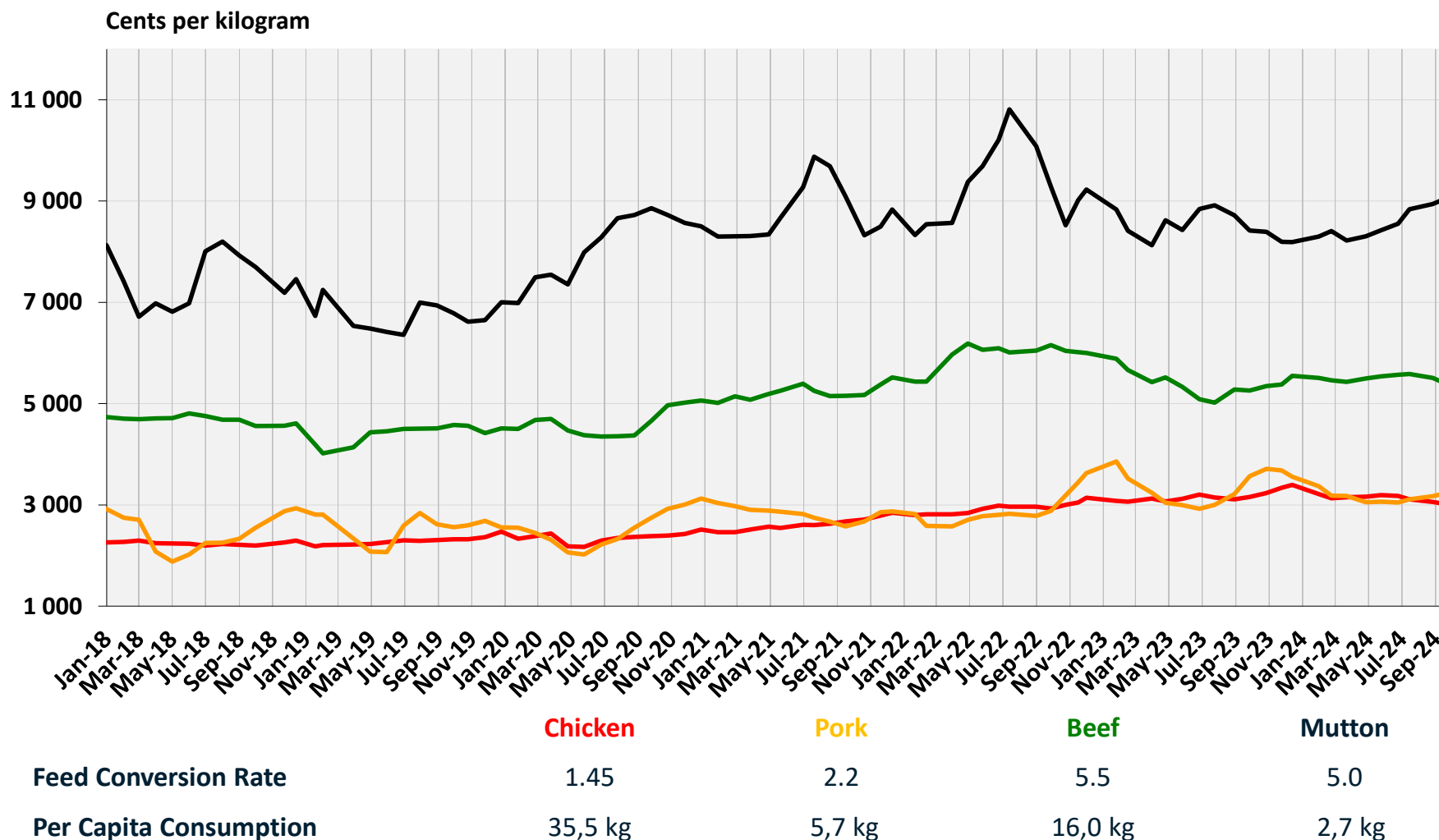
■ Extruded soya
■ Other

■ Sunflower meal
■ Vitamins & Minerals

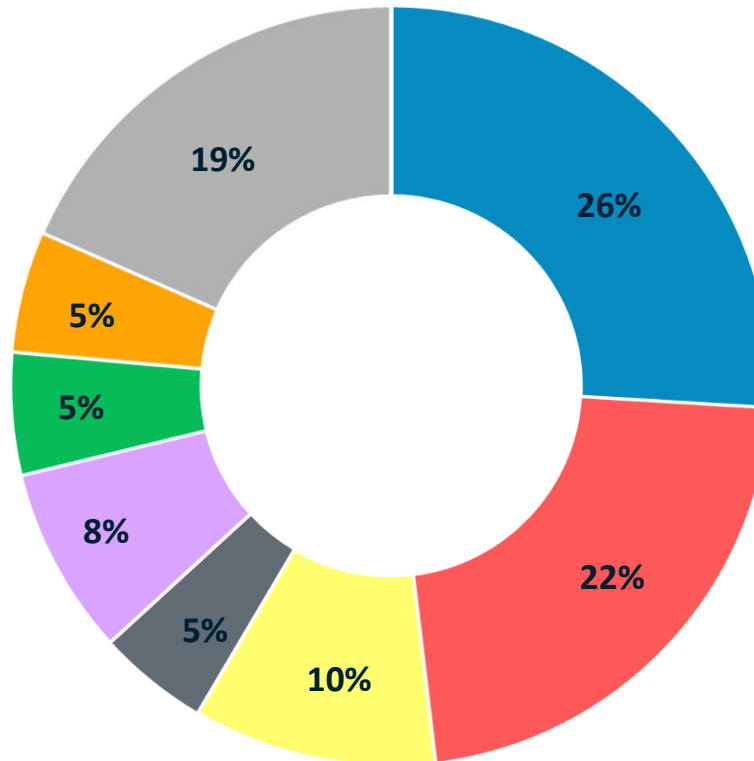
Cost Contribution (%)



RSA PROTEIN PRICE COMPARISON



