



20 Years LIBSTAR

QUALITY BRANDS GREAT FOOD SPECIAL MOMENTS

ABOUT



Libstar manufactures, distributes and markets leading branded and private label consumer packaged goods. Its portfolio comprises Perishable Products, such as Dairy, Value-added Meats, Convenience Meals and Fresh Mushrooms, as well as Ambient Products that include Dry and Wet Condiments, Meal Ingredients, Snacks and Spreads, as well as Baked Goods.

The Group provides innovative category solutions to customers in four channels: Retail and Wholesale, Food Service, Exports, and Industrial.

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Salient features OF THE 2025 INTERIM RESULTS – CONTINUING OPERATIONS*

Introduction

The Group's performance for the six-month period under review (H1 2025) reflects improved operational and financial momentum, driven by customer and channel growth, ongoing portfolio and operating model simplification, and embedding sustainability as a core business practice.

Market Context and Response

The Total Defined Market for Libstar's product basket showed a weakening value trend over the reporting period. This reflects the relentless pressure on consumers, driven by ongoing food inflationary headwinds and constrained disposable income.

Libstar responded by:

- Safeguarding and growing market share, especially in Dairy, Wet condiments, and Dry condiments;
- Enhancing gross profit margins through effective raw material procurement, better capacity utilisation, strategic pricing, and rigorous cost management;
- Sustaining innovation, with new ambient Food Service channel products and extended own-brand and private label Retail and Wholesale channel ranges in condiments and baking aids; and
- Driving strong cash generation by normalising dairy inventories and applying disciplined capital allocation.

Highlights

The salient highlights of H1 2025's performance include:

Revenue growth of 6.7% Volumes +4.1%, Price mix 2.6% [^]	Normalised HEPS increased by 15.4%
Gross profit margin increased to 21.6% H1 2024: 20.7%	Gearing ratio improved to 1.3x H1 2024: 1.6x
Adjusted ROIC of 9.1% H1 2024: 9.6%	Normalised EBIT increased by 16.7%
Normalised EBITDA increased by 7.5%	Cash conversion increased to 110% H1 2024: 54%
Basic HEPS increased by 23.7%	

* Prior period financial information has been restated to exclude the Chet Chemicals division which was treated as a discontinued operation and disposed of in the prior financial year.

[^] Group volumes are shown after adjustment for extraordinary items. Refer "Group Volumes" section under "Commentary on Financial Performance" heading.

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 reflect its underlying operating performance.

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

(R'000)	H1 2025	% change	H1 2024**
Continuing operations			
Total revenue	5 958 058	6.7%	5 585 349
Gross profit margin	21.6%	0.9pp	20.7%
Normalised operating profit (margin)	296 251	16.7%	253 931
Normalised EBITDA (margin)	464 592	7.5%	432 316
Basic EPS (cents)	15.2	11.8%	13.6
Basic HEPS (cents)	16.7	23.7%	13.5
Normalised EPS (cents)	21.7	7.4%	20.2
Normalised HEPS (cents)	23.2	15.4%	20.1
Balance sheet and cash flow indicators			
Net interest-bearing debt to Normalised EBITDA (excl. IFRS 16)	1.3		1.6
Cash generated from operating activities (excl. net working capital)	467 300	5.2%	444 377
Cash generated from operations (incl. net working capital)	503 716	79.0%	281 379
Capital investment in property, plant and equipment	83 717	4.1%	80 400
Cash conversion ratio	110%		57%

* The comparative interim period profit or loss is restated to present Chet Chemicals as a discontinued operation, as noted in the most recent annual financial statements.

^ Refer to note 12 in the Condensed Consolidated Financial Statements for details on prior period restatements.



COMMENTARY ON *Strategic progress*

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

While Libstar has achieved meaningful progress under the Simplification theme and continues to embed Sustainability across its operations, an increasing proportion of focus is being directed toward the Growth theme, aimed at accelerating earnings momentum and creating long-term stakeholder value.

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

Commentary on strategic progress continued

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

1

GROWTH OF THE GROUP'S CATEGORIES, CHANNELS AND PEOPLE

Ambient Products Category and Channels

The Ambient Products category delivered revenue growth of 6.0%, improved gross profit margins of 26.7% (H1 2024: 25.2%), and Normalised EBITDA growth of 10.6%.

Growth was supported by:

- In the Wet Condiments sub-category, strong demand for contract manufactured sauces, retail channel growth of own-branded and private label sauces, pesto's and vinegars, as well as a sustained improvement in baking aids distribution, service levels and procurement;
- In the Dry Condiments sub-category, Exports channel growth of own-branded spices, seasonings and sauces accelerated by the ongoing roll-out of international retail listings in multiple geographies; and
- In the Meal-Ingredient and Baking sub-categories, resilient Food Service channel demand, particularly for wraps in the Quick Service Restaurants (QSR) sub-channel.

Perishable Products Category and Channels

The Perishable Products category delivered revenue growth of 7.6%, improved gross profit margins of 16.0% (H1 2024: 15.6%), and Normalised EBITDA growth of 4.0%.

Growth was supported by:

- In the Dairy sub-category, Lancewood retail brand market share gains and volume growth in the core categories of natural cheese (pre-pack hard cheese and soft cheese) and yoghurt, along with a more balanced supply-demand dynamic in milk procurement, which aided dairy inventory normalisation and stringent production cost control;
- In the Value-added Meats sub-category, sustained strong demand for fresh and frozen value-added chicken products in the Retail and Food Service channels; and
- In the Fresh Mushrooms sub-category, improved production yields and profitability from the Group's Gauteng (Deodor) production site.

People

The continuous development of Libstar's people, together with improvements in performance management processes, clarity in ways of working, and a strong emphasis on upholding value, customer, and brand promises, remain core accelerators of the Group's long-term growth and value creation.

In furtherance of this objective, a 12-month leadership programme was launched in June 2025 to support 40 middle- and senior managers in critical functional areas of the business.



2

SUSTAINABILITY OF THE GROUP'S OPERATIONS, PROFITS, CASH FLOWS AND RETURNS

Stronger Cash Generation and Balance Sheet

Libstar improved its underlying cash conversion to 110.1% (H1 2024: 57.2%) and interest cover to 5.7x (H1 2024: 5.1x), supported by a release of net working capital from the normalisation of dairy inventory levels. This further strengthened the Group's balance sheet, reducing the gearing ratio to 1.3x (H1 2024: 1.6x) and further improving on the 1.5x reported for the 12 months ended December 2024.

With gearing at 1.3x, toward the lower end of the Group's optimal 1.0x–2.0x range, Libstar has enhanced optionality to support its growth ambitions going forward.

Commentary on strategic progress continued

3

SIMPLIFICATION OF THE GROUP'S PORTFOLIO AND OPERATING MODEL



The Group continues to streamline its portfolio composition and operating model in line with the strategic intent to focus on value-added food categories.

The establishment of a shared-service functional structure in the Wet Condiments sub-category was completed in H1 2025, contributing to improved trading, customer development, and procurement outcomes during the period.

The integration of the Rialto (Meal Ingredients – Retail channel), Ambassador Foods (Snacks and Confectionery), and Cape Coastal Honey (Spreads) divisions progressed in line with schedule during H1 2025.

Notwithstanding the Group's efforts to divest its Fresh Mushrooms operations in Gauteng (Deodar), Cape Town (Pheasantkraal), and KwaZulu-Natal (Shongweni) as a going concern, no suitable transaction has been concluded. Consequently, in order to limit further losses, the decision has been taken to close the Cape Town (Pheasantkraal) facility in H2 2025. The Group will monetise the associated property assets in Cape Town (Pheasantkraal) and KwaZulu-Natal (Shongweni), while continuing to operate the Johannesburg (Deodar) facility, which remains profitable.

A significant contract manufacturing arrangement in Dickon Hall Foods will

terminate on 31 March 2026. As a result, the Board has approved the relocation of the remaining business of Dickon Hall Foods into the Montagu Foods business by 30 June 2026. The relocated business will benefit from a leaner shared service structure. This decision is furthermore consistent with the Group's strategy to drive sustainable growth in the Wet Condiments sub-category.

Furthermore, the Group remains committed to exit its only remaining non-food business, Contactim. Whilst exit options are evaluated on an ongoing basis, the primary focus is currently on improving the sustainable performance of the business in an increasingly competitive category.

Finally, and in line with the Group's simplification strategy, which prioritises categories and channels with meaningful value creation potential, the Group will exit its 60% shareholding in Umatie, a producer of fresh and frozen baby food.

