Agenda

Introduction
Bernard Berson, CEO
David Cleasby, CFO

Q&A

Supplementary information

Post unbundling perspectives
Strategy and trading
Financial
Post unbundling perspectives

Introduction
Post unbundling perspectives

Delivering real value for shareholders, staff, customers, and suppliers

Unbundling and separation from Bidvest motivated by
• The need to provide for succession
• A desire to provide shareholders with direct investing ability
• A value unlock for shareholders

Substantial shareholder value unlock achieved
• Pre-unbundling announcement Bidvest share price on January 29th 2016 was R311
• Current combined share price for Bidcorp and Bidvest is R480, a 54% increase
• Bidcorp has a US$8bn market capitalisation
• 55% of shareholders non-South Africa, growing international fund manager exposure
• Listed on the Johannesburg Stock Exchange in the “Food Retailers and Wholesalers” sector

Investment case
• Fresh new look with a common identity and livery
• Enthusiastic response from staff, customers, and suppliers
• Dedicated focus on core foodservice and complementary added value businesses, wholesale and distribution based
• Positive global foodservice and out-of-home growth dynamics
• 90% of profit external to South Africa and internationally diverse
• A strong balance sheet with ample people and financial capacity to realise growth ambitions

Bidcorp

International
Foodservice focus
Bidcorp strategy

A proven business model which delivers on focused growth, which is alert to opportunity, and which has international application

Bidcorp is a complete Foodservice offering

Bidcorp serves multiple customer segments

Bidcorp is internationally diversified

Bidcorp people are entrepreneurial and incentivised to be so

Bidcorp has a proven decentralised business model

Bidcorp growth is organic, acquisitive-organic through bolt-ons, and acquisitive

Bidcorp believes that balance sheet strength with low debt is a strong competitive advantage

Bidcorp proprietary technology enhances customer relationships and efficiencies
Highlights

- Despite stronger reporting currency real growth achieved
- Trading profit growth of 16,0% in constant currency
- Headline earnings growth of 19,2% in constant currency
- Trading margin of 4,2% (14,7% increase) (Trading margin excluding UK Logistics 5,0%)
- Delivered on guidance for real trading profit growth in home currencies across all segments
- 13 acquisitions of varying scale
- Rebalancing on track and steadily exiting low margin business
- Excellent co-operation between countries on procurement, marketing, and on best practice benchmarking
- Global technology initiatives gathering pace

<table>
<thead>
<tr>
<th></th>
<th>Growth Current FX</th>
<th>Growth Constant FX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>(6,8%)</td>
<td>4,6%</td>
</tr>
<tr>
<td>Trading profit</td>
<td>6,9%</td>
<td>16,0%</td>
</tr>
<tr>
<td>Headline earnings</td>
<td>9,4%</td>
<td>19,2%</td>
</tr>
<tr>
<td>HEPS cents</td>
<td>9,4%</td>
<td>19,1%</td>
</tr>
</tbody>
</table>
Trading performance – Australasia

*Constant currency - revenue down 1,0%, trading profit up 12,0%, trading margin improves to 6,6% from 5,9%*

### Segment Overview
- Segment margin up 0,7% to 6,6% from 5,9%
- Both New Zealand and Australia exceeded budget
- Continued investment in asset base, footprint
- Heightened competition in both countries
- Increasing contributions from Fresh, Meat, Processing and Speciality Imports
- Availability of staff challenging, driving wage growth
- E-commerce business penetration highest in group

### Australia
- Footprint increased by 4 branches, 1 relocation in Adelaide
- Acquisitions – 3 foodservice, 1 meat
- Foodservice sales up 9% in AUD, real growth, business wins
- Total profits up 9% in AUD on reduced revenue – enhancing margin
- Labour cost pressures offset by good expense control
- Logistics reduced to a single site in Perth
- Growth to come through service offering and technology
- Alert to new competitor disruption