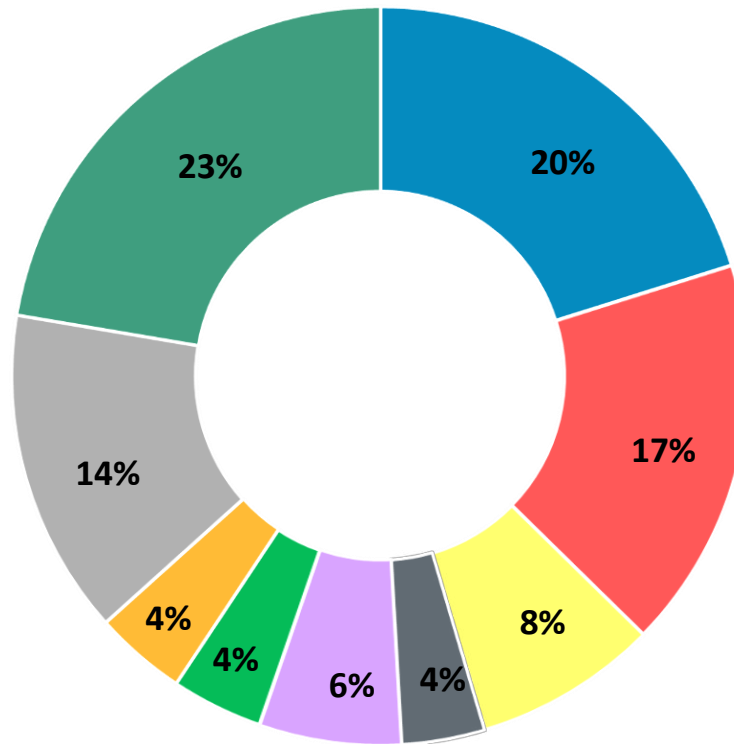
RSA POULTRY MARKET SHARE



■ Astral ■ Rainbow ■ Country Bird ■ Daybreak ■ Sovereign ■ Grainfields ■ Chubby Chick ■ Other

Local broiler production ≈ avg. 21,2 million birds per week (YTD July 2024)