These portfolio and operating model simplifications will be substantially complete by year-end, fulfilling the objectives set out in mid-2023 to create a significantly simplified Group structure.

COMMENTARY ON GROUP

Financial PERFORMANCE

Group Revenue

Libstar recorded revenue growth of 6.7%.

Group Volumes

Group sales volumes increased by 6.7%, accounting for all revenue growth. However, a significant proportion of the volume change related to the extraordinary cumulative impact of:

- A 7.1% increase in Group volumes as a result of the on-sale of unprocessed raw milk to Industrial channel customers in the Dairy sub-category, which facilitated the balancing of raw material and finished goods inventory levels; offset by;
- A 1.7% decrease in Group volumes as a result of the closure of the Chamonix Springwater business in the prior year; and
- A 2.8% decrease in Group volumes as a result of lower Industrial channel bulk vinegar sales due to Q1 2025 capacity constraints.

Excluding the impact of the aforementioned extraordinary items, Group volumes increased by 4.1%.

Category Revenue

Ambient Products category revenue increased by 6.0%, driven by the resilient Wet Condiments sub-category performance. Price and mix changes contributed 6.4% of revenue growth. The volume decline of 0.4% resulted primarily from reduced private-label sales of Dry Condiments to discount retailers in Australia, the UK, and Japan. Excluding the impact of lower volume sales due to (i) the closure of Chamonix Springwater and (ii) lower Industrial channel bulk vinegar sales, noted aforementioned, category volumes increased by 8.9%.

Perishable Products category revenue increased by 7.6%, with volumes up 15.9%. Excluding the impact of the raw milk sales, noted aforementioned, volumes declined by 0.4%, driven mainly by lower volumes of fresh milk, and whey powder in the Dairy sub-category. Volume sales of core Dairy sub-category items (cheese, butter and yoghurt) increased by 2.3%.



Commentary on Group financial performance continued

Gross Profit Margins

Libstar's year-on-year gross profit margin increased from 20.7% in the prior year to 21.6% in the current year. Improved capacity utilisation and production efficiencies in the Wet Condiments sub-category significantly contributed to the improvement.

Other Income and Foreign Exchange Gains

Realised foreign currency translation gains of R8.3 million were recognised in the current year compared to R3.4 million in the prior period.

Unrealised foreign currency translation gains of R7.3 million were recognised compared to R7.6 million in the prior period.

Other income for the year under review increased from R6.9 million to R8.9 million.

Capital Items

Four customer contracts with a book value of R14.3 million were impaired in the Cape Herb & Spice and Dickon Hall Foods business units within the Ambient Products category, after reassessment of their respective carrying values.

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.

Operating Expenses

Group operating expenses increased by 9.4%, driven by investments in our brands, through marketing and promotional activity; and investment in our people structures, specifically in Wet Condiments which is driving the outperformance of the sub-category, as well as in the Snacking division to address operational inefficiencies.

Libstar's expense margin increased to 17.9% (H1 2024: 17.5%).

Normalised Operating Profit and Normalised EBITDA

Group Normalised operating profit increased by 16.7% at a margin of 5.0% (H1 2024: 4.5%).

Group depreciation of property, plant and equipment at R117 million was 0.7% lower than the prior period, and IFRS 16 depreciation on lease assets was 14.2% lower compared to the comparative period due to the remeasurement of right-of-use assets in H2 2024 which are now depreciated over an extended period.

Group Normalised EBITDA increased 7.5% to R465 million (H1 2024: R432 million) at a margin of 7.8% (H1 2024: 7.7%).

Investment Income and Finance Costs

The Group's total net finance cost (including IFRS 16 lease liabilities) increased by 7.0% from R93.3 million to R99.8 million.

Group net finance costs on interest-bearing debt (excluding IFRS 16 lease liabilities), decreased by 2.0% from R70.0 million to R68.6 million, mainly due to the decrease in the Johannesburg interbank average lending rate (JIBAR) in the current period and lower average debt levels over the reporting period.

Finance charges incurred on lease liabilities (IFRS 16) increased by 34.1% from R23.3 million to R31.2 million due to renewal period remeasurements of two major leases in H2 2024.

Taxation

The Group's effective tax rate is 30.7% (H1 2024: 25.1%).

Continuing Operations

Earnings per share (EPS) increased by 11.8% from 13.6 cps to 15.2 cps.

Headline earnings per share (HEPS) increased by 23.7% from 13.5 cps to 16.7 cps.

Normalised EPS, which excludes insurance proceeds, unrealised foreign currency movements and other non-recurring, non-trading, and non-cash items, increased by 7.4% from 20.2 cps to 21.7 cps.

Normalised HEPS, which also excludes the aforementioned items, as well as impairment charges, increased by 15.4% from 20.1 cps to 23.2 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	H1 2025	Change %	H1 2024
Normalised EBITDA	464 592	7.5%	432 316
Less:			
Depreciation and amortisation	(168 341)		(178 386)
Net finance cost	(99 825)		(93 280)
Impairment losses on assets	(15 199)		-
Tax and normalisation adjustments	(51 636)		(40 379)
Plus: Non-controlling interest (gain)/loss	(165)		116
Normalised earnings	129 426	7.5%	120 387
Impairment losses on assets (after tax)	10 403		-
Gain on disposal of property, plant and equipment (after tax)	(1 465)		(818)
Normalised headline earnings	138 364	15.7%	119 569

Commentary on Group financial performance continued

Total Earnings and Headline Earnings

Total Diluted earnings per share (EPS) increased by 8.6% from 14.0 cps to 15.2 cps.

Total Diluted headline earnings per share (HEPS) increased by 20.1% from 13.9 cps to 16.7 cps.

Cash Flows and Balance Sheet

Cash generated from operations increased by R222.3 million from R281.4 million to R503.7 million.

Group net working capital improved by 1 day to 68 days and 17.6% of Group revenue (H1 2024: 18.0%) and is within the target range of 16% to 18%. Debtors' days improved by 2 days, and the increase in inventory days was offset by an improvement in creditors' days.

The Group target range is expected to remain elevated between 16% – 18% of revenue in the medium term, although targeted projects are underway to reduce inventory holding of bulk tea and spice inventories.

The Group focused its capital allocation on capacity-enhancing projects in identified growth areas, critical maintenance, and safety projects. Capital expenditure was R83.7 million (H1 2024: R80.4 million), representing 1.4% of net revenue in the current and prior period. The Group's full-year target range remains between 2.0% to 3.0%.

The Group's EBITDA to term debt gearing ratio reduced to 1.3x (H1 2024: 1.6x) within the stated target of 1x to 2x.

Net interest cover to EBITDA remains strong at 5.7x from 5.1x in the prior period and compares favourably to the Group's minimum stated target of greater than 3.5x.

The Group's Capital Expenditure comprised of:

- A R23.6 million investment in capacity-enhancing projects, including:
 - » R7.7 million in Baking to increase capacity in the Parbake facility and Hot Cross Bun lines;
 - » R7.5 million in facility upgrades in the Wet Condiments sub-category;
 - » R3.9 million in facility upgrades and new lines to increase chicken capacity in the Value-added Meats sub-category; and
 - » R2.9m in additional generator capacity and facility upgrades in the Dairy sub-category.
- A R41.7 million investment in replacement and maintenance projects and R19.1 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 decreased to 9.1% (H1 2024: 9.6%) compared to a Weighted Average Cost of Capital (WACC) of 12.5%. However this is an improvement on the full year 2024 Adjusted ROIC of 8.6%.

Whilst Management is encouraged by the improvement in ROIC performance, ROIC is not expected to equal WACC by the end of 2025 as initially envisaged. However, Management remains confident that the simplification and growth initiatives outlined herein will support further improvement in ROIC from 2026 onwards.

