LIBSTAR

Results

For the year ended 31 December 2024

QUALITY BRANDS GREAT FOOD SPECIAL MOMENTS

About Libstar

Libstar manufactures, distributes and markets leading branded and private label consumer packaged goods. Its portfolio comprises Perishable products, such as dairy, meat, baby and convenience meals, as well as Ambient products that include dry and wet condiments, meal ingredients, baked goods, snacks and spreads.

Contents

Salient features

Continuing Operations*

Libstar's results for the year ended 31 December 2024 reflect both promising, sustainable successes achieved from the execution of the Group's simplification, growth and sustainability strategy, as well as the material impact of limited, yet notable, challenges.

The Group has made strong progress in executing in each of the three focus areas of its strategy, supported by a strong performance of the Ambient Products category. However, this positive trajectory has been tempered by the impact of the loss of significant production volumes related to a Food Service customer in its Perishable Products category. While material, this challenge does not detract from the overall strategic progress and resilience demonstrated by the Group.

The Ambient Products category outperformed, delivering revenue growth of 5.4%, marginally lower gross profit margins of 25.5% (2023: 25.6%) and Normalised EBITDA growth of 12.2%.

The Group's Perishable Products category faced headwinds, reflected in revenue growth of 1.2%, a reduction in gross profit margins to 16.1% (2023: 16.7%) and a reduction in Normalised EBITDA of 13.7%.

Libstar's cash conversion and interest cover ratio's improved which, together with proceeds raised from the disposal of the Group's Chet Chemicals business, resulted in the achievement of the Group's 2024 leverage target.

Against this backdrop, the salient features include:

Revenue growth of
3.1%
(Volumes -3.2%; Price mix +6.3%)

Gross profit of
21.0%
(2023: 21.3%)

Normalised EBITDA of
R974 million
(2023: R974 million)

Normalised HEPS of
53.4 cents
(2023: 57.1)

Adjusted ROIC of
8.6%
(2023: 9.8%)

Gearing ratio of
1.5x Normalised EBITDA
(ex-IFRS 16) (2023: 1.6x)

Cash dividend maintained at
15 cents per share (gross)
(2023: 15 cents)

* It is important to note the Group's continuing operations result for the year under review is reported against a prior period which has been restated due to the Chet Chemicals division being disposed of and consequently classified as a discontinued operation.

Results *summary*

The Group uses Normalised EBITDA, Normalised Earnings per Share (EPS) and Normalised Headline Earnings per Share (HEPS) from continuing operations, which exclude non-recurring, non-trading, and non-cash items, as the key measures to indicate its true operating performance.

Libstar's full-year results are summarised in the table below:

(R'000)	2024	% change	2023*^
Continuing operations			
Total revenue	**11 773 771**	3.1%	11 418 918
Gross profit margin	***21.0%***	*(0.3pp)*	*21.3%*
Normalised operating profit	**631 143**	(6.3%)	673 785
(margin)	***5.4%***		*5.9%*
Normalised EBITDA	**974 143**	0.0%	974 227
(margin)	***8.3%***		*8.5%*
Basic EPS (cents)	**(46.8)**	(225.5%)	37.3
Basic HEPS (cents)	**39.4**	(16.2%)	47.0
Normalised EPS (cents)	**(32.7)**	(185.2%)	38.4
Normalised HEPS (cents)	**53.4**	(6.5%)	57.1
Balance sheet and cash flow indicators			
Net interest-bearing debt to Normalised EBITDA (excl. IFRS 16)	**1.5**		1.6
Cash generated from operating activities (excl. net working capital)	**983 427**	(5.5%)	1 040 136
Cash generated from operations (incl. net working capital)	**794 410**	3.7%	766 260
Capital investment in property, plant and equipment	**195 164**	(20.2%)	244 647
Cash conversion ratio	**80%**		66%

* The results for Chet Chemicals are disclosed in the Group's discontinued operations for the year ended 31 December 2024. The comparative prior period statement of comprehensive income has been re-presented to provide a like-for-like comparison.

^ Refer to note 34 in Annual Financial Statements for details on restatements in 2023.

Strategy *progress*

Libstar's strategic objective is to deliver sustainable, profitable growth and stakeholder value.