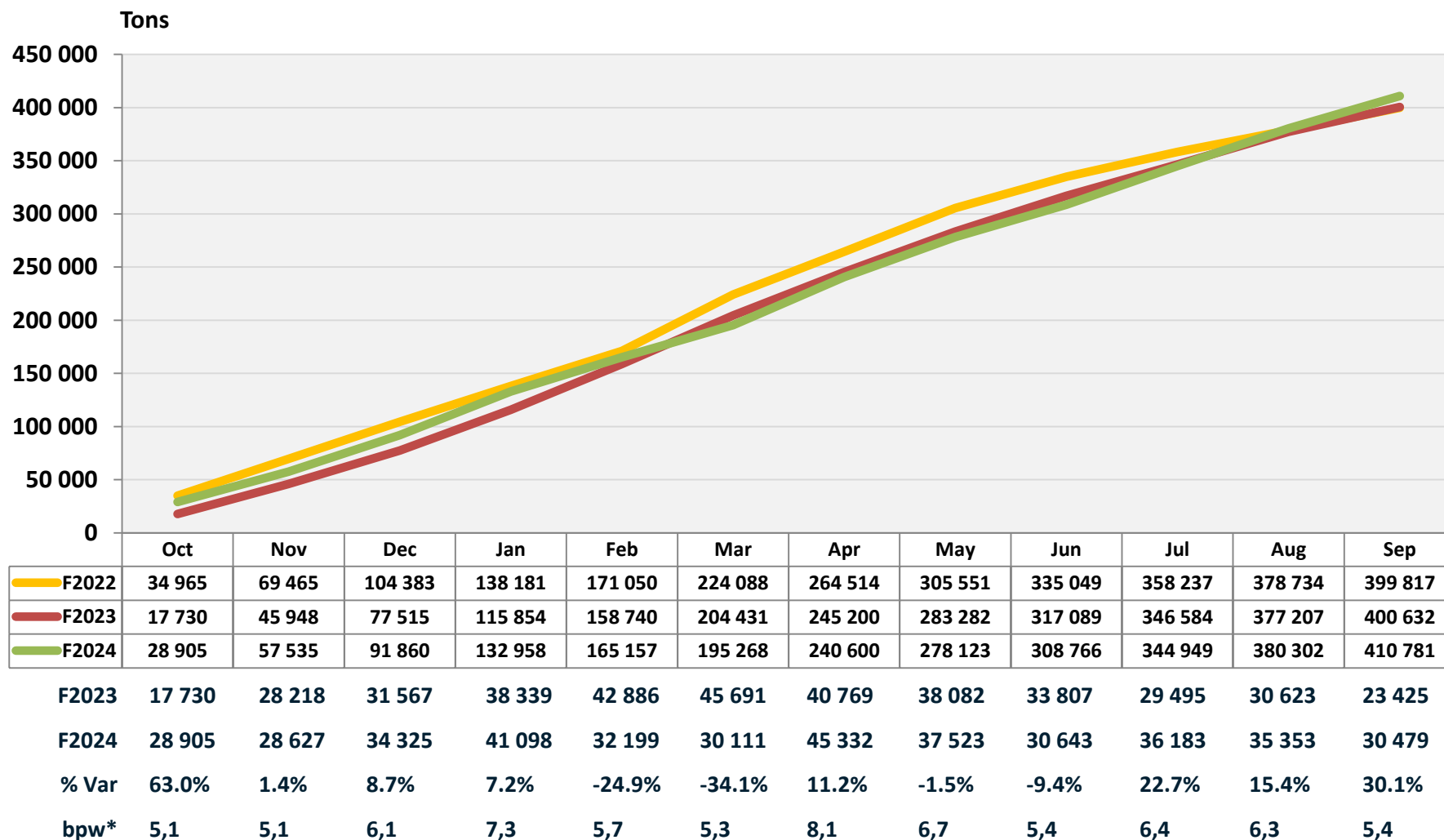
RSA POULTRY MARKET SHARE



■ Astral ■ Rainbow ■ Country Bird ■ Daybreak ■ Sovereign ■ Grainfields ■ Chubby Chick ■ Other ■ Imports