### New Zealand
- Rising food inflation toward the end of the period
- Margin improvement in all segments, Fresh & Processing pleasing
- Smarter procurement, customer e-business tools assist margin management
- Sales up 11% (excluding exited retail), trading profit up 23% in NZD
- Fresh, Processing & Logistics 26% of total EBIT (up from 23%) – enhance margin
- 3 new DC’s come on stream in 2018, land acquired for targeted expansion
- 75% of business now executed via digital interaction

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Audited Financial Results for the year ended June 30 2017
Segment Overview
- Post-Brexit referendum trading strategy proving to be correct
- Inflationary increases accepted on majority of SKU’s
- Food inflation breached 2%, having been negative
- Demand remained solid, assisted by tourism (2016 a 53 week base)
- Significant IT platform improvements realising efficiency benefits
- Footprint being selectively increased, including Fresh offerings
- Logistics made a marginal contribution

Foodservice
- Sales down marginally at £1,4bn, more profitable mix
- Trading profit up 20% in GBP for both H1 and full year
- Freetrade foodservice volume increased by 8% like-for-like
- Improved customer margin and margin per item
- Higher volume yielded a lower cost per item
- Own brand sales grew 9%, a sizeable margin contributor
- 4 new national accounts contracts on stream in Q4

Fresh
- Organic sales up 7%, total sales grew by 18%
- Margin compression of 0.6% – weaker pound, cost pressure
- Growth in independent trade to 56% share
- R Noone & Son and Williams of Flint acquired
- Businesses well positioned for the future – Seafood, Produce, Meat

Logistics
- Sales of £1,2bn with no real contribution
- Objective to downsize Logistics significantly over the next few years
- Highly experienced new executive appointed from South Africa
Audited Financial Results for the year ended June 30 2017

Segment Overview

- Notable performances from Czech & Slovakia, Poland, Belgium, and Italy
- Rapid growth in DAC intergroup “Made in Italy” sales
- Initiatives to reduce operational complexity (and cost) in Netherlands
- Acquisition of Guzmán in Spain wef April (enterprise value €75m)

Europe

(incorporating Netherlands, Belgium, Czech, Slovakia, Poland, Italy, Baltics, Spain)

<table>
<thead>
<tr>
<th></th>
<th>Trading profit R million</th>
<th>Trading margin %</th>
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</thead>
<tbody>
<tr>
<td>F 2017</td>
<td>1 175</td>
<td>3.6%</td>
</tr>
<tr>
<td>PF 2016</td>
<td>1 054</td>
<td>3.4%</td>
</tr>
</tbody>
</table>

Trading performance – Europe

Constant currency - revenue up 12.6%, trading profit up 20.5%, trading margin improves to 3.6% from 3.4%

Netherlands

- Freetrade growth of 15% boosts overall sales, up 5%
- Trading profit growth of 19% in EUR is welcome but margins remain sub-optimal relative to other group businesses
- Competitive pressure for business, customer pricing pushback
- Fresh offering developing well and profitably
- Horeca focus to continue, double digit volume growth anticipated

Belgium

- Positive momentum in H1 continued through H2
- Profit growth of 15% ahead of sales growth of 13% in EUR
- Bestfood acquisition wef September contributed to a 26% growth in Horeca sales but a small trading loss
- Horeca now 30% of sales, slowly reducing margin dilution effect of traditional contract business
- A Dutch competitor expanding via acquisition, Bidfood alert to possible pricing implications but strategy is clear
Trading performance – Europe
Constant currency - revenue up 12.6%, trading profit up 20.5%, trading margin improves to 3.6% from 3.4%

Czech and Slovakia
- A record year, sales up 8.7% and trading profits up 10% in CZK
- Margin driven by in-house processing and value adding
- Factories fully loaded, supplying local and export markets
- Depot in Prešov, Slovakia opened in July
- Frozen fish factory, Kralupy Czech now fully operational
- New produce added to distribution range
- Growth outlook remains robust, despite relative maturity