The Group's strategy is underpinned by three key themes: Simplification, Growth and Sustainability.

The Group continues to build on its strategic execution and operational progress, with the impact of an isolated event related to the loss of volumes from a prominent Food Service channel customer not detracting from the underlying strength and momentum of the business.

Progress relating to each theme for the 12-month period can be outlined as follows:

1. Simplification of the Group's Portfolio and Operating Model

The Group has successfully simplified its portfolio composition by exiting businesses in categories which have historically underperformed:

- Chet Chemicals, which formed part of the Group's Household & Personal Care (HPC) category, was sold to Mithratech SA (Pty) Ltd, a subsidiary of the Morvest Group (Pty) Ltd on 30 December 2024. This exit raised proceeds of R53 million that were utilised to further strengthen the Group's balance sheet.
- With effect from 31 August 2024, Libstar exited its beverage manufacturing operations by closing its Franschhoek-based Chamonix Spring Water plant.
- The Group remains resolute to exit its only remaining non-food business, Contactim, as soon as market conditions allow.
- While the process has taken longer than initially anticipated, the Group is now in the final stages of resolving its sub-optimal fresh mushroom production business. We remain focused on ensuring a successful outcome that aligns with our strategic objectives.

Libstar's operating model has been simplified into two super-categories comprised of Perishable Products and Ambient Products. In the more sub-category diverse Ambient Products category, significant progress has been made to reduce management structure complexities, deliver operational efficiencies, improve customer alignment with shared service structures and business integrations and diversify the sub-category product ranges and revenues. Examples of these include:

- The full integration of the Group's Khoisan division with the Cape Herb & Spice division in the Dry Condiments sub-category, improving alignment with the Group's existing Exports channel capabilities.
- The successful and sustainable turnaround of the Group's Retail Brands baking aids division, including a sharing of resources between this unit and the remainder of the Wet Condiment cluster, improved planning, production efficiencies and distribution.
- A strengthened team capability in the Group's Rialto (food service and packaging) division, including the successful launch of expanded food service ranges.

2. Growth of the Group's Categories, Channels and People

Ambient Products Category Outperformance

The category outperformance was attributable to the simplification of the Group's operating model and its growth focus as follows:

- The Wet Condiments sub-category achieved revenue growth of 9.4% and normalised EBITDA growth of 48.5%, supported by a simplified management structure, procurement and production efficiencies and improved service levels and distribution.
- The Dry Condiments sub-category delivered revenue growth of 11.1%, and normalised EBITDA growth of 22.1%, benefiting from a 53% growth in Cape Herb & Spice's own-branded revenue due to new international retail listings, expansion into new territories and new product launches.
- The Exports channel delivered volume growth of 8.1%, driven by the Dry Condiments sub-category.
- Food Service channel volumes increased by 4.2%, bolstered by a new support structure and the launch of an expanded basket of products, including condiments and baking aids, during H2.

Perishable Products Category Headwinds and Challenges

- The category faced headwinds, reflected in revenue growth of 1.2%, a reduction in gross profit margins to 16.1% (2023: 16.7%) and a reduction in Normalised EBITDA of 13.7%.
- In the value-added meat sub-category, a major Food Service channel customer diversified its beef procurement, resulting in an under-recovery of fixed costs, lower gross profit margins and profitability. The business reported a decline in revenue of 9.6% and a 35.9% reduction in Normalised EBITDA, resulting in a material reduction, on a standalone basis, in the Group's reported Normalised EBITDA.
- The dairy sub-category faced challenges in the second half of 2024 due to industry-wide cyclical pressures. A significant inflow of unprocessed milk, due to higher national production, led to elevated inventory levels, intensifying competitive price promotions across both Retail and Food Service channels. This resulted in margin compression and a more volatile pricing environment. Additionally, the outbreak of Foot and Mouth Disease in the Eastern Cape in April 2024 disrupted supply chains, increasing transportation costs and impacting production yields at our Swellendam plant. These factors collectively created a challenging operating environment.

People

- The One Libstar high-performance culture programme was successfully launched in 2024 and will remain a key initiative throughout 2025. The programme, together with a revitalised focus on succession, training and upskilling, has set a strong foundation for the Group to work from as one united team in achieving its strategic goals for 2027.

