

QUANTUM FOODS

ANNUAL FINANCIAL STATEMENTS

for the year ended 30 September

26

Salient features

	FY2026	FY2025
Revenue	**R6 886 million**	R7 147 million
Operating profit	**R453 million**	R369 million
Operating profit (before items of a capital nature)* – Adjusted operating profit	**R447 million**	R361 million
Headline earnings profit	**R337 million**	R272 million
Earnings per share profit	**168.4 cents**	137.8 cents
Headline earnings profit per share (“HEPS”)	**165.6 cents**	134.4 cents
Total dividend per share	**79.0 cents**	34.0 cents

* *Income or expenditure of a capital nature in the statement of comprehensive income, i.e. all profit or loss items that are excluded in the calculation of headline earnings per share. The principal items excluded under this measurement are profit or loss on disposal of property, plant and equipment and non-current assets held for sale.*

Where narrative within the report relates to a specific financial year, these years are referenced as FY2026, FY2025, etc. All years not specified as a financial period refer to the calendar year.

COMMENTARY
CEO report

FY2026 was a year of operational excellence and strategic resilience. Quantum Foods leveraged favourable industry conditions and operational gains to deliver a strong performance. We remained focused on pursuing strategic priorities and achieving performance targets amid rising geopolitical and economic uncertainty. We fortified the business model across our South African animal feed, poultry and egg operations, and are successfully pursuing growth opportunities in Africa.

Performance at a glance

- Strong performance was underpinned by favourable raw material prices, which bolstered profitability
- Strategic focus on margins across all business units supported profitability
- Excellent productivity achieved at our broiler and layer farms
- Animal feeds production capacity boosted by commissioning of the third Malmesbury mill
- Improved profitability in the Zambia and Uganda operations

The Group's performance demonstrates the growing maturity in our approach to managing our business segments. Cross-functional integration and support led to better commercial outcomes and an improved culture.

Strategic outcomes

The Group entered FY2026 with a clear strategy, a strengthened operational base and the capability to deliver sustainable growth. We successfully built on this foundation by:

- Completing major capital projects
- Improving efficiency
- Expanding broiler operations in South Africa
- Expanding African operations

Combined with disciplined capital allocation and continued investment in people and partnerships, these actions position the Group to create long-term, sustainable value for all stakeholders.

Animal feeds

Revenue ▼	Adjusted operating profit ▲	Total volumes ▼
R3 062 million	**R108** million	**0.7%**
7.6% from FY2025	(FY2025: R103 million)	down from FY2025

Highlights

- Costs within target
- Earnings above expectations
- Malmesbury mill expansion completed on time and within budget
- Improved efficiencies
- Excellent quality and mycotoxin management
- High feed quality with record feed performance in certain species

Concerns

- Slightly lower volumes at Malmesbury and Pretoria mills
- Fuel price increases and cost recovery
- Foot-and-mouth disease ("FMD") impact

The animal feeds business remains the largest contributor to Quantum Foods' revenue and has been a consistent contributor to Group profits over the years. While total feed volumes were marginally down amid financial pressure on farmers and strong competition, a strong focus on margin management delivered improved profitability and contribution ahead of target and the previous year's performance.

A significant milestone was the commissioning of the additional Malmesbury feed mill in February 2026. This was a technically complex project that required us to keep two existing mills on the site running at full capacity while managing construction of a third. The decision to construct the mill was informed by growth potential in the Western Cape and the need for additional production capacity. The facility has proved its value since day one. Besides alleviating long-standing capacity constraints, it has significantly enhanced our feed quality and improved feed conversion performance for customers.

The completion of the Malmesbury feed project provides outstanding operational flexibility.

Maize quality was much improved this year, with lower moisture content and fewer mycotoxin challenges. This was largely due to high carryover stock and favourable harvest conditions.

The second half of the year saw supply chain and logistics disruptions stemming from international conflicts. High fuel costs created margin pressure, with some transport costs passed on to animal feed customers.

Distribution and stock management initiatives improved operational efficiency and strengthened cost control. A new five-year outsourced distribution contract was concluded with Hestony Transport, with a strong emphasis on working together to unlock further efficiency and reduce costs. Continued evaluation of new technology and improved tracking systems will identify opportunities to reduce delays and improve turnaround times.

We identified opportunities for improvement in stock management and implemented additional monitoring systems to reduce stock variances and mitigate risk. These included improved monitoring of slow-moving stock and tracking of stock expiry dates, resulting in year-on-year reductions in stock variances.

Strong teamwork within the animal feeds business and cross-functional collaboration within the wider Quantum Foods Group helped drive success.

The depot model is set for growth in the northern region, supplying bagged feed and day-old broiler chicks to informal and emerging farmers. We continue to distribute feed through this channel, now managed by the egg business.

Farming

Revenue ▼

R1 956 million

3.4% from FY2025

Adjusted operating profit ▲

R154 million

with no highly pathogenic avian influenza ("HPAI") biological asset write-off included

(FY2025: R127 million profit, including an HPAI biological asset write-off of R8 million)

Day-old pullet volumes ▲

10.5%

Day-old broiler chick volumes ▲

6.3%

Broiler farming

Highlights

- Delivered outstanding broiler performance
- Achieved a record high production efficiency factor ("PEF") of 500 at our Philadelphia Farm in the Western Cape – a flock efficiency milestone believed to be a first in South Africa
- Improved feed conversion efficiency to average 1.36 (FY2025: 1.41)
- Placed more than 15.6 million eggs on broiler farms using NestBorn© on-farm hatching technology

Concerns

- Inconsistent hatchability at the Hartbeespoort facility due to age of machines.
- Late cycle fertility challenges at the Eigendom breeder farm where its first cycle was placed on a day-old-to-death basis. Future cycles are placed from alternative rearing capacity at normal transfer age.

Broiler farming delivered a satisfactory performance, achieving above-standard farming efficiencies, benefiting from local hatching-egg supply to the Hartbeespoort hatchery and from increased volumes of day-old chicks and live birds sold. This success was supported by completion of our asset repurposing strategy. Earnings benefited from lower raw material costs in the first half of FY2026, and increased demand for poultry products following FMD outbreaks in the cattle and pig industries. Broiler farming revenue decreased by 1.6% to R1 684 million, with contracted live-bird selling prices adjusted for lower input and conversion costs, partially offset by increased revenue from the sale of day-old chicks.

Broiler farming's operational excellence was recognised by the breed supplier, Aviagen, with 14 silver awards at the breeder level, 17 silver awards, 8 gold awards and 1 platinum award for broiler production.

We concluded the process of rebalancing assets and supply chains to optimise performance by relocating egg production and repurposing farms to align resources with market needs. Moving breeder production to the northern region enabled us to achieve better margins, reduce costs and minimise egg handling.

Driven by strong local demand, the broiler business expanded its day-old chick volumes by 6.3%, selling everything it could produce. This was underpinned by strong performance under our long-term supply contract with Astral Foods in the Western Cape and volume growth in the Northern region.

A R41 million project to convert our dormant Western Cape breeder facility into a dedicated broiler farm was completed. This added 3.5% to our live-bird production capacity in the region supplying to Astral Foods.

Ongoing capital investment includes the refurbishment of older poultry houses and the completion of an ablution facility at Bellevue hatchery. Once completed, all breeder farms and hatcheries will have ZA certification, enhancing readiness for exports and compliance with potential future HPAI vaccination requirements.

Technological innovation, specifically on-farm hatching, was an important success factor. Much of this achievement can be attributed to effective change management, the promotion of an entrepreneurial culture, and our team's ability to adapt quickly. We continue to prioritise developing internal talent, successfully filling key strategic and management positions with long-serving internal candidates.

To allow the broiler business to focus on high-volume contracts, it transferred its depot network to the eggs business in April 2026.

Layer farming

Highlights

- Implemented revised terms of sale for point-of-lay customers
- Completed geographic restructuring of breeder flocks
- Maintained disease-free flocks
- Achieved excellent layer production and efficiencies
- Reduced point-of-lay performance claims
- Growth in day-old chick sales
- Growth in export sales

Concerns

- Point-of-lay sales realisation in the first quarter
- Unit cost increases
- Distribution recovery
- Point-of-lay and day-old-chick margins
- South Africa's HPAI status limited exports
- Export freight challenges
- Ageing infrastructure on farms

Layer farming experienced a year of mixed fortunes with revenue decreasing by 13.1% to R272 million. The segment faced a challenging first half, with costly order cancellations for mature point-of-lay hens, high holding costs and transport under-recoveries. As low volumes and high costs lowered margins, we scaled back point-of-lay production and focused on growing day-old layer chick sales.

Layer farming achieved its core target of 100 day-old chicks per hen housed.

Performance rebounded in the second half as supply and demand rebalanced. To eliminate losses from order cancellations, we implemented revised terms of sale and planned placements according to demand. We reduced the flock size at the breeder farms to mitigate overproduction.

With a target of 5.0% sales growth for FY2026, we set out to sell additional day-old chicks and achieved an 18.5% volume increase.

Tight management and strict customer selection for point-of-lay pullets led to a planned decline in open-market pullet sales volume. Looking ahead, we aim to maintain stability in this part of the business by focusing on supplying selected strategic customers.

Producing to meet demand rather than fill capacity drove cost efficiencies and improved margins.

Successful restructuring of the breeder value chain continued. We optimised logistics and biosecurity by closing the Bronkhorstspruit breeder farm in the northern region and relocating birds to KwaZulu-Natal. Leasing the Soetendal layer hatchery and entering into a supply agreement for hatching eggs from the adjacent layer breeder farm enabled us to establish production capacity in the Western Cape. We can now hatch and supply up to 1.8 million chicks annually in the region, freeing up capacity in our northern hatchery to serve the inland and export markets. The benefits of an R8 million investment in new machinery for our grandparent farm in the northern region are also expected to be seen in improved hatchability from FY2027.

Our export business remained promising. While customers in Botswana and Malawi remained stable buyers, we made positive inroads in Tanzania, Ghana, Ivory Coast and Uganda. This progress was undermined by challenges with airfreight, including flight delays and cancellations, sometimes resulting in bird mortalities.

Upskilling farm management and succession remained a priority. We completed a comprehensive competency analysis of farm-level managers and supervisors, and are developing targeted training modules to close gaps identified in the coming year. To cultivate a culture of accountability, we continued to emphasise attention to detail and adherence to standard operating procedures in our operations.

Internal egg production grew by 4.0% year-on-year.

This performance was driven by an increase in the average monthly flock size and very good on-farm performance. This allowed us to cut purchases from third-party suppliers by 30.4%, reducing them to approximately 8.2% of our total egg supply.

A key driver of improved farm efficiency has been getting birds to reach their genetic potential.

Eggs per hen housed over the laying cycle have increased by almost 11 eggs per bird per year, equating to about 20 million extra eggs without additional infrastructure or birds. This improvement was the combined effect of better phase-appropriate nutrition, faster responses to production dips, improved environmental conditions (water, disease control, flock health), and an overall management focus on efficiency.

Eggs

Revenue ▼
R1 234 million
2.3% from FY2025

Adjusted operating profit ▼
R101 million
(FY2025: R111 million)

Total volumes ▲
0.6%
from FY2025

Highlights

- Above expected profitability
- Improved flock productivity
- Significant sourcing cost savings
- Strategic listings with new customers

Concerns

- Declining egg prices

The egg business delivered a satisfactory performance in FY2026. Volumes increased slightly while overall egg price realisation declined by 4.5%. This was achieved through a strategic shift in sales channels and geography, together with excellent operational efficiencies, lower feed costs and careful cost management. Retail sales under the Nulaid brand declined 9.0% in volume. This volume was deliberately shifted into the informal wholesale sector under the Quantum Nest Eggs brand, which supplies ungraded eggs packed on farms. The wholesale channel shift was aided by expansion into regional South African markets. Combined Quantum Nest Eggs sales volumes grew by 8.5% compared to the previous year. This success validates the 2023 decision to exit unprofitable regions and operate selectively in higher-margin retail and wholesale channels.

Nulaid was a platinum winner in the egg brand category in the Daily Sun Reader's Choice 2025 awards.

A strategic shift this year saw management of the depot network move from the feed segment into the egg business. The egg business is, by its nature, closer to the informal market and better suited to focus on managing and growing the depots as profitable outlets for the Group – selling eggs, chicks and animal feed.

Other African countries

Revenue ▲
R633 million
16.2% from FY2025

Adjusted operating profit ▲
R96 million
(FY2025: R42 million)

Egg volumes ▲
3.6%

Day-old chick volumes ▲
20.3%

Feed volumes ▲
42.9%

Our other African operations demonstrated the strength of our geographic diversification strategy, delivering a record performance and higher margins than our South African operations.

Highlights

- Performance of commercial layer flock in Zambia and Uganda
- Growth in feed sales in Zambia and Uganda
- Above-standard broiler breeder production in Uganda
- Sale of Najjera site in Uganda
- Costs well managed in all three countries
- Feed mill project in Zambian Copperbelt commenced

Concerns

- Challenges on Zambia breeder farm
- Availability of forex in Mozambique
- Disruption of importation of Lohmann parent stock and other hatching eggs into Uganda

Zambia

The business achieved exceptional results and was a substantial contributor to Group profits. Egg sales generated attractive margins, while increased demand for day-old pullets positioned Mega as a market leader. The Lusaka breeder farm, operating at full capacity, was unable to keep pace with customer demand. Following the installation of a laser de-beaker and an improvement in our day-old pullet quality, our supply is not sufficient to meet customer demand.

In response to growth opportunities and increasing business complexity, we appointed a new general manager at the Lusaka farm. A new financial director was appointed to support the managing director and the regional finance team. Financial performance was bolstered by lower feed input costs and improved load shedding following higher rainfall and a much-improved 2026 grain harvest.

Uganda

Uganda experienced growth in both volumes and market share. This was supported by a highly coordinated sales strategy. Expanded sales volumes for day-old chicks and feed contributed to the strong financial performance.

To support growing market demand, a project commenced in 2025 to construct three new breeder houses and install additional incubation equipment. This was completed in FY2026. A further expansion project to add three more breeder houses and additional incubation equipment commenced in 2026 and is nearing completion. Producing hatching eggs locally is highly efficient, as egg production costs can be up to 60% lower than imports.

In a regulatory breakthrough towards the end of the year, Uganda approved regulations to accept South Africa's compartmentalisation standards for HPAI. Sourcing parent stock from South Africa rather than Europe is expected to simplify the supply chain and reduce day-old chick procurement costs significantly.

Mozambique

The Mozambican business delivered a satisfactory financial performance. This was driven by local egg prices remaining higher than anticipated, lower feed costs, and disciplined cost management. Egg production increased with higher average flock numbers and improved production performance compared to FY2025, when 16% of the flock was lost in a December 2024 looting incident and the vaccination programme was interrupted.

The operating environment has remained volatile, and the strategic decision to find a buyer or partner for the business remains unchanged. Management continues to explore options, though progress has been slow due to low investor interest.

Prioritising human capital and organisational health

Investing in our people and culture is central to our strategy to re-focus, optimise and grow our business. We continue to embed values-based leadership through our Inspired Leadership programme, which drives decentralised accountability and builds trust by leading with empathy, communicating clearly and living our values.

The executive team has adopted a culture of engagement and actively addresses deviations from our corporate values to enforce standards.

Succession planning is a critical focus area because a significant portion of Quantum Foods' senior executive and operational management team will reach retirement age within the next three to five years. To manage this transition smoothly, the Group conducts quarterly talent meetings to monitor retirement horizons and succession pipelines. Senior and executive management talent pools are maintained and evaluated using an external leadership assessment centre. Following a recent internal audit, we are expanding our talent pool and assessment framework to the next level of management to ensure a continuous pipeline of internal successors.

Future focus

Quantum Foods' future focus areas centre on scaling up key capacity projects, implementing process technology innovations, and mitigating environmental and operational risks. In the animal feeds segment, priorities include completing the Paterson and George mill upgrades, scoping a multi-year refurbishment of the older Malmesbury mills, and addressing imminent retirements of senior operations staff. In broiler operations, we will concentrate on expanding day-old chick sales. The commercial egg business will roll out the second phase of inline packaging print automation and improve its environmental resilience.

Future value creation and sustainable margins will come from scaling efficient, lower-risk production models, leveraging technology to enhance efficiencies, planning and logistics and continuing to deepen our presence in African growth markets.

Across the other African operations, key objectives include expanding the Lusaka breeder farm, continuing the Copperbelt expansion project, transitioning our Zambian retail stores to mobile money to reduce cash theft risks, testing Uganda parent stock imports from South Africa under newly accepted compartmentalisation regulations, and actively pursuing a strategic partner or exit for the Mozambican business.

Appreciation

Our achievements this year are the result of the hard work and dedication of everyone in the Quantum Foods team. I thank each one of you for your contribution.

I thank the Board for continuing to stand behind the executives as we rolled out the Group strategy. Your confidence in our ability to execute is reflected in our performance.

I express my appreciation to our stakeholders for their ongoing confidence and trust in us, which we continually strive to enhance.



AD van der Merwe
Chief executive officer

CFO report

Salient features

- Revenue decreased by 3.7% to R6 886 million
- Cost of sales decreased by 6.5% to R5 319 million as a result of lower feed costs and improved farming and processing efficiencies
- No biological assets were written off due to HPAI, compared to R8 million in FY2025
- Operating profit increased by 22.9% to R453 million
- HEPS increased to 165.6 cents, compared to 134.4 cents in FY2025
- Dividends increased to 79.0 cents, compared to 34.0 cents for FY2025

Performance snapshot

Quantum Foods achieved an exceptional financial and operational performance

Lower raw material input costs, disciplined cost management, improved operational efficiency and a stronger rand supported performance in FY2026. Geopolitical tensions in the Middle East caused global supply chain disruptions and fuel price spikes in the second half, increasing logistics costs. Prudent cost and margin management allowed the Group to recover most of these additional cost pressures.

In South Africa, animal feeds achieved satisfactory margins through careful price and volume management, supported by the expansion of the Malmesbury feed mill. Broiler farming delivered robust earnings underpinned by excellent farming efficiencies and volume growth. Layer farming implemented structural and operational changes to strengthen margins by improving efficiency and increasing day-old chick sales volumes. The egg business' profitability, despite exceeding expectations, was lower than FY2025. This was driven by unchanged margins (reduced selling prices were offset by lower production costs) and higher operating costs. The egg selling price decline of 4.5%, compared to FY2025, was less than expected in a market where the national layer flock reached around 30 million layer hens for most of the year.

Other African countries delivered robust returns. Zambia enjoyed strong profitability with lower feed costs and restored power supply driving demand. Uganda saw solid growth in volumes of day-old chicks and animal feed. Mozambique remained profitable, benefiting from increased egg sales volumes and improved farming efficiency, which compensated for the decline in egg selling prices.

The Group built on the strategic momentum achieved in FY2025 to deliver an exceptional financial performance.

Lower revenue but improved margins

Group revenue decreased by 3.7% to R6.9 billion (FY2025: R7.1 billion). Revenue from the South African operations decreased by 5.3% to R6.3 billion (FY2025: R6.6 billion). Revenue from other African operations increased by 16.2% to R633 million (FY2025: R545 million). Other African operations contributed 9.2% of Group revenue, up from 7.6% in the previous year.

In South Africa, the animal feeds segment revenue declined by 7.6%. External sales volumes were unchanged in a highly competitive environment and selling prices were adjusted in response to lower input costs. The farming segment reported a 3.4% decrease in revenue, driven by lower point-of-lay hen volumes and contracted live-bird selling prices adjusted for lower input costs. This was partially offset by increased volumes of day-old pullets, day-old broilers and live-bird volumes sold. Egg segment volumes increased by 0.6%, but revenue declined by 2.3% due to a 4.5% reduction in egg selling prices.

Other African countries grew revenues. This was fuelled by a stronger Zambian kwacha, higher demand for feed and day-old chicks in Zambia, and higher sales volumes of animal feed and day-old chicks in Uganda. Mozambique's revenue benefited from volume growth.

Disciplined cost management

Group cost of sales decreased by 6.5% to R5.3 billion. While higher volumes in some segments raised costs, these were offset by improved operational efficiency, asset optimisation and lower feed costs.

Cost of sales includes the fair value adjustments of biological assets (livestock) and agricultural produce (eggs) that were realised and included in other gains and losses in the statement of comprehensive income.

The fair value adjustments for the year amounted to a profit of R252 million (FY2025: R192 million), which included no biological asset write-offs due to HPAI-infected birds (FY2025: R8 million). The fair value adjustment increased compared to FY2025 due to cost reductions from improved farming efficiencies and lower input costs, which exceeded the effect of lower market prices.

Excluding the fair value adjustments, gross profit increased by 10.3% to R1.82 billion (FY2025: R1.65 billion) at a margin of 26.4% (FY2025: 23.1%).

Aggregate cash operating expenses increased by 6.8% to R1.27 billion (FY2025: R1.18 billion).

This increase was mainly attributable to:

- Increased staffing costs. In addition to annual increases and headcount growth, larger provisions were made for long-term management incentives. This was mainly due to the impact of higher HEPS on the Value Appreciation Rights Plan provision with the first vesting of awards in February 2028.
- Higher energy and logistical costs, driven by rate increases far higher than inflation and the impact of higher volumes in some segments.

Exceptional profitability achieved

Operating profit before capital items increased by 23.9% to R447 million (FY2025: R361 million). Profit from the South African operations rose to R364 million, up from R341 million in FY2025, with margins improving from 5.2% to 5.8%.

Adjusted operating profit from animal feeds increased by 4.6% to R108 million on slightly lower volumes. This was achieved through strict margin discipline, improved operational efficiency and keeping operating costs below target.

The farming segment reported a profit of R154 million, compared to R127 million in the previous reporting period. Earnings from broiler farming were lower due to lower margins on live-bird volumes resulting from contracted pricing adjustments and higher operational costs, which were partially offset by increased volumes. Improved layer farming earnings were supported by satisfactory cost management, improved breeder and layer farming efficiencies, increased day-old chick volumes sold, higher egg volumes produced on Company-owned layer farms and no HPAI outbreaks.

Adjusted operating profit from the egg segment decreased by 8.6% to R101 million. This was achieved, despite a 4.5% decrease in average egg prices, through excellent operational performance and cost management, with a marginal 0.6% increase in volume.

Other African operations recorded an adjusted operating profit of R96 million, compared to R42 million in the previous year. Profits improved substantially in Zambia, supported by improved layer farming efficiencies, lower feed input costs, reduced load shedding, higher volumes of day-old chicks and feed sold, and the effect of a substantial increase in the value of the Zambia Kwacha. Profits improved in Uganda, driven by increased volumes of feed and day-old chicks sold, improved farming efficiencies and very good cost management. Profits from Mozambique were slightly higher, with the benefit of increased volumes and improved farming efficiency mostly offset by lower egg selling prices.

Head office costs decreased from R23 million to R13 million.

Headline earnings per share increased to 165.6 cents per share from 134.4 cents per share.

Cash flow and capital expenditure

Cash inflow from operating activities more than doubled to R618 million (FY2025: R302 million) due to higher profits as well as decreased investment in working capital of R96 million (FY2025 increased investment: R174 million). Trade and other receivables were R39 million lower, while inventory increased by R3 million and the investment in biological assets increased by R6 million. Higher trade and other payables balances of R30 million were due to differences in settlement timing. The decrease in working capital investment also includes an inflow of R37 million from hedging activities related to SAFEX maize futures market.

Cash used in investing activities amounted to R225 million compared to R226 million in FY2025. This includes capital expenditure on property, plant and equipment amounting to R268 million (FY2025: R261 million), R27 million in interest received (FY2025: R22 million) and proceeds from the sale of non-current assets held for sale of R16 million.