Poland
- Organic growth model, investing in modern national network
- Sales up 16% (freetrade 18%), profits up 19% in PLN
- Scope for meaningful margin upside as economies of scale improve and on increasing capacity utilisation of facilities
- Depot expansion at Gdańsk, Lublin and Poznań to benefit 2018
- A quarter of sales now online

Baltics – Lithuania, Latvia, Estonia
- 19% growth in foodservice sales – 19% Lithuania, 27% Latvia
- Retail sales growth of 16%
- Key account customers in Estonia now serviced out of Lithuania
- Baltics expected to be profitable in 2018

Italy
- Like-for-like sales up 7%, total sales up 23% including Quartiglia acquisition
- Like-for-like trading profit up 12%, up 15% including Quartiglia acquisition
- Intergroup sales up 72%, significant export potential
- Own brand growing strongly, increased proportion of total
- Targeting larger national footprint
- Further acquisitions identified

Spain
- Guzmán has a history of being successfully acquisitive
- National presence secured off 7 key operating centres
- €100m in annual revenue projected
- Like Italy, Spanish market fragmented, >70% independents
- Legacy Bidfood Spain integrating into Guzmán – co-branding to differentiate market focus
Audited Financial Results for the year ended June 30 2017

Segment Overview

- Strong performances across all territories, particularly SA, often in the face of very challenging macros
- Growth achieved organically
- Mainland China trading profits surpassed Hong Kong, with mainland China 49% of Greater China annual sales and 60% of profit
- Bakery specialist Puratos Group NV buys 50% of Bakery in South Africa for R387,5m wef April 2017

Asia

Hong Kong

- An overall satisfactory result with sales up 10% in HKD
- Temporary additional warehousing costs associated with move to modern well-located warehouse with loading docks
- Ongoing focus on marketing, innovation, new product lines
- Angliss Macau increased trading profits by 35%, assisted by demand for added value meal solutions

Mainland China

- Sales grew 11% in HKD and trading profits by 36%, margin >5%
- Focus on premium aspirational foreign brands; value added processing; technical innovation and reliable availability
- Presence in 20 first and second tier cities with an objective of 26 within two years and additional online retail coverage

Singapore

- Sales grew 8% in SGD and trading profits by 25%, with foodservice and value add being the drivers, some challenges still to overcome
- Management strengthened, working capital slippage
- Asia regional expansion strategy taking shape
- Malaysian presence bulked up in July 2017

Trading performance – Emerging Markets

Constant currency - revenue up 9,6%, trading profit up 20,8%, trading margin improves to 5,7% from 5,1%

Emerging Markets

(incorporating Hong Kong, China, Singapore, South Africa, Chile, Brazil, Middle East, Turkey)

Trading profit R million
Trading margin %

<table>
<thead>
<tr>
<th></th>
<th>PF 2016</th>
<th>F 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trading profit</td>
<td>933</td>
<td>1102</td>
</tr>
<tr>
<td>Trading margin</td>
<td>5,1%</td>
<td>5,7%</td>
</tr>
</tbody>
</table>

Emerging Markets

- Sales grew 8% in SGD and trading profits by 25%, with foodservice and value add being the drivers, some challenges still to overcome
- Management strengthened, working capital slippage
- Asia regional expansion strategy taking shape
- Malaysian presence bulked up in July 2017
Audited Financial Results for the year ended June 30 2017

South Africa
• Sales grew 10% in ZAR and profits by 24% in a stagnant economy with heightened competitor activity
• All three segments, foodservice, food ingredients, and bakery contributed to double-digit profit growth
• Execution on strategy in Foodservice to grow sales to independent/street trade through leveraging business intelligence tools, online ordering (53% of sales) & payments technology, and private label (35% of sales)
• Significant rise in profits at Chipkins Puratos, strong volume across all key customer categories on good product acceptance; equity accounted with effect from April 2017
• Global food ingredients specialist Griffith Foods concluded a 51/49 JV with Crown National in QSR ingredients market in late June 2017
• Targeting to maintain positive trading momentum through 2018

Chile
• Sales grew 17% in CLP and profits by 30%, including the effect of a small bolt-on in Concepción; new branch and DC in Viña del Mar increases branches to 4
• Ongoing range extension, including seafood