3. Sustainability of the Group's Operations, Profits, Cash Flows and Returns

Sustainable Operations

- Uninterrupted electricity supply remains a significant risk to operations across the Group. To mitigate this risk, adequate generator capacity has been installed at each site, allowing every site to operate independently from Eskom's supply.
- Water supply interruptions, particularly in Gauteng, remains a major risk to the businesses in the region. To address this, Libstar has invested in sufficient water storage (covering 2 days per site) and have explored underground water sources by sinking several boreholes at different Gauteng sites, although this has not yet provided a sustainable, long-term solution.
- Reducing the Group's electricity consumption is currently one of its main focus areas. Libstar has solar installations at 5 of its 29 manufacturing sites. Although the acceleration of these installations has been tempered by landlord complexities, the Group is actively planning to continue its renewable energy strategy.

Sustainable Cash Flows

Stronger cash generation and balance-sheet

- Libstar improved its underlying cash conversion to 80.0% (2023: 66.1%) and interest cover to 5.4x (2023: 4.9x).
- The Group's balance sheet was strengthened by a reduction in the gearing ratio to 1.5x (2023: 1.6x), now moving towards the lower end of the Group's previously stated range of 1x to 2x.

Sustainable Business Practices

- The rapid evolution of the Group from a siloed operational structure to a more category-based, collaborative structure has enabled Libstar to implement more standardised factory efficiency measurements, as well as share best practices more effectively.
- All sites have installed live metering to monitor electricity usage, allowing the Group to analyse and understand electricity consumption and demand. This data is used in planning and feasibility studies for solar installations and tariff optimisation. Each business also tracks weekly KPIs, measuring electricity usage per ton produced and water usage per ton produced.
- A Group Procurement Project was launched to help leverage the buying power of commonly procured items. For example, in corrugated procurement, the Group has reduced the number of suppliers from 14 to just 2, thereby realising improved procurement rates without comprising quality and availability.

Group financial *performance*

Revenue

Libstar recorded 2024 revenue growth of 3.1%. Selling price inflation and mix changes contributed 6.3% to sales growth. Sales volume declined by 3.2% as the Group experienced a decline in its Retail and Food Service channels.

The Perishable Products category revenue increased by 1.2%, with selling price inflation and mix changes contributing 3.2% to sales growth. Sales volumes declined by 2.0% driven mainly by lower Quick Service Restaurant (QSR) beef volumes in the Food Service channel.

The Ambient Products category revenue increased by 5.4% exports, driven by the resilient Wet Condiments sub-category performance and increased exports volumes. Price and mix changes contributed 9.5% of revenue growth. The volume decline of 4.1% resulted primarily from the implementation of a direct import model by a retail customer as reported during H1.

Gross Profit Margins

Libstar's year-on-year gross profit margin decreased from 21.3% in the prior year to 21.0% in the current year. Margin pressures in the Dairy and Dry Condiments sub-categories, as well as the margin impact in value-added meats impacted the Group margin.

Other Gains and Losses

Realised foreign currency translation gains of R37.1 million were recognised in the current year compared to a R29.6 million loss in the prior year.

Unrealised foreign currency translation gains of R0.4 million were recognised compared to a R2.9 million loss in the prior year.

Operating Expenses

Operating expenses increased by 7.0%, driven by higher consulting fees, reflecting the costs associated with strategic initiatives such as operating model planning, the launch of the Group's One Libstar culture program, and fees for divestment advisors. Additionally, salaries and wages increased, in line with CPI adjustments and the filling of vacant positions compared to the previous period.

Libstar's expense margin increased to 17.2% (2023: 16.5%).

Capital Items

The Group received insurance proceeds of R120 million in the prior year relating to the Denny Mushrooms (Shongweni plant) fire.

An impairment charge of R400 million net of tax was recognised in relation to the Finlar Fine Foods business unit owing to the supplier diversification implemented by a major customer impacting beef volumes in the Food Service channel. Additionally, an impairment charge of R98.2 million net of tax was recognised in the Denny Mushrooms division to recognise the business unit at its recoverable value. The Group reassessed the carrying value of customer relationships which resulted in an impairment of R10.5 million net of tax of customer contracts in Dickon Hall Foods and Cape Herb and Spice.