Category and channel SALES ANALYSIS



AMBIENT PRODUCTS

DRY CONDIMENTS



MEAL INGREDIENTS, SNACKS AND SPREADS



WET CONDIMENTS



BAKING



PERISHABLE PRODUCTS

DAIRY



VALUE-ADDED MEATS



CONVENIENCE MEALS



FRESH MUSHROOMS



PERFORMANCE BY

Category

Category revenue is summarised as follows:

	Group revenue growth/decline		Contribution to Group revenue		
	Six months ended 30 June 2025	Change %	Six months ended 30 June 2024	Six months ended 30 June 2025	Six months ended 30 June 2024
R'000					
Net revenue by category					
Ambient Products	2 949 505	6.0%	2 782 716	49.5%	49.8%
Perishable Products	2 932 441	7.6%	2 726 439	49.2%	48.8%
Household and Personal Care	76 111	(0.1%)	76 194	1.3%	1.4%
Total Group net revenue	5 958 058	6.7%	5 585 349	100.0%	100.0%

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

	Group Normalised EBITDA growth/decline		Contribution to Group Normalised EBITDA		
	Six months ended 30 June 2025	Change %	Six months ended 30 June 2024	Six months ended 30 June 2025	Six months ended 30 June 2024
R'000					
Normalised EBITDA before corporate costs					
Ambient Products	343 836	10.6%	311 002	66.9%	65.3%
Perishable Products	165 629	4.0%	159 313	32.3%	33.4%
Household and Personal Care	4 153	(32.7%)	6 170	0.8%	1.3%
Total	513 618	7.8%	476 486	100.0%	100.0%

AMBIENT PRODUCTS

49.5%
of Group Revenue66.9%
of Group Normalised
EBITDA before corporate
costs

Ambient Products category revenue increased by 6.0%. Category volume sales decreased by 0.4%, whilst price and mix changes contributed 6.4%. Excluding the sales volumes of bulk vinegar and the discontinued beverages sub-category, the category volumes increased by 8.9% and price/mix changes decreased by 2.6%.

In the sub-categories:

- Wet Condiments sub-category revenue increased by 16.8%, driven by strong demand for Industrial and Retail channel sauces.
- Meal Ingredients, Snacks and Spreads sub-category sales increased by 2.1% with volumes up 3.4%. Food Service channel revenue increased 10.8%, partly offset by a 1.2% decline in Retail channel sales.
- Dry Condiments sub-category sales declined by 2.0%, driven by lower Exports channel volumes of 18.5%. This was offset by 20.9% mix/price improvement as sub-category sales mix pivoted from reduced volumes of private label products for discount retailers to increased volumes of own-branded products.
- Baking sales increased by 11.3% with volumes up 9.1%, driven by improved Food Service channel volumes and resilient Retail channel demand.

The category's total gross profit margin improved to 26.7% from 25.2% in H1 2024 driven by the increased demand for wet condiments, which resulted in improved production efficiencies.

Ambient Products category normalised EBITDA increased by

10.6%

at a margin of 11.7%
H1 2024: 11.2%.

Performance by category continued

PERISHABLE PRODUCTS

49.2%
of Group revenue

32.3%
of Group Normalised
EBITDA before corporate
costs



Perishable Products category revenue increased by 7.6%. Category volume sales increased by 15.9%, whilst price and mix changes reduced by 8.4%. Excluding the sales of excess raw milk, the category revenue increased by 5.5% with volumes down 0.4% and price/mix improvements of 5.9%.

In the sub-categories:

- Dairy sub-category, excluding the excess raw milk sales, revenue increased by 3.1% driven by volume growth in core categories of natural cheese and yoghurt, offset by lower fresh milk and whey powder volumes, which resulted in an overall reduction in sales volumes;
- In the Value-added Meats sub-category, sales increased by 10.3%, driven by sales growth of 12.2% in the Retail and Wholesale channel;
- In the Fresh Mushrooms sub-category, revenue grew by 7.6% due to improved production yields at the Gauteng (Deodar) facility, which resulted in a reduced normalised EBITDA loss for the business as a whole compared to the prior period.

The category gross profit margin improved slightly from 15.6% to 16.0%. Whilst Dairy sub-category margins improved overall, the sub-category under-recovered production costs as production was lowered in favour of selling down existing inventory. This cost under-recovery, together with a revaluation of cheese inventory as a result of milk pricing, adversely impacted gross profit margins. With stock and production levels now normalised and limited further milk price movement anticipated for the remainder of the year, Dairy margins are expected to improve further in H2.

Normalised EBITDA increased by

4.0%

at a margin of 5.6%
H1 2024 margin: 5.8%.

PERFORMANCE BY

Sales channel

Group revenue performance by sales channel is summarised below:

Group	Year-on-year revenue growth	Contribution to Group revenue	
		Six months ended 30 June 2025	Six months ended 30 June 2024
Revenue by channel			
Retail and Wholesale	4.2%	56.6%	58.0%
Food Service	5.3%	19.8%	20.0%
Industrial and Contract Manufacturing	24.4%	13.0%	11.1%
Exports	4.0%	10.6%	10.9%
Total Group revenue	6.7%	100.0%	100.0%

The Retail and Wholesale channel contributed 56.6% to Group revenue, down from 57.9% in H1 2024. The Food Service channel's contribution also declined marginally to 19.8% (H1 2024: 20.0%).

During the review period, Retail and Wholesale revenue grew by 4.2%. This was driven by a 4.8% positive price/mix change, mainly from the Perishable Products category, and a 0.6% decline in sales volumes.

Food Service revenue increased by 5.3%, supported by a 7.6% rise in sales volumes, though partially offset by a 2.3% decline in price/mix.

Industrial and Contract Manufacturing channel revenue increased by 24.4%, with sales volumes up by 23.6% and price/mix changes rising by 0.8%. Excluding the excess raw milk sales and industrial bulk vinegar impacts revenue increased by 18.5%, with sales volumes up 10.8% and price/mix changes rising by 7.6%. The increased volumes were driven by improved demand for contract-manufactured wet condiments.

Exports revenue rose by 4.0%, despite a 6.6% drop in volumes.

Outlook

In a global environment shaped by ongoing trade tensions and geopolitical uncertainty, alongside a persistently constrained local consumer market, Libstar remains steadfast in its focus on resilience, operational simplification, and long-term, sustainable growth.

Notably, the downward value growth trend in the Group's defined retail product basket has persisted beyond the reporting period. Given this continued consumer pressure, the Group will focus on:

- Driving operational efficiencies across its manufacturing footprint to counter rising input and logistics costs
- Accelerating innovation and developing value-added products that meet evolving consumer needs while reinforcing price-value relevance
- Expanding export market presence, adapting to regulatory shifts, trade barriers, and currency fluctuations
- Building supply chain agility and resilience through enhanced sourcing strategies and deeper supplier collaboration
- Investing in our people, sustainability, and digital capabilities to strengthen long-term competitiveness and deliver responsible growth

Notwithstanding prevailing macroeconomic headwinds, Libstar remains confident in the strength of its brands, customer partnerships, and operational fundamentals. The Group is well-positioned to manage short-term volatility while continuing to build for sustainable, long-term value creation.



Update ON STRATEGIC VALUE-UNLOCK PROCESS

Shareholders are referred to the cautionary announcement published by the Company on SENS today, 16 September 2025, in which the Group advised that it has received indicative expressions of interest from parties to acquire all of the issued share capital of the Company.

The Board wishes to emphasise that the engagements with these parties remain at an early stage and there can be no certainty that these engagements will ultimately result in a binding offer to shareholders.



Changes TO THE BOARD

The following changes were effected to the Board during the reporting period and thereafter:

- **Tertius Carstens** was appointed as an independent non-executive director with effect from 1 May 2025.
- **Anneke Andrews** was appointed as the Lead Independent Director with effect from 31 July 2025, a position left vacant when JP Landman was appointed as the Chairman of the Board.
- **Ntokozo Makomba** resigned as Company Secretary with effect from 30 September 2025.

LIBSTAR

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 June 2025



**Condensed consolidated statement of profit or loss
and other comprehensive income
for the six months ended 30 June 2025**

	Notes	Six months ended 30 Jun 2025		Restated* Six months ended 30 Jun 2024	Year ended 31 Dec 2024	
		Unaudited R'000	Reviewed R'000	Reviewed R'000	Audited R'000	
Profit/(loss) for the period						
CONTINUING OPERATIONS						
Revenue		5 958 058	5 585 349	11 773 771		
Cost of sales*		(4 668 506)	(4 428 169)	(9 306 750)		
Gross profit		1 289 552	1 157 180	2 467 021		
Other income	6	8 948	6 969	28 000		
Other gains		10 672	10 958	37 431		
Capital items		(12 185)	1 122	(554 163)		
Operating expenses*		(1 066 174)	(974 844)	(2 019 720)		
Operating profit/(loss)	7	230 813	201 385	(41 431)		
Finance income		9 864	18 009	27 049		
Finance costs		(109 689)	(111 289)	(237 418)		
Profit/(loss) before tax		130 988	108 105	(251 800)		
Income tax expense		(40 229)	(27 109)	(26 962)		
Profit/(loss) for the period from continuing operations		90 759	80 996	(278 762)		
DISCONTINUED OPERATION						
Profit/(loss) for the period from discontinued operation	11	—	2 440	(42 743)		
Total profit/(loss) for the period		90 759	83 436	(321 505)		
Other comprehensive income/(loss) for the period, net of tax						
Items that may be reclassified to profit or loss		6 637	(2 939)	(4 088)		
Gains on hedging reserves		6 339	9 289	308		
Hedging losses/(gains) reclassified to profit or loss		255	(12 228)	(5 118)		
Foreign currency translation reserve adjustments		43	—	160		
Items that will never be reclassified to profit or loss		—	—	562		
Defined benefit plan actuarial gains		—	—	562		
Total comprehensive income/(loss) for the period		97 396	80 497	(325 593)		
Profit/(loss) attributable to:						
Equity holders of the parent		90 594	83 552	(321 555)		
Non-controlling interest		165	(116)	50		
		90 759	83 436	(321 505)		
Total comprehensive income/(loss) attributable to:						
Equity holders of the parent		97 231	80 613	(325 643)		
Non-controlling interest		165	(116)	50		
		97 396	80 497	(325 593)		
Total comprehensive income/(loss) attributable to equity holders of the parent arises from:						
Continuing operations		97 231	78 173	(282 900)		
Discontinued operation	11	—	2 440	(42 743)		
		97 231	80 613	(325 643)		
Basic and diluted earnings/(loss) per share (cents)	8.1	15.2	14.0	(54.0)		
From continuing operations	8.1	15.2	13.6	(46.8)		
From discontinued operation	8.1	—	0.4	(7.2)		