Brazil
• Sales grew 47% in BRL and profits by 51%, including the benefit of the Mariusso acquisition
• Like-for-like sales and trading profit both still grew by a healthy 11% in a very difficult business environment
• Vigorous business development initiatives

Middle East
• Sales grew 14% in AED and profits by 33% at good margin, in a market affected by low oil prices, political tension
• Al Diyafa (Saudi Arabia) had a particularly strong trading profit result
• Oman and Bahrain showing accelerating revenue off a low base, almost profitable

Turkey
• New initiative to reposition the business, assisted by Group management, is yielding encouraging early results
• Transition from import only to combine with local foodservice

Bidfood Procurement Community (BPC)
• A motivated team dedicated to leveraging Bidfood’s large international purchasing power and secure sourcing savings
• BPC presence extended to UK / Europe

Trading performance – Emerging Markets

Constant currency - revenue up 9.6%, trading profit up 20.8%, trading margin improves to 5.7% from 5.1%
# Outlook

**Proactively shaping our future**

<table>
<thead>
<tr>
<th>Region</th>
<th>Key Points</th>
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<tbody>
<tr>
<td>Australasia</td>
<td>- Australia – a strong base but momentum is solid, helped by the multi-site strategy&lt;br&gt;- New Zealand – continued investment in footprint and technology driving real growth</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>- A stable and experienced team delivering to target, clear objectives and good initiatives&lt;br&gt;- Substantial scope for better returns, focused on Foodservice and Fresh&lt;br&gt;- Not deflected by Brexit issues, doing what we can, seeing opportunity</td>
</tr>
<tr>
<td>Europe</td>
<td>- Simplification of Netherlands business targeted to yield better margin medium term&lt;br&gt;- Continued satisfactory growth through regional reach in Italy&lt;br&gt;- Exciting new quality base has been established in Spain&lt;br&gt;- Initial exposure to Germany, Austria, and Portugal post year-end&lt;br&gt;- Eastern Europe has substantial future potential and we are investing behind that</td>
</tr>
<tr>
<td>Emerging Markets</td>
<td>- China strategy developing well with territorial expansion and the right product&lt;br&gt;- Management rising above negative macros in both South Africa and Brazil to perform&lt;br&gt;- New business model in Turkey, potential in a $800bn economy</td>
</tr>
<tr>
<td>Bidcorp</td>
<td>- Remaining focused, increased shared learning, digital interaction accelerating&lt;br&gt;- Greater utilisation of Group management resources&lt;br&gt;- Acquisition opportunities assessed for merit, strategic fit, and value</td>
</tr>
</tbody>
</table>

**Real growth in trading profit targeted in home currencies across all four operational segments**
A strong underlying financial performance driven largely by organic growth

Translation headwinds meaningful on strengthening reporting currency relative to trading currencies

**Comparison to proforma 2016 results to provide full appreciation of performance**

**Highlights**

- Underlying business trajectory in home FX in H1 continued through H2
- Revenue R131bn (↓7%) with constant FX revenue R147bn (↑5%)
- EBITDA margin of 5.1% (4.6%)
- Trading margin of 4.2% (3.7%)
- Constant FX earnings growth of 22% in H1 and 19% for the full year
- Translational FX headwinds intensified through H2 – 2% points effect on H1 earnings and a 10% points effect on full year earnings
- Headline earnings R3,9bn (↑9%) with constant FX earnings R4,3bn (↑19%)
- HEPS of 1181 cps (↑9%) with constant FX HEPS 1286 cps (↑19%)
- Real growth in constant FX of 17.0% vs Group WACC of 10.1%
- Final dividend of 250.0 cps together with an interim dividend of 250.0 cps results in a total annual dividend of 500.0 cps, 2.36x covered by HEPS
- Good free cash flows notwithstanding meaningful reinvestment
- Return on funds employed 35%; return on average equity 17%
Audited Financial Results for the year ended June 30 2017