The impairment charges decreased Total Diluted EPS and Normalised EPS, but are added back for purposes of the calculation of Total Diluted HEPS and Normalised HEPS.

Normalised Operating Profit and Normalised EBITDA

Group Normalised operating profit decreased by 6.3% at a margin of 5.4% (2023: 5.9%).

During the prior year, the Group re-evaluated the estimated useful lives of assets with zero book value, resulting in a decline in prior year depreciation of plant and equipment of 6.3% or R14 million. As the re-evaluation only impacted the 2023 financial results, the 2024 year-to-date depreciation expense has increased by 22.9% or R44 million relative to the prior corresponding period.

Group Normalised EBITDA was R974 million (2023: R974 million) at a margin of 8.3% (2023: 8.5%).

Investment Income and Finance Costs

The Group's net finance cost (including IFRS 16 lease liabilities) decreased by 1.6% from R213.7 million to R210.4 million.

Group net finance costs on interest-bearing debt (excluding IFRS 16 lease liabilities), decreased by 13.7% from R165.5 million to R142.8 million, mainly due to the decrease in the Johannesburg interbank average lending rate (JIBAR) in the current prior period.

Finance charges incurred on lease liabilities (IFRS 16) increased by 32.1% from R45.7 million to R60.4 million.

Taxation

The Group's effective tax rate of 10.7% (2023: 28.3%), is mainly a result of the impact of impairments on intangible assets. The effective tax rate excluding the effect of impairments is 24.3% (2023: 24.9%).

Earnings and Headline Earnings

Total Diluted earnings per share (EPS) decreased from 38.0 cps to a loss per share of 54.0 cps. The decrease is mainly attributable to higher impairment charges and lower insurance proceeds relative to the prior year.

Total Diluted headline earnings per share (HEPS) decreased by 11.7% to 42.1 cps (2023: 47.7 cps). The decrease is mainly attributable to the receipt of insurance proceeds in the prior year.

Normalised Earnings from Continued Operations

Normalised EPS, which excludes insurance proceeds, unrealised foreign currency movements and other non-recurring, non-trading, and non-cash items, decreased from 38.4 cps to a loss per share of 32.7 cps. The reduction is mainly attributable to higher impairment charges relative to the prior year.

Normalised HEPS, which also excludes the aforementioned items, as well as insurance proceeds and impairment charges, decreased by 6.5% from 57.1 cps to 53.4 cps.

The weighted average number of shares in issue remained unchanged at 595.8 million and is equal to the diluted number of shares in issue.

A reconciliation between Normalised EBITDA, Normalised earnings and Normalised headline earnings is provided below:

R'000	2024	Change %	2023
Normalised EBITDA	**974 143**	0.0%	974 227
Less:			
Depreciation and amortisation	**(343 000)**		(300 442)
Net finance cost	**(210 369)**		(213 699)
Impairments losses on assets	**(548 890)**		(292 188)
Tax and normalisation adjustments	**(66 816)**		60 859
Plus: Non-controlling interest (gain)/loss	**(50)**		150
Normalised earnings	**(194 982)**	(185.2%)	228 907
Impairment losses on assets (after tax)	**475 893**		93 122
Impairment of PPE (after tax)	**32 797**		22 878
Loss/(gain) on disposal of property, plant and equipment (after tax)	**4 724**		(4 617)
Normalised headline earnings	**318 432**	(6.4%)	340 290

Cash Flows and Balance Sheet

Cash generated from operating activities increased by R28.1 million from R766.3 million to R794.4 million.

Group net working capital increased to 19.1% of Group revenue (2023: 18.0%), resulting from an increase in inventory days, mainly driven by excess milk volumes.

The Group target range is expected to remain elevated between 16% – 18% of revenue in the medium term given continued shipment delays, and excess milk volumes.

The Group focused its capital allocation on capacity-enhancing projects in identified growth areas, critical maintenance, and safety projects. Capital expenditure was reduced by R47.9 million to R195.2 million (2023: R244.6 million), representing 1.7% of net revenue (2023: 2.1%). The Group's target range remains between 2.0% to 3.0%.

The Group's EBITDA to term debt gearing ratio reduced to 1.5x (2023: 1.6x) normalised EBITDA within the stated target of 1x to 2x.