* Refer to note 12 for details on restatements made to correct prior period errors.

¹ The comparative interim period profit or loss is further restated to present Chet Chemicals as a discontinued operation (refer to note 11) and to present capital items separately from other income, other gains and operating expenses in the statement of profit or loss, as explained in the most recent annual financial statements.

**Condensed consolidated statement of financial *position*
as at 30 June 2025**

	Note	At 30 Jun 2025		At 30 Jun 2024	At 31 Dec 2024	
		Unaudited R'000	Reviewed R'000	Reviewed R'000	Audited R'000	
ASSETS						
Non-current assets						
Property, plant and equipment	9	4 720 701	5 479 946	4 810 091		
Right-of-use assets		1 515 360	1 686 069	1 551 278		
Goodwill		516 452	466 435	497 620		
Intangible assets		1 653 842	2 053 842	1 653 842		
Other financial assets		1 027 571	1 264 047	1 097 034		
Deferred tax assets		2 238	4 721	7 115		
		5 238	4 832	3 202		
Current assets		4 390 034	4 278 116	4 464 424		
Inventories		1 973 597	1 920 268	1 934 008		
Trade and other receivables		1 866 639	1 953 628	1 960 500		
Biological assets		28 086	27 298	27 414		
Other financial assets		14 693	24 643	10 757		
Current tax receivable		67 101	56 645	37 401		
Cash and bank balances		439 918	295 634	494 344		
Total assets		9 110 735	9 758 062	9 274 515		
EQUITY AND LIABILITIES						
Capital and reserves attributable to equity holders of the parent						
Share capital		4 888 161	5 286 558	4 880 302		
Other reserves		4 727 314	4 727 314	4 727 314		
Retained earnings		4 764	(75 892)	(1 873)		
		156 083	635 136	154 861		
Non-controlling interests		(630)	(961)	(795)		
Total equity		4 887 531	5 285 597	4 879 507		
Non-current liabilities						
Other financial liabilities		2 237 692	2 306 495	2 335 940		
Lease liabilities		1 228 711	1 269 491	1 363 111		
Deferred tax liabilities		560 708	527 953	531 656		
Employee benefits		434 801	498 173	428 916		
Share-based payments		9 639	8 464	10 065		
		3 833	2 414	2 192		
Current liabilities		1 985 512	2 165 970	2 059 068		
Trade and other payables		1 599 751	1 584 799	1 620 619		
Other financial liabilities		83 512	269 369	120 924		
Lease liabilities		101 415	108 919	111 168		
Current tax payable		805	2 782	4 881		
Bank overdraft		200 029	200 101	201 476		
Total liabilities		4 223 204	4 472 465	4 395 008		
Total equity and liabilities		9 110 735	9 758 062	9 274 515		

Condensed consolidated statement of changes in *equity* for the six months ended 30 June 2025

	Share capital R'000	Other reserves R'000	Retained earnings R'000	Non-controlling interests R'000	Total R'000
Balance at 1 January 2024	4 727 314	(72 953)	640 956	(845)	5 294 472
Total comprehensive (loss)/income for the period	–	(2 939)	83 552	(116)	80 497
Profit/(loss) for the period	–	–	83 552	(116)	83 436
Other comprehensive loss for the period	–	(2 939)	–	–	(2 939)
Contributions and distributions	–	–	(89 372)	–	(89 372)
Dividends declared and paid ¹	–	–	(89 372)	–	(89 372)
Balance at 30 June 2024	4 727 314	(75 892)	635 136	(961)	5 285 597
Total comprehensive (loss)/income for the period	–	(1 149)	(405 107)	166	(406 090)
(Loss)/profit for the period	–	–	(405 107)	166	(404 941)
Other comprehensive loss for the period	–	(1 149)	–	–	(1 149)
Transfer of reserve to Retained earnings	–	75 168	(75 168)	–	–
Balance at 31 December 2024	4 727 314	(1 873)	154 861	(795)	4 879 507
Total comprehensive income for the period	–	6 637	90 594	165	97 396
Profit for the period	–	–	90 594	165	90 759
Other comprehensive income for the period	–	6 637	–	–	6 637
Contributions and distributions	–	–	(89 372)	–	(89 372)
Dividends declared and paid ¹	–	–	(89 372)	–	(89 372)
Balance at 30 June 2025	4 727 314	4 764	156 083	(630)	4 887 531

¹ On 14 April 2025 (2024: 15 April 2024) the Board paid a dividend of 15 cents (2024: 15 cents) per ordinary share totalling R89.4m (2024: R89.4m).

Condensed consolidated statement of cash flows for the six months ended 30 June 2025

Note	Six months ended 30 Jun 2025 Unaudited R'000	Six months ended 30 Jun 2024 Reviewed R'000	Year ended 31 Dec 2024 Audited R'000
Net cash flow from operating activities	331 295	133 909	484 958
Cash generated from operations	10	281 379	794 410
Finance income received		18 055	27 147
Finance costs paid		(114 590)	(243 947)
Income tax paid		(50 935)	(92 652)
Net cash flow from investment activities	(71 763)	(44 700)	(73 890)
Purchase of property, plant and equipment and computer software		(50 962)	(129 550)
Proceeds on disposal of property, plant and equipment and computer software		6 025	9 088
Proceeds from insurance		305	8
Loans and other receivables advanced		(68)	–
Proceeds on sale of Chet Chemicals		–	46 564
Net cash flow from financing activities	(310 831)	(195 510)	(330 319)
Capital portion of lease payments		(56 702)	(95 175)
Proceeds from asset-based financing		–	–
Repayment of bank loans and asset-based financing		(49 436)	(145 772)
Dividend paid		(89 372)	(89 372)
Net (decrease)/increase in cash and cash equivalents		(106 301)	80 749
Cash and cash equivalents at the beginning of the period		492 868	397 247
Effects of exchange rate changes on cash and cash equivalents		4 587	14 872
Cash and cash equivalents at the end of the period¹	439 889	295 533	492 868
Cash flows of discontinued operation		(19 014)	1 639

¹ The condensed consolidated statement of cash flows represents both continued and discontinued operations' combined cash flows.

Condensed consolidated segmental *information* for the six months ended 30 June 2025

Basis of segmentation

The Group operates over multiple business units which are aggregated into reportable segments per product category. Information on these operating segments by product category is reported to the chief operating decision maker for the purposes of resource allocation and the assessment of segment performance.