The main capital expenditure projects, in addition to maintenance and compliance capital expenditure of R68 million, included:

- R51 million on the completion of the R193 million multi-year Malmesbury feed mill expansion, which was commissioned in February 2026.
- R57 million on the Zambia egg expansion project that included the acquisition of a farm and commencing with the project to upgrade the feed mill in Chingola.
- R37 million on the repurposing of a dormant broiler breeder farm in the Western Cape to increase broiler farming capacity for supply to an abattoir customer. The first phase of this project was completed during the year.
- R18 million on the project to expand breeder farm and hatchery capacity in Uganda.
- R14 million on the project to expand raw material intake capacity, stormwater management and pelleting capacity at the Paterson feed mill.

There was no capacity expansion in layer farming, but we continue to invest in the efficiency of farms and egg-packing stations.

In FY2027 and FY2028, we are planning the following capital investments:

- R42 million for the completion of the Paterson and George feed mill upgrades
- R179 million for the Chingola egg production and feed mill expansion in Zambia

Cash flow from financing activities amounted to an outflow of R168 million (FY2025: outflow of R50 million). This includes the repayment of R20 million on the R100 million term loan facility (FY2025: R20 million), interest paid of R14 million (FY2025: R14 million), payment of principal lease elements of R20 million (FY2025: R16 million) and dividends paid of R113.7 million (FY2025: Rnil).

Cash and cash equivalents improved from R276 million at 30 September 2025 to R492 million at 30 September 2026.

The rand value of the Group's investment in other African countries increased by R3 million from 30 September 2025. This was impacted by a 15.9% devaluation of the rand against the Zambian kwacha, and an 18.2% gain against the Ugandan shilling during the period.

The Group's borrowings as at 30 September 2026 consisted of an interest-bearing term loan facility of R60 million, together with lease liabilities recognised in accordance with IFRS 16 – Leases. Lease liabilities increased compared to FY2025, mainly due to the new five-year feed distribution agreement.

Advancing systems and process efficiencies

We continued to enhance our operational and data systems in support of the Group strategy. Our current data environment is anchored in a core enterprise resource planning ("ERP") system that integrates finance, sales and production functions. In the animal feed business, specialised software integrated with the ERP system supports both formulation and factory operations.

IT infrastructure and operational automation were boosted by the successful completion of a major Sage ERP system version upgrade with zero operational downtime.

System protection

As system reliability is non-negotiable, our back-office systems undergo stringent testing to ensure business continuity in the event of disruption. This includes restore-point validation.

Cyber security remains our most material IT risk. Vulnerabilities are tracked, and remediation carried out on an ongoing basis. Feedback is presented to the IT steering committee every two months. Access control is tightly managed, with standard user limitations applied and more senior groups receiving restricted social media access. White-listed sites are enforced across the business.

A new service provider performed our annual cyber resilience check. Areas highlighted for improvement have been addressed.

All IT users undergo monthly cyber training supported by video modules and follow-ups. To strengthen awareness, the business also conducts internal phishing simulations and employs an external firm to perform annual penetration testing.

Dividend declaration

The board of directors declared a final gross cash dividend of 57.0 cents per share for the year ended 30 September 2026 (FY2025: 34.0), from income reserves. The final gross dividend consists of a normal dividend of 23.0 cents per share (2025: 34.0 cents per share) and a special dividend of 34.0 cents per share (2025: nil cents per share). Although Quantum Foods does not have a formal dividend policy, the Board will continue to consider dividend payments on a six-monthly basis.

Dividends tax, at a rate of 20%, will amount to 11.4 cents per share. Consequently, Quantum Foods shareholders ("shareholders") who are not exempt from dividend tax will receive a net dividend of 45.6 cents per share. Such tax will be withheld unless the beneficial owners of the dividend have provided the necessary documentation to the relevant regulated intermediary indicating that they are exempt therefrom or entitled to a reduced rate under the double tax agreement between South Africa and their country of domicile. The dividend amounts to 57.0 cents per share for shareholders exempt from dividends tax.

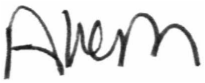
Application is being made to the Financial Surveillance Department of the South African Reserve Bank for the necessary approval to pay the special dividend portion of the final gross dividend. Following receipt of that approval, a finalisation announcement confirming the salient dates and times relating to the final gross dividend (both the normal dividend and the special dividend) will be released on SENS.

The salient dividend dates are as follows:

Finalisation announcement in respect of the dividend released on SENS by 11h00 AM, on	**Monday, 21 December 2026**
Last date of trading (cum dividend), on	**Tuesday, 26 January 2027**
Trading ex-dividend, on	**Wednesday, 27 January 2027**
Record date to determine which Shareholders are eligible to receive the final cash dividend, on	**Friday, 29 January 2027**
Payment date of the final cash dividend, on	**Monday, 1 February 2027**

Shareholders may not dematerialise or rematerialise their shares between Wednesday, 27 January 2027 and Friday, 29 January 2027, both days inclusive.

The issued share capital as at the dividend declaration date is 204 097 828 shares.



AH Muller
Chief financial officer

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Directors' responsibility

In accordance with the requirements of the Companies Act, No. 71 of 2008, as amended ("Companies Act"), the board of directors ("Board") is responsible for the preparation of the annual financial statements, which includes the Company financial statements of Quantum Foods Holdings Ltd ("Quantum Foods" or the "Company") and the consolidated financial statements of Quantum Foods and its subsidiaries (the "Group"). These conform to International Financial Reporting Standards® ("IFRS Accounting Standards") and fairly present the financial position, changes in equity, results of operations and cash flows of the Group at the reporting date.

It is the responsibility of the independent external auditors to report on the fair presentation of the annual financial statements.

The Board is ultimately responsible for the internal control processes of the Group. Standards and systems of internal control are designed and implemented by management to provide reasonable assurance as to the integrity and reliability of financial records and the financial statements, as well as to adequately safeguard, verify and maintain accountability for the Group's assets. Appropriate accounting policies, supported by reasonable and prudent judgements and estimates, are applied on a consistent and going concern basis. Systems and controls include the proper delegation of responsibilities, effective accounting procedures and adequate segregation of duties.

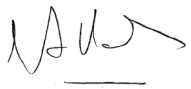
Based on the information and assurances given by management and the internal auditors, the Board is of the opinion that the accounting controls are adequate and that the financial records may be relied upon for preparing the financial statements and maintaining accountability for the Group's assets and liabilities.

The directors confirm that the Company is in compliance with the provisions of the Companies Act, specifically relating to its incorporation, and operates in compliance with its Memorandum of Incorporation.

Nothing has come to the attention of the directors to indicate that any breakdown in the functioning of these controls, resulting in material loss, has occurred during the financial year and up to the date of this report. The Board has a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future, and continues to adopt the going concern basis in preparing the annual financial statements.

A copy of the annual financial statements of the Group is available on the Company's website. The directors are responsible for the maintenance and integrity of, including implementing controls and security for, the statutory and audited information on the Company's website.

The annual financial statements which appear on pages 11 to 67 and the supplementary information set out on pages 68 to 69 were approved by the Board on 24 November 2026 and are signed on its behalf by:



WA Hanekom
Chairman



AD van der Merwe
Chief Executive Officer

Responsibility statement of chief executive officer and chief financial officer

Each of the directors, whose names are stated below, hereby confirm that:

- the annual financial statements set out on pages 11 to 67 fairly present in all material respects the financial position, financial performance and cash flows of the Company and the Group in terms of IFRS Accounting Standards;
- to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to the Issuer and its consolidated subsidiaries has been provided to effectively prepare the annual financial statements of the Issuer;
- the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
- where we are not satisfied, we have disclosed to the audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have remediated the deficiencies; and
- we are not aware of any fraud involving directors.



AD van der Merwe
Chief Executive Officer



AH Muller
Chief Financial Officer

Company secretary certificate

In accordance with section 88(2)(e) of the Companies Act, for the year ended 30 September 2026, it is hereby certified that the Company has lodged with the Companies and Intellectual Property Commission all such returns and notices that are required of a public company in terms of the Companies Act and that such returns and notices are true, correct and up to date.



ZP Wakashe
Company Secretary

Audit and risk committee report

The audit and risk committee ("ARC" or "the committee") is constituted in terms of a charter that outlines its statutory duties in terms of the relevant provisions of the Companies Act and the JSE Ltd Listings Requirements ("JSE Listings Requirements").

Audit and risk committee charter

The committee is guided by formal terms of reference. An annual workplan serves as a guideline for the committee in the execution of its mandate. Both the charter and workplan are reviewed annually and amended as necessary.

The committee's role and responsibilities outlined in the charter include both the statutory duties and responsibilities as required by the relevant provisions of the Companies Act and JSE Listings Requirements, as well as those highlighted in the IoDSA King V™ Report on Corporate Governance for South Africa, 2025 ("King V™")*, which was released on 31 October 2025. Quantum Foods has adopted the relevant provisions of King V™.

Members of the audit and risk committee

As at 30 September 2026, the committee comprised three independent non-executive directors, namely Mr GG Fortuin, Mr LW Riddle and Mr PFT Burger.

These members will retire and avail themselves for election at the 13th annual general meeting ("AGM") of the Company in terms of section 94(2) of the Companies Act. All members are required to act objectively and independently, as described in the Companies Act and in King V™.

The chairman of the Board, chief executive officer and the chief financial officer are permanent invitees to committee meetings, and every other member of the Board is entitled to attend unless conflicted. In addition, relevant senior managers and external service providers are invited to attend meetings from time to time. The company secretary is the statutory secretary of the committee. The internal and external auditors attend the relevant meetings of the committee.

Meetings

The committee held three meetings during the year. Attendance of the meetings was as follows:

Name	Status	Number of meetings
• GG Fortuin	• Committee chairman	• 3/3
• LW Riddle	• Member	• 3/3
• PFT Burger	• Member	• 3/3

WA Hanekom, AD van der Merwe and AH Muller attended all three ARC meetings as invitees. G Vaughan-Smith attended 1 of the 3 meetings as invitee.

The internal and external auditors attended the committee meetings in their capacity as assurance providers.

Functions and responsibilities of the committee

During the period under review, the committee was able to discharge the following functions outlined in its charter and ascribed to it in terms of the Companies Act, JSE Listings Requirements and King V™:

- Reviewed the interim and summary results as well as the annual financial statements, culminating in a recommendation to the Board for approval. In the course of its review, the committee:
  - Reviewed the adequacy and effectiveness of the financial reporting process and the systems of internal control.
  - Ensured that appropriate financial reporting procedures exist and that those procedures are operating, which included consideration of all entities included in the consolidated annual financial statements, to ensure that it had access to all the financial information of the Company to allow the Company to effectively prepare and report on the annual financial statements of the Group.
  - Considered and, when appropriate, made recommendations on internal financial controls.
  - Took the necessary steps to ensure that the annual financial statements are prepared in accordance with IFRS Accounting Standards and the requirements of the Companies Act.
  - Ensured that a process is in place for the committee to be informed of any reportable irregularities (as per the Auditing Profession Act, No. 26 of 2005) identified and reported by the external auditor and relating to the accounting practices and internal audit of the Group, the content of the annual financial statements, the internal financial controls of the Group or any related matter during the financial year. No such material concerns and/or complaints were raised during the financial year.
  - Considered the solvency and liquidity requirement of the Companies Act in recommending proposed dividends to the Board.
- Reviewed the external audit reports on the consolidated annual financial statements.
- Reviewed the reports issued by the JSE on the proactive monitoring of financial statements.
- Oversaw the integrated reporting process. The committee considered the Group's information pertaining to its non-financial performance as disclosed in the integrated report and assessed it for consistency with operational and other information known to committee members, and for consistency with the annual financial statements.
- Reviewed and confirmed that no non-audit services were provided by the external auditor requiring pre-approval. In terms of the non-audit services policy of the Group, any permissible non-audit services to be performed, which in the aggregate exceed R500 000 per financial year, must be approved by the committee.
- Reviewed and confirmed the suitability and independence of Ernst & Young Inc. ("EY") as the audit firm and PG du Plessis as the designated auditor of the Group as contemplated in paragraph 5.7 (h)(iii) of the JSE Listings Requirements.

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- Recommended the re-appointment of EY as the external auditor and PG du Plessis as the designated auditor, after satisfying itself through enquiry that EY is independent as defined in section 94(8) of the Companies Act. The financial year ending 30 September 2027 will be PG du Plessis' fourth year as designated auditor of the Company. The re-appointment of EY as the recommended external auditor (with PG du Plessis as the designated auditor) will be presented and included as a resolution at the AGM.
- Approved the external auditor's fees and terms of engagement.
- Confirmed and approved the internal audit charter and annual risk-based internal audit plan.
- Reviewed the internal audit risk reports and fraud hotline reports.
- Reviewed and approved the risk management policy and plan.
- Reviewed business continuity capability, disaster management plans and insurance cover.
- Provided oversight of the IT governance of the Group.
- Provided oversight of the combined assurance arrangements, including the external and internal auditors, and satisfied itself regarding the effectiveness of the combined assurance model implemented by the Group.
- Reviewed the effectiveness of the internal audit function and the head of internal audit.

The committee is satisfied that sufficient time was dedicated to risk management and that it discharged its responsibilities as set out in the charter and workplan for the period under review.

The committee is satisfied with the assurance provided by the internal and external auditors on the effectiveness of the design and implementation of internal financial controls. No findings have been reported to the ARC to indicate that any material breakdown in internal controls occurred during the past financial year.

Internal audit

The internal audit function is a key element of the combined assurance structure. The Group outsourced its internal audit function to Deloitte & Touche. The committee was satisfied that the internal audit function fulfilled its roles and responsibilities, as outlined in the charter.

Chief financial officer and finance function

The committee considered and satisfied itself in terms of paragraph 5.7 (h)(i) of the JSE Listings Requirements with regard to appropriateness of the expertise and experience of AH Muller as chief financial officer.

In addition, the committee considered and has satisfied itself with regard to the appropriateness of the expertise and adequacy of resources of the finance function and experience of senior members of management responsible for the finance function.

The committee has ensured that the Group has established appropriate financial reporting procedures and that those procedures are operating satisfactorily. These annual financial statements have been prepared under the supervision of AH Muller, CA(SA), chief financial officer.

Significant matters and quality of external audit

The external auditor did not identify any key audit matters to communicate in its report on the annual financial statements for the year ended 30 September 2026. The committee considered the significant judgements and estimates applied by management in preparing the annual financial statements and did not identify any matters that required specific disclosure. The committee was satisfied with the quality of the external audit.

Going concern

The committee has considered and reviewed a documented assessment, including key assumptions, as prepared by management of the going concern status of the Group and Company and has made recommendations to the Board accordingly. The Board's statement regarding the going concern status of the Group and Company, as supported by the committee, is included in the directors' responsibility statement on page 10.



GG Fortuin
Chairman: audit and risk committee

Wellington
24 November 2026

Directors' report

for the year ended 30 September 2026

1. Principal activities and business review

Quantum Foods Holdings Limited (incorporated in South Africa) and its subsidiaries is a diversified feeds and poultry business providing quality animal protein to selected South African and other African markets.

Registered office – 11 Main Road, Wellington, 7655, South Africa.

2. Financial results

The annual financial statements on pages 17 to 67 set out fully the Group's financial position, financial performance and cash flows for the year ended 30 September 2026.

3. Share capital

The authorised share capital consists of 400 000 000 (2025: 400 000 000) ordinary no par value shares. At year-end, 204 097 828 (2025: 203 078 410) ordinary shares were in issue.

During the current and prior reporting period, no ordinary shares were repurchased and cancelled by the Company.

A subsidiary held nil (2025: 91 855) ordinary shares at year-end. During the reporting period, 1 111 273 (2025: 1 880 258) treasury shares were utilised to settle obligations in terms of the share appreciation rights scheme of the Group. 1 019 418 additional treasury shares were acquired by subsidiaries in the current reporting period (2025: 1 880 258).

4. Dividends

A final gross cash dividend of 57.0 cents (2025: 34.0 cents) per ordinary share was declared. This is in addition to the interim dividend of 22.0 cents per ordinary share declared and paid during the year (2025: nil cents).

5. Directors

The directors of the Company are responsible for the activities and reports related to the Group. The Board comprises:

- Wouter André Hanekom (chairman)
- Geoffrey George Fortuin (lead independent director)
- Adel Deidré van der Merwe
- André Hugo Muller
- Larry Wilson Riddle
- Gary Vaughan-Smith
- Pieter Francois Theron Burger
- John Gavin Hudson (elected 26 March 2026)
- Robert William Dobbie (elected 26 March 2026)
- Sean Andrew Reid (elected 26 March 2026)
- Sean Bernard Cowper Johnson (elected 26 March 2026)

Ms Ziyanda Patience Wakashe is the company secretary of Quantum Foods.

6. Litigation statement

No litigation matters with potentially material consequences exist at the reporting date. Refer to note 34 (contingent liabilities) to the consolidated financial statements.

7. Events after the reporting period

Other than the matters raised in note 42 to the consolidated financial statements, no events occurred after the reporting date that may have a material effect on the Group.

8. Material risks

Proactive risk management is essential for the effective implementation of the Group's strategy and to ensure Quantum Foods remains a competitive and sustainable business. Risk management improves operational effectiveness and enables improved value creation. The strategic risks identified by the Group can be viewed on https://quantumfoods.co.za/downloads/company-documents/material-risks.pdf.

Independent auditor's report

To the Shareholders of Quantum Foods Holdings Ltd

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Quantum Foods Holdings Ltd and its subsidiaries ('the group') and company set out on pages 17 to 67, which comprise of the consolidated and separate statements of financial position as at 30 September 2026, and the consolidated and separate statements of comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the group and company as at 30 September 2026, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the group and company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements of the group and company and in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits of the group and company and in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette Number 49309 dated 15 September 2023 (EAR Rule) we report:

Final Materiality

The ISAs recognise that:

- misstatements, including omissions, are considered to be material if the misstatements, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements;
- judgments about materiality are made in light of surrounding circumstances, and are affected by the size or nature of a misstatement, or a combination of both; and
- judgments about matters that are material to users of the financial statements consider users as a group rather than as specific individual users, whose needs may vary greatly.

The amount we set as materiality represents a quantitative threshold used to evaluate the effect of misstatements to the financial statements as a whole based on our professional judgment. Qualitative factors are also considered in making final determinations regarding what is material to the financial statements.

Group Final Materiality:

We determined final materiality for the group to be R21.0 million, which is based on 5% of earnings before interest and tax ('EBIT'). We have identified EBIT as the most appropriate basis as we typically believe that profit companies are evaluated by users on their ability to generate earnings.

Company Final Materiality:

We determined final materiality for the standalone company to be R 31.8 million, which is based on 2% of Equity. We have identified a capital-based measure was the most appropriate basis because Quantum Foods Holdings Limited is an investment vehicle and not a trading company. The shareholders are interested in the net residual value of the company and our review of information provided to users by the entity confirms our view.

Group Audit Scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for each component within the group. Taken together, this enables us to form an opinion on the consolidated financial statements. We take into account the size and risk profile of the components in the group. In addition, we further consider the organisation of the group and effectiveness of group wide controls, changes in the business environment, and recent Internal audit results when assessing the level of work to be performed at each component of the group. Our process focuses on identifying and assessing the risk of material misstatements of the group financial statements as a whole including, with respect to the consolidation process.

In establishing our overall approach to the group audit, we determined the type of work that needed to be undertaken at each of the components by us, as the primary audit engagement team, or by component auditors under our instruction.

In selecting components, we perform risk assessment activities across the group and its components to identify risks of material misstatement. We then identify how the nature and size of the account balances at the components contribute to those risks and thus determine which account balances require an audit response. We then consider for each component the degree of risk identified (whether pervasive or not) and the number of accounts requiring audit responses to assign either a full or specific scope (including specified procedures) to each component.

In our assessment of the residual account balances not covered by the audit procedures, we considered whether these could give rise to a risk of material misstatement of the group financial statements. This assessment included performing overall analytical procedures at group level.

Of the 3 components selected, we identified them as full scope components, which were selected based on the pervasiveness of risk in those components and for which we therefore performed procedures on what we considered to be the entire financial information of the component.

At a group level, we also tested the consolidation process and performed analytical review procedures over components not in scope.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period.

In terms of the EAR Rule, we are required to report the outcome of audit procedures or key observations with respect to the key audit matter and these are included below.

We have determined that there are no key audit matters to communicate in our report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the 69-page document titled "Quantum Foods Annual Financial Statements for the year ended 30 September 2026", which includes the Directors' Report, the Audit and Risk Committee Report and the Company Secretary Certificate as required by the Companies Act of South Africa, which we obtained prior to the date of the report, and the Integrated Report, which is expected to be made available to us after that date. The other information also includes the Commentary, the Directors' responsibility and the Responsibility statement of chief executive officer and chief financial officer. Other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Ernst & Young Inc. has been the auditor of Quantum Foods Holdings Ltd for 3 years.

Ernst & Young Inc.

Ernst & Young Inc
Director: Pierre du Plessis
Registered Auditor
Chartered Accountant (SA)

3rd Floor, Waterway House
3 Dock Road, V&A Waterfront
Cape Town
24 November 2026



Accounting policies

for the year ended 30 September 2026

1. Basis of preparation

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

The annual financial statements of the Group have been prepared in accordance with, and comply with, IFRS Accounting Standards and IFRS Interpretations Committee interpretations issued and effective at the time of preparing these financial statements, the Listings Requirements of the JSE Ltd and the requirements of the Companies Act. These annual financial statements comply with the requirements of the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, and the Financial Pronouncements as issued by the Financial Reporting Standards Council. The annual financial statements are prepared on the historic cost convention, except for biological assets and financial assets and liabilities (including derivative instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2 to the consolidated annual financial statements.

1.1 New and amended accounting standards adopted by the Group

The Group has not adopted any revised accounting standards for the first time for the current reporting period beginning on 1 October 2025.

1.2 New and amended accounting standards and interpretations that are not yet effective and have not been early adopted by the Group

The following new accounting standards are not yet effective and have not been early adopted by the Group (the effective dates stated below refer to financial reporting periods beginning on or after the stated dates):

- IFRS 18 – *Presentation and Disclosures in Financial Statements* (1 January 2027)
- IFRS 19 – *Subsidiaries without Public Accountability: Disclosures* (1 January 2027)

The following amendments are not yet effective and have not been early adopted by the Group (the effective dates stated below refer to financial reporting periods beginning on or after the stated dates):

- Amendments to IFRS 9 – *Financial instruments* and IFRS 7 – *Financial instruments: Disclosures – Classification and measurement of financial instruments* (1 January 2026)
- Amendments to IFRS 9 – *Financial instruments* and IFRS 7 – *Financial instruments: Disclosures – Contracts Referencing Nature-dependent Electricity* (1 January 2026)
- Annual Improvements to IFRS Accounting Standards—Volume 11 (1 January 2026)

Impact of the above amendments on the Group's financial statements

The Group has considered all standards, interpretations and amendments that are in issue but not yet effective. Management has concluded that, other than IFRS 18, these standards are not expected to have a significant impact on the Group's financial statements.

IFRS 18 replaces IAS 1 – *Presentation of Financial Statements*, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. IFRS 18 introduces new requirements to:

- present specified categories of operating, investing or financing categories and defined subtotals in the statement of profit or loss;
- provide disclosures on management-defined performance measures presented in a single note within the notes to the financial statements; and
- improve aggregation and disaggregation.

In addition, consequential amendments have been made to IAS 7 – *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from "profit or loss" to "operating profit or loss" and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards, including IAS 8 – *Accounting Policies, Changes in Accounting Estimates and Errors* and IAS 33 – *Earnings per Share*. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027. The Group is in the process of evaluating the impact the amendments will have on the primary financial statements and notes to the financial statements.

2. Basis of consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree, and the equity interests issued by the Group, fair value of any asset or liability resulting from a contingent consideration arrangement, and fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired, and liabilities and contingent liabilities assumed in a business combination, are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of the acquiree's identifiable net assets.