Net interest cover to EBITDA remains strong at 5.4x from 4.9x in the prior year and compares favourably to the Group's minimum stated target of greater than 3.5x.

The Group's Capital Expenditure comprised of:

- A R93.0 million investment in capacity-enhancing projects, including:
  - R17.6 million in Dairy on an effluent treatment plant and a new natural cheese slicing line;
  - R16.7 million investment in tea packing machines in Dry Condiments; and
  - R9.5 million in facility upgrades and new lines to increase chicken capacity in Value-added Meats.
- A R72.5 million investment in replacement and maintenance projects and R30.2 million invested in quality and improvement projects.

Adjusted Return on Invested Capital (Adjusted ROIC)

The Group continues to monitor capital productivity as part of the execution of its strategy. During the period under review, Adjusted ROIC reduced to 8.6% (2023: 9.8%) compared to a WACC of 12.0%. Libstar is committed to its Adjusted ROIC long-term target of WACC, of 12.0%, plus 200 basis points.

Category and channel sales *analysis*

Ambient Products FOOD

Dry Condiments

Meal Ingredients

Snacking

Spreads

Wet Condiments

Baking

Perishable Products FOOD

Dairy

Value-added Meats

Fresh Mushrooms

Convenience Meals

Household & Personal Care OTHER

Performance by Category

Libstar has simplified its category reporting segments as part of its new strategic direction to significantly reduce the Group's operating structure complexity. Therefore, the Group's business units have been aggregated into reportable segments based on product categories. Historically, the Group has reported on five categories namely Perishables, Groceries, Baking & Baking Aids, Snacks & Confectionery, as well as Household & Personal Care (HPC). Libstar's quality food brands have now been organised into two super-categories, namely Perishable Products (previously Perishables) and Ambient Products (previously Groceries, Baking & Baking Aids and Snacks & Confectionery), with HPC remaining as a third category whilst the Group's efforts to reduce its exposure to non-food categories continues.

Category revenue is summarised as follows:

	Group revenue growth/decline			Contribution to Group revenue	
Continued operations (R'000)	**Financial year ended 31 December 2024**	Change %	Financial year ended 31 December 2023	**Financial year ended 31 December 2024**	Financial year ended 31 December 2023
Net revenue by category					
Ambient Products	**5 832 950**	5.4%	5 533 818	**49.5%**	48.5%
Perishable Products	**5 781 849**	1.2%	5 712 526	**49.1%**	50.0%
HPC	**158 972**	(7.9%)	172 575	**1.4%**	1.5%
Total Group net revenue	**11 773 771**	3.1%	11 418 919	**100.0%**	100.0%

Category Normalised EBITDA (before corporate costs) is summarised as follows:

	Group Normalised EBITDA growth/decline			Contribution to Group Normalised EBITDA	
Continued operations (R'000)	**Financial year ended 31 December 2024**	Change %	Financial year ended 31 December 2023	**Financial year ended 31 December 2024**	Financial year ended 31 December 2023
Normalised EBITDA before corporate costs					
Ambient Products	**703 124**	12.2%	626 814	**66.5%**	59.7%
Perishable Products	**344 080**	(13.8%)	398 597	**32.5%**	38.0%
HPC	**10 837**	(54.6%)	23 892	**1.0%**	2.3%
Total	**1 058 041**	0.8%	1 049 302	**100.0%**	100.0%

Ambient Products

49.5%
of Group Revenue

66.5%
of Group Normalised EBITDA before corporate costs

Revenue from Ambient Products increased by 5.4%. Category volume sales decreased by 4.1%, whilst price and mix changes contributed 9.5%. The result was driven by a strong performance of the Group's retail wet condiment offerings and the recovery of wet condiment volumes in the Industrial channel relative to the weak demand in the comparative period.

The Retail and Wholesale channel, which contributes 53.6% of the category revenue, decreased by 0.4% driven by reduced volumes in Meal Ingredients impacted by a direct import model implemented by a major customer.

Dry condiments sales in the Exports channel delivered growth of 14.8% as existing private label offerings performed strongly and the Group expanded its own-branded market penetration in export retail markets.