The following summary describes each segment:

AMBIENT PRODUCTS		The Ambient Products category includes wet and dry condiments, baking, meal ingredients, snacking and spreads.
DRY CONDIMENTS	MEAL INGREDIENTS	
CapeHerb&Spice	CAPE FOODS	
khoisan gourmet	RIALTO	
SNACKING	SPREADS	
AMBASSADOR FOODS	CAPE COASTAL Honey	
WET CONDIMENTS		
Cec1 VINEGAR	MONTAGU STUDIOS	
DicksonHillFoods	RETAILER BRANDS	
BAKING	BEVERAGES	
AMARO FOODS	Cani	
LIBSTAR CHAMONIX SPRING WATER		

PERISHABLE PRODUCTS		The Perishable Products category comprises of products that are refrigerated or frozen and includes dairy, convenience meals, value-added meats and fresh mushrooms.
DAIRY	VALUE-ADDED MEATS	
LANCEWOOD®	FINLAR FINE FOODS EST. 1964	
FRESH MUSHROOMS	CONVENIENCE MEATS	
DENNY®	Millennium Foods	
	Umatie	
HOUSEHOLD & PERSONAL CARE		
LIBSTAR Household & Personal Care		

HOUSEHOLD & PERSONAL CARE		The Household and Personal Care category includes household cleaning products, as well as personal care products.
LIBSTAR Household & Personal Care		

Information about reportable segments	Ambient Products R'000	Perishable Products R'000	Household and Personal Care ¹ R'000	Corporate R'000	Group Total R'000
Six months ended 30 June 2025					
Revenue	2 949 505	2 932 442	76 111	—	5 958 058
Total segmental revenue	3 009 094	2 950 182	76 111	—	6 035 387
Elimination of inter-segment revenue	(59 589)	(17 740)	—	—	(77 329)
Cost of sales	2 161 716	2 462 000	49 952	(5 162)	4 668 506
Employee benefits	174 538	107 001	11 000	28 144	320 683
Sales and distribution expenses	205 113	174 685	9 344	—	389 142
General and administrative expenses	107 426	85 437	3 605	28 432	224 900
Operating profit/(loss)	218 951	73 924	(444)	(61 618)	230 813
Six months ended 30 June 2024					
Revenue	2 782 716	2 726 438	76 195	—	5 585 349
Total segmental revenue	2 818 566	2 741 710	76 195	—	5 636 471
Elimination of inter-segment revenue	(35 850)	(15 272)	—	—	(51 122)
Cost of sales	2 080 166	2 302 995	52 861	(7 853)	4 428 169
Employee benefits	157 051	98 222	10 104	31 645	297 022
Sales and distribution expenses	198 642	138 290	9 420	—	346 352
General and administrative expenses	99 273	76 474	2 507	16 135	194 389
Operating profit/(loss)	194 688	60 590	101	(53 994)	201 385

¹ The comparative interim period segmental disclosure is restated to present Chet Chemicals as a discontinued operation.

Information about reportable segments	Ambient Products R'000	Perishable Products R'000	Household and Personal Care ¹ R'000	Corporate R'000	Group Total R'000
Six months ended 31 December 2024					
Revenue	5 832 950	5 781 849	158 972	—	11 773 771
Total segmental revenue	5 956 447	5 814 937	158 972	—	11 930 356
Elimination of inter-segment revenue	(123 497)	(33 088)	—	—	(156 585)
Cost of sales	4 345 843	4 850 692	114 097	(3 882)	9 306 750
Employee benefits	323 642	193 713	19 828	49 087	586 270
Sales and distribution expenses	407 924	349 717	18 991	(149)	776 483
General and administrative expenses	191 008	156 181	5 516	56 638	409 343
Operating profit/(loss)	455 027	(382 174)	(3 438)	(110 846)	(41 431)

The presentation of the segmental report has been revised from the June 2024 interim results to align with the presentation in the December 2024 annual financial statements.

Condensed consolidated segmental information continued

Information about reportable segments	Six months ended 30 Jun 2025 Unaudited R'000	Restated ¹ Six months ended 30 Jun 2024 Reviewed R'000		Year ended 31 Dec 2024 Audited R'000
		Change %		
Reconciliation of operating profit/(loss) per segment to profit/(loss) before tax				
Operating profit/(loss)	230 813	201 385	14.6	(41 431)
Finance income	9 864	18 009	(45.2)	27 049
Finance costs	(109 689)	(111 289)	(1.4)	(237 418)
Profit/(loss) before tax	130 988	108 105	21.2	(251 800)

¹ The comparative interim period segmental disclosure is restated to present Chet Chemicals as a discontinued operation.

Normalised EBIT and EBITDA	Ambient Products R'000	Perishable Products R'000	Household and Personal Care R'000	Corporate R'000	Group Total R'000
	Six months ended 30 June 2025				
Operating profit/(loss)	218 951	73 924	(444)	(61 618)	230 813
Amortisation of customer relationships	33 551	19 516	–	–	53 067
Due diligence costs	–	–	–	674	674
Expense relating to share-based payments	–	–	–	1 641	1 641
Government grants	(2 560)	(895)	–	–	(3 455)
Insurance proceeds	–	–	–	(4)	(4)
Impairment losses on intangible and other assets	15 199	–	–	–	15 199
(Gain)/loss on disposal of property, plant and equipment	(3 009)	997	–	5	(2 007)
Retrenchment and settlement costs	490	4 262	404	–	5 156
Strategic advisory fees	–	66	33	2 400	2 499
Unrealised (gain)/loss on foreign exchange	(7 331)	82	(83)	–	(7 332)
Normalised EBIT	255 291	97 952	(90)	(56 902)	296 251
Amortisation of software	1 829	689	–	255	2 773
Depreciation of property, plant and equipment and right-of-use assets	86 716	66 988	4 243	7 621	165 568
Normalised EBITDA	343 836	165 629	4 153	(49 026)	464 592
Less: Lease payments and lease modifications	(47 239)	(27 789)	(2 182)	(1 791)	(79 001)
Normalised EBITDA (excluding effect of IFRS 16)	296 597	137 840	1 971	(50 817)	385 591

Normalised EBIT and EBITDA	Ambient Products R'000	Perishable Products R'000	Household and Personal Care ¹ R'000	Corporate R'000	Group Total R'000
Six months ended 30 June 2024					
Operating profit/(loss)	194 688	60 590	101	(53 994)	201 385
Amortisation of customer relationships	31 937	21 805	–	–	53 742
Due diligence costs	–	–	–	1 186	1 186
Credits relating to share-based payments	–	–	–	1 355	1 355
Government grants	(2 401)	(791)	–	–	(3 192)
Insurance proceeds	–	(305)	–	–	(305)
(Gain)/loss on disposal of property, plant and equipment	(995)	128	–	50	(817)
Retrenchment and settlement costs	4 850	1 122	–	–	5 972
Strategic advisory fees	544	900	145	584	2 173
Unrealised (gain)/loss on foreign exchange	(8 409)	874	(33)	–	(7 568)
Normalised EBIT	220 214	84 323	213	(50 819)	253 931
Amortisation of software	1 984	1 701	–	303	3 988
Depreciation of property, plant and equipment and right-of-use assets	88 804	73 289	5 959	6 345	174 397
Normalised EBITDA	311 002	159 313	6 172	(44 171)	432 316
Less: Lease payments and lease modifications	(48 029)	(27 281)	(2 469)	(1 596)	(79 375)
Normalised EBITDA (excluding effect of IFRS 16)	262 973	132 032	3 703	(45 767)	352 941

¹ The comparative interim period segmental disclosure is restated to present Chet Chemicals as a discontinued operation.

Condensed consolidated segmental information continued

Normalised EBIT and EBITDA	Ambient Products R'000	Perishable Products R'000	Household and Personal Care R'000	Corporate R'000	Group Total R'000
Year ended 31 December 2024					
Operating profit/(loss)	455 027	(382 174)	(3 438)	(110 846)	(41 431)
Amortisation of customer relationships	61 301	43 617	–	–	104 918
Due diligence costs	–	196	–	3 199	3 395
Expenses relating to share-based payments	–	–	–	1 355	1 355
Government grants	(3 926)	(2 500)	–	–	(6 426)
Insurance proceeds	(283)	(915)	–	–	(1 198)
Impairment losses on goodwill and other assets	14 375	534 515	–	–	548 890
Loss on disposal of property, plant and equipment	2 172	4 232	–	67	6 471
Retrenchment and settlement costs	5 533	1 469	120	–	7 122
Strategic advisory fees	–	3 844	301	4 279	8 424
Unrealised (gain)/loss on foreign exchange	(1 296)	825	94	–	(377)
Normalised EBIT	532 903	203 109	(2 923)	(101 946)	631 143
Amortisation of software	3 811	9 287	–	902	14 000
Depreciation of property, plant and equipment and right-of-use assets	166 410	131 684	13 760	17 146	329 000
Normalised EBITDA	703 124	344 080	10 837	(83 898)	974 143
Less: Lease payments and lease modifications	(97 128)	(57 833)	(4 619)	(3 210)	(162 790)
Normalised EBITDA (excluding effect of IFRS 16)	605 996	286 247	6 218	(87 108)	811 353

	Six months ended 30 Jun 2025 Unaudited R'000	Restated ¹ Six months ended 30 Jun 2024 Reviewed R'000	Change %	Year ended 31 Dec 2024 Audited R'000
Export revenue				
The Group mainly operates in South Africa. Revenue derived from end customers domiciled within South Africa is classified as revenue from South Africa. Revenue from end customers domiciled outside of South Africa is classified as export revenue.				
Export revenue for the period	631 729	607 380	4.0	1 355 488
Major customers				
During the period under review, revenue from certain customers exceeded 10% of total revenue.				
Customer A	20%	21%		20%
Customer B	19%	18%		19%
The above customers trade with the Group across all three segments. The contribution of each customer to total revenue is therefore spread across multiple segments.				
Revenue by channel				
Retail and wholesale	3 373 284	3 236 166	4.2	6 685 861
Food service	1 178 217	1 119 018	5.3	2 376 770
Exports	631 729	607 380	4.0	1 355 488
Industrial and contract manufacturing	774 828	622 785	24.4	1 355 652
Total Group revenue	5 958 058	5 585 349	6.7	11 773 771

¹ The comparative interim period segmental disclosure is restated to present Chet Chemicals as a discontinue operation.