2. Basis of consolidation (continued)

Subsidiaries (continued)

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired, is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date in profit or loss or other comprehensive income, as appropriate.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

Intercompany transactions, balances, income and expenses on transactions between Group companies are eliminated. Profits and losses resulting from intergroup transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the separate financial statements of the holding company, the investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investments.

Interest-free loans to subsidiaries, with no specific terms of repayment and with a definite intent not to demand repayment, are considered to be capital distributions to the subsidiary and are included in the carrying amount of the investment.

Associates

Associates are all entities over which the Group has significant influence, but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition.

If the ownership interest in an associate is reduced, but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

An increase in the Group's interest in an existing associate, where the Group continues to have significant influence, is accounted for using a cost accumulation approach. The cost of acquiring the additional stake, including any directly attributable costs, is added to the carrying value of the associate. The notional fair value for the additional stake (including notional goodwill arising on the purchase of the additional stake) is calculated using fair value information at the date when the additional interest is acquired. No step up or remeasurement of the previously held interest is performed, since the status of the investment does not change.

The Group's share of post-acquisition profit or loss is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate is equal to or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount as part of the "share of profit of associate company" in profit or loss.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Dilution gains and losses arising in investments in associates are recognised in profit or loss. Accounting policies of associates have been changed, where necessary, to ensure consistency with the policies adopted by the Group.

3. Property, plant and equipment

Land and buildings mainly comprise factories, farms, poultry houses, offices and silos. All property, plant and equipment are stated at historical cost less depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the financial period in which it is incurred.

Land is not depreciated. Depreciation on buildings, poultry houses, machinery, vehicles, furniture and equipment are calculated on a straight-line basis at rates deemed appropriate to write off the cost of the assets to their residual values over their expected useful lives. Assets under construction are defined as assets still in the construction phase and not yet available for use. These assets are carried at initial cost and are not depreciated. Depreciation on these assets commences when they become available for use and depreciation periods are based on management's assessment of their useful lives. An asset is considered available for use when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The expected useful lives are as follows:

• Buildings	20 – 25 years
• Poultry houses	20 – 25 years
• Plant, machinery and equipment	3 – 30 years
• Vehicles	3 – 20 years

3. Property, plant and equipment (continued)

The assets' residual values and useful lives are reviewed and adjusted if appropriate at each reporting date. Residual values and useful lives are based on industry knowledge and past experience with similar assets. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals of property, plant and equipment are determined by comparing proceeds with the carrying amounts. These are included within other gains/(losses) – net in profit or loss.

4. Intangible assets

Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Subsequently, these intangible assets are carried at cost less any accumulated amortisation. Computer software is amortised over the estimated useful lives of the assets of between 2 and 10 years on a straight-line basis.

Costs associated with maintaining computer software programs are recognised as an expense as incurred.

Development costs that are directly attributable to the production of identifiable and unique software products controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets when all the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use
- Management intends to complete the software product and use it
- There is an ability to use the software product
- It can be demonstrated how the software product will generate probable future economic benefits
- Adequate technical, financial and other resources to complete the development and to use the software product are available
- The expenditure attributable to the software product during its development can be reliably measured

Other development expenditure that does not meet the criteria is recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

5. Impairment of non-financial assets

The Group assesses at the end of each reporting period whether there is any indication that an asset may be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and its value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows ("CGUs"). Non-financial assets, other than goodwill, that have suffered impairment, are reviewed for possible reversal of the impairment at each reporting date.

The Group's market capitalisation exceeded its net asset value at the end of the current year. Consequently, management has not identified any impairment losses to be included in the Group's consolidated financial statements in the current financial year.

6. Financial assets

6.1 Classification

The Group classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value through profit or loss ("FVPL")
- Those to be measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will be recorded in profit or loss. The Group reclassifies financial assets when and only when its business model for managing those assets changes.

6.2 Recognition and derecognition

Regular purchases and sales of financial assets are recognised on the trade date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

6.3 Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its financial assets:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal amounts and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss.

FVPL: Assets that do not meet the criteria for amortised cost are measured at FVPL. A gain or loss on a financial asset that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

6.4 Impairment

The Group assesses on a forward-looking basis, the expected credit losses ("ECL") associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

For trade receivables, the Group applies the general approach to measure the expected credit losses for national customers as well as the balance of receivables covered by insurance. The Group applies the simplified approach to measuring the expected credit losses of all other balances, which uses the expected lifetime losses to be recognised from initial recognition of the receivables.

Details about the Group's impairment policies and the calculation of the loss allowance are provided in note 9 and note 38.1(b) to the consolidated annual financial statements.

7. Biological assets

Biological assets consist of livestock. The presentation of biological assets as current or non-current assets depends on the nature of the biological assets. Livestock is a consumable asset and is presented as current assets. Biological assets of the Group include biological assets held at contract producers, as the Group retains ownership of these assets. Biological assets are measured on initial recognition and at the end of each reporting period at fair value less cost to sell. All directly related costs incurred in acquiring and establishing biological assets are capitalised to the cost of the biological assets. Changes in the measurement of fair value less cost to sell are included within other gains/(losses) – net in profit or loss for the period in which they arise.

All costs incurred in maintaining the assets are included in profit or loss for the period in which the biological assets are realised or included in agricultural produce. Fair values of livestock held for breeding, laying hens, broilers and hatching eggs are determined with reference to market prices of livestock of similar age, breed and genetic material.

Agricultural produce is the harvested product of the entity's biological assets and is measured at its fair value less cost to sell at the point of harvest. Such measurement is the cost at that date when transferring the harvested produce to inventory. Agricultural produce of the Group includes eggs from laying hens.

8. Inventories

Inventories are valued at the lower of cost or net realisable value. Cost in each category is determined as follows:

- Raw material at actual cost on a weighted average cost basis
- Own manufactured products at direct raw material and labour cost plus an appropriate portion of production overheads, on a weighted average cost basis
- Consumables, packaging and trading stock at actual cost on a weighted average cost basis
- Eggs purchased are valued at actual cost on a weighted average cost basis

The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Cost of inventories include the transfer from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw materials. Spare parts included in inventory relate to small parts of manufacturing equipment regularly and continuously used within 12 months.

9. Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected in one year or less, trade receivables are classified as current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Details about the Group's impairment policies and the calculation of the loss allowance are provided in note 9 and note 38.1(b) to the consolidated annual financial statements.

Other receivables consist mainly of prepayments, value-added tax receivable and other debtors. Other debtors' amounts generally arise from transactions outside the usual operating activities of the Group. Collateral is not normally obtained.

10. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments and bank overdrafts. Bank overdrafts are included in current liabilities on the statement of financial position.

Deposits held at call with banks and other short-term highly liquid investments are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. These deposits are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value.

11. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of income tax, from the proceeds.

When any Group company purchases the Group's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Group's equity holders until the shares are re-issued or disposed of. Where such shares are subsequently sold or re-issued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to owners of the parent. The Group values treasury shares on the weighted average cost basis.

12. Financial liabilities

12.1 Classification

The Group has financial liabilities in the form of borrowings, provisions, trade and other payables, financial guarantees and lease liabilities. These financial liabilities are classified as financial liabilities at amortised cost (with the exception of lease liabilities which are measured under IFRS 16 – *Leases*).

12.2 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest rate method. Borrowings are classified as current liabilities unless the Group has a right to defer settlement of the liability for at least 12 months after the year-end reporting date.

12.3 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as finance costs in profit or loss.

12.4 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities, unless payment is not due within 12 months after the reporting period. Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

12.5 Financial guarantees

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- the amount determined in accordance with the expected credit loss model under IFRS 9 – *Financial Instruments*; and
- the amount initially recognised less the cumulative amount of income recognised in accordance with the principles of IFRS 15 – *Revenue from Contracts with Customers*.

The fair value is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

12.6 Derecognition of financial liabilities

Financial liabilities are derecognised only when the obligation specified in the contract is discharged or cancelled or expires.

13. Current and deferred income tax

The income tax expense or credit for the period comprises current and deferred income tax. Income tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

The current income tax expense is calculated based on the tax laws enacted or substantively enacted at the reporting date in the countries where the Group's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate, based on amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting profit or loss nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the unused losses can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the Group controls the timing of the reversal of the temporary difference, and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Group considers right-of-use assets and lease liabilities separately in respect of the deferred tax consequences of leases within the scope of IFRS 16 – *Leases*. At the inception of a lease, deferred taxes are recognised for temporary differences that arise between the tax base and carrying amount of right-of-use assets and lease liabilities. After initial recognition, deferred taxes are recognised when temporary differences arise.

14. Revenue recognition

Revenue comprises the transaction price of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown, net of value-added tax, estimated returns, rebates and discounts and after elimination of sales within the Group.

Income is recognised as follows:

Sale of goods

Sales of goods comprise the sale of animal feed, livestock and agricultural produce (eggs). Contracts with the Group's customers contain a single performance obligation to deliver the goods ordered by the customer. The sale of goods is the only income included in revenue in profit or loss.

Sales of goods are recognised when control of the products have transferred, being when a Group entity has delivered products to the customer, the customer has accepted the inventory risk related to the products and there is no unfulfilled obligation that could affect the customer's acceptance of the products.

Revenue from sales is based on the price specified in the sales contracts, net of value-added tax, estimated rebates and discounts and an adjustment for expected returns at the time of sale. Some products (mostly eggs) sold often include a growth incentive rebate that is based on aggregate sales over a 12-month period, which is considered to represent variable consideration. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated growth incentive rebate. Contract terms and accumulated experience are used to estimate and provide for the discounts and rebates, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability (included in trade and other payables) is recognised for expected growth incentive rebates payable to customers in relation to sales made during the reporting period. No significant financing component is deemed present as sales are made with credit terms of between 0 to 45 days.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional since only the passage of time is required before the payment is due. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

The Group accepts returns from customers for damaged goods as well as returns for sell-by-date goods from certain customers. Contract terms and accumulated experience are used to estimate and provide for the returns at the time of sale. Because the number of products returned has been steady for years, it is highly probable that a significant reversal in the cumulative revenue recognised will not occur. The validity of this assumption and the estimated value of returns are re-assessed at each reporting date. This allowance for credit notes provision is recorded within trade and other receivables, unless a separate obligation to settle the customer exist, in which case the liability is recorded within trade and other payables.

15. Foreign currency translation

Functional and presentation currency

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

Transactions and balances

Transactions in a foreign currency are translated into the functional currency using the exchange rates prevailing at the transaction dates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are recognised in profit or loss, except when deferred in other comprehensive income as qualifying cash flow hedges.

All other foreign exchange gains and losses are presented in profit or loss within other gains and losses – net.

Group entities

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency of South African rand are translated into South African rand as follows:

- Assets and liabilities for each statement of financial position presented (including comparatives) are translated at the closing rate at the reporting date
- Income and expenditure included in profit or loss for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenditure are translated at the exchange rates prevailing at the dates of the transactions)
- All resulting exchange differences are recognised as a separate component of other comprehensive income

Exchange differences arising from the translation of the net investment in foreign entities, and other currency instruments designated as hedges of such investments, are taken to other comprehensive income. When a foreign operation is partially disposed of or sold, such exchange differences are recognised in profit or loss as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

16. Accounting for leases: Group company is the lessee

The Group leases various farms, equipment, properties and delivery vehicles. Lease agreements are typically made for fixed periods of two to five years but may have extension options as described in (ii) below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Leases are recognised as a right-of-use asset and a corresponding liability at commencement date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. No assets were assessed to have a useful life shorter than the lease term.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that are based on an index or a rate
- Amounts expected to be payable by the lessee under residual value guarantees
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

To determine the incremental borrowing rate, the Group:

- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third-party financing; and
- makes adjustments specific to the lease, e.g., term and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

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

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

Payments associated with short-term leases, variable lease payments not based on an index or a rate in (i) below, and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise mainly IT equipment.

(i) Variable lease payments

Estimation uncertainty arising from variable lease payments

Variable lease payments relate to the lease of equipment and vehicles whereby the rental payments are entirely linked to the hours used, as well as the lease of solar panels whereby the rental payments are entirely based on the energy generated by the solar panels. These variable lease payments are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

(ii) Extension and termination options

Extension and termination options are included in a number of property, delivery vehicle, and equipment leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

Critical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The Group considers factors including historical lease durations and the costs and business disruption required to replace the leased asset. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

17. Accounting for leases: Group company is the lessor

Operating leases

Operating lease assets are included in property, plant and equipment in the statement of financial position. These assets are depreciated over their expected useful lives on a basis consistent with similar property, plant and equipment. Rental income is recognised on a straight-line basis over the period of the lease and included in other income in profit or loss.

18. Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and annual leave that are expected to be settled in full within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as part of trade and other payables in the statement of financial position.

Retirement scheme arrangements

The policy of the Group is to provide retirement benefits for all its South African employees in the form of a defined contribution plan. The defined contribution plan is a retirement scheme under which the Group pays fixed contributions to a separate entity. The Group has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the retirement benefits relating to employee service in the current and prior periods.

For defined contribution plans, the Group pays contributions to publicly or privately administered retirement schemes on a mandatory, contractual or voluntary basis. The contributions are recognised as an employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Other long-term employee benefits (long-service awards)

The Group provides for long-service awards that accrue to employees. Employees receive a long-service bonus equal to one month's salary for every completed 10 years of service. Independent actuaries calculate the liability recognised in the statement of financial position in respect of long-service awards. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised within other operating expenses in profit or loss.

Other long-term employee benefits (long-term incentive)

The Group established a long-term incentive scheme that provides a cash award to key employees based on the growth in enterprise value and certain performance conditions being achieved over a 4-year performance measurement period. Independent actuaries calculated the liability recognised in the statement of financial position in respect of long-term incentive awards. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised within other operating expenses in profit or loss.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits.

The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 – *Provisions, Contingent Liabilities and Contingent Assets* and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer.

Benefits falling due more than 12 months after the year-end reporting date are discounted to present value using the effective interest rate method.

Bonus plans

The Group recognises a liability and an expense for bonuses based on a formula that takes into consideration the profit attributable to the Group's shareholders, as well as other financial and non-financial performance measures, after certain adjustments. The Group recognises a provision when contractually obliged or when there is a past practice that has created a constructive obligation.

Leave pay

Annual leave entitlement is provided for over the period that the leave accrues. In terms of the Group's policy, employees are entitled to accumulate vested leave benefits not taken to a cap of 36 days. Any leave days vesting in excess of the cap are not payable and are not included in the leave entitlement provision. Leave may not be converted to cash except at termination of employment.

19. Share-based payments

The Group operates a share appreciation rights scheme for qualifying management. The exercise of vested share appreciation rights entitles the scheme participants to ordinary shares in the Company. Refer to note 13 of the consolidated annual financial statements for further information on the modification in the current reporting period.

Equity-settled share-based compensation plan

The fair value of the employee services received in exchange for the grant of share appreciation rights is recognised as an expense. The total amount to be expensed over the vesting period is determined with reference to the fair value of the share appreciation rights granted, excluding the impact of any non-market vesting conditions (for example, profitability targets). Non-market vesting conditions are included in assumptions about the number of share appreciation rights that are expected to become exercisable. At each reporting date, the Group revises its estimates of the number of share appreciation rights that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Cash-settled share-based compensation plan

The fair value of the employee services received in exchange for the grant of share appreciation rights is recognised as an expense in profit or loss, and a corresponding liability to pay for them in the statement of financial position. The Group measures the goods or services acquired and the liability incurred at the fair value of the liability. Until the liability is settled, the Group remeasures the fair value of the liability at the end of each reporting period and at the date of settlement, with any changes in fair value recognised in profit or loss for the period. Benefits falling due more than 12 months after the year-end reporting date are discounted to present value using the effective interest rate method.

20. Derivative financial instruments and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either cash flow or fair value hedges.

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative instruments used for hedging purposes and detail on movements in the hedging reserve are disclosed in note 10 to the consolidated annual financial statements. The fair value of a hedging derivative is classified as a non-current asset or liability if the remaining maturity of the hedged item is more than 12 months after the reporting date and as a current asset or liability if the remaining maturity of the hedged item is less than 12 months from this date. Trading derivatives are classified as current assets or liabilities.

Cash flow hedges that qualify for hedge accounting

Cash flow hedges cover the exposure to variability in cash flows that are attributable to a particular risk associated with:

- a recognised asset or liability;
- a highly probable forecast transaction; or
- the foreign currency risk in an unrecognised firm commitment.

Cash flow hedging instruments are mainly used to manage operational exposure to foreign exchange and commodity price risks. Financial instruments designated as cash flow hedges include commodity futures and foreign exchange contracts. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the cash flow hedging reserve within other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately within other gains or losses – net in profit or loss.

When forward contracts are used to hedge forecast transactions, the Group generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in the cash flow hedge reserve within equity. The change in the forward element of the contract that relates to the hedged item (aligned forward element) is recognised within other gains or losses – net in profit or loss.

Amounts accumulated in other comprehensive income are recycled to profit or loss in the periods when the hedged item affects profit or loss. Where the hedged item subsequently results in the recognition of a non-financial asset (such as inventory), the deferred hedging gains and losses in other comprehensive income, are transferred from other comprehensive income and included within the initial cost of the asset. The deferred amounts are ultimately recognised in cost of goods sold in profit or loss in the case of inventory or in depreciation in profit or loss in the case of property, plant and equipment, as the hedged item affects profit or loss.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss in equity at that time remains in equity until the forecasted transaction occurs, resulting in the recognition of a non-financial asset such as inventory. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is transferred immediately to other gains or losses – net in profit or loss.

Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instruments that do not qualify for hedge accounting are recognised immediately in profit or loss within other gains or losses – net.

21. Dividend distribution

Dividend distributions to the Group's shareholders are recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Board.

22. Segment reporting

An operating segment is a component of the Group that engages in business activities which may earn revenues and incur expenses. Distinct financial information is available for an operating segment, and its operating results are regularly reviewed by the Group's chief operating decision-maker ("CODM"), this being the chief executive officer and chief financial officer of the Group, in order to allocate resources and assess performance.

Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The operating segments were identified and grouped together based mainly on the nature of their activities and the products offered by them. The Group's segment reporting is disclosed in note 40 to the consolidated annual financial statements.

23. Amortised costs

Finance costs and investment income are recognised on a time-proportion basis using the effective interest rate method. When determining the amortised cost amount of financial assets and liabilities, the Group reduces the carrying amount to the amount recoverable or payable, being the estimated future cash flows discounted at the original effective interest rate of the instrument, and it continues unwinding the discount as accretions of discount. These accretions or unwinding of discount on financial assets and liabilities carried at amortised cost are included in "finance costs" or "investment income" in profit or loss.

Consolidated statement of financial position

as at 30 September 2026

	Notes	2026 R'000	2025 R'000
ASSETS			
Non-current assets		**1 802 915**	1 613 893
Property, plant and equipment	3	**1 700 161**	1 543 407
Right-of-use assets	4	**82 602**	48 778
Intangible assets	5	**5 347**	6 495
Investment in associate	6	**12 512**	12 691
Trade and other receivables	9	**2 091**	2 411
Deferred income tax	17	**202**	111
Current assets		**2 030 563**	1 853 935
Inventories	7	**363 928**	367 863
Biological assets	8	**462 291**	460 008
Trade and other receivables	9	**711 000**	749 109
Derivative financial instruments	10	**–**	3
Current income tax	31	**1 416**	1 092
Cash and cash equivalents	11	**491 928**	275 860
Non-current assets held for sale	3	**–**	8 065
Total assets		**3 833 478**	3 475 893
EQUITY AND LIABILITIES			
Capital and reserves attributable to owners of the parent		**2 627 553**	2 395 074
Share capital	12	**1 501 756**	1 492 396
Treasury shares	12	**–**	(429)
Other reserves	14	**(111 928)**	(99 050)
Retained earnings		**1 237 725**	1 002 157
Total equity		**2 627 553**	2 395 074
Non-current liabilities		**505 646**	425 183
Share-based payment liability	13	**5 025**	–
Borrowings	15	**39 700**	59 550
Lease liabilities	16	**67 094**	38 375
Deferred income tax	17	**323 216**	293 180
Provisions for other liabilities and charges	18	**70 611**	34 078
Current liabilities		**700 279**	655 636
Share-based payment liability	13	**10 006**	–
Trade and other payables	19	**636 280**	605 280
Current income tax	31	**8 864**	12 010
Borrowings	15	**20 000**	20 000
Lease liabilities	16	**22 332**	16 504
Provisions for other liabilities and charges	18	**2 797**	1 842
Total liabilities		**1 205 925**	1 080 819
Total equity and liabilities		**3 833 478**	3 475 893

Consolidated statement of comprehensive income

for the year ended 30 September 2026

	Notes	2026 R'000	2025 R'000
Revenue	20	**6 885 616**	7 146 536
Cost of sales	23	**(5 319 237)**	(5 691 047)
Gross profit		**1 566 379**	1 455 489
Other income	21	**25 228**	19 642
Other gains/(losses) – net	22	**255 340**	192 018
Sales and distribution costs	23	**(304 543)**	(270 988)
Marketing costs	23	**(12 822)**	(11 999)
Administrative expenses	23	**(191 690)**	(188 936)
Net impairment gains/(losses) on trade and other receivables	9	**319**	(4 456)
Other operating expenses	23	**(885 293)**	(822 125)
Operating profit		**452 918**	368 645
Investment income	24	**27 619**	22 011
Finance costs	25	**(19 569)**	(16 561)
Share of (loss)/profit of associate company	6	**(179)**	767
Profit before income tax		**460 789**	374 862
Income tax expense	26	**(117 998)**	(96 225)
Profit for the year		**342 791**	278 637
Other comprehensive income for the year			
Items that may subsequently be reclassified to profit or loss:			
Fair value adjustments to cash flow hedging reserve		**26 789**	(16 402)
For the year		**16 366**	5 078
Income tax effect		**(4 419)**	(1 371)
Realised to profit or loss		**20 332**	(27 547)
Income tax effect		**(5 490)**	7 438
Movement in foreign currency translation reserve			
Currency translation differences	14	**2 721**	33 809
Total comprehensive income for the year		**372 301**	296 044
Profit for the year attributable to owners of the parent		**342 791**	278 637
Total comprehensive income for the year attributable to owners of the parent		**372 301**	296 044
Earnings per ordinary share (cents)	27	**168.4**	137.8
Diluted earnings per ordinary share (cents)	27	**168.4**	137.1

Consolidated statement of changes in equity

for the year ended 30 September 2026

	Share capital R'000	Treasury shares R'000	Hedging reserve R'000	Foreign currency translation reserve R'000	Share-based payment reserve R'000	Other reserves: Total R'000	Retained earnings R'000	Total R'000
Balance as at 1 October 2025	**1 492 396**	**(429)**	**(11 293)**	**(124 136)**	**36 379**	**(99 050)**	**1 002 157**	**2 395 074**
Total comprehensive income for the period:								
Profit for the year	–	–	–	–	–	–	342 791	342 791
Other comprehensive income for the year	–	–	26 789	2 721	–	29 510	–	29 510
Movement in foreign currency translation reserve	–	–	–	2 721	–	2 721	–	2 721
Cash flow hedging								
Fair value adjustments to cash flow hedging reserve								
For the year	–	–	16 366	–	–	16 366	–	16 366
Income tax effect	–	–	(4 419)	–	–	(4 419)	–	(4 419)
Realised to profit or loss	–	–	20 332	–	–	20 332	–	20 332
Income tax effect	–	–	(5 490)	–	–	(5 490)	–	(5 490)
Recognition of share-based payments	–	–	–	–	14 635	14 635	–	14 635
Deferred income tax on share-based payments	–	–	–	–	(7 958)	(7 958)	–	(7 958)
Ordinary shares issued/transferred – share appreciation rights	9 360	429	–	–	(6 086)	(6 086)	(3 703)	–
Modification of share-based payment reserve to cash-settled scheme	–	–	–	–	(32 582)	(32 582)	–	(32 582)
Reclassification of share-based payment reserve to retained earnings	–	–	–	–	(10 397)	(10 397)	10 397	–
Dividends paid – final and interim net of treasury shares	–	–	–	–	–	–	(113 917)	(113 917)
Balance as at 30 September 2026	**1 501 756**	**–**	**15 496**	**(121 415)**	**(6 009)**	**(111 928)**	**1 237 725**	**2 627 553**
Notes	**12**	**12**			**13**	**14**		
Balance as at 1 October 2024	1 473 619	(429)	5 109	(157 945)	37 887	(114 949)	736 474	2 094 715
Total comprehensive income for the period:								
Profit for the year	–	–	–	–	–	–	278 637	278 637
Other comprehensive income for the year	–	–	(16 402)	33 809	–	17 407	–	17 407
Movement in foreign currency translation reserve	–	–	–	33 809	–	33 809	–	33 809
Cash flow hedging								
Fair value adjustments to cash flow hedging reserve								
For the year	–	–	5 078	–	–	5 078	–	5 078
Income tax effect	–	–	(1 371)	–	–	(1 371)	–	(1 371)
Realised to profit or loss	–	–	(27 547)	–	–	(27 547)	–	(27 547)
Income tax effect	–	–	7 438	–	–	7 438	–	7 438
Recognition of share-based payments	–	–	–	–	5 649	5 649	–	5 649
Deferred income tax on share-based payments	–	–	–	–	(1 334)	(1 334)	–	(1 334)
Ordinary shares transferred – share appreciation rights	18 777	–	–	–	(5 823)	(5 823)	(12 954)	–
Balance as at 30 September 2025	1 492 396	(429)	(11 293)	(124 136)	36 379	(99 050)	1 002 157	2 395 074
Notes	12	12				14		

Consolidated statement of cash flows

for the year ended 30 September 2026

	Notes	2026 R'000	2025 R'000
Cash inflow from operating activities		**617 605**	301 847
Cash profit from operating activities	28	**629 614**	529 892
Working capital changes	29	**96 204**	(173 856)
Cash generated from operations		**725 818**	356 036
Income tax paid	31	**(108 213)**	(54 189)
Cash outflow from investing activities		**(224 549)**	(225 942)
Additions to property, plant and equipment	3	**(268 370)**	(261 367)
Additions to intangible assets	5	**–**	(580)
Proceeds on disposal of property, plant and equipment	32	**303**	13 751
Proceeds on disposal of non-current assets held for sale	32	**16 253**	–
Repayment of loan included in other debtors	9	**–**	673
Interest received	24	**27 265**	21 581
Cash outflow from financing activities		**(168 166)**	(50 054)
Principal elements of lease payments	16	**(20 156)**	(15 934)
Borrowings repaid	15	**(20 000)**	(20 000)
Interest paid	33	**(14 301)**	(14 111)
Dividends paid to ordinary shareholders	30	**(113 709)**	(9)
Increase in cash and cash equivalents		**224 890**	25 851
Effects of exchange rate changes		**(8 822)**	4 181
Cash and cash equivalents at beginning of year		**275 860**	245 828
Cash and cash equivalents at end of year	11	**491 928**	275 860

Notes to the consolidated financial statements

for the year ended 30 September 2026

1. Accounting policies

The principal accounting policies incorporated in the preparation of this historical financial information are set out on pages 17 to 25.

2. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and judgements concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Fair value measurement of biological assets

In measuring fair value of biological assets, management estimates and judgements are required for determination of fair value. Refer to note 39 for key assumptions used.

Assessment of control over contract producers

The Group utilises contract producers for the growing of broilers or rearing and keeping of layer livestock in exchange for a fee. Goods delivered to contract producers are not recognised as revenue as the Group retains ownership of the goods. These goods are recognised as biological assets and inventories held at third parties.

The Group assesses whether it exercises control over contract producers based on an analysis of the activities of these entities, the Group's decision-making powers, its ability to obtain benefits from these entities and the residual risks regarding these entities that are retained by the Group. Based on this analysis, the Group concluded that it does not control the activities of any contract producer, as it does not have any decision-making powers and that these businesses are managed independently. Furthermore, these businesses retain the residual risk associated with production.

The Group assesses whether the arrangement with the contract producers contains a lease in terms of IFRS 16. Based on this analysis, the Group concluded that the arrangement does not contain a lease, as the Group does not have the right to direct the use of the identified asset throughout the period of use.

Impairment of financial assets

The Group follows the guidance of IFRS 9 to determine when a financial asset is impaired. This determination requires significant judgement. In making this judgement the Group evaluates, among other factors, the expected loss rates based on historical information and adjusted to reflect current and forward-looking information and macro-economic factors. Refer to note 9.

3. Property, plant and equipment

	Land and buildings R'000	Plant, machinery and equipment R'000	Vehicles R'000	Assets under construction R'000	Total R'000
At 1 October 2024					
Cost	525 180	1 768 102	68 975	64 922	2 427 179
Accumulated depreciation and impairment	(155 051)	(857 499)	(46 392)	–	(1 058 942)
Net book value	370 129	910 603	22 583	64 922	1 368 237
Year ended 30 September 2025					
Opening net book value	370 129	910 603	22 583	64 922	1 368 237
Additions	23 934	102 641	11 458	123 334	261 367
Transfers	18 679	11 999	914	(31 592)	–
Foreign exchange adjustment	4 805	12 901	600	129	18 435
Disposals	(1 021)	(3 594)	(1 200)	–	(5 815)
Depreciation charge	(11 876)	(73 097)	(5 779)	–	(90 752)
Transfer to non-current assets held for sale	(2 292)	(5 773)	–	–	(8 065)
Closing net book value	402 358	955 680	28 576	156 793	1 543 407
At 30 September 2025					
Cost	568 825	1 878 149	80 001	156 793	2 683 768
Accumulated depreciation and impairment	(166 467)	(922 469)	(51 425)	–	(1 140 361)
Net book value	402 358	955 680	28 576	156 793	1 543 407
Year ended 30 September 2026					
Opening net book value	**402 358**	**955 680**	**28 576**	**156 793**	**1 543 407**
Additions	**51 999**	**71 721**	**16 981**	**127 669**	**268 370**
Transfers	**59 114**	**160 439**	**1 154**	**(220 707)**	**–**
Foreign exchange adjustment	**(183)**	**(1 710)**	**354**	**(202)**	**(1 741)**
Disposals	**(11)**	**(3 239)**	**(154)**	**–**	**(3 404)**
Depreciation charge	**(14 562)**	**(83 923)**	**(8 240)**	**–**	**(106 725)**
Transfer from non-current assets held for sale	**254**	**–**	**–**	**–**	**254**
Closing net book value	**498 969**	**1 098 968**	**38 671**	**63 553**	**1 700 161**
At 30 September 2026					
Cost	**680 282**	**2 093 446**	**97 355**	**63 553**	**2 934 636**
Accumulated depreciation and impairment	**(181 313)**	**(994 478)**	**(58 684)**	**–**	**(1 234 475)**
Net book value	**498 969**	**1 098 968**	**38 671**	**63 553**	**1 700 161**

3. Property, plant and equipment (continued)

	2026 R'000	2025 R'000
Non-current assets held for sale		
Land and buildings	–	2 292
Plant, machinery and equipment	–	5 773
	–	8 065

In the prior year, the Najjera breeder farm in Uganda, included in the Other African countries segment, with a book value of R8.1 million was classified as a non-current asset held for sale at the reporting date as it met the criteria for held-for-sale classification under IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations*. The farm was downsized in the 2023 financial year with most of the operations moved to other breeder sites owned or leased. The carrying value of the assets held for sale was lower than its fair value less costs to sell.

The assets classified as non-current assets held for sale were sold in the current year for proceeds of R16.3 million. Refer to note 32.2 for a reconciliation of the proceeds.

The assets under construction balance at the end of the reporting period includes R22.6 million related to an expansion project at the feed mill in the Copperbelt in Zambia, and R14.2 million related to the upgrade of the Olifantskop feed mill (2025: R130.5 million related to the Malmesbury feed mill expansion project).

A register with full details of assets is available at the Group's registered office. Refer to note 35.2 for capital commitments for property, plant and equipment.

Certain property, plant and equipment have been encumbered as security for interest bearing borrowings (refer to note 15).

	2026 R'000	2025 R'000
Carrying value of assets pledged as security		
Land and buildings	**57 917**	17 055
Plant, machinery and equipment	**22 145**	65 836
Total	**80 062**	82 891

4. Right-of-use assets

	Land and buildings R'000	Plant, machinery and equipment R'000	Vehicles R'000	Total R'000
At 1 October 2024				
Cost	29 174	2 661	55 662	87 497
Accumulated depreciation and impairment	(12 440)	(1 166)	(37 136)	(50 742)
Net book value	16 734	1 495	18 526	36 755
Year ended 30 September 2025				
Opening net book value	16 734	1 495	18 526	36 755
Additions	9 569	–	17 737	27 306
Reassessments and modifications*	202	1 524	(1 379)	347
Depreciation charge	(4 543)	(948)	(10 214)	(15 705)
Foreign exchange adjustment	–	75	–	75
Closing net book value	21 962	2 146	24 670	48 778
At 30 September 2025				
Cost	38 945	4 287	64 006	107 238
Accumulated depreciation and impairment	(16 983)	(2 141)	(39 336)	(58 460)
Net book value	21 962	2 146	24 670	48 778
Year ended 30 September 2026				
Opening net book value	**21 962**	**2 146**	**24 670**	**48 778**
Additions	**2 503**	**–**	**57 457**	**59 960**
Reassessments and modifications*	**–**	**472**	**(5 435)**	**(4 963)**
Depreciation charge	**(6 339)**	**(781)**	**(13 755)**	**(20 875)**
Foreign exchange adjustment	**1**	**(299)**	**–**	**(298)**
Closing net book value	**18 127**	**1 538**	**62 937**	**82 602**
At 30 September 2026				
Cost	**41 449**	**3 160**	**81 748**	**126 357**
Accumulated depreciation and impairment	**(23 322)**	**(1 622)**	**(18 811)**	**(43 755)**
Net book value	**18 127**	**1 538**	**62 937**	**82 602**

* *Refer to note 16 for details on the reassessments and modifications.*

5. Intangible assets

	2026 R'000	2025 R'000
Computer software		
At 1 October		
Cost*	**17 114**	30 513
Accumulated amortisation and impairment*	**(10 619)**	(21 499)
Net book value	**6 495**	9 014
Year ended 30 September		
Opening net book value	**6 495**	9 014
Additions	**–**	580
Amortisation for the year**	**(1 148)**	(3 099)
Closing net book value	**5 347**	6 495
At 30 September		
Cost	**17 114**	17 114
Accumulated amortisation	**(11 767)**	(10 619)
Net book value	**5 347**	6 495

* *In the prior year, fully amortised intangible assets with a cost of R14.0 million were reviewed and scrapped, which allows for improved representation of the remaining assets that are in use.*

** *Amortisation expenses are included in other operating expenses.*

Additions in the prior year relate to the acquisition of software licences and the related cost to bring this to use.

6. Investment in associate

	2026 R'000	2025 R'000
Unlisted shares at cost	**10 251**	10 251
Interest in retained earnings and reserves	**2 261**	2 440
Balance beginning of year	**2 440**	1 673
Share of total comprehensive (loss)/income of associate company	**(179)**	767
	12 512	12 691
Cost of shares		
Klipvlei Broilers (Pty) Ltd	**10 251**	10 251
Effective interest 40% (2025: 40%)		
The following is the summarised statement of financial position of the above-mentioned associate company:		
Non-current assets	**28 697**	21 566
Current assets	**7 712**	8 235
Total assets	**36 409**	29 801
Non-current liabilities	**21 779**	17 763
Current liabilities	**11 065**	8 027
Total liabilities	**32 844**	25 790
Capital and reserves	**3 565**	4 011
Total equity and liabilities	**36 409**	29 801
The following is the summarised statement of comprehensive income of the associate company for the year:		
Revenue	**43 142**	40 328
Operating profit	**1 510**	4 362
Net (loss)/profit after income tax	**(447)**	1 918
Total comprehensive (loss)/income	**(447)**	1 918

Klipvlei Broilers (Pty) Ltd is a private company and there is no quoted market price available for its shares. The company operates in the poultry industry in the Western Cape, South Africa, and supplies the Group with live broilers. Management has concluded that there are no indicators of impairment.

7. Inventories

	2026 R'000	2025 R'000
Raw material	**239 147**	253 731
Manufactured products	**56 757**	49 717
Packing materials and consumables	**68 024**	64 415
	363 928	367 863
Inventory carried at net realisable value	**962**	783
Inventory at year-end includes spare parts of R21.8 million (2025: R18.2 million).		
Amounts recognised in profit or loss:		
Inventories recognised as an expense during the year in cost of sales	**3 909 449**	4 203 555
Inventory written-off during the year in cost of sales	**11 562**	15 271

8. Biological assets

	2026 R'000	2025 R'000
Livestock – poultry	**462 291**	460 008

Poultry includes broiler and layer stock. Broiler stock includes breeding stock, hatching eggs, day-old chicks and broilers. Layer stock includes breeding stock, hatching eggs, day-old chicks and point-of-lay hens.

Fair values of livestock held for breeding, laying hens, broilers and hatching eggs that are not infected by HPAI are determined with reference to market prices of livestock of similar age, breed and genetic material. The fair value of poultry infected by HPAI is written off. For the current financial year no livestock (2025: R8.2 million) was written off as a result of being infected by HPAI.

	Broiler stock R'000	Layer stock R'000	Total R'000
Fair value less cost to sell at 1 October 2025	**203 459**	**256 549**	**460 008**
Increase due to establishment cost	**1 278 534**	**1 208 735**	**2 487 269**
Decrease due to harvest	**(189 427)**	**(893 000)**	**(1 082 427)**
Decrease due to sales	**(1 100 844)**	**(297 382)**	**(1 398 226)**
Fair value adjustment recognised in profit and loss	**(1 237)**	**(4 574)**	**(5 811)**
Fair value adjustment recognised in other gains/(losses) – net	**41 015**	**61 532**	**102 547**
Fair value adjustment realised in cost of sales	**(42 252)**	**(66 106)**	**(108 358)**
Foreign exchange adjustment	**(599)**	**2 077**	**1 478**
Fair value less cost to sell at 30 September 2026	**189 886**	**272 405**	**462 291**
Fair value less cost to sell at 1 October 2024	186 260	273 833	460 093
Increase due to establishment cost	1 317 338	1 174 374	2 491 712
Decrease due to harvest	(134 511)	(886 184)	(1 020 695)
Decrease due to sales	(1 170 204)	(293 851)	(1 464 055)
Livestock written off	–	(8 166)	(8 166)
Fair value adjustment recognised in profit and loss	2 819	(6 857)	(4 038)
Fair value adjustment recognised in other gains/(losses) – net	47 121	60 601	107 722
Fair value adjustment realised in cost of sales	(44 302)	(67 458)	(111 760)
Foreign exchange adjustment	1 757	3 400	5 157
Fair value less cost to sell at 30 September 2025	203 459	256 549	460 008

	2026 R'000	2025 R'000
Biological assets at fair value less cost to sell consist of the following:		
Chickens – grandparents and other breeding stock	**82 486**	76 910
Hatching eggs	**47 803**	42 860
Chickens – broilers	**49 716**	56 565
Chickens – laying	**282 145**	283 517
Game	**141**	156
	462 291	460 008

8. Biological assets (continued)

	2026 Quantity	2025 Quantity
At 30 September, the Group held the following biological assets:		
Chickens – grandparents	**3 859**	8 976
Hatching eggs	**10 033 311**	8 530 875
Chickens – broilers	**2 951 754**	3 245 486
Chickens – layers 39 weeks and younger	**2 741 558**	2 586 074
Chickens – layers older than 39 weeks	**1 917 910**	1 814 996
Game	**50**	55
The Group produced the following agricultural produce for the year ended 30 September:		
Eggs (dozens)	**66 920 684**	63 856 971
Live birds (kg)	**67 118 098**	65 461 570
Number of day-old chicks	**92 909 674**	86 401 046
Number of point-of-lay hens	**4 530 041**	4 834 501
Number of culls	**2 521 464**	2 132 806

The Group is a fully integrated poultry operation. The agricultural produce indicates quantities produced by the Group and includes quantities transferred from one phase in the integrated value chain to another.

9. Trade and other receivables

	2026 R'000	2025 R'000
Trade receivables	**654 805**	701 640
Allowance for outstanding credit notes	**(794)**	(813)
Loss allowance	**(12 411)**	(22 196)
Trade receivables – net	**641 600**	678 631
Prepayments	**26 430**	33 904
Other debtors*	**4 828**	7 119
Receiver of revenue – VAT	**40 233**	31 866
	713 091	751 520
For the purposes of the statement of financial position trade and other receivables are presented as follows:		
Non-current assets	**2 091**	2 411
Current assets	**711 000**	749 109
	713 091	751 520

* *Other debtors include a long-term loan granted to a B-BBEE supplier to increase its layer hen capacity through capital improvements. The loan is unsecured, interest free and repayable in monthly instalments over 10 years, starting from the date the capital improvements were ready for use.*

The carrying value of trade and other receivables approximates their fair value at the reporting date.

An allowance for outstanding credit notes is accounted for based on past experience.

The Group applies the IFRS 9 general approach to measure the ECL for national customers as well as the balance of receivables covered by insurance. The Group applies the IFRS 9 simplified approach to measuring the ECL which uses a lifetime expected loss allowance for all other trade receivables as well as other debtors balances.

To measure the ECL, trade receivables have been grouped on shared characteristics and the days past due. Shared characteristics refer to type of product sold to the customer (similar to disaggregation of revenue note for these product lines – refer to note 20).

The expected loss rates applied are based on the payment profiles of sales over a period of 48 months and the corresponding historical credit losses experienced within this period. The historical credit loss rates are adjusted to reflect current and forward-looking information on macro-economic factors affecting the ability of customers to settle the receivables. Forward-looking information includes expected economic growth, employment rates, inflation, interest rates and the potential impact thereof on the Group's customers. The risk of an HPAI outbreak in South Africa was also considered as part of the forward-looking information for the current period. The expected economic growth rate, unemployment rate, lower levels of inflation and interest rates and relief from power supply interruptions is further considered, resulting in an adjustment of 20% (2025: 20%) to the calculated loss rates due to forward-looking factors.

	2026 R'000	2025 R'000
Trade receivables	**654 805**	701 640
Excluding:		
– Balances of national customers*	**(188 562)**	(198 472)
– Receivables specifically provided for	**(12 258)**	(21 993)
– Receivables with balances covered by insurance^	**(387 466)**	(411 821)
Remaining trade receivables balance subject to loss allowance based on matrix approach	**66 519**	69 354

* *Balances of national customers (customers with a limited risk profile and with a national geographical representation) with no history of default and long history of trading with the Group. These customers have no long outstanding amounts, nor has there been any indication that these customers will default. The Group calculates the ECL on national customers with reference to the probability of default model using external credit ratings in determining the default risk of counterparties. The expected credit rating range used was between BB and BB+ (for emerging markets) (2025: between BB and BB+). The Group used a loss given default rate of 40% (2025: 45%). The forward-looking assessment for national customers includes specific economic growth rates, unemployment rates, the relief from power supply interruptions that occurred and the risk of an HPAI outbreak in South Africa. Based on a combined assessment of the above, the calculated loss rates were adjusted upwards by a forward-looking factor of 20% (2025: 20%). The calculated ECL on these balances was not considered to be material.*

^ *Balances covered by the Group's credit insurance with Credit Guarantee Insurance after deducting the co-payment as per the insurance policy of 10% (2025: 10%). The risk of default on these customers is considered part of the risk of default of the insurer, which risk was assessed as low due to past claims payment history. The ECL of balances insured was calculated using the same expected credit rating, loss given default rate and forward-looking information as national customers. The calculated ECL on these balances was not considered to be material.*

9. Trade and other receivables (continued)

ECL allowance	Expected loss rate %	Gross carrying amount R'000	Loss allowance R'000
30 September 2026			
Current	**0.11**	**55 349**	**62**
30 days	**0.59**	**9 758**	**58**
60 days	**1.61**	**1 054**	**17**
More than 90 days	**4.47**	**358**	**16**
Total ECL allowance		**66 519**	**153**
Specific provision for losses			**12 258**
Total loss allowance			**12 411**
30 September 2025			
Current	0.21	60 759	125
30 days	0.73	8 210	60
60 days	4.68	385	18
Total ECL allowance		69 354	203
Specific provision for losses			21 993
Total loss allowance			22 196

The decrease in the ECL of the current year is due to a decrease in trade receivable balances (subject to the loss allowance based on matrix approach) as well as the improvement in days outstanding. The ECL estimation technique was applied consistently in the current and prior reporting period.

	2026 R'000	2025 R'000
Movements on the Group's loss allowance are as follows:		
At 1 October	**22 196**	17 022
(Decrease)/increase in general loss allowance recognised in profit or loss during the year	**(95)**	239
Increase in specific loss allowance recognised in profit or loss during the year	**1 057**	4 353
Receivables written off during the year as uncollectible	**(10 710)**	(103)
Unused amounts reversed	**(1 281)**	(136)
Foreign exchange translation adjustment	**1 244**	821
At 30 September	**12 411**	22 196

R10 million of the receivables written off as uncollectible in the current year relates to receivables in Zambia that were included in the specific provision for losses in prior years. Refer to note 38.1(b) for the Group's policy on when a trade receivable balance is included in the specific loss allowance, and when the Group considers a trade receivable balance as uncollectible.

During the year, the following amounts were recognised in profit or loss in relation to impaired trade and other receivables:

	2026 R'000	2025 R'000
(Decrease)/increase in general loss allowance	**(95)**	239
Increase in specific loss allowance	**1 057**	4 353
Unused amounts reversed	**(1 281)**	(136)
Net impairment (gains)/losses on trade and other receivables	**(319)**	4 456

The ECL of other debtors were calculated as for trade receivables (refer above). The calculated ECL on these balances was not considered to be material.

Specifically provided receivables comprise a number of customers for whom there is objective evidence that the Group will not be able to collect all amounts due. The following trade receivables were specifically provided for at year-end:

Other customers	**12 258**	21 993

A summary of the Group's trade receivables covered by insurance or secured by collateral is as follows:

	2026 R'000	2025 R'000
Trade receivable balances covered by Credit Guarantee Insurance (excluding specifically provided debtors balances)	**416 560**	442 269
Notarial bonds – registered value	**6 400**	6 400
Bank guarantees – actual value	**2 000**	2 000

	2026 R'000	2025 R'000
The carrying amount of the Group's trade receivables are denominated in the following currencies:		
US dollar	**1 588**	736
Zambian kwacha*	**2 402**	9 663
Ugandan shilling*	**706**	1 229
Mozambican metical*	**7 520**	7 834
South African rand	**642 589**	682 178
Total	**654 805**	701 640

* *Functional currencies of the relevant subsidiaries.*

Other receivables are largely denominated in the Group's functional currency and no significant risk concentrations exist outside South Africa.

10. Derivative financial instruments

	2026 R'000	2025 R'000
Foreign exchange contracts – cash flow hedges	–	3
Futures – not earmarked for hedge accounting	–	–
	–	3
For the purposes of the statement of financial position, derivative financial instruments are presented as follows:		
Current liabilities	–	–
Current assets	–	3
	–	3

Trading derivatives are classified as a current asset or liability. The carrying values of derivative financial instruments are measured at their fair values at the reporting date. Refer to note 20 of the accounting policies for the measurement principles of derivative financial instruments.