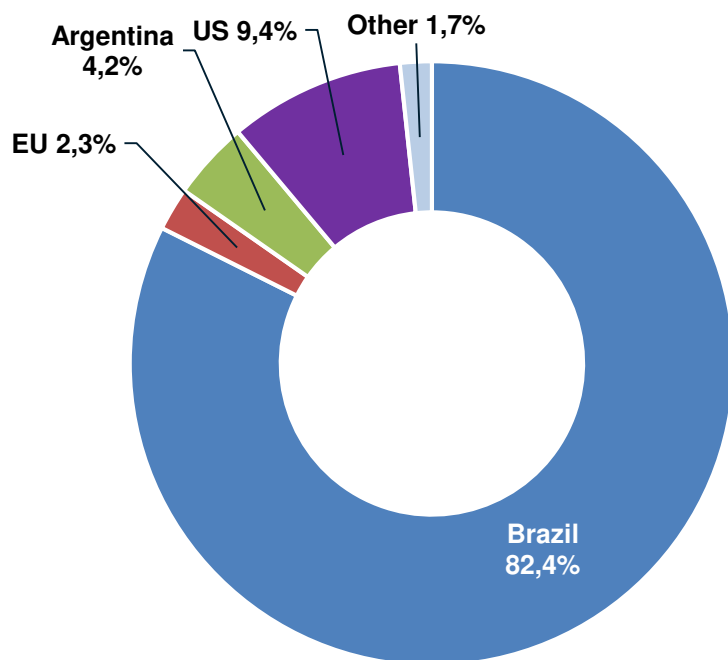
Avg. poultry imports ≈ 6.1 million birds per week (12 months ended September 2024)

TOTAL POULTRY IMPORTS



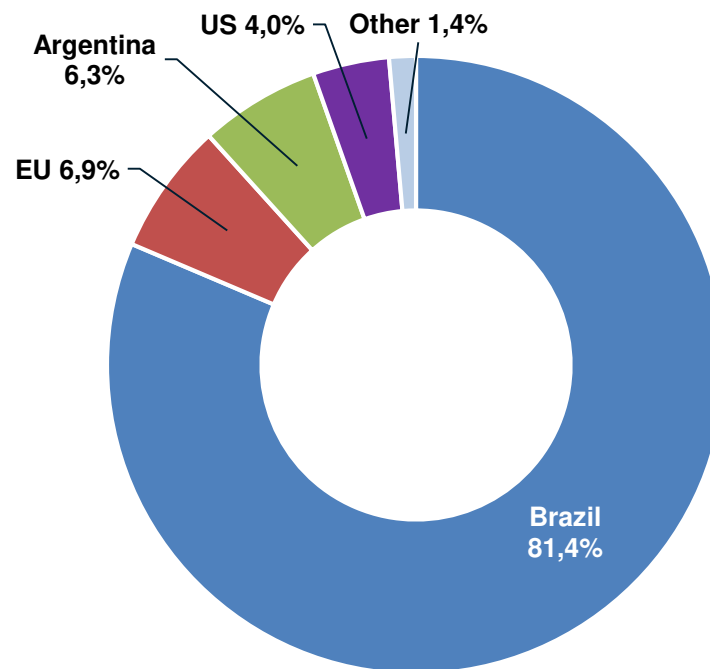
TOTAL POULTRY IMPORTS

■ 2023



414 975 tons

■ 2024 September YTD



318 922 tons

TOTAL POULTRY IMPORTS



Country (tons)	2022	2023	2024 Sep YTD
Brazil	282 128	342 095	259 530
United States	47 774	39 071	12 722
Poland	-	-	2 081
Argentina	33 455	17 288	20 214
Ireland	-	3 924	6 231
Denmark	-	53	368
Spain	2 061	4 351	10 573
Thailand	1 101	2 097	2 045
Canada	1 358	-	
Chile	1 334	638	
Australia	2 334	3 356	1 142
Germany	-	-	
United Kingdom	-	43	27
Netherlands	84	1 216	2 797
Uruguay	104	75	296
Belgium	25	-	
France	5	4	3
Namibia	3	19	256
eSwatini	984	571	179
Other	84	83	219

CONTACT DETAILS



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