Condensed consolidated segmental information continued

Contribution to Group revenue	Six months ended 30 Jun 2025 Unaudited %	Restated ¹		Year ended 31 Dec 2024 Audited %
		Six months ended 30 Jun 2024 Reviewed %	31 Dec 2024 Audited %	
Retail and wholesale	56.6	58.0	56.8	
Food service	19.8	20.0	20.2	
Exports	10.6	10.9	11.5	
Industrial and contract manufacturing	13.0	11.1	11.5	
Total Group revenue	100.0	100.0	100.0	

¹ The comparative interim period segmental disclosure is restated to present Chet Chemicals as a discontinued operation.

Revenue by channel per segment	Ambient Products^{2,3} R'000	Perishable Products R'000	Household and Personal Care¹ R'000	Group Total R'000
Six months ended 30 June 2025				
Retail and wholesale	1 579 003	1 722 076	72 205	3 373 284
Food service	425 244	752 973	—	1 178 217
Exports	492 557	137 517	1 655	631 729
Industrial and contract manufacturing	452 701	319 876	2 251	774 828
	2 949 505	2 932 442	76 111	5 958 058
Six months ended 30 June 2024				
Retail and wholesale ³	1 538 917	1 603 038	72 297	3 236 166
Food service ²	369 349	749 669	—	1 119 018
Exports ³	498 379	129 341	1 574	607 380
Industrial and contract manufacturing ²	376 071	244 390	2 324	622 785
	2 782 716	2 726 438	76 195	5 585 349
Year ended 31 December 2024				
Retail and wholesale	3 124 127	3 414 484	147 250	6 685 861
Food service	831 600	1 545 170	—	2 376 770
Exports	1 074 365	274 167	6 956	1 355 488
Industrial and contract manufacturing	802 858	548 028	4 766	1 355 652
	5 832 950	5 781 849	158 972	11 773 771

¹ The comparative interim period segmental disclosure is restated to present Chet Chemicals as a discontinued operation.

² R34.6m of food services revenue, within the Ambient Products category, was incorrectly classified as industrial and contract manufacturing revenue in the comparative period ending 30 June 2024. The comparatives have been restated to correctly classify the R34.6m as food services revenue.

³ R21.9m of export revenue, within the Ambient Products category, was incorrectly classified as retail and wholesale revenue in the comparative period ending 30 June 2024. The comparatives have been restated to correctly classify the R21.9m as export revenue.

Notes to the condensed consolidated financial *statements* for the six months ended 30 June 2025**1 Reporting entity**

Libstar manufactures, distributes and markets leading branded and private label consumer packaged goods. Its portfolio comprises: Perishable Products, such as dairy, value-added meats, fresh mushrooms and convenience meals; Ambient Products that include dry and wet condiments, baked goods, meal ingredients, snacks and spreads; and Household and Personal Care products. Products are sold in South Africa and globally across four channels (Retail and wholesale, Food service, Exports and Industrial and contract manufacturing). The Group operates principally in South Africa.

2 Basis of accounting

The condensed consolidated financial statements are prepared in accordance with International Financial Reporting Standards, IAS 34: Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the Companies Act of South Africa.

These condensed consolidated financial statements have been prepared under the supervision of Terri Lee Ladbrooke CA(SA), the Libstar Group Chief Financial Officer.

These condensed consolidated financial statements have not been audited or reviewed by the Group's auditors.

3 Accounting policies

The accounting policies applied by the Group in these condensed consolidated financial statements are consistent with those applied in the consolidated annual financial statements for the year ended 31 December 2024. There were no new accounting standards implemented by the Group in these condensed consolidated financial statements.

4 Accounting judgements and estimates

Management is required to make estimates and assumptions that affect the amounts presented in the financial statements and related disclosures. Use of available information and the application of judgements is inherent in the formation of estimates. Actual results in the future could differ from these estimates.

In preparing these condensed consolidated financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were similar to those that applied to the consolidated annual financial statements for the year ended 31 December 2024.

Notes to the condensed consolidated financial statements continued

5 Normalised EBIT, Normalised EBITDA, Normalised EPS and Normalised HEPS

The Group adopts normalised earnings before interest and tax ("Normalised EBIT"), normalised earnings before interest, tax, depreciation and amortisation ("Normalised EBITDA"), normalised earnings per share ("Normalised EPS") and normalised headline earnings per share ("Normalised HEPS") as financial measures to review, measure and benchmark the operational performance of the individual business units (that consolidate into the Group) as well as for strategic planning and other commercial decision-making purposes relating to each business unit. Normalised EBIT and Normalised EBITDA are non-IFRS measures.

5.1 Normalised EBIT and Normalised EBITDA

To arrive at the Normalised EBIT and Normalised EBITDA, the following adjustments are made to EBIT (operating profit as disclosed in the condensed consolidated financial statements).

	Adjustment included in calculation of:	
	Normalised EBIT	Normalised EBITDA
Add back: amortisation of intangible assets in relation to customer relationships and brands with definitive useful lives.	Yes	Yes
Add back: amortisation of intangible assets in relation to computer software and website costs.	No	Yes
Add back: depreciation on property, plant and equipment and right-of-use assets.	No	Yes
Add back: impairment losses on property, plant and equipment, goodwill and intangible assets; and abnormal impairment losses on biological assets and inventory.	Yes	Yes
Add back or deduct: unrealised foreign exchange translation gains or losses.	Yes	Yes
Add back: non-recurring items of an operating nature including government grants, due diligence costs in respect of business acquisitions, strategic advisory fees, retrenchment and settlement costs and restructuring costs including amounts payable in respect of onerous contracts.	Yes	Yes
Add back: securities transfer tax paid.	Yes	Yes
Add back or deduct: gains and losses on disposal of property, plant and equipment, gains and losses on disposals of assets or disposal groups (businesses) held for sale.	Yes	Yes
Deduct: insurance proceeds received as compensation for expenses and losses that were normalised, as well as insurance proceeds received during the year that relate to business interruptions that occurred in prior years and that pertain to assets that will not be reinstated.	Yes	Yes
Add back: the cost of the Long-term Incentive Plan (LTIP).	Yes	Yes

5 Normalised EBIT, Normalised EBITDA, Normalised EPS and Normalised HEPS continued

5.2 Normalised EPS, Normalised HEPS and Adjusted ROIC

Normalised EPS, Normalised HEPS and Adjusted Return on Invested Capital (ROIC) is considered Pro Forma Financial Information in terms of the JSE listings requirements. The Pro Forma Financial Information has been prepared for illustrative purposes only. Due to its nature, the Pro Forma Financial Information may not fairly present the Group's financial position, changes in equity, results of operations or cash flows.

The Pro Forma Financial Information, including the adjustments, is based on the condensed consolidated financial statements of the Group for the six-month period ended 30 June 2025. The Pro Forma Financial Information has been prepared using the accounting policies of the Group as at 31 December 2024, which are in compliance with IFRS Accounting Standards, and in accordance with the applicable criteria specified in the JSE Listings Requirements. The Pro Forma Financial Information, including the assumptions on which it is based and the financial information from which it has been prepared, is the responsibility of the Directors.

Normalised EPS and Normalised HEPS

Normalised EPS and Normalised HEPS illustrates an EPS and HEPS view where non-recurring and non-trading items (detailed in note 5.1) are excluded. The Normalised Earnings adjustments, which is used in the calculation of Normalised EPS, include all the Normalised EBIT adjustments (refer to note 5.1) unless they are adjustments that are also made in the calculation of Headline Earnings (as detailed in circular 01/2023). Normalised Headline Earnings, which is used in the calculation of Normalised HEPS, includes all the Normalised Earnings adjustments, as well as the headline earnings adjustments detailed in circular 01/2023.