The purchase of foreign exchange contracts is for the import of raw materials used for production, or capital expenses.

Refer to note 38 for the Group's exposure to financial risks and how these risks are managed.

10.1 Derivative instruments earmarked for hedging (cash flow hedges)

Currency forward contracts	Change in fair value used for measuring ineffectiveness for the period '000	Notional Foreign amount '000	Notional Rand amount R'000	Carrying amount R'000
30 September 2026				
Purchases of foreign exchange contracts				–
US dollar	191	–	–	–
30 September 2025				
Purchases of foreign exchange contracts				3
US dollar	8	287	4 968	3

Cash flow hedges are expected to realise in profit or loss in the next financial year.

11. Cash and cash equivalents

	2026 R'000	2025 R'000
Cash at bank and on hand	**491 928**	275 860
For the purposes of the statement of cash flows, the year-end cash and cash equivalents consist of cash at bank, on hand and restricted balances.		
The carrying amounts of the Group's cash at bank and on hand are denominated in the following currencies:		
South African rand	**332 346**	171 378
US dollar	**27 280**	10 463
Zambian kwacha (functional currency of a subsidiary)	**48 427**	40 243
Ugandan shilling (functional currency of a subsidiary)	**62 078**	37 539
Mozambican metical (functional currency of a subsidiary)	**21 797**	16 237
Total	**491 928**	275 860

The carrying amounts of cash and cash equivalents approximate their fair values at the reporting date.

Restricted balances

Cash and cash equivalents include restricted balances of R14.8 million (2025: R1.0 million). Restricted cash balances consist of initial margin balances with the JSE which serve as collateral for derivative positions held at year-end. This cash is accessible by the Group when the related derivative positions are closed upon expiry, demand or at our election.

12. Share capital

	2026 R'000	2025 R'000
Authorised – ordinary shares		
400 000 000 (2025: 400 000 000) ordinary no par value shares		
Issued and fully paid – ordinary shares		
204 097 828 (2025: 203 078 410) ordinary no par value shares	**1 501 756**	1 492 396
Reconciliation of movement in issued shares		
Opening balance	**1 492 396**	1 473 619
Additional share capital raised:		
1 019 418 (2025: 1 880 258) issued at a price of R9.18 (2025: R9.99) per share.	**9 360**	18 777
	1 501 756	1 492 396
Shares issued by the Company under the Quantum Foods Holdings Limited Equity Settled Phantom Share Plan to certain participants who exercised Phantom Share Rights.		
Treasury shares held by subsidiary		
At the beginning of the year: 91 855 (2025: 91 855) ordinary shares	**429**	429
1 019 418 (2025: 1 880 258) ordinary shares acquired by subsidiaries during the year at an average price of R9.18 per share (2025: R9.99 per share)	**9 360**	18 777
Issued to management in terms of share appreciation rights scheme: 1 111 273 (2025: 1 880 258) ordinary shares	**(9 789)**	(18 777)
At the end of the year: nil (2025: 91 855) ordinary shares	**–**	429

Ordinary shares entitle the holder to participate in dividends, and to share in the proceeds of winding up of the Company in proportion to the number of shares held.

Ordinary shares acquired by subsidiaries from the Company and subsequently issued to management do not result in a change in cash flows from a Group perspective.

13. Share-based payments

Management share appreciation rights scheme

The Group operates a share appreciation rights scheme for qualifying management, the Quantum Foods Holdings Limited Equity Settled Phantom Share Plan.

The exercise of vested share appreciation rights entitles the employee to ordinary shares in the Company. This number of ordinary shares is calculated by dividing the amount by which the exercise price, relating to the exercised share appreciation rights, appreciated from grant date to exercise date, by the phantom share right price at the exercise date. The phantom share right price is an amount equal to the volume weighted average price per share for the preceding three trading days. Special dividends declared during the period between the grant date and the vesting date are included in the exercise price of the share appreciation rights.

Shareholders initially approved a maximum number of 14 500 000 ordinary shares that may be transferred to participants in terms of the share appreciation rights scheme. At 30 September 2025, 1 111 273 ordinary shares were still available for transfer. On 17 February 2026, the Board approved that awards in excess of the scheme share limit would be settled in cash following the expectation that the share limit would be reached.

The change in settlement method constitutes a modification of the share-based payment arrangement, resulting in a change in classification from equity-settled to cash-settled for awards not yet exercised as at the modification date. The modification date has been determined as 17 February 2026, being the date on which the Board approved the change in settlement method.

At the modification date a liability was recognised for the affected awards, measured at the fair value of the cash-settled awards at that date, to the extent that services had been rendered. The corresponding debit was taken to equity. Any incremental fair value of the cash-settled award over that of the equity-settled award as at the modification date will be expensed over the period from the date of the modification to the date of settlement of the cash-settled awards. Subsequent to the modification, the liability is remeasured at fair value at each reporting date, with changes recognised in profit or loss.

	2026 Number '000	2025 Number '000
Number of share appreciation rights made available		
Number at beginning of year	**11 046**	14 953
Redeemed/exercised at price of R9.18 (2025: R9.99)	**(5 065)**	(3 681)
Expired/forfeited	**(329)**	(226)
Number at end of year	**5 652**	11 046
Number of share appreciation rights		
At R6.09 per share, exercisable up to 15 February 2027	**–**	1 176
At R5.39 per share, exercisable up to 21 February 2028	**1 685**	3 595
At R4.74 per share, exercisable up to 21 February 2029	**3 967**	6 275
	5 652	11 046

13. Share-based payments (continued)

Management share appreciation rights scheme (continued)

The performance-based criteria are measured over three, four and five-year performance periods respectively. The hurdle for any vesting is based on a target compound annual growth in headline earnings per share.

The net estimated weighted average fair value per share appreciation right at 30 September 2026 is R2.66. In the prior year the net estimated weighted average fair value at grant date per share appreciation right for share appreciation rights outstanding at 30 September 2025 was R1.74. The fair value per share appreciation right was used to calculate the total cost of the scheme in terms of IFRS 2 – *Share-based payment*. The cost accounted for in the current year amounts to R6.6 million (2025: R5.6 million).

	2026	2025
These fair values were calculated using the actuarial binomial option pricing model.		
The principal assumptions were as follows:		
Weighted average share price at 30 September (cents per share)	**730**	–
Weighted average share price at grant date (cents per share)	**–**	501
Expected volatility	**58.6% to 65.5%**	36.5% to 44.3%
Expected dividend yield	**3.0%**	3.0%
Risk-free rate	**7.4% to 7.6%**	6.4% to 9.1%
Expected life (years) – cash settled valuation	**1 to 2**	–
Expected life (years) – equity settled valuation	**–**	3 to 5

Expected volatility was determined by calculating the volatility of the share price of the Company.

	30 September 2026	
	Share-based payment reserve R'000	Share-based payment liability R'000
Opening balance	**36 379**	**–**
Modification of share-based payment settlement method to cash-settled – 17 February 2026	**(32 582)**	**32 582**
Recognition of share-based payments*	**14 635**	**–**
Deferred income tax on share-based payments	**(7 958)**	**–**
Ordinary shares issued/transferred – share appreciation rights	**(6 086)**	**–**
Reclassification of share-based payment reserve to retained earnings	**(10 397)**	
Cash payments to scheme participants for the period	**–**	**(9 537)**
Cash-settled liability remeasurement*	**–**	**(8 014)**
Closing balance	**(6 009)**	**15 031**

* *The share-based payments expense recognised in the income statement is R6.6 million (2025: R5.6 million).*

	2026 R'000
For the purposes of the statement of financial position share-based payment liability is presented as follows:	
Non-current liabilities	**5 025**
Current liabilities	**10 006**
	15 031

14. Other reserves

	2026 R'000	2025 R'000
Share-based payment reserve	**(6 009)**	36 379
Foreign currency translation reserve	**(121 415)**	(124 136)
Hedging reserve	**15 496**	(11 293)
	(111 928)	(99 050)

The fair value of share appreciation rights issued to qualifying management is accounted for in the share-based payment reserve over the respective vesting periods. For the modified awards, the modification date fair value was higher than the original grant date fair value. Refer to note 13 for further detail.

The foreign currency translation reserve relates to exchange differences arising from translation of foreign subsidiaries' statements of comprehensive income at average exchange rates for the year and their statements of financial position at the ruling exchange rates at the reporting date if the functional currency differs.

The hedging reserve relates to the change in fair value of derivative financial instruments. These derivative financial instruments include futures as well as foreign exchange contracts – cash flow hedges.

15. Borrowings

	2026 R'000	2025 R'000
Interest-bearing term loan facility	**59 700**	79 550

The Group has a term loan facility denominated in South African rand from Rand Merchant Bank. The loan provides the Group's South African businesses with additional liquidity for working capital investment and expansion projects. The total available amount under the loan is R100 million of which the full amount was drawn down as at 30 September 2026 (2025: R100 million). The loan is repayable in biannual instalments in March and September.

The loan is recognised at amortised cost and bears interest at the three-month Johannesburg interbank average rate ("Jibar") rate plus 2.3%, payable quarterly in arrears. Facility fees of R0.8 million were payable to the lender with the first draw. These were debited as transaction cost to the loan account, and are amortised over the term of the loan as part of finance costs.

The loan is secured by a mortgage bond over land and buildings and a special notarial bond over plant and equipment in an amount of R300 million.

15. Borrowings (continued)

The movement in the facility during the period is as follows:

	2026 R'000	2025 R'000
Opening balance	**79 550**	99 400
Repayment of capital	**(20 000)**	(20 000)
Repayment of finance cost	**(6 879)**	(9 475)
Facility fee amortised	**150**	150
Interest paid in cash	**(7 029)**	(9 625)
Finance cost	**7 029**	9 625
	59 700	79 550
For the purposes of the statement of financial position, borrowings are presented as follows:		
Non-current	**39 700**	59 550
Current	**20 000**	20 000
	59 700	79 550

Covenants applicable to the term loan

The Group shall ensure that the following financial covenants will be met:

	Targets	2026 Achieved	2025 Achieved
• The gross debt to equity shall not exceed target*	**30%**	**0%**	0%
• The equity shall be at least target (R'000)	**1 800 000**	**2 627 551**	2 395 074
• The current ratio shall be more than target (times)**	**1.25**	**2.77**	2.92
• Earnings before interest, taxation, depreciation and amortisation divided by gross senior interest shall not be less than target (times)***	**4.50**	**78.14**	47.67

* *Gross debt is calculated by taking into account cash and cash equivalents in South Africa, which exceeded borrowings in the current and prior years.*

** *Current ratio refers to the ratio of current assets divided by current liabilities.*

*** *Gross senior interest refers to all interest accrued on the term loan or other facilities whether paid, payable or capitalised.*

None of the covenants were breached during the prior or current year ended 30 September 2026.

The South African Reserve Bank ("SARB") announced on 3 December 2025 that Jibar will be permanently discontinued following its final publication, which was originally set for 31 December 2026. The final publication date was updated to 31 May 2027 following an announcement by the SARB on 3 November 2026. The South African Rand Overnight Index Average ("Zaronia") has been identified as the preferred successor reference rate. At the reporting date, the term loan facility has not yet transitioned from Jibar to Zaronia, which at the transition date will be at Zaronia plus a credit adjustment spread plus the agreed margin. The Group is engaging with its credit provider to finalise the necessary contractual amendments ahead of the cessation date. The Group continues to assess the impact of the transition and provide updated disclosures in future reporting periods.

16. Leases

This note provides information for leases where the Group is a lessee.

	2026 R'000	2025 R'000
Reconciliation of carrying values		
Balance at beginning of year	**54 879**	43 085
New leases	**59 959**	27 306
Reassessments and modifications	**(4 950)**	346
Lease payments (principal portion)	**(20 156)**	(15 934)
Total lease payments	**(27 578)**	(20 544)
Interest expense	**7 422**	4 610
Foreign exchange adjustment	**(306)**	76
	89 426	54 879
Lease liabilities		
Non-current	**67 094**	38 375
Current	**22 332**	16 504
	89 426	54 879

The Group's leasing activities and accounting thereof are disclosed in note 16 of the accounting policies.

Right-of-use assets recognised in the statement of financial position in relation to the Group's lease liabilities are disclosed in note 4.

The statement of comprehensive income includes the following amounts relating to leases

	2026 R'000	2025 R'000
Depreciation charge of right-of-use assets (note 4)	**20 875**	15 705
Interest expense (included in finance cost note 25)	**7 422**	4 610
Expense relating to short-term leases (included in sales and distribution costs and other operating expenses)	**8 697**	10 527
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in administrative expenses)	**4 910**	5 403
Expense relating to variable lease payments not included in lease liabilities (included in sales and distribution costs and other operating expenses)	**3 440**	2 271

The total cash outflows for leases amounted to R44.6 million (2025: R38.7 million) of which R20.2 million (2025: R15.9 million) relates to the principal elements of lease payments.

16. Leases (continued)

Reassessments and modifications include leases of which the lease term was revised to reflect the effect of exercising termination options, leases of which the scope was increased or decreased due to the addition or removal of one or more leased assets, as well as leases of which the lease payments changed due to existing terms included in the lease agreement. None of the lease payments made in the current reporting period were optional. Potential future cash outflows of R53.3 million (2025: R54.0 million) have not been included in the lease liability as it is not reasonably certain that the leases will be extended (or not terminated). The financial effects of the most significant reassessments and modifications comprise the following:

	2026 R'000	2025 R'000
Revising of lease terms to reflect the effect of exercising extension and termination options		
Increase in lease liabilities*	**(1 226)**	(1 525)
Increase in right-of-use assets*	**1 226**	1 525
Change in lease payments due to the change in an index or rate		
(Increase)/decrease in lease liabilities	**(472)**	1 381
Increase/(decrease) in right-of-use assets	**472**	(1 381)
Change in lease payments due to a change in scope		
Decrease in lease liabilities**	**6 657**	–
Decrease in right-of-use assets**	**(6 657)**	–

* *During the current year, the lease term of truck leases in the Farming division were extended for a further year (2025: the lease term of the Busunju Farm in Uganda was extended for a further three years).*

** *The number of trucks leased in the Feeds division was reduced during the current year.*

17. Deferred income tax

	2026 R'000	2025 R'000
Balance at beginning of year	**293 069**	263 791
Charge in profit or loss	**23 165**	27 566
Foreign exchange translation adjustment	**(1 177)**	266
Deferred income tax on hedging reserve charged to equity	**(1)**	112
Deferred income tax on share-based payment reserve	**7 958**	1 334
	323 014	293 069

	Consolidated statement of profit or loss		Consolidated statement of financial position	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Due to the following temporary differences:				
Capital allowances	**23 414**	37 853	**278 466**	254 833
Inventories	**1 284**	(886)	**12 885**	11 601
Biological assets	**812**	(5 859)	**91 956**	91 136
Assessed loss recognised	**4 853**	1 198	**(10 369)**	(13 824)
Prepaid expenses	**(218)**	677	**5 109**	5 327
Provision for long-service awards	**(438)**	(440)	**(3 951)**	(3 513)
Provision for long-term incentive	**(9 684)**	(5 397)	**(15 869)**	(6 185)
Leave accrual	**(867)**	(476)	**(8 984)**	(8 146)
Bonus accrual	**(472)**	(1 879)	**(9 810)**	(9 388)
Provision for impairment losses on trade receivables	**945**	(597)	**(2 233)**	(3 082)
Rebates, growth incentives and settlement discount accruals	**811**	538	**(1 777)**	(2 588)
Allowance for credit notes	**6**	169	**(214)**	(220)
Deferred income	**(1 485)**	1 923	**(1 922)**	(437)
Derivative financial instruments	**699**	(98)	**457**	(251)
Share-based payments	**3 430**	3 545	**(4 058)**	(15 447)
Accruals staff costs	**(1)**	(2 894)	**(4 765)**	(4 764)
Other*	**76**	189	**(1 907)**	(1 983)
Deferred tax expense	**23 165**	27 566		
Net deferred tax liabilities			**323 014**	293 069

* *Other includes temporary differences on right-of-use assets and the discounting of a loan.*

Assessed losses recognised relate mainly to the utilisation of assessed losses that arose in the prior financial years in Quantum Foods Uganda Ltd and Quantum Foods Zambia Ltd, whose forecasts support the utilisation of the loss in the next financial year.

For the purposes of the statement of financial position, deferred income tax is presented as follows:

	2026 R'000	2025 R'000
Non-current assets	**(202)**	(111)
Non-current liabilities	**323 216**	293 180
	323 014	293 069

18. Provisions for other liabilities and charges

	2026 R'000	2025 R'000
Long-service awards	**14 635**	13 012
Long-term incentive	**58 773**	22 908
	73 408	35 920

18.1 Long-service awards

Balance at beginning of year	**13 012**	11 382
Interest	**989**	931
Actuarial loss	**894**	1 338
Current service costs	**1 601**	1 399
Payments	**(1 861)**	(2 038)
	14 635	13 012
The amount recognised in the statement of financial position was determined as follows:		
Present value of unfunded obligations	**14 635**	13 012
Existing provisions are based on the following important assumptions:		
Discount rate (per annum)	**8.5%**	8.1%
Salary increases (per annum)	**5.5%**	4.9%
Normal retirement age	**63 years**	63 years
The date of the most recent actuarial valuation is:	**30 September 2026**	30 September 2025

18.2 Long-term incentive

Balance at beginning of year	**22 908**	2 920
Interest	**4 029**	1 275
Actuarial loss	**5 980**	9 660
Current service costs	**25 856**	9 053
	58 773	22 908
The amount recognised in the statement of financial position was determined as follows:		
Present value of unfunded obligations	**58 773**	22 908
Existing provisions are based on the following important assumptions:		
Discount rate (per annum)	**7.8 – 8.0%**	6.9%
Salary increases (per annum)	**4.9 – 5.2%**	4.3 – 4.4%
The date of the most recent actuarial valuation is:	**30 September 2026**	30 September 2025
For the purposes of the statement of financial position, provisions for other liabilities and charges are presented as follows:		
Non-current liabilities	**70 611**	34 078
Current liabilities	**2 797**	1 842
	73 408	35 920

19. Trade and other payables

	2026 R'000	2025 R'000
Trade payables	**466 505**	450 693
Accrued expenses	**40 212**	37 005
Related parties (refer to note 36)	**6 446**	7 175
Accrued leave pay	**34 500**	30 846
Accrued 13th cheque	**11 411**	10 449
Accrued short-term incentive bonus	**34 257**	32 590
Dividends payable	**611**	403
Other payables*	**33 735**	24 186
Refund liability	**8 603**	11 933
	636 280	605 280

The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

* *Other payables include deposits from customers of R17.5 million (2025: R10.7 million), and employee taxes payable amounting to R5.7 million (2025: R5.2 million).*

The refund liability is recognised for growth incentive rebates payable to certain customers (refer to note 14 of the accounting policies).

The carrying amount of the Group's trade payables are denominated in the following currencies:

	2026 R'000	2025 R'000
Uncovered:	**466 505**	450 693
Euro	**–**	1 542
US dollar	**6 158**	6 716
Zambian kwacha (functional currency of a subsidiary)	**2 117**	3 388
Ugandan shilling (functional currency of a subsidiary)	**415**	1 032
Mozambican metical (functional currency of a subsidiary)	**1 119**	3 398
South African rand	**456 696**	434 617
Total	**466 505**	450 693

Other payables are mostly denominated in the Group's functional currency and no significant risk concentrations exist outside South Africa.

20. Revenue from contracts with customers

	2026 R'000	2025 R'000
Disaggregation of revenue from contracts with customers	**6 885 616**	7 146 536
The Group derives revenue from the transfer of goods at a point in time.		
Eggs	**1 595 912**	1 603 762
– included in eggs segment	**1 233 565**	1 263 121
– included in other African countries segment	**362 347**	340 641
Layer farming*	**331 699**	364 060
– included in farming segment	**272 368**	313 495
– included in other African countries segment	**59 331**	50 565
Broiler farming**	**1 785 445**	1 787 001
– included in farming segment	**1 683 811**	1 711 475
– included in other African countries segment	**101 634**	75 526
Animal feeds	**3 172 560**	3 391 713
– included in animal feeds segment	**3 062 447**	3 313 448
– included in other African countries segment	**110 113**	78 265
	6 885 616	7 146 536

* *Layer farming sales includes the sale of hatching eggs, day-old pullets and point-of-lay hens.*

** *Broiler farming sales includes the sale of day-old broilers and live birds.*

Information regarding major customers

During the period under review, revenue from the Group's top three customers was as follows:

	2026 R'000	2025 R'000
Customer A	**1 293 366**	1 312 329
Customer B	**473 400**	493 380
Customer C	**359 097**	363 146

Revenue from these customers is reported within all operating segments.

21. Other income

	2026 R'000	2025 R'000
Rental income	**6 239**	6 179
Sundry income	**2 491**	7 041
Discount received	**6 023**	5 860
Insurance claims	**10 475**	562
	25 228	19 642

Sale of services is recognised in the accounting period in which the services are rendered, by reference to the completion of services provided as a proportion of the total services to be provided. The sale of services is included in other income in profit or loss. Sale of services includes rental income received.

22. Other gains/(losses) – net

	2026 R'000	2025 R'000
Biological assets fair value adjustment	**102 547**	107 722
Unrealised – reflected in carrying amount of biological assets	**(5 811)**	(4 038)
Realised – reflected in cost of goods sold	**108 358**	111 760
Agricultural produce fair value adjustment	**143 627**	77 673
Unrealised – reflected in carrying amount of inventory	**343**	(2 812)
Realised – reflected in cost of goods sold	**143 284**	80 485
Foreign exchange differences	**(3 090)**	(1 678)
Financial instruments fair value adjustments	**5 663**	442
Foreign exchange contract cash flow hedging ineffective loss	**(191)**	(4)
Futures contract cash flow hedging ineffective gain/(loss)	**782**	(73)
Profit on disposal of property, plant and equipment and non-current assets held for sale	**6 002**	7 936
	255 340	192 018

Biological assets fair value adjustment

The adjustment of biological assets from cost to fair value includes a realised and unrealised component. The unrealised portion is reflected in the carrying amount of biological assets in the statement of financial position, and the realised portion is reflected in cost of goods sold in profit and loss.

23. Operating costs

23.1 Expenses by function

	2026 R'000	2025 R'000
Cost of sales[1]	**5 319 237**	5 691 047
Sales and distribution costs[2]	**304 543**	270 988
Marketing costs[3]	**12 822**	11 999
Administrative expenses[4]	**191 690**	188 936
Net impairment (gains)/losses on trade and other receivables[5]	**(319)**	4 456
Other operating expenses[6]	**885 293**	822 125
	6 713 266	6 989 551

23. Operating costs (continued)

23.2 Expenses by nature

	2026 R'000	2025 R'000
Cost of raw materials including fair value adjustments realised on biological assets and agricultural produce[1]	**4 881 365**	5 291 371
Livestock written off[1]	**–**	8 166
Inventory written off[1]	**11 562**	15 271
Research and laboratory costs[1, 3, 6]	**21 574**	19 526
Staff costs[1, 2, 4, 6]	**694 645**	626 261
Wages and salaries	**576 248**	527 674
Termination benefits	**–**	182
Other staff costs	**45 691**	42 331
Retirement fund contributions	**34 249**	31 712
Long-term incentive expense (refer to note 18.2)	**31 836**	18 713
Share-based payments expense (refer to note 13)	**6 621**	5 649
Non-executive directors' remuneration[6]	**4 023**	1 172
Consulting and legal fees[4]	**23 158**	27 297
Auditors' remuneration[4]	**6 694**	6 330
Internal audit fees[4]	**2 679**	2 347
Rental of premises, machinery and vehicles[2, 4, 6]	**17 047**	18 201
Travel and entertainment[4]	**13 043**	10 802
Energy costs[1, 6]	**227 201**	211 028
Maintenance[1, 6]	**139 998**	135 945
Depreciation and amortisation[1, 6]	**128 748**	109 556
Insurance[4]	**35 107**	37 688
Cleaning[1, 6]	**75 544**	69 414
Office expenses[4]	**67 261**	62 658
Marketing costs[3]	**11 162**	10 548
Security[1, 6]	**44 910**	42 886
Change in loss allowance for trade receivables[5]	**(11 029)**	4 353
Change in allowance for credit notes[6]	**(19)**	(628)
Bad debts[6]	**10 680**	(182)
Transport and distribution costs[1, 2]	**303 194**	260 038
B-BBEE socio-economic and enterprise development[4]	**4 699**	5 441
Other expenses[6*]	**20**	14 062
Total cost of sales, sales and distribution costs, marketing, administrative and other operating expenses	**6 713 266**	6 989 551

Total expenses by nature are disclosed in note 23.2 with a numeral that indicated the expense by function as in note 23.1.