The category's gross profit margin was marginally lower than the prior year at 25.5% (2023: 25.6%). While increased demand for wet condiments resulted in improved recoveries of overhead costs, Exports channel margins reduced as a result of a stronger Rand compared to international currencies, increased costs arising from limited shipment container availability, as well as unprecedented increases in global peppercorn pricing.

Ambient Products category normalised EBITDA increased by 12.2% at a margin of 12.1% (2023: 11.3%).

Perishable Products

49.1%
of Group Revenue

32.5%
of Group Normalised EBITDA before corporate costs

Revenue from Perishable Products increased by 1.2% of which 3.2% was due to positive price/mix changes. Volumes declined by 2.0%, driven by lower beef volumes in the Food Service channel.

The Retail and Wholesale channel, which contributed 59.1% (2023: 55.1%) of category revenue increased by 8.5% due to strong sales of hard and soft cheese, yogurt, and value-added chicken products.

The category gross profit margin was slightly lower at 16.1% (2023: 16.9%) from the prior period. Notwithstanding the lower sales volumes in the Food Service channel, the impact of the under recovery of overheads was partly offset by improved production efficiencies, procurement savings and cost control.

Normalised EBITDA decreased by 13.7% at a margin of 6.0% (2023 margin: 7.0%).

Performance by sales *channel*

Group revenue performance by sales channel is summarised below:

Continued operations (R'000)	Year-on-year revenue growth/(decline)	Contribution to Group revenue	
	Financial year ended 31 December 2024	**Financial year ended 31 December 2024**	Financial year ended 31 December 2023
Revenue By Channel			
Retail and Wholesale	**3.7%**	**56.8%**	56.5%
Food Service	**6.0%**	**20.2%**	22.2%
Exports	**7.6%**	**11.5%**	11.0%
Industrial and Contract Manufacturing	**14.9%**	**11.5%**	10.3%
Total Group revenue	**3.1%**	**100.0%**	100.0%

The Retail and Wholesale channel revenue contribution increased slightly to 56.8% (2023: 56.5%) of Group revenue, whilst the Food Service channel revenue contribution decreased to 20.2% (2023: 22.2%) of Group revenue.

During the period under review, Retail and Wholesale channel revenue increased by 3.7%. Sales volumes decreased by 6.8%, and price mix contributed 10.5%. Retail volumes declined predominantly due to a customer's implementation of a direct import model of Meal Ingredients.

Food Service channel revenue decreased by 6.0%, driven by supplier diversification implemented by a customer resulting in reduced volumes of beef products in quick service restaurants. Sales volumes declined by 6.7% and price mix changes increased by 0.7%.

Export revenue increased by 7.6% and sales volumes improved by 4.5%.

Industrial and Contract Manufacturing channel revenue increased by 14.9%, with sales volumes up by 5.2%. The demand for contract-manufactured wet condiments recovered from the low base in 2023. Price/mix increased by 9.7%.

Outlook

Introduction

Consumers are expected to remain under pressure in the short to medium term, notwithstanding some improving macro-economic indicators. Within this context, Libstar remains resolute in the execution of its simplification, growth and sustainability strategy.

Portfolio and Operating Model Simplification

In the coming year, the Group's operating model will be further simplified within the Ambient Products category, where a shared-services structure will be created in the Wet Condiments sub-category. This new structure will consist of Montagu Foods, Dickon Hall Foods, Retailer Brands and Cecil Vinegar Works, with the goal of improving operational capabilities while preserving the unique market positions of each business unit.

Furthermore, as part of the Group's ongoing commitment to optimising our operational execution, the divisions of Rialto (Retail Division), Ambassador Foods (Snacks Division) and Cape Coastal Honey (Spreads Division) will be integrated in the coming year. The integration of these divisions into a newly formed sub-category of the Ambient Products category, better positions the business for growth and improves customer alignment. The integration will, furthermore, strengthen the categories' leadership structure and succession planning, while simultaneously advancing technical and product development capabilities.

Category and Channel Growth

The new financial year marks a special milestone for the Group as Libstar celebrates its 20th anniversary–a testament to the dedication, innovation, and resilience of the Company. Forming part of its revised business strategy, Libstar's key focus for the year ahead will be on the achievement of category and channel growth, the development and upliftment of its people and the continued strength of its culture.