Adjusted ROIC

Normalised EBIT used in the Adjusted ROIC calculation is further adjusted by:

- Impact of IFRS 16 (depreciation on right-of-use assets) and replaced with the rent cost previously recognised with respect to operating leases under IAS 17; and
- Amortisation of intangible assets recognised during the 2014 Group restructuring.
- Invested capital is adjusted to exclude the intangible assets that were recognised during the 2014 Group restructuring. The ROIC calculation is consistent with the prior reporting periods.

	Six months ended 30 Jun 2025 Unaudited R'000	Restated Six months ended 30 Jun 2024 Reviewed R'000	Year ended 31 Dec 2024 Audited R'000
6 Other income	5 493	3 777	21 573
Sundry income	3 455	3 192	6 427
Government grants ¹			
	8 948	6 969	28 000

¹ Income from government grants includes income received under the Manufacturing Competitiveness Enhancement Program, Skills Development and the Employer Tax Incentive Program.

Notes to the condensed consolidated financial statements continued

	Six months ended 30 Jun 2025 Unaudited R'000	Restated* ¹		Year ended 31 Dec 2024 Audited R'000
		Six months ended 30 Jun 2024 Reviewed R'000	31 Dec 2024 Reviewed R'000	
7 Operating profit/(loss)				
Nature of income included in other gains				
Gain on foreign exchange	10 672	10 958	37 431	
Realised gain on foreign exchange	3 340	3 390	37 054	
Unrealised gain on foreign exchange	7 332	7 568	377	
Nature of expenses/(income) included in capital items				
Impairment loss on goodwill	—	—	400 000	
Impairment loss on intangible assets ²	14 251	—	103 963	
Impairment loss on property, plant and equipment	—	—	44 927	
(Gain)/loss on disposal of property, plant and equipment	(2 007)	(817)	6 471	
Insurance proceeds	(59)	(305)	(1 198)	
Nature of expenses included in operating expenses				
Depreciation of property, plant and equipment*	23 922	19 060	50 239	
Depreciation of right-of-use assets	18 141	18 838	28 615	
Amortisation of computer software	2 773	3 988	14 000	
Amortisation of customer relationships	53 067	53 742	104 918	
Employee benefits*	320 683	297 022	586 270	
Salaries and wages*	314 905	291 118	579 818	
Retrenchment and settlement costs	4 137	4 549	5 097	
Charges relating to long-term incentive scheme	1 641	1 355	1 355	
Net impairment loss on trade and other receivables	6 233	3 021	3 522	
Research and development costs expensed as incurred	3 642	221	8 970	
Auditor's remuneration	7 817	6 643	13 605	
Short-term lease charges*	7 015	5 178	12 066	
Low-value lease charges*	8 839	6 105	11 686	
Sales and distribution expenses*	389 142	346 352	776 483	
General and administrative expenses*	224 900	194 389	409 343	
Nature of expenses in cost of sales				
Depreciation of property, plant and equipment*	93 393	99 101	186 514	
Depreciation of right-of-use assets	30 112	37 398	63 632	
Impairment loss on inventory	3 328	1 193	(5 463)	
Employee benefits*	484 263	455 875	931 941	
Salaries and wages*	483 244	454 452	929 916	
Retrenchment and settlement costs	1 019	1 423	2 025	
Short-term lease charges*	1 791	1 822	2 422	
Low-value lease charges*	12 558	11 689	19 755	

* Refer to note 12 for details on restatements made to correct prior period errors.

¹ The comparative interim period is further restated to present Chet Chemicals as a discontinued operation (refer to note 11) and to present capital items separately from other income, other gains and operating expenses in the statement of profit or loss, as explained in the most recent annual financial statements.

² The impairment was driven by the reassessment of the carrying values of four customer contracts recognised in the Cape Herb and Spice and Dickon Hall Foods business units within the Ambient Products segment.

	Six months ended 30 Jun 2025 Unaudited R'000	Six months ended 30 Jun 2024 Reviewed R'000		Year ended 31 Dec 2024 Audited R'000
		Six months ended 30 Jun 2024 Reviewed R'000	31 Dec 2024 Reviewed R'000	
8 Earnings per share				
8.1 Basic and diluted earnings/(loss) per share				
The earnings/(loss) and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:				
Earnings/(loss) used in the calculation of basic earnings per share	90 594	83 552	(321 555)	
From continuing operations attributable to equity holders of the parent	90 594	81 112	(278 812)	
From discontinued operation attributable to equity holders of the parent	—	2 440	(42 743)	
Basic and diluted earnings/(loss) per share in cents:				
From continuing operations	15.2	13.6	(46.8)	
From discontinued operation	—	0.4	(7.2)	
From continuing and discontinued operations	15.2	14.0	(54.0)	
Weighted average number of ordinary shares ('000) ¹	595 812	595 812	595 812	

¹ There were no dilutive shares in the current period or prior year. Therefore, basic and diluted earnings per share are equal.

Notes to the condensed consolidated financial statements continued

	Six months ended 30 Jun 2025 Unaudited R'000	Six months ended 30 Jun 2024 Reviewed R'000	Year ended 31 Dec 2024 Audited R'000
8 Earnings per share continued			
8.2 Normalised earnings/(loss) per share (EPS)			
Normalised EPS is a non-IFRS measure. To arrive at Normalised EPS, the after-tax earnings/(loss) is adjusted for the after-tax impact of the following:			
Profit/(loss) for the period from continuing operations	90 594	81 112	(278 812)
Normalised for:	38 832	39 276	83 830
Amortisation of customer relationships	38 739	39 232	76 590
Impairment of inventory	692	–	–
Due diligence costs	492	1 187	2 478
Expenses relating to share-based payments	1 198	989	989
Compensation from third parties for items of property, plant and equipment, intangibles, inventory that were lost or given up and insurance proceeds relating to prior year's business interruptions	(3)	(223)	(875)
Government grants	(2 522)	(2 330)	(6 426)
Retrenchment and settlement costs	3 764	4 360	5 199
Strategic advisory fees	1 824	1 586	6 150
Unrealised gain on foreign exchange	(5 352)	(5 525)	(275)
Normalised earnings/(loss)	129 426	120 388	(194 982)
Weighted average number of ordinary shares ('000)	595 812	595 812	595 812
Normalised basic earnings/(loss) per share in cents	21.7	20.2	(32.7)

	Gross R'000	Net of tax R'000
8 Earnings per share continued		
8.3 Headline earnings per share		
The headline earnings used in the calculation of headline earnings and diluted headline earnings per share are as follows:		
8.3.1 Continuing operations		
Six months ended 30 June 2025		
Basic earnings		90 594
Adjustments	12 240	8 935
Impairment of intangible assets	14 251	10 403
Gain on disposal of property, plant and equipment	(2 007)	(1 465)
Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up	(4)	(3)
Headline earnings from continuing operations		99 529
Six months ended 30 June 2024		
Basic earnings		81 112
Adjustments	(1 122)	(819)
Gain on disposal of property, plant and equipment	(817)	(596)
Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up	(305)	(223)
Headline earnings from continuing operations		80 293
Year ended 31 December 2024		
Basic loss		(278 812)
Adjustments	555 353	513 408
Impairment of goodwill	400 000	400 000
Impairment of intangible assets	103 963	75 893
Impairment of property, plant and equipment	44 927	32 797
Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up	(8)	(6)
Loss on disposal of property, plant and equipment	6 471	4 724
Headline earnings from continuing operations		234 596

Notes to the condensed consolidated financial statements continued

	Gross R'000	Net of tax R'000	
8 Earnings per share continued			
8.3 Headline earnings per share continued			
8.3.2 Discontinued operation			
Six months ended 30 June 2024			
Basic earnings	2 440		
Headline earnings from discontinued operation	2 440		
Year ended 31 December 2024			
Basic loss	(42 743)		
Adjustments:	68 601	59 011	
Loss on sale of Chet Chemicals	68 805	59 160	
Gain on disposal of property, plant and equipment	(204)	(149)	
Headline earnings from discontinued operation	16 268		
	Six months ended 30 Jun 2025 Unaudited R'000	Six months ended 30 Jun 2024 Reviewed R'000	Year ended 31 Dec 2024 Audited R'000
8.3.3 Headline earnings per share from continuing and discontinued operations			
Headline earnings from continuing and discontinued operations	99 529	82 733	250 864
Headline earnings and diluted headline earnings per share in cents:			
From continuing operations	16.7	13.5	39.4
From discontinued operation	—	0.4	2.7
From continuing and discontinued operations	16.7	13.9	42.1

	Six months ended 30 Jun 2025 Unaudited R'000	Six months ended 30 Jun 2024 Reviewed R'000	Year ended 31 Dec 2024 Audited R'000
8 Earnings per share continued			
8.4 Normalised headline earnings per share (HEPS)			
Normalised HEPS is a non-IFRS measure. To arrive at normalised HEPS, the normalised EPS is adjusted for the after-tax impact of the below:			
Normalised basic earnings/(loss) from continuing operations	129 426	120 388	(194 982)
Adjustments	8 938	(596)	513 414
Impairment of goodwill	—	—	400 000
Impairment of intangible assets	10 403	—	75 893
Impairment of property, plant and equipment (Gain)/loss on disposal of property, plant and equipment	—	—	32 797
	(1 465)	(596)	4 724
Normalised headline earnings	138 364	119 792	318 432
Normalised headline earnings per share in cents	23.2	20.1	53.4

9 Property, plant and equipment

During the six months ended 30 June 2025, the Group acquired plant and equipment in the amount of R83.7 million (2024: R80.4 million).