1 *Cost of sales.*
2 *Sales and distribution costs.*
3 *Marketing costs.*
4 *Administrative expenses.*
5 *Net impairment losses on trade and other receivables.*
6 *Other operating expenses.*
* *In the prior year, other expenses include a provision of R10 million for administrative penalties, following Section 24G rectification applications in terms of the National Environmental Management Act, No. 107 of 1998. The provision is not yet settled and is included in accrued expenses in trade and other payables in the current year.*

24. Investment income

	2026 R'000	2025 R'000
Interest income on financial assets		
– Call accounts and other	**27 265**	21 581
– Unwinding of discount on receivables	**354**	430
	27 619	22 011

Interest income is recognised on a time-proportion basis using the effective interest rate method. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance). Interest income is presented as investment income in profit or loss where it is earned from financial assets that are held for cash management purposes.

25. Finance costs

	2026 R'000	2025 R'000
Interest expense on financial liabilities measured at amortised cost		
– Call loans and bank overdrafts	**–**	26
– Term loan	**7 029**	9 625
– Lease liability finance charges	**7 422**	4 610
– Provision for unwinding of discount	**5 118**	2 300
	19 569	16 561

26. Income tax expense

	2026 R'000	2025 R'000
Current income tax	**94 833**	68 659
Current year	**94 833**	68 651
Underprovision previous years	**–**	8
Deferred taxation	**23 165**	27 566
Current year	**23 165**	27 566
	117 998	96 225

26. Income tax expense (continued)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the statutory rate as follows:

	2026 R'000	2025 R'000
Profit before income tax	**460 789**	374 862
Tax at standard rate for companies: 27% (2025: 27%)	**124 413**	101 213
(Decrease)/increase in rate:		
Exempt income	**(329)**	(243)
Effect of assessed losses	**–**	85
Non-deductible expenditure	**5 575**	5 311
Underprovision previous year	**–**	(193)
Effect of capital gains tax	**(17)**	(950)
Effect of different tax rates*	**(9 021)**	(6 536)
Other differences	**(2 623)**	(2 462)
Effective rate	**117 998**	96 225

* *The standard tax rate for foreign subsidiaries differs from the income tax rate of 27%. Quantum Foods Zambia Ltd's agricultural profits are taxed at 10% and other income and manufacturing activities (feed mill activities) are taxed at 30%. Quantum Foods Uganda Ltd's profits are taxed at 30%. Quantum Foods Mozambique S.A.'s profits are taxed at 32% (2025: 10%), following the cessation of a reduced agriculture corporate income tax rate in Mozambique in December 2025.*

Exempt income consists of amounts received in terms of the South African employment tax incentive scheme. Non-deductible expenditure consists mainly of depreciation on assets (e.g. poultry houses bought) and expenses relating to corporate actions which are not deductible for tax.

	2026 R'000	2025 R'000
Gross calculated tax losses of certain subsidiaries at the end of the reporting period available for utilisation against future taxable income of those companies	**34 565**	46 081
Less: Utilised in reduction of deferred tax	**(34 565)**	(46 081)
	–	–

A current and deferred income tax charge of R9.9 million (2025: credit of R6.1 million) relating to fair value adjustments on the cash flow hedging reserve is recognised directly in other comprehensive income.

27. Earnings per ordinary share

Basic

The calculation of basic earnings per share is based on profit for the year attributable to owners of the parent divided by the weighted average number of ordinary shares (net of treasury shares) in issue during the year:

	2026 R'000	2025 R'000
Profit for the year	**342 791**	278 637
Weighted average number of ordinary shares in issue ('000)	**203 614**	202 198

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive contingent ordinary shares.

	2026 Number '000	2025 Number '000
Weighted average number of ordinary shares in issue used as the denominator in calculating basic earnings per share	**203 614**	202 198
Adjustment for calculation of diluted earnings per share – Share appreciation rights	**–**	1 111
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	**203 614**	203 309

Share appreciation rights issued in terms of the share incentive scheme had a potential dilutive effect on earnings per ordinary share. Refer to note 13.

27. Earnings per ordinary share (continued)

Diluted (continued)

The calculation of diluted earnings per share is based on profit for the year attributable to owners of the parent divided by the diluted weighted average number of ordinary shares (net of treasury shares) in issue during the year:

	2026 R'000	2025 R'000
Profit for the year	**342 791**	278 637
Diluted weighted average number of ordinary shares in issue ('000)	**203 614**	203 309
Headline earnings is calculated in accordance with Circular 1/2023 issued by the South African Institute of Chartered Accountants.		
Reconciliation between profit attributable to owners of the parent and headline earnings		
Profit for the year	**342 791**	278 637
Remeasurement of items of a capital nature		
Profit on disposal of property, plant and equipment and non-current assets held for sale	**(5 586)**	(6 894)
Gross	**(6 002)**	(7 936)
Tax effect	**416**	1 042
Headline earnings for the year	**337 205**	271 743
Earnings per ordinary share (cents)	**168.4**	137.8
Diluted earnings per ordinary share (cents)	**168.4**	137.1
Headline earnings per ordinary share (cents)	**165.6**	134.4
Diluted headline earnings per ordinary share (cents)	**165.6**	133.7

28. Cash profit from operating activities

	2026 R'000	2025 R'000
Reconciliation of profit before tax and cash profit from operating activities:		
Profit before income tax	**460 789**	374 862
Adjustment for:		
Depreciation and amortisation	**128 748**	109 556
Biological assets fair value adjustment	**5 811**	4 038
Agricultural produce fair value adjustment	**(343)**	2 812
Livestock written off	**–**	8 166
Profit on disposal of property, plant and equipment and non-current assets held for sale	**(6 002)**	(7 936)
Unrealised losses on FECs, foreign exchange and future contracts	**–**	737
Unrealised foreign exchange translation losses	**7 734**	–
Change in loss allowance for trade receivables	**(11 029)**	4 353
Change in provision for credit notes based on history	**(19)**	(628)
Inventory written off	**11 562**	15 271
Bad debts written off/(recovered)	**10 680**	(182)
Share-based payments expense	**6 621**	5 648
Cash settled share-based payments	**(9 537)**	–
Changes in provisions for long-service awards	**634**	699
Changes in provisions for long-term incentive	**31 836**	18 713
Investment income	**(27 619)**	(22 011)
Finance costs	**19 569**	16 561
Share of loss/(profit) of associate company	**179**	(767)
	629 614	529 892

29. Working capital changes

	2026 R'000	2025 R'000
Increase in inventory	**(3 192)**	(13 770)
Decrease/(increase) in trade and other receivables	**39 056**	(33 052)
Increase/(decrease) in trade and other payables	**29 912**	(93 564)
Increase in current biological assets	**(6 273)**	(9 774)
Changes to derivative financial instruments	**(1)**	(812)
Cash effect of hedging activities	**36 702**	(22 884)
	96 204	(173 856)

30. Dividends paid

	2026 R'000	2025 R'000
Amounts unpaid at beginning of the year	**(403)**	(412)
As disclosed in statement of changes in equity	**(113 917)**	–
Dividends declared during the year	**(113 948)**	–
Dividends on treasury shares received by subsidiary	**31**	–
Amounts unpaid at end of year	**611**	403
Dividends paid during the year	**(113 709)**	(9)

Dividends paid during the prior year relate to dividends declared in prior years, for which the cash payment was delayed due to the absence of shareholder information at that time.

31. Income tax paid

	2026 R'000	2025 R'000
Amounts unpaid at beginning of the year	**(10 918)**	(2 627)
Current tax charge in profit and loss	**(94 833)**	(68 659)
Hedging reserve – income tax current year	**(9 910)**	6 179
Amounts unpaid at end of the year	**7 448**	10 918
	(108 213)	(54 189)
For the purposes of the statement of financial position, current income tax (receivable)/payable is presented as follows:		
Current assets	**(1 416)**	(1 092)
Current liabilities	**8 864**	12 010
	7 448	10 918

32. Proceeds on disposal of property, plant and equipment and non-current assets held for sale

32.1 Proceeds on disposal of property, plant and equipment

	2026 R'000	2025 R'000
Book value of property, plant and equipment disposed	**3 404**	5 815
(Loss)/profit on disposal of property, plant and equipment	**(3 101)**	7 936
	303	13 751

32.2 Proceeds on disposal of non-current assets held for sale

	2026 R'000	2025 R'000
Book value of assets held for sale	**7 150**	–
Profit on disposal of assets held for sale	**9 103**	–
	16 253	–

The book value of the assets held for sale in the prior year amounted to R8.1 million. The book value of assets sold was reduced to R7.2 million following a transfer of assets with a book value of R0.3 million back to property, plant and equipment and the effect of foreign currency exchange differences at the reporting period (R0.7 million).

33. Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

	2026 R'000	2025 R'000
Net debt		
Cash and cash equivalents	**491 928**	275 860
Borrowings	**(59 700)**	(79 550)
Lease liabilities	**(89 426)**	(54 879)
	342 802	141 431

	Other assets:	Liabilities from financing activities:		
	Cash/bank overdraft R'000	Borrowings R'000	Lease liabilities R'000	Total R'000
Net debt as at 1 October 2024	245 828	(99 400)	(43 085)	103 343
Movement in lease liabilities	–	–	(27 652)	(27 652)
Cash flows	25 851	–	–	25 851
Financing cash flows	–	20 000	15 934	35 934
Other changes				
Interest expense	(26)	(9 625)	(4 610)	(14 261)
Interest payments	26	9 475	4 610	14 111
Foreign exchange adjustments	4 181	–	(76)	4 105
Net debt as at 30 September 2025	**275 860**	**(79 550)**	**(54 879)**	**141 431**
Movement in lease liabilities	**–**	**–**	**(55 009)**	**(55 009)**
Cash flows	**224 890**	**–**	**–**	**224 890**
Financing cash flows	**–**	**20 000**	**20 156**	**40 156**
Other changes				
Interest expense	**–**	**(7 029)**	**(7 422)**	**(14 451)**
Interest payments	**–**	**6 879**	**7 422**	**14 301**
Foreign exchange adjustments	**(8 822)**	**–**	**306**	**(8 516)**
Net debt as at 30 September 2026	**491 928**	**(59 700)**	**(89 426)**	**342 802**

34. Contingent liabilities

No litigation matters with potential material consequences exist as at the reporting date.

35. Commitments

35.1 Operating lease receivables

The future aggregate minimum lease receivables under non-cancellable operating leases are as follows:

	2026 R'000	2025 R'000
No later than one year	**169**	30
Later than one year, and no later than five years	**172**	–
	341	30

35. Commitments (continued)

35.2 Capital commitments

	2026 R'000	2025 R'000
Contractually committed	**73 963**	87 327
Approved by the Board, but not yet contractually committed	**296 305**	386 549
– for the next financial year	**157 111**	236 894
– for the year following the next financial year	**139 194**	149 655
	370 268	473 876

The expenditure will be financed from operating income, cash reserves and borrowed funds, in accordance with a budget approved by the Board.

36. Related-party transactions

Quantum Foods Holdings Ltd is the ultimate holding company of the Quantum Foods group of companies. The Group consists of:

- Quantum Foods (Pty) Ltd
- Quantum Foods Uganda Ltd (incorporated in Uganda)
- Quantum Foods Zambia Ltd (incorporated in Zambia)
- Quantum Foods Mozambique, S.A. (incorporated in Mozambique)
- Klipvlei Broilers (Pty) Ltd – associate company (refer to note 6)

The Group holds a 100% (2025: 100%) interest in Quantum Foods (Pty) Ltd, and this entity holds a 100% (2025: 100%) interest in all the other subsidiaries listed above. The subsidiaries are incorporated in South Africa unless indicated otherwise.

Transactions with related parties are on terms equivalent to those that prevail in arms' length transactions. During the reporting period the Company and its subsidiaries conducted the following transactions with its associate companies and key management personnel:

36.1 Purchase of goods/services

	2026 R'000	2025 R'000
Klipvlei Broilers (Pty) Ltd (grower fee paid)	**43 510**	41 785

36.2 Key management personnel compensation

Salaries and other short-term employee benefits	**26 292**	24 490
Post-employment benefits	**2 771**	2 367
Short term bonuses and incentives	**21 992**	21 600
Other long-term benefits*	**29 497**	17 602
Share-based payments	**3 775**	3 274
	84 327	69 333

* *Other long-term benefits for key management personnel do not represent cash salary payments, but constitute the portion of long-term incentive scheme expenses attributable to key management personnel.*

Key management personnel include the executive directors of the Board and members of the Group's executive committee.

36.3 Year-end balances arising from purchases of goods

	2026 R'000	2025 R'000
Payables to related parties		
Klipvlei Broilers (Pty) Ltd	**6 446**	7 175

37. Financial instruments by category

	Amortised cost R'000	Assets at fair value through profit and loss R'000	Total R'000
30 September 2026			
Assets as per statement of financial position			
Trade and other receivables[1]	**646 428**	**–**	**646 428**
Cash and cash equivalents	**491 928**	**–**	**491 928**
Total	**1 138 356**	**–**	**1 138 356**
30 September 2025			
Assets as per statement of financial position			
Derivative financial instruments	–	3	3
Trade and other receivables[1]	685 750	–	685 750
Cash and cash equivalents	275 860	–	275 860
Total	961 610	3	961 613

[1] *Financial assets do not include prepaid expenses and VAT amounts receivable.*

	Other financial liabilities at amortised cost R'000	Liabilities at fair value through profit and loss R'000	Total R'000
30 September 2026			
Liabilities as per statement of financial position			
Borrowings	**59 700**	**–**	**59 700**
Lease liabilities	**89 426**	**–**	**89 426**
Trade and other payables[2]	**556 112**	**–**	**556 112**
Total	**705 238**	**–**	**705 238**
30 September 2025			
Liabilities as per statement of financial position			
Borrowings	79 550	–	79 550
Lease liabilities	54 879	–	54 879
Trade and other payables[2]	531 395	–	531 395
Total	665 824	–	665 824

[2] *Financial liabilities do not include accruals for 13th cheque, leave, short-term incentive bonus and VAT amounts payable.*

38. Financial risk management

38.1 Financial risk factors

This note explains the Group's exposure to financial risks and how these risks could affect the Group's future financial performance. Current year profit and loss information is included where relevant to add further context.

Risk	Exposure arising from	Measurement	Management
Market risk – foreign exchange	• Future commercial transactions • Recognised assets and liabilities denominated in foreign currency	• Cash flow forecasting • Sensitivity analysis	• Forward foreign exchange contracts for future commercial transactions
Market risk – price risk	• Fluctuations in prices of feed raw materials, mainly maize and soya meal • Fluctuations in fuel prices	• Sensitivity analysis	• Futures contracts • Contracting at fixed delivery prices • Diesel hedging
Market risk – interest rate	• Deposits and bank overdraft at variable rates	• Sensitivity analysis	• Treasury function based on a rolling cash flow forecast • Evaluation of interest rate swap agreements
Credit risk	• Cash and cash equivalents, trade receivables, derivative financial instruments	• Ageing analysis • Credit ratings • Sensitivity analysis	• Deposits placed at banks with high credit ratings • Credit limits, credit control, letters of credit and insurance for trade receivables
Liquidity risk	• Investment in working capital, capital expenses, changes in profitability	• Rolling cash flow forecasts	• Committed working capital facility • Vendor payment terms • Term loan facility

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

The Board approved a broad decision-making framework in terms of which financial risks are evaluated, managed and hedged by executive management.

The Group is also exposed to risk arising from environmental and climatic changes. The geographical spread and number of farming operations provide the Group with some protection from the impact and scale of poultry disease outbreaks, as well as adverse climatic conditions such as droughts and floods. The Group has a comprehensive vaccination and flock health monitoring programme. Strict biosecurity management is enforced and was further expanded following the impact of the HPAI outbreaks in the last four years.

38. Financial risk management (continued)

38.1 Financial risk factors (continued)

(a) Market risk

(i) Cash flow interest rate risk

The Group's interest rate risk arises from financial assets and financial liabilities.

Financial liabilities exposed to interest rate risk include interest-bearing short and long-term borrowings. In 2024, the Group obtained a term loan facility denominated in South African rand from Rand Merchant Bank. The loan is recognised at amortised cost and bears interest at the three-month Jibar rate plus 2.3%, payable quarterly in arrears. The Group's lease liabilities have minimal exposure to variable interest rates.

Borrowings issued at variable rates expose the Group to cash flow interest rate risk. The interest rate characteristics of new borrowings and the refinancing of existing borrowings are positioned according to expected movements in interest rates. The Group assessed the concentration of risk with respect to its borrowings and concluded it to be low.

Financial assets exposed to cash flow interest rate risk include cash and short-term bank deposits. Changes in the prime interest rate will result in a minimal impact on profit after tax.

	2026 R'000	2025 R'000
Financial liabilities		
The interest rate profile as at 30 September is summarised as follows:		
Variable rate	**59 700**	79 550
Total borrowings	**59 700**	79 550

	2026 %	2025 %
Percentage of total borrowings:		
Variable rate	**100**	100
Total borrowings	**100**	100

(ii) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Euro, British pound, US dollar, Zambian kwacha, Ugandan shilling and Mozambican metical. Foreign exchange risk arises from future commercial transactions denominated in foreign currencies, recognised assets and liabilities denominated in foreign currencies and derivative financial instruments. Apart from the Group's exposure to trade receivables and payables and cash denominated in foreign currencies, no other financial assets or liabilities expose the Group to significant foreign exchange risk.

Instruments used by Group

The Group manages short-term foreign exchange exposure relating to raw material imports (primarily US dollar based), in terms of formal hedging policies. Foreign exchange risk arising from capital imports is hedged in total. The Group either uses a foreign exchange forward contract ("FEC") to hedge its exposure to foreign currency risk or procures the relevant imported goods at a ZAR price which includes an FEC entered into on the Group's instruction. Only the spot component of forward contracts entered into by the Group is designated as a hedging instrument. The spot component is determined with reference to relevant spot market exchange rates. The differential between the contracted forward rate and the spot market exchange rate is the forward element, which is recognised in profit or loss.

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. The Group's exposure to this risk is material. The Group's investments in foreign operations are not material with respect to the rest of its operations. Refer to note 14, as well as the consolidated statement of changes in equity, for movements in the foreign currency translation reserve during the period.

Refer to note 10 for material FECs. Refer to notes on trade and other receivables, trade payables for financial exposure to foreign currency risk.

Refer to note 22 for foreign exchange-related amounts recognised in profit or loss for the year.

(iii) Price risk

The Group is exposed to commodity price risk. The risk arises from the Group's need to buy specific quantities and qualities of raw materials to meet its feeds business' requirements. These raw materials include maize and soya meal. The prices of these commodities used by the Group fluctuate widely and recovering an increasing commodity price from customers is not always possible, which impacts the Group's profitability. Commodity price fluctuations are normally caused by factors such as supply conditions, weather, exchange rate fluctuations and other economic conditions which are outside the control of the Group.

The Group uses exchange-for-physical contracts to hedge itself against the price risk of the maize commodity acquired in South Africa. These contracts hedge the future purchase price of raw materials and the settlement of the physical contracts and local futures are effected by physical delivery. The commodity price risk arising from maize and soya meal imports is hedged by contracting at a fixed delivered price. This is done through an established process whereby the various conditions which influence commodity prices are monitored daily. Hedging against these risks is done through appropriate procurement decisions taken by executive management within Board approved mandates. Detailed statements of raw material contracts are prepared and submitted on a monthly basis to the chief executive officer. The Group takes physical delivery of each procurement decision.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the foreign exchange and commodity forward contracts match the terms of the expected highly probable forecast transaction, which includes the notional amount and expected payment date. The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange and commodity forward contracts is identical to the hedged risk components. To test the hedge effectiveness, the Group uses the dollar offset method and compares the changes in fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

38. Financial risk management (continued)

38.1 Financial risk factors (continued)

(a) Market risk (continued)

(iii) Price risk (continued)

Hedge ineffectiveness can arise from:

- Differences in the timing of the cash flows of the hedged items and the hedging instruments
- Changes to the forecast amount of cash flows of hedged items and hedging instruments
- Changes in the hedge item and hedging instrument (e.g. white maize to yellow maize changes)

The impact of hedged items on the statement of financial position is as follows:

	2026		2025	
	Change in fair value used for measuring ineffectiveness R'000	Cash flow hedge reserve R'000	Change in fair value used for measuring ineffectiveness R'000	Cash flow hedge reserve R'000
Highly probable forecast purchases (foreign exchange contracts)	–	–	4	4
Maize purchases (commodity forward contracts)	16 366	21 228	5 074	(15 474)

Refer to note 10 for nominal amounts of FECs.

The commodity forward contracts (futures) consist of 24 yellow and 237 white maize (2025: 371 yellow maize) futures bought, which comprise 100 metric tonnes per single contract.

The effect of cash flow hedging in the statement of profit or loss and other comprehensive income is, as follows:

	Highly probable forecast purchases (foreign exchange contracts) R'000	Maize purchases (commodity forward contracts) R'000
For the year ended 30 September 2026		
Total hedging gain recognised in other comprehensive income	–	16 366
Ineffectiveness loss recognised in profit or loss*	(191)	(2 072)
Line item in the statement of profit or loss	Other gains/(losses) – net	Other gains/(losses) – net
Amount reclassified from other comprehensive income to profit or loss	(4)	20 336
Line item in the statement of profit or loss	Other gains/(losses) – net	Cost of sales
For the year ended 30 September 2025		
Total hedging gain recognised in other comprehensive income	4	5 074
Ineffectiveness loss recognised in profit or loss*	(4)	(73)
Line item in the statement of profit or loss	Other gains/(losses) – net	Other gains/(losses) – net
Amount reclassified from other comprehensive income to profit or loss	412	(27 959)
Line item in the statement of profit or loss	Other gains/(losses) – net	Cost of sales

* *The cost of hedging is recognised in other operating expenses in the statement of profit or loss.*

38. Financial risk management (continued)

38.1 Financial risk factors (continued)

(a) Market risk (continued)

(iv) Sensitivity analysis

The tables below summarise the impact on post-tax profit and equity of changes in market risks relating to the Group's financial instruments. There were no changes since the prior period in the methods and assumptions used to calculate the sensitivity analysis.

Change in foreign currency

The summary below reflects the results of a change in US dollar of 2% (2025: 2%), British pound of 1% (2025: 1%), Euro of 2% (2025: 1%), Zambian kwacha of 2% (2025: 4%), Ugandan shilling of 2% (2025: 1%) and Mozambican metical 6% (2025: 1%), with all other variables held constant. The change in foreign currency rates used in the sensitivity analysis are determined by considering the prevalent market expectation for exchange rate movements within the next 3 months. This analysis considers the impact of changes in foreign exchange rates on profit or loss, excluding foreign exchange translation differences resulting from the translation of Group entities that have a functional currency different from the presentation currency, into the Group's presentation currency (and recognised in the foreign currency translation reserve).