Within the Perishable Products category, Libstar will continue to develop markets for its quality, value-added meat products. The Group anticipates a more balanced supply-demand dynamic in the Dairy sub-category as industry-wide production and pricing pressures normalise. However, cost inflation in key inputs such as feed, logistics and costs related to disease outbreaks remains a risk, requiring continued focus on operational efficiency and procurement strategies. The Group will continue to invest in high-margin categories, expanding its Soft Cheese and Yoghurt offerings.

The Ambient Products category remains well-positioned to benefit from the continued growth of its Exports and Food Service offerings, supported by the operating model simplification aforementioned.

Unlocking Stakeholder Value

Although Libstar faced isolated challenges in 2024, the Group's broader performance and resilient balance sheet reflects the strength of its strategy, and we remain confident in our long-term growth trajectory.

In light of the above, the Board believes the timing to be optimal for Libstar to assess further potential strategies through which to deliver meaningful value unlock for stakeholders, alongside continued execution of the Group's ongoing operational and strategic initiatives.

The evaluation of potential strategic options remains at an early stage. Shareholders will be kept informed as the Company progresses its assessment, as appropriate and to the extent required in terms of the applicable regulations.

Declaration of cash *dividend*

The Board of Libstar has approved payment of a cash dividend of 15 cents per ordinary share (gross) in respect of the year ended 31 December 2024 (2023: 15 cents).

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

- The dividend has been declared from income reserves.
- The local Dividends Tax rate is 20% (twenty percent).
- The gross local dividend amount is 15 cents per ordinary share for shareholders exempt from the Dividends Tax.
- The net local dividend amount is 12 cents per ordinary share for shareholders liable to pay the Dividends Tax.
- Libstar has 681 921 408 ordinary shares in issue.
- Libstar's income tax reference number is 9526395174

The following salient dates will apply to the dividend payment:

Declaration date	Tuesday, 18 March 2025
Last day to trade cum the dividend	Tuesday, 8 April 2025
Shares commence trading ex the dividend	Wednesday, 9 April 2025
Record date	Friday, 11 April 2025
Payment in respect of the dividend	Monday, 14 April 2025

Share certificates may not be dematerialised or re-materialised between Wednesday, 9 April 2025 and Friday, 11 April 2025, both days inclusive.

Changes to the *board*

Wendy Luhabe will be stepping down as board member and Chairman of the Company after the AGM on or about 30 May 2025. The Board would like to extend its sincere gratitude to Wendy for her invaluable contributions to both the Board and the Company over the years.

JP Landman, current lead independent non-executive director, has been appointed as Chairman of the Company with effect from the conclusion of the 2025 AGM. He will step down as the lead independent non-executive director and member of the Audit and Risk Committee at the AGM.

Corporate *information*

Company and Registered Office

Libstar Holdings Limited
Registration Number: 2014/032444/06
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Company Secretary

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Sponsor

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Auditors

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3 Dock Road, V&A Waterfront
Cape Town

Directors

Wendy Yvonne Nomathemba Luhabe (Chairman)
Non-Executive Independent Director

Johannes Petrus (JP) Landman (Lead Independent Director)
Non-Executive Independent Director

Anneke Andrews
Non-Executive Independent Director

Sandeep Khanna
Non-Executive Independent Director

Sibongile Masinga
Non-Executive Independent Director

Charl Benjamin de Villiers
Chief Executive Officer

Terri Lee Ladbrooke
Chief Financial Officer

Cornél Lodewyks
Executive Director

Transfer Secretaries

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Website

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Forward-looking Statements

This announcement contains certain forward-looking statements. These include statements regarding our intentions, beliefs or current expectations concerning, amongst other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and the economic and business circumstances occurring from time to time in the markets in which Libstar operates.

All such forward-looking statements involve estimates and assumptions that are subject to risks, uncertainties and other factors that could cause actual future financial condition, performance and results to differ materially from the plans, goals, expectations and results expressed in the forward-looking statements and other financial and/or statistical data within this announcement.

It is believed that the expectations reflected in this announcement are reasonable, but they may be affected by a wide range of variables that could cause actual results to differ materially from those currently anticipated.

Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser. The forward-looking statements reflect knowledge and information available at the date of preparation of this announcement and the Group undertakes no obligation to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on such forward-looking statements. No statement in this communication is intended to be a profit forecast.

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