There has been no major change in the nature of property, plant and equipment, the policy regarding the use thereof, or the encumbrances over the property, plant and equipment as disclosed in the audited financial statements for the year ended 31 December 2024.

Notes to the condensed consolidated financial statements continued

	Six months ended 30 Jun 2025 Unaudited R'000	Six months ended 30 Jun 2024 Reviewed R'000	Year ended 31 Dec 2024 Audited R'000
10 Cash generated from operations			
Profit/(loss) before taxation from:	130 988	111 448	(297 574)
From continuing operations	130 988	108 105	(251 799)
From discontinued operation	—	3 343	(45 775)
Adjustments for:			
Depreciation and amortisation	221 408	242 146	461 328
(Gain)/loss on disposal of property, plant and equipment	(2 007)	(814)	6 675
Impairment loss on goodwill	—	—	400 000
Impairment loss on intangible assets	14 251	—	103 964
Impairment loss on property, plant and equipment	—	—	44 927
Impairment loss on inventories	3 328	1 193	(5 463)
Impairment loss on trade and other receivables	—	—	3 653
Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up	(4)	(305)	(8)
Expected credit loss allowance movement on trade and other receivables	6 233	3 021	3 768
Non-cash lease modifications, additions and terminations	(605)	(1 884)	(25 825)
Loss on sale of Chet Chemicals	—	—	68 805
Finance income	(9 864)	(18 055)	(27 147)
Finance costs	109 689	114 590	243 947
Fair value adjustment on forward exchange contracts	—	—	1 126
Unrealised gain on foreign exchange	(7 332)	(7 568)	(1 503)
Movements in employee benefits – medical aid plan	(426)	(274)	2 097
Employee benefits contributions paid	(426)	(313)	(677)
Other non-cash movements in employee benefits	—	39	2 774
Movements in share-based payments	1 641	879	657
Share-based payments	—	(476)	(698)
Other non-cash movements in share-based payments	1 641	1 355	1 355
Operating cash flows before working capital changes	467 300	444 377	983 427
Changes in working capital:	36 416	(162 998)	(189 017)
Increase in inventories	(42 917)	(114 106)	(163 464)
Decrease/(increase) in trade and other receivables	90 376	(6 221)	(66 959)
Increase in biological assets	(672)	(682)	(799)
(Decrease)/increase in trade and other payables	(10 371)	(41 989)	42 205
	503 716	281 379	794 410

The consolidated statement of cash flows represents both continued and discontinued operations combined cash flows.

	Six months ended 30 Jun 2025 Unaudited R'000	Six months ended 30 Jun 2024 Reviewed R'000	Year ended 31 Dec 2024 Audited R'000
11 Profit/(loss) from discontinued operation			
The Group signed the sale of business agreement for the sale of the Chet Chemicals business unit within the Household and Personal Care segment on 24 August 2024. The disposal is in line with Libstar's strategic direction to focus on value-added food categories. Chet Chemicals was classified as held for sale at 24 August 2024 and was sold on 30 December 2024.			
The comparative information for the six months ended 30 June 2024 is restated to present Chet as a discontinued operation as required by IFRS 5.			
Financial information relating to the Chet Chemicals discontinued operation is set out below:			
Profit before tax	—	3 343	23 030
Taxation	—	(903)	(6 613)
Loss on sale of Chet Chemicals after income tax	—	—	(59 160)
Profit/(loss) for the period/year from discontinued operation	—	2 440	(42 743)
Profit/(Loss) from discontinued operation attributable to:			
Equity holders of the parent	—	2 440	(42 743)
Non-controlling interest	—	—	—
	—	2 440	(42 743)

Notes to the condensed consolidated financial statements continued

12 Corrections of prior period errors

Libstar management conducted an extensive analysis of the general ledger account classifications of its multiple business units during the year ended 31 December 2024. The exercise was undertaken, during its transition of auditors following mandatory audit firm rotation, to review consistency of account classification and disclosure in terms of the IFRS Accounting Standards between the various business units forming part of the Group.

This resulted in accounts being reclassified from Operating expenses to Cost of sales in order to consistently allocate production related costs to Cost of Sales across the Group, as required by IAS 1 Presentation of Financial Statements.

The comparative amounts for June 2024 have been restated to facilitate comparability as required by IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

The corrections of the prior period errors were confined to reclassifications within the statement of profit or loss and other comprehensive income and had no impact on profit before tax, earnings per share, headline earnings per share, net asset value or net cash flows.

The effect of the restatements on the prior year is as follows:

	Previously Reported R'000	Effect of change R'000	Restated R'000
Six months ended 30 June 2024			
Statement of profit or loss and other comprehensive income:			
Cost of sales	(4 381 546)	(46 623)	(4 428 169)
Operating expenses	(1 021 467)	46 623	(974 844)

13 Dividends

The Board paid a final cash dividend (inclusive of treasury shares) of 15 cents (2024: 15 cents) per ordinary share totalling R102.3 million (2024: R102.3 million) ("the dividend"). The dividend was paid on 14 April 2025 (2024: 15 April 2024) to shareholders recorded as such in the share register of the Company on 11 April 2025 (2024: 12 April 2024) (the record date). The last date of trading cum dividend was 8 April 2025 (2024: 9 April 2024).

14 Subsequent events

In alignment with Libstar's portfolio simplification strategy, the Board resolved to effect the closure of the Group's Denny Mushrooms' facilities located in Shongweni and Phesantekraal. The effective closure date is planned for 31 January 2026, to align with the rundown of the straw contract at the Phesantekraal facility. The Group will continue to operate its Deodar facility. The impact of the closures, including any associated restructuring costs, are currently being assessed.

The directors are not aware of any other events after the reporting date which require disclosure.

15 Going concern

The directors believe that the Group has adequate financial resources to continue to operate for the foreseeable future and accordingly the condensed consolidated financial statements have been prepared on a going concern basis.

16 Contingent assets and liabilities

As disclosed in the annual financial statements for the year ended 31 December 2024, a series of successive power outages occurred at the Alrode production facility of Cecil Vinegar in November 2024, resulting in a 26-day loss of production. The matter remains the subject of an insurance claim and related investigation, including the extent (if any) of the Group's liability to its customers. As at 30 June 2025, there have been no material developments in respect of this matter since the date of the annual financial statements, and no asset or liability has been recognised in the interim results.

17 Financial Instruments

There are no significant differences between carrying values and fair values of financial assets and liabilities.

The carrying amount of cash and bank balances and bank overdraft approximate their fair values due to the short maturity of these instruments. Trade and other receivables, other financial assets (loans to other entities) and trade and other payables reflected on the statement of financial position approximate their fair values thereof due to the short maturity of these instruments. Other financial liabilities (bank loans and asset-based finance) and lease liabilities are measured at amortised cost using the effective interest rate method and the carrying amounts approximate their fair values.

Fair value at 30 Jun 2025 Unaudited R'000	Fair value at 30 Jun 2024 Reviewed R'000	Fair value at 31 Dec 2024 Audited R'000
Foreign exchange contracts – cash flow hedges		
Foreign exchange contract assets	10 593	24 643
Foreign exchange contract liabilities	(2 753)	(12 044)
	7 840	(1 590)

Forward exchange contracts are categorised as level 2 per the fair value hierarchy. The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies. There were no transfers between level 2 and 3 of the fair value hierarchy during the reporting period and the comparative periods.

Corporate INFORMATION

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Anneke Andrews
 Lead Independent Non-Executive Director

Sandeep Khanna
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Sibongile Masinga
 Non-Executive Independent Director

Tertius Carstens
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Charl Benjamin de Villiers
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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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