	2026 R'000	2025 R'000
Rand depreciates against foreign currencies		
– Increase/(decrease) in profit after income tax		
Trade receivables subject to exchange rate fluctuations	**482**	462
Cash and cash equivalents subject to exchange rate fluctuations	**3 409**	2 046
Trade payables subject to exchange rate fluctuations	**(209)**	(287)
– Increase in equity after income tax		
Derivative financial instruments earmarked for hedging (foreign exchange contracts)	**–**	73
	3 682	2 294

Rand appreciates against foreign currencies

If the Rand appreciates against foreign currencies, the impact will be an increase in the profit after tax of the same amount on financial instruments.

Change in interest rate

Interest rate risks are presented by way of sensitivity analysis in accordance with IFRS 7. These show the effects of changes in market interest rates on interest payments, interest income and expense and other income component. The Group measures sensitivity to interest rates as the effect of a change in the SARB prime rate or Jibar on the profit after tax based on the Group's exposure at reporting date. The below summary reflects the effect of a 50 basis points (2025: 50 basis points) change in the SARB prime rate on call accounts and other balances, or of a 50 basis points (2025: 50 basis points) change in Jibar on interest-bearing liabilities, with all other variables held constant. The Group regards a 50 basis points change in these rates for the next 12 months as being reasonably possible at the end of the reporting periods presented. Refer to note 15 for more details on the transition from Jibar to Zaronia.

	2026 R'000	2025 R'000
Interest rate increases		
– Increase/(decrease) in profit after income tax		
Call accounts and other	**1 805**	1 015
Interest-bearing liability	**(218)**	(290)
	1 587	725

Interest rate decreases

If the prime interest rate or Jibar decreases, the impact will be a decrease in the profit after tax of the same amount on financial instruments.

Change in commodity prices

Derivative financial instruments affected by changes in the commodity prices relate to futures. The summary below reflects the results of a change in the maize price of 5% (2025: 5%), with all other variables held constant, on the Group's open future positions.

Commodity price increase

	2026 R'000	2025 R'000
– Increase in equity after income tax		
Derivative financial instruments earmarked for hedging	**3 979**	908

If these prices were to decrease it will result in a decrease in reserves of the same amount.

38. Financial risk management (continued)

38.1 Financial risk factors (continued)

(b) Credit risk

Financial assets that potentially subject the Group to a concentration of credit risk consist principally of cash and cash equivalents and derivative financial instruments, as well as credit exposure to trade receivables, including outstanding receivables and committed transactions.

The Group's credit risk exposure relating to derivative financial instruments is managed on a Group level and are placed with a limited number of creditable financial institutions, the majority of which have Moody's short-term credit ratings of P-3. The Group continually monitors its positions and the credit ratings of its counterparties.

The Group's credit risk exposure relating to trade receivables is managed centrally. Trade receivables are subject to credit limits, credit control and credit approval procedures. The credit quality of customers is assessed, taking into account their financial position, past experience with the customer and other factors when approving new customers and determining or revising individual credit limits. The utilisation of credit limits is regularly monitored.

The Group insures its South African debtors with Credit Guarantee Insurance. In 2026, 65% (2025: 65%) of the Group's total trade receivables that have not been specifically impaired are covered by credit insurance. National customers have a limited risk profile and a national geographical representation. The credit quality of the national customers is considered to be good based on historical default rates. These customers include large national customers in the formal retail sector. The large national customers and other listed companies are assessed as having a low risk of default, and are thus not insured. These customers amounted to approximately 29% (2025: 29%) of trade receivables – net at the reporting date. Other customers relate to customers that do not have a national geographical representation, of which 92% (2025: 92%) are insured. The risk of default on insured other customers is considered part of the risk of default of the insurer, which risk was assessed as low due to past claims payment history. Other customers that are not insured represent 6% (2025: 6%) of total trade receivables – net. Based on past payment history of customers in this group, the risk of default is considered to be medium. These customers are included in calculation of the expected credit losses.

Credit insurance premiums are paid on a monthly basis based on net invoiced sales. The credit policy requires each new customer to be analysed individually for credit worthiness before delivery and payment terms are offered. The Group's risk is limited to 10% (2025: 10%) of the net invoiced sales to insured debtors. The Group's review includes external ratings where available and, in some cases, bank references. Limits are established for each customer, which represents the maximum trading amount without requiring further approval. These limits are reviewed on an ongoing basis. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group on a cash basis. Customers that default on payments are closely monitored and put on "stop supply" if required.

Concentration of credit risk with respect to trade receivables is limited due to the large number of customers comprising the Group's customer base and their dispersion across different industries and geographical areas.

Other receivables consist mainly of prepayments, value-added tax receivable and other debtors. The risk of default is assessed as low.

The maximum exposure to credit risk is represented by the gross carrying amount of each financial asset.

The credit risk of trade receivables is as follows:

	Credit risk assessment	2026 R'000	2025 R'000
National customers	Low	**188 562**	198 472
Other customers – insured*	Low	**416 560**	442 269
Other customers – not insured	Medium	**37 425**	38 906
Other customers – specifically provided	High	**12 258**	21 993
Trade receivables		**654 805**	701 640

* *Other customers – insured represents the lower of customers' trade receivable balances and their credit insurance limit.*

A specific provision for losses of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Financial assets are considered to be in default when contractual payments are 60 days past due. 60 days past due is considered to be an appropriate indicator of default when considered against the company's customer base, the trading terms for which are 0-45 days. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators of objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables and that the trade receivable is impaired.

The Group considers the probability of default upon initial recognition of an asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Indicators are incorporated such as the customer's internal and external credit rating where available, significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements and significant changes in the expected performance and behaviour of the customer, including changes in the payment status of customers with similar risk profiles and changes in the operating results of the customer (where available). Macro-economic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model. In addition, a significant increase in credit risk is presumed if a customer is more than 30 days past due in making a contractual payment.

38. Financial risk management (continued)

38.1 Financial risk factors (continued)

(b) Credit risk (continued)

The amount of the specific provision for losses, included in the loss allowance, is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. Trade receivables are written off as other operating expenses in profit or loss when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, among others, the failure of a debtor to engage in a repayment plan with the Group, a failure to make contractual payments for a period of greater than 120 days past due and/or when the legal process has not enabled recovery. Subsequent recoveries of amounts previously written off are credited against other operating expenses in profit or loss.

The Group deposits cash surpluses with financial institutions of high quality and standing. The table below shows the cash and cash equivalents allocated in terms of bank ratings.

	2026 R'000	2025 R'000
Moody's – P-3 short-term credit rating	**331 587**	236 888
Premier Ratings Services – AA- Zambia local credit rating	**75 257**	–
Fitch – B short-term credit rating	**62 330**	38 055
Not rated	**21 994**	287
Cash on hand	**760**	630
	491 928	275 860

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities, payment terms agreed with suppliers and the ability to close out market positions. Net debt is calculated as the amount by which the bank overdraft, lease liabilities and borrowings are exceeded by the cash and cash equivalents. The short-term commitments of the Group will be settled by cash realised from trade receivables and the utilisation of the borrowing facilities available. The Group has a R100 million term loan facility to improve liquidity. Refer to note 15 for further details on the term loan facility.

The Group manages its liquidity risk by using reasonable and retrospectively assessed assumptions to forecast the future cash-generating capabilities and working capital requirements of the businesses it operates and by maintaining sufficient reserves, committed borrowing facilities and other credit lines as appropriate. The Group's policy has been to maintain substantial unutilised banking facilities and reserve borrowing capacity. The Group therefore assessed the concentration risk with respect to liquidity and concluded it to be low.

Surplus cash held by Group treasury over and above the balance required for working capital management is invested in interest-bearing money market deposits or call deposits with sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts. At the reporting date, the Group held no short-term bank deposits.

At year-end the Group had a fully undrawn borrowing facility in the form of a debtors' finance facility at Rand Merchant Bank for the value of R422.3 million (2025: R423.6 million). Trade receivables, of which the balance is R644.2 million at year-end (2025: R682.9 million), is provided as security for the debt. The facility agreement determines that any positive cash balances available in designated South African bank accounts of the Group can be offset against any amount drawn. The Group has a legally enforceable right to offset these amounts, and there is an intention to settle on a net basis. At year-end the Group also had an interest-bearing term loan facility at Rand Merchant Bank to the value of R59.7 million (2025: R79.6 million). The Group does not have the right to defer settlement. Refer to note 15 for further details.

	2026 R'000	2025 R'000
The Group's unutilised borrowing facilities are as follows:		
Total borrowing facilities	**422 301**	423 606

The table on the next page analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. Derivative financial liabilities are included in the analysis if their contractual maturities are essential for an understanding of the timing of the cash flows. The amounts disclosed are the contractual undiscounted cash flows.

38. Financial risk management (continued)

38.1 Financial risk factors (continued)

(c) Liquidity risk (continued)

Maturity analysis of financial liabilities	Not later than 1 year R'000	Between 1 and 2 years R'000	More than 2 years R'000	Total R'000
30 September 2026				
Capital and interest – total				
Borrowings excluding bank overdrafts and call loans	**(25 109)**	**(42 961)**	**–**	**(68 070)**
Lease liabilities	**(30 839)**	**(28 183)**	**(50 383)**	**(109 405)**
Dividends payable	**(611)**	**–**	**–**	**(611)**
Trade and other payables	**(554 067)**	**–**	**–**	**(554 067)**
Financial guarantees	**(11 377)**	**–**	**–**	**(11 377)**
	(622 003)	**(71 144)**	**(50 383)**	**(743 530)**
30 September 2025				
Capital and interest – total				
Borrowings excluding bank overdrafts and call loans	(27 193)	(25 274)	(42 316)	(94 783)
Lease liabilities	(21 780)	(15 738)	(30 109)	(67 627)
Dividends payable	(403)	–	–	(403)
Trade and other payables	(529 256)	–	–	(529 256)
Financial guarantees	(12 671)	–	–	(12 671)
	(591 303)	(41 012)	(72 425)	(704 740)

Note: Financial liabilities do not include provisions, accruals for 13th cheque and short term incentive bonus, deferred revenue, accrual for leave and VAT amounts payable.

The carrying value of financial liabilities is equal to the total contractual undiscounted cash flows as disclosed above, except for lease liabilities, borrowings and financial guarantees. Lease liabilities have a carrying value of R89.4 million (2025: R54.9 million).

Financial guarantees relate to guarantee contracts in terms of loans by third parties to contracted service providers. The financial guarantee contracts are recognised initially at fair value. For subsequent measurement the financial guarantee contracts are measured at the higher of the amount determined in accordance with the expected credit loss model under IFRS 9 – Financial Instruments and the fair value initially recognised less amortisation. The expected credit losses of the financial guarantees were calculated using the general approach of IFRS 9 by taking into account the third party's risk of default and its capacity to meet the contractual cash flow obligations as they become due, as well as current and forward-looking information on macro-economic factors affecting the third party's ability to settle its debt. Forward-looking information includes expected economic growth, employment rates, inflation, interest rates and the potential impact thereof on the third parties. Due to there not being a significant increase in credit risk since initial recognition the amount determined in accordance with the expected credit loss model was not material. The value of the financial guarantee contracts is therefore equal to the initial recognition fair value, which is nil (2025: nil). The maximum possible exposure of the Group at 30 September 2026 is R11.4 million (2025: R12.7 million).

38.2 Capital risk management

The Board's policy is to maintain a strong capital base to ensure the Group continues as a going concern in order to provide returns for shareholders and benefits for other stakeholders. When allocating capital, the Group's target is to achieve a return on invested capital in excess of its weighted average cost of capital.

The directors meet regularly to review the capital structure. As part of this review the directors consider the availability of funding within the Group to fund the Group's capital requirements. Funding includes cash and cash equivalents, interest-bearing loans and lease liabilities. The directors also consider the cost of capital and the risks associated with each class of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, buy back its own shares or reduce debt.

The Group is required, by means of covenants provided to financiers, to maintain certain solvency and profitability ratios which are monitored quarterly. Refer to note 15 for disclosure of the covenants on interest-bearing borrowings.

The Group monitors capital risk on the basis of the net debt to equity ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated as disclosed in note 33. The Group's strategy is to maintain a net debt to equity ratio of below 20% in the long-term.

	2026 R'000	2025 R'000
Net debt*	**149 126**	134 429
Total equity (as shown in the statement of financial position)	**2 627 553**	2 395 074
	5.68%	5.61%

* *Cash and cash equivalents exceed borrowings. Cash and cash equivalents were not deducted for ratio calculation. Refer to note 33 for the net debt reconciliation.*

The main focus of the Group's capital management is to ensure liquidity, in the form of short-term borrowing facilities, in order to have sufficient available funding for the Group's working capital and replacement capital requirements. There were no changes in the Group's approach to capital management during the year.

39. Fair value measurement

All financial instruments measured at fair value are classified using a three-tiered fair value hierarchy that reflects the significance of the inputs used in determining the measurement. The hierarchy is as follows:

Level 1:

Fair value measurements derived from quoted prices (unadjusted) in active markets for identical assets or liabilities at the end of the reporting period. No financial assets have been classified as level 1.

Level 2:

Fair value measurements derived from inputs other than quoted prices included within level 1 that are observable inputs, which reflect the market conditions, in their expectations of future cash flows for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3:

Fair value measurements derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

39. Fair value measurement (continued)

The following table presents the Group's assets and liabilities that are measured at fair value:

	Level 1 R'000	Level 2 R'000	Level 3 R'000	Total R'000
30 September 2026				
Assets measured at fair value				
Biological assets				
– Livestock	–	–	**462 291**	**462 291**
Total	–	–	**462 291**	**462 291**
30 September 2025				
Assets measured at fair value				
Derivative financial instruments				
– Foreign exchange contracts	–	3	–	3
Biological assets				
– Livestock	–	–	460 008	460 008
Total	–	3	460 008	460 011

There were no transfers between any levels during the year, nor were there any significant changes to the valuation techniques and inputs used to determine fair values.

Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter securities) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

The Group uses a variety of methods that make assumptions that are based on market conditions existing at the reporting date. Quoted market prices or dealer quotes for similar instruments are used for derivative financial instruments. The fair value of foreign exchange contracts is determined using quoted forward exchange rates at the reporting date.

Non-financial assets in level 3: Biological assets

The layer and broiler livestock and agricultural produce are measured at fair value less cost to sell, which is determined by using unobservable inputs and is categorised as level 3. Fair values of livestock held for breeding, laying hens, broilers and hatching eggs are determined with reference to market prices of livestock of similar age, breed and genetic material.

The fair value of the layer birds, which include rearing and layer livestock, is determined by the market prices of day-old chicks, point-of-lay hens and culls. These are the only selling points during the life cycle of the bird. The fair value of the layer birds is determined by their age at the different stages in the life cycle.

The fair value of broiler livestock is determined by the market prices of day-old chicks and live birds at slaughter age. These are the only selling points during the life cycle of the bird. The fair value of broiler livestock is determined by their age at the different stages in the life cycle.

The market price used in the valuation is based on actual selling prices realised by the Group. The fair value estimation of the Group's biological assets was impacted by HPAI outbreaks in South Africa in the prior year. The fair value of poultry infected by HPAI is written off. No livestock was written off during the year (2025: R8.2 million) as a result of being infected by HPAI.

Changes in the fair value are included in profit or loss, with a loss of R5.8 million (2025: loss of R4.0 million) being recognised as the unrealised fair value adjustment in profit or loss in the current period to adjust the biological asset livestock to fair value. Refer to note 8 for a reconciliation of the level 3 fair value measurements.

In measuring the fair value of biological assets, the following significant unobservable inputs were used:

	Range of unobservable inputs	
Unobservable input	**2026**	**2025**
Layer livestock		
Market price of day-old chicks	**R12.85 to R13.05**	R15.02 to R15.22
Market price of point-of-lay hens	**R89.08 to R89.53**	R88.45 to R97.76
Market price of culls	**R41.09 to R49.43**	R38.37 to R51.81
Broiler livestock		
Market price of day-old chicks	**R7.17 to R8.09**	R7.14 to R7.79
Market price of live birds	**R34.09 to R34.49**	R35.38 to R35.78

39. Fair value measurement (continued)

Sensitivity analysis

A sensitivity analysis of a 2% change in the market price, is shown for the significant unobservable inputs below:

Input	Sensitivity
Day-old chick market prices	A change in market price would result in a R0.8 million (2025: R0.5 million) change in the fair value of poultry livestock.
Point-of-lay hens market prices	A change in the market price would result in a R2.9 million (2025: R2.7 million) change in the fair value of laying hens.
Cull market prices	A change in the market price would result in a R0.9 million (2025: R0.8 million) change in the fair value of laying hens.
Live bird market prices	A change in the market price would result in a R1.0 million (2025: R1.1 million) change in the fair value of broiler livestock.

An increase in market prices will result in an increase in the fair value of the livestock.

The carrying amounts of cash and cash equivalents, trade and other receivables less provision for impairment, trade and other payables and short-term borrowings approximate their fair values due to the short-term maturity of these assets and liabilities.

40. Segment information

Management has determined the operating segments based on the reports reviewed on a regular basis by the CODM in order to make strategic decisions.

Reportable segments are divided into the following:

- Eggs
- Farming
- Animal feeds
- Other African countries
- Head office costs

Quantum Foods comprises eggs, broiler and layer farming and animal feeds in South Africa and the businesses of Quantum Foods Zambia Ltd, Quantum Foods Uganda Ltd and Quantum Foods Mozambique, S.A.

The egg business is the commercial egg business, which consists of the sale of ungraded eggs and the processing of eggs in the pack stations and distribution thereof, to the market.

The layer farming business includes the layer livestock and commercial layer farms. The broiler farming business includes the broiler livestock and commercial broiler farms. The broiler farming and layer farming operating segments are aggregated for segment reporting. Both operations have similar risk profiles, being the production risk inherent to live bird farming. The exposure of these operations to market risk is lower than the exposure to production risk.

The animal feeds business produces animal feed at its feed mills located in South Africa, and delivers the manufactured product to the market (its customers).

The nature of the Quantum Foods Zambia, Quantum Foods Uganda and Quantum Foods Mozambique businesses' operations are similar. They comprise predominantly the production and sale of animal feeds, commercial eggs and day-old chicks. Based on management's assessment these three entities are aggregated for segmental reporting due to the homogeneous nature of their economic characteristics, similarity in their risk profiles, the nature of their production processes as well as their customer and distribution profiles.

The segment results disclosed per segment below are the CODM's measure of each segment's operational performance. The measure represents operating profit as per the statement of comprehensive income.

External revenue and all other items of income, expenses, profits and losses reported in the segment report are measured in a manner consistent with that in the statement of comprehensive income.

Segment assets consist of property, plant and equipment, intangible assets, inventories, biological assets, trade and other receivables and derivative financial instrument assets and exclude cash and cash equivalents, investment in associates and deferred and current income tax assets.

Segment liabilities consist of trade and other payables, provisions for other liabilities and charges, and derivative financial instrument liabilities, and exclude current and deferred income tax liabilities.

Segment capital expenditure consists of additions and replacements of property, plant, equipment and intangible assets.

40. Segment information (continued)

	Eggs R'000	Farming R'000	Animal Feeds R'000	Other African countries R'000	Head office costs R'000	Total R'000
Material items included in the consolidated statement of comprehensive income For the year ended 30 September 2026						
Segment revenue	1 233 565	1 966 493	3 062 447	633 425	–	6 895 930
Less: Internal revenue	–	(10 314)	–	–	–	(10 314)
External revenue	1 233 565	1 956 179	3 062 447	633 425	–	6 885 616
Cost of raw materials including fair value adjustments realised on biological assets and agricultural produce[1]	859 348	1 277 317	2 414 052	330 648	–	4 881 365
Staff costs[1, 2, 4, 6]	114 281	284 183	220 358	82 440	(6 617)	694 645
Consulting and legal fees[4]	2 394	7 018	2 914	3 772	7 060	23 158
Energy costs[1, 6]	11 584	130 927	71 401	13 289	–	227 201
Maintenance[1, 6]	8 397	73 645	39 934	18 022	–	139 998
Depreciation and amortisation[1, 6]	11 425	56 146	33 951	27 226	–	128 748
Cleaning[1, 6]	3 366	62 511	4 775	4 892	–	75 544
Office expenses[4]	15 454	22 255	20 885	6 268	2 399	67 261
Transport and distribution costs[1, 2]	85 031	91 234	109 483	17 446	–	303 194
Other expenses[6]	30	(226)	55	161	–	20
Segment results - excluding items of a capital nature*	101 428	154 229	108 028	95 847	(12 616)	446 916
Items of a capital nature per segment included in other gains/(losses) – net	(1 429)	(1 731)	31	9 131	–	6 002
Segment results (operating profit/(loss))	99 999	152 498	108 059	104 978	(12 616)	452 918
Investment income	–	–	–	6 449	21 170	27 619
Finance costs	–	–	–	(538)	(19 031)	(19 569)
Share of profit of associate company	–	–	–	–	(179)	(179)
Profit/(loss) before income tax per statement of comprehensive income	99 999	152 498	108 059	110 889	(10 656)	460 789

Material expenses by nature included above are disclosed in note 23.2 with a numeral that indicated the expense by function as in note 23.1.

[1] *Cost of sales.*
[2] *Sales and distribution costs.*
[3] *Marketing costs.*
[4] *Administrative expenses.*
[5] *Net impairment losses on trade and other receivables.*
[6] *Other operating expenses.*
* *Enhanced disclosure is provided to allow for better understanding of the segment results excluding items of a capital nature, with comparative information provided.*

40. Segment information (continued)

	Eggs R'000	Farming R'000	Animal Feeds R'000	Other African countries R'000	Head office costs R'000	Total R'000
Material items included in the consolidated statement of comprehensive income For the year ended 30 September 2025						
Segment revenue	1 263 121	2 034 289	3 313 448	544 997	–	7 155 855
Less: Internal revenue	–	(9 319)	–	–	–	(9 319)
External revenue	1 263 121	2 024 970	3 313 448	544 997	–	7 146 536
Cost of raw materials including fair value adjustments realised on biological assets and agricultural produce[1]	895 603	1 357 645	2 715 871	322 252	–	5 291 371
Staff costs[1, 2, 4, 6]	107 259	252 162	200 463	65 388	989	626 261
Consulting and legal fees[4]	2 326	6 593	4 446	3 405	10 527	27 297
Energy costs[1, 6]	12 103	121 972	61 236	15 717	–	211 028
Maintenance[1, 6]	8 360	71 257	39 577	16 751	–	135 945
Depreciation and amortisation[1, 6]	13 499	45 869	26 306	23 882	–	109 556
Cleaning[1, 6]	3 146	57 017	4 169	5 082	–	69 414
Office expenses[4]	12 783	21 208	19 821	6 053	2 793	62 658
Transport and distribution costs[1, 2]	73 300	74 421	97 704	14 613	–	260 038
Livestock written off[1]	–	8 166	–	–	–	8 166
Other expenses[6*]	1 253	10 981	129	1 699	–	14 062
Segment results - excluding items of a capital nature	111 026	127 038	103 257	42 085	(22 697)	360 709
Items of a capital nature per segment included in other gains/(losses) – net	3 171	4 608	51	106	–	7 936
Segment results (operating profit/(loss))	114 197	131 646	103 308	42 191	(22 697)	368 645
Investment income	–	–	–	2 414	19 597	22 011
Finance costs	–	–	–	(361)	(16 200)	(16 561)
Share of profit of associate company	–	–	–	–	767	767
Profit/(loss) before income tax per statement of comprehensive income	114 197	131 646	103 308	44 244	(18 533)	374 862

Material expenses by nature included above are disclosed in note 23.2 with a numeral that indicated the expense by function as in note 23.1.

[1] *Cost of sales.*
[2] *Sales and distribution costs.*
[3] *Marketing costs.*
[4] *Administrative expenses.*
[5] *Net impairment losses on trade and other receivables.*
[6] *Other operating expenses.*
* *Farming other expenses include an administrative penalty of R10 million levied in September 2025, following a Section 24G rectification application in terms of the National Environmental Management Act, No. 107 of 1998.*

40. Segment information (continued)

	2026 R'000	2025 R'000
Segment assets	**3 327 420**	3 186 139
– Eggs	**206 742**	218 053
– Farming	**1 510 769**	1 496 420
– Animal feeds	**1 080 735**	1 000 535
– Other African countries	**488 876**	433 883
– Head office costs	**40 298**	37 248
A reconciliation of the segments' assets to the Group's assets is provided below:		
Segment assets per segment report	**3 327 420**	3 186 139
Adjusted for:		
Investment in associate	**12 512**	12 691
Current and deferred income tax assets	**1 618**	1 203
Cash and cash equivalents	**491 928**	275 860
Total assets per statement of financial position	**3 833 478**	3 475 893
Segment liabilities	**873 845**	775 629
– Eggs	**76 746**	78 708
– Farming	**187 159**	177 817
– Animal feeds	**417 100**	362 678
– Other African countries	**32 548**	32 035
– Head office costs	**160 292**	124 391
A reconciliation of the segments' liabilities to the Group's liabilities is provided below:		
Segment liabilities per segment report	**873 845**	775 629
Adjusted for:		
Current and deferred income tax liabilities	**332 080**	305 190
Total liabilities per statement of financial position	**1 205 925**	1 080 819
Total segment capital expenditure	**268 370**	261 947
– Eggs	**2 682**	610
– Farming	**87 237**	121 084
– Animal feeds	**86 985**	114 783
– Other African countries	**90 674**	25 207
– Head office costs	**792**	263

Geographical information

The Group mainly operates in South Africa. Other operations are located in other African countries. Due to the immaterial extent of operations in individual foreign countries in relation to South Africa, these foreign countries were grouped together as a single geographical segment.

Revenue derived by Group companies domiciled in South Africa is classified as revenue from South Africa. Revenue derived by Group companies domiciled in other countries is disclosed as foreign revenue. The same principles apply to segment assets and capital expenditure.

	2026 R'000	2025 R'000
External revenue	**6 885 616**	7 146 536
South Africa	**6 252 191**	6 601 539
Other African countries	**633 425**	544 997
Total segment non-current assets	**1 802 915**	1 613 893
South Africa	**1 495 856**	1 361 846
Other African countries	**307 059**	252 047
Total segment capital expenditure	**268 370**	261 947
South Africa	**177 696**	236 740
Other African countries	**90 674**	25 207

41. Retirement benefits

The Group contributes to provident funds for all its South African employees which are administered by several service providers. These provident funds are defined contribution plans which are arranged and governed by the Pension Fund Act of 1956, and no actuarial valuation is required.

42. Events after the reporting period

Dividend

A final dividend of 57.0 cents (2025: 34.0 cents) per ordinary share has been approved and declared by the Board for the year ended 30 September 2026, on 24 November 2026.

An interim dividend of 22.0 cents per ordinary share was declared and paid during the year (2025: nil cents).

Additional information disclosed

These dividends are declared from income reserves and qualify as a dividend as defined in the Income Tax Act, No. 58 of 1962.

Dividends will be paid net of dividends tax of 20%, to be withheld and paid to the South African Revenue Service by the Company.

The net dividend amounts to 45.6 cents per ordinary share for shareholders liable to pay dividends tax. The dividend amounts to 57.0 cents per ordinary share for shareholders exempt from paying dividends tax.

The number of issued ordinary shares is 204 097 828 as at the dividend declaration date.

There have been no other events that may have a material effect on the Group that occurred after the end of the reporting period and up to the date of approval of the consolidated annual financial statements by the Board.

43. Going concern statement

The Board evaluated the going concern assumption as at 30 September 2026. As part of its assessment, the Board considered the following:

- The Group's cash flow forecasts for the next 12 months following year-end in terms of their current knowledge and expectations of ongoing developments.
- The Group's ability to settle its obligations as they become due and payable in the next 12 months.
- The solvency and liquidity ratios of the Group.
- The current and forecast debt utilisation of the Group.

The Board has a reasonable expectation that the Group and its subsidiaries have adequate resources to continue in operational existence for the foreseeable future and continue adopting the going concern basis in preparing the financial statements.

44. Remuneration of directors

	Basic salary R'000	Travel allowances R'000	Bonuses and incentives R'000	Retirement fund contributions R'000	Long-term incentives R'000	Directors' fees*** R'000	Total R'000
30 September 2026							
Executive directors							
AD van der Merwe	**4 103**	**120**	**4 471**	**361**	**1 650**	**–**	**10 705**
AH Muller	**3 506**	**88**	**2 874**	**347**	**1 772**	**–**	**8 587**
Total executive directors	**7 609**	**208**	**7 345**	**708**	**3 422**	**–**	**19 292**
*Non-executive directors**							
WA Hanekom	**–**	**–**	**–**	**–**	**–**	**520**	**520**
GG Fortuin	**–**	**–**	**–**	**–**	**–**	**920**	**920**
LW Riddle	**–**	**–**	**–**	**–**	**–**	**877**	**877**
G Vaughan-Smith	**–**	**–**	**–**	**–**	**–**	**812**	**812**
PFT Burger	**–**	**–**	**–**	**–**	**–**	**758**	**758**
JG Hudson**	**–**	**–**	**–**	**–**	**–**	**34**	**34**
RW Dobbie**	**–**	**–**	**–**	**–**	**–**	**34**	**34**
SA Reid**	**–**	**–**	**–**	**–**	**–**	**34**	**34**
SBC Johnson**	**–**	**–**	**–**	**–**	**–**	**34**	**34**
Total non-executive directors	**–**	**–**	**–**	**–**	**–**	**4 023**	**4 023**
Total directors***	**7 609**	**208**	**7 345**	**708**	**3 422**	**4 023**	**23 315**
Paid by the Company	**–**	**–**	**–**	**–**	**–**	**2 208**	**2 208**
Paid by Subsidiaries	**7 609**	**208**	**7 345**	**708**	**3 422**	**1 815**	**21 107**
30 September 2025							
Executive directors							
AD van der Merwe	3 840	120	4 800	378	1 322	–	10 460
AH Muller	3 316	88	2 849	345	1 452	–	8 050
Total executive directors	7 156	208	7 649	723	2 774	–	18 510
*Non-executive directors****							
WA Hanekom	–	–	–	–	–	273	273
GG Fortuin	–	–	–	–	–	264	264
LW Riddle	–	–	–	–	–	226	226
G Vaughan-Smith	–	–	–	–	–	183	183
PFT Burger	–	–	–	–	–	226	226
Total non-executive directors	–	–	–	–	–	1 172	1 172
Total directors	7 156	208	7 649	723	2 774	1 172	19 682
Paid by the Company	–	–	–	–	–	1 172	1 172
Paid by Subsidiaries	7 156	208	7 649	723	2 774	–	18 510

* *No director's fees were paid from 1 April 2025 to 31 March 2026 as the special resolution required to authorise this was not passed by shareholders, as required in terms of section 66(9) of the Companies Act. At the annual general meeting held in March 2026, shareholders approved the payment of these fees in arrears, which has been included in the 2026 remuneration disclosed above.*

** *Elected 26 March 2026.*

*** *Enhanced disclosure is provided to allow for better understanding of the directors' remuneration paid by the Company and by subsidiaries, with comparative information provided.*

**** *The non-executive directors were paid for the period 1 October 2024 to 31 March 2025. No director's fees were paid after this period as the special resolution required to authorise this was not passed by shareholders, as required in terms of section 66(9) of the Companies Act.*

44. Remuneration of directors (continued)

Directors' share appreciation rights ("SARs")

	Number of SARs initially allocated	Date awarded	Exercisable up to date	Strike price Cents	Opening number of SARs not redeemed	Number of SARs exercised in current year	Number of SARs forfeited* in current year	Exercise price at date of redemption Cents	Value increase from strike price to price at redemption R'000	Number of SARs not redeemed
30 September 2026										
Executive directors										
AD van der Merwe	**290 508**	**2021/02/15**	**2027/02/15**	**609**	**96 836**	**96 836**	**–**	**918**	**300**	**–**
	464 044	**2022/02/21**	**2028/02/21**	**539**	**309 364**	**154 680**	**–**	**918**	**586**	**154 684**
	515 928	**2023/02/23**	**2029/02/23**	**474**	**515 928**	**171 976**	**–**	**918**	**764**	**343 952**
AH Muller	**307 084**	**2021/02/15**	**2027/02/15**	**609**	**102 364**	**102 364**	**–**	**918**	**317**	**–**
	514 604	**2022/02/21**	**2028/02/21**	**539**	**343 070**	**171 534**	**–**	**918**	**650**	**171 536**
	544 220	**2023/02/23**	**2029/02/23**	**474**	**544 220**	**181 406**	**–**	**918**	**805**	**362 814**
30 September 2025										
Executive directors										
AD van der Merwe	393 876	2020/02/17	2026/02/17	357	65 646	65 646	–	999	422	–
	290 508	2021/02/15	2027/02/15	609	145 254	48 418	–	999	189	96 836
	464 044	2022/02/21	2028/02/21	539	464 044	154 680	–	999	711	309 364
	515 928	2023/02/23	2029/02/23	474	515 928	–	–	–	–	515 928
AH Muller	433 542	2020/02/17	2026/02/17	357	72 257	72 257	–	999	464	–
	307 084	2021/02/15	2027/02/15	609	153 544	51 180	–	999	200	102 364
	514 604	2022/02/21	2028/02/21	539	514 604	171 534	–	999	788	343 070
	544 220	2023/02/23	2029/02/23	474	544 220	–	–	–	–	544 220

* *These forfeitures are due to the performance conditions on the SARs not being fully met.*

45. Directors' interest in shares

The direct and indirect interest of the directors in the issued share capital of the Company are reflected in the table below:

	Number of shares#			% of issued ordinary share capital
	Direct	Indirect	Total	
30 September 2026				
AD van der Merwe	**516 017**	**130 786**	**646 803**	**0.317**
AH Muller	**793 639**	**–**	**793 639**	**0.389**
WA Hanekom	**–**	**11 679 620**	**11 679 620**	**5.723**
GG Fortuin	**–**	**–**	**–**	**–**
LW Riddle	**–**	**–**	**–**	**–**
G Vaughan-Smith^	**–**	**69 973 366**	**69 973 366**	**34.284**
PFT Burger	**–**	**–**	**–**	**–**
JG Hudson*	**–**	**–**	**–**	**–**
RW Dobbie*	**–**	**–**	**–**	**–**
SA Reid*	**–**	**–**	**–**	**–**
SBC Johnson*	**–**	**–**	**–**	**–**
	1 309 656	**81 783 772**	**83 093 428**	**40.713**
30 September 2025				
AD van der Merwe	423 149	130 786	553 935	0.273
AH Muller	693 853	–	693 853	0.342
WA Hanekom	–	11 679 620	11 679 620	5.751
GG Fortuin	–	–	–	–
LW Riddle	–	–	–	–
G Vaughan-Smith^	–	69 973 366	69 973 366	34.456
PFT Burger	–	–	–	–
	1 117 002	81 783 772	82 900 774	40.822

Notes:

* *Elected 26 March 2026.*

^ *This interest in shares is held by an associate of the director, Aristotle Africa S.à r.l.*

\# *There has been no change in the directors' interest in shares from the end of the financial year to the date of the approval of the annual financial statements. None of the shares held by directors are pledged as security.*

COMPANY FINANCIAL STATEMENTS

for the year ended 30 September 2026

Registration number: 2013/208598/06



Company statement
of financial position
as at 30 September 2026

	Notes	2026 R'000	2025 R'000
ASSETS			
Non-current assets		**1 585 386**	1 585 386
Investment in subsidiary	3	**1 585 386**	1 585 386
Current assets		**8 974**	6 007
Trade and other receivables		**162**	252
Loan receivable from related party	5	**–**	53
Cash and cash equivalents		**8 812**	5 702
Total assets		**1 594 360**	1 591 393
EQUITY AND LIABILITIES			
Capital and reserves attributable to owners of the parent		**1 590 880**	1 590 331
Share capital	4	**1 501 756**	1 492 396
Retained earnings		**89 124**	97 935
Total equity		**1 590 880**	1 590 331
Current liabilities		**3 480**	1 062
Dividends payable		**611**	403
Trade and other payables		**2 447**	659
Borrowings from related party	5	**422**	–
Total liabilities		**3 480**	1 062
Total equity and liabilities		**1 594 360**	1 591 393

Company statement
of comprehensive income
for the year ended 30 September 2026

	Notes	2026 R'000	2025 R'000
Revenue	6	**113 948**	–
Other income	7	**1 171**	939
Administrative expenses		**(8 271)**	(12 643)
Other operating expenses		**(2 400)**	(1 233)
Operating profit/(loss)	8	**104 448**	(12 937)
Investment income	9	**689**	468
Profit/(loss) before income tax		**105 137**	(12 469)
Income tax expense	10	**–**	–
Profit/(loss) for the year		**105 137**	(12 469)
Other comprehensive income for the year		**–**	–
Total comprehensive profit/(loss) for the year		**105 137**	(12 469)
Profit/(loss) for the year attributable to owners of the parent		**105 137**	(12 469)
Total comprehensive profit/(loss) for the year attributable to owners of the parent		**105 137**	(12 469)

Company statement
of changes in equity
for the year ended 30 September 2026

	Share capital R'000	Retained earnings R'000	Total R'000
Balance as at 1 October 2024	1 473 619	110 404	1 584 023
Ordinary shares issued	18 777	–	18 777
Total comprehensive loss:			
Loss for the year	–	(12 469)	(12 469)
Balance as at 30 September 2025	1 492 396	97 935	1 590 331
Balance as at 1 October 2025	**1 492 396**	**97 935**	**1 590 331**
Ordinary shares issued	**9 360**	**–**	**9 360**
Total comprehensive profit:			
Profit for the year	**–**	**105 137**	**105 137**
Interim dividend for 2026	**–**	**(44 901)**	**(44 901)**
Final dividend for 2025	**–**	**(69 047)**	**(69 047)**
Balance as at 30 September 2026	**1 501 756**	**89 124**	**1 590 880**
Note	4		

Company statement
of cash flows
for the year ended 30 September 2026

	Notes	2026 R'000	2025 R'000
Cash flow from operating activities		**(7 622)**	(16 463)
Cash loss from operating activities	12	**(9 500)**	(12 937)
Working capital changes	13	**1 878**	(3 526)
Cash flow from investing activities		**114 637**	468
Interest received	9	**689**	468
Dividends received	6	**113 948**	–
Cash flow from financing activities		**(103 905)**	17 877
Loan received from related party	5	**7 425**	16 271
Loan repaid to related party	5	**(6 950)**	(17 162)
Shares issued	4	**9 360**	18 777
Dividends paid to ordinary shareholders	14	**(113 740)**	(9)
Increase in cash and cash equivalents		**3 110**	1 882
Cash and cash equivalents at beginning of year		**5 702**	3 820
Cash and cash equivalents at end of year		**8 812**	5 702

Notes to the company financial statements

for the year ended 30 September 2026

1. Accounting policies

The Company applies the same principal accounting policies as the Group in the preparation of these financial statements. Refer to the accounting policies on page 17.

2. Critical accounting estimates and judgements

The Company applies the same accounting estimates and judgements as the Group. Refer to note 2 of the Group financial statements.

3. Investment in subsidiary

	2026 R'000	2025 R'000
Cost of shares		
Quantum Foods (Pty) Ltd	**1 585 386**	1 585 386

The Company holds a 100% interest in the subsidiary listed above.

The subsidiary is incorporated in South Africa.

4. Share capital

	2026 R'000	2025 R'000
Authorised – ordinary shares		
400 000 000 (2025: 400 000 000) ordinary no par value shares		
Issued and fully paid – ordinary shares		
204 097 828 (2025: 203 078 410) ordinary no par value shares	**1 501 756**	1 492 396
Reconciliation of movement in issued shares		
Opening balance	**1 492 396**	1 473 619
Additional share capital raised: 1 019 418 shares issued at a price of R9.18 per share (2025: 1 880 258 at a price of R9.99 per share)	**9 360**	18 777
	1 501 756	1 492 396

5. Borrowings (to)/from related party

	2026 R'000	2025 R'000
Loan (to)/from Quantum Foods (Pty) Ltd		
Beginning of year	**(53)**	838
Loans advanced during the year	**7 425**	16 271
Loans repaid during the year	**(6 950)**	(17 162)
End of year	**422**	(53)

Unsecured interest-free loan with no fixed terms of repayment.

6. Revenue

	2026 R'000	2025 R'000
Dividends received from Quantum Foods (Pty) Ltd	**113 948**	–

7. Other income

	2026 R'000	2025 R'000
Administration fees received from Quantum Foods (Pty) Ltd	**1 171**	939

8. Operating profit/(loss)

	2026 R'000	2025 R'000
The operating profit/(loss) is calculated after taking into account revenue and other income (refer to note 7), as well as the following:		
Auditors' remuneration*	**75**	75
Consulting fees*	**21**	4 898
Legal fees*	**6 335**	5 629
Listing fees and shareholder communication*	**1 835**	2 036
Directors' remuneration** (refer to note 44 of the consolidated financial statements)	**2 208**	1 172

* *Included in administrative expenses in the statement of comprehensive income.*

** *Included in other operating expenses in the statement of comprehensive income.*

9. Investment income

	2026 R'000	2025 R'000
Interest income on call accounts and other	**689**	468

10. Income tax expense

	2026 R'000	2025 R'000
Current income tax		
Current year	**–**	–
	2026 %	**2025 %**
Standard rate for companies	**27.0**	27.0
Exempt income*	**(29.3)**	–
Non-deductible expenditure	**2.3**	(27.0)
	–	–

* *Exempt income in the current year of R113.9 million consist of exempt local dividends received. Non-deductible expenses include the Company's total administrative expenses of R8.3 million (2025: R12.6 million) and other operating expenses of R2.4 million (2025: R1.2 million).*

11. Dividend per ordinary share

	2026 R'000	2025 R'000
Interim 22.0 cents (2025: nil cents) per ordinary share	**44 901**	–
Final 57.0 cents (2025: 34.0 cents) per ordinary share	**116 336**	69 047
	161 237	69 047

Dividends payable are not accounted for until they have been declared by the Board.

The total Rand value of the final dividend for the year is an approximate amount. The exact amount is dependent on the number of shares in issue at the record date.

12. Cash loss from operating activities

	2026 R'000	2025 R'000
Reconciliation of profit/(loss) before tax and cash loss from operating activities:		
Profit/(loss) before income tax	**105 137**	(12 469)
Adjusted for:		
Dividends received	**(113 948)**	–
Interest received	**(689)**	(468)
	(9 500)	(12 937)

13. Working capital changes

	2026 R'000	2025 R'000
Decrease/(increase) in trade and other receivables	**90**	(18)
Increase/(decrease) in trade and other payables	**1 788**	(3 508)
	1 878	(3 526)

14. Dividends paid

	2026 R'000	2025 R'000
Amounts unpaid at beginning of year	**(403)**	(412)
As disclosed in statement of changes in equity	**(113 948)**	–
Amounts unpaid at end of year	**611**	403
	(113 740)	(9)

Dividends paid during the prior year relate to dividends declared in prior years, for which the cash payment was delayed due to the absence of shareholder information at that time.

15. Financial instruments by category

	2026 R'000	2025 R'000
Assets as per statement of financial position		
Cash and cash equivalents – at amortised cost	**8 812**	5 702
Loan receivable from related party – at amortised cost	**–**	53
	8 812	5 755
Liabilities as per statement of financial position		
Dividends payable – at amortised cost	**611**	403
Trade and other payables – at amortised cost	**2 447**	659
Borrowings from related party – at amortised cost	**422**	–
	3 480	1 062

The trade and other receivables consist of prepaid expenses, which are not included in financial instruments.

16. Financial risk management

16.1 Credit risk

Financial assets that potentially subject the Company to a concentration of credit risk consist principally of cash and cash equivalents.

The Company deposits cash surpluses with financial institutions with a Moody's short-term credit rating of P-3 (2025: P-3).

16.2 Liquidity risk

The disclosure in this note should be read together with the disclosure in note 38 of the consolidated financial statements, which includes a complete analyses of the liquidity risk of the Group and includes that of the Company.

At the end of the reporting period the Company had a loan payable of R0.4 million to a wholly-owned subsidiary. The loan is repaid annually from dividends received from the wholly-owned subsidiary, from the proceeds of shares issued or cash balances.

The Company has no other utilised or unutilised borrowing facilities from financial institutions.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	2026 R'000	2025 R'000
Maturity analysis of financial liabilities		
Not later than 1 year		
Capital and interest – total		
Dividends payable	**611**	403
Trade and other payables	**2 447**	659
Borrowings from related party	**422**	–
	3 480	1 062

17. Going concern

Quantum Foods Holdings Ltd is the holding company of the Group. The Board evaluated the going concern assumption as at 30 September 2026, taking into account the current financial position and their best estimate of the cash flow forecasts for the next 12 months following year-end.

Based on this assessment, the Board has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and continue adopting the going concern basis in preparing the financial statements.

Shareholder information

as at 30 September 2026

Shareholder distribution

Category	Number of ordinary shareholders	% of shareholders	Number of ordinary shares	% of total ordinary shares
Ordinary shares				
Individuals	3 804	95.8	8 036 945	3.9
Nominees and trusts	89	2.2	195 388 008	95.7
Investment companies and corporate bodies	78	2.0	672 875	0.4
	3 971	100.0	204 097 828	100.0

Shareholder spread

Pursuant to the JSE Listings Requirements and to the best knowledge of the directors, after reasonable enquiry, the spread of shareholders at 30 September 2026, is as follows:

	Number of ordinary shareholders	% of shareholders	Number of ordinary shares	% of total ordinary shares
Public shareholding				
Braemar Trading Limited	1	0.0	61 620 184	30.2
Country Bird Holdings (Pty) Ltd	1	0.0	34 611 282	17.0
Capitalworks Private Equity	1	0.0	17 078 373	8.4
Other shareholders	3 964	99.9	7 694 561	3.7
Non-public shareholding				
Aristotle Africa S.à r.l.*	1	0.0	69 973 366	34.3
Other shareholders				
Directors	3	0.1	13 120 062	6.4
WA Hanekom	1	0.0	11 679 620	5.7
Other directors	2	0.1	1 440 442	0.7
	3 971	100.0	204 097 828	100.0

* *Aristotle Africa S.à r.l. is an associate of G Vaughan-Smith, a director of the Company.*

	Number of ordinary shareholders	% of shareholders	Number of ordinary shares	% of total ordinary shares
Major shareholders				
Analysis of shareholding and shareholders holding 5% or more – ordinary shares:				
Aristotle Africa S.à r.l.	1	0.0	69 973 366	34.3
Braemar Trading Limited	1	0.0	61 620 184	30.2
Country Bird Holdings (Pty) Ltd	1	0.0	34 611 282	17.0
Capitalworks Private Equity	1	0.0	17 078 373	8.4
WA Hanekom	1	0.0	11 679 620	5.7
Shareholder range				
Number of shares				
1 – 1 000 shares	3 300	83.1	398 476	0.2
1 001 – 10 000 shares	521	13.1	1 848 783	0.9
10 001 – 100 000 shares	135	3.4	2 931 868	1.4
100 001 – 1 000 000 shares	6	0.2	1 999 172	1.0
1 000 001 shares and over	9	0.2	196 919 529	96.5
	3 971	100.0	204 097 828	100.0