Statement of Profit
Quality of earnings is good, underpinned by disciplined trading

- Underlying freetrade constant FX (ex logistics) revenue growth of 7.7%
- Gross profit percentage increased to 21.7% from 20.8%
  - more optimal mix of business
- Operating expenses well controlled but driven by:
  - Higher cost to serve business mix
  - Labour cost pressures for staff in a number of geographies and by higher activity levels
- Trading margin improved in all geographic segments:
  - Australasia has the best overall segment margin at 6.6% followed by emerging markets at 5.7%
  - UK margin diluted by non-contributing Logistics but is a respectable 4.7% (4.0%) in Foodservice and Fresh
- Acquisitions had no effect on result post acquisition and funding costs – R2.1bn on revenue (1.6%) and R70.0m (pre-acquisition and funding costs) of trading profit (1.3%)
- Annualised contribution from recent acquisitions (based on F2017) is R3.6bn in revenue and R140.0m (pre-acquisition and funding costs) in trading profit
Audited Financial Results for the year ended June 30 2017

Statement of Profit cont’d

*Finance charges, taxation, associates, minority interests, and capital items*

- Net interest paid declines by 25.6% to R219.2m as expected
  - Asset management is good with a few exceptions
  - Benefits of lower fixed interest rates (particularly in Europe) negotiated during the year
  - Additional debt for acquisitions taken on longer term basis
- Effective tax rate (excluding associate income and capital items) is 23.8% (PF2016: 25.2%) for the year benefitting from once off deductions, guiding to approximately 25% on average for the future
- Associates and JV entities share of profit is R25.0m (Netherlands specialist businesses and 50% of Chipkins Puratos) and will remain small
- Minority interests of R24.0m also small but will remain a feature due to owner-managers often retaining a stake on acquisition
- Capital items
  - Net impairments mainly relate to UK Logistics, i.e. PCL goodwill, and closure of excess capacity; and write down of over invested ERP software primarily in Netherlands
  - Net profit on disposal of subsidiaries/associates relates to the Bakery sale of 50% and the fair value adjustment of the residual 50%
  - Other individually insignificant items
• Strong balance sheet underpinned by reliable cash flows is a competitive advantage
• Enormous flexibility to achieve strategic growth objectives, organic and acquisitive
• Shareholders equity impacted by profit, dividends paid, and FCTR movements
• Liquidity management
  • A$ / £ / € funding renegotiated at attractive rates - net finance charges 26% lower despite working capital absorption cycle over the year
  • Gross borrowings of R8,1bn, of which 92% is non-South African
  • 65% of gross borrowings now termed to beyond June 2018
  • Unutilised facilities R3,7bn
  • Weighted average interest rate on foreign borrowings 2.2%, overall Group 2.7%
• Risk management
  • Debt is matched to the underlying assets for a natural hedge
• Solvency
  • Debt to equity ratio 7% (PF2016:7%)
  • Net debt to EBITDA 0.26x (PF2016:0.27x)
  • EBITDA interest cover 30.6x (PF2016: 21.7x)
  • Trading profit interest cover 25.1x (PF2016: 17.5x)
• Returns
  • Return on average shareholder equity 17.2% vs 16.6% (PF2016)
  • Return on average ROFE of 35.1% vs 32.6% (PF2016)
• Cash generated from operations before working capital – R6,2bn
  • 93% of EBITDA and 113% of trading profit
  • Non cash items mainly comprise net impairments, fair value of 50% of Chipkins Puratos and provision releases
• Working capital
  • Typical working capital cycle is for absorption in H1 (R1,3bn absorbed) and released in H2 (R0,5bn released)
  • R0,8bn overall absorbed in F2017 – generally well managed but some impacts in H2 2017:
    • Structural – unwind of Logistics contract in the UK; shifting business mix and changed supplier terms in China (approx. 2 days)
    • Activity levels – particularly good June in a number of business and strategic stocking
    • Timing of Guzman acquisition – low season (not in base) vs high season
  • Net average working capital cycle 7 days (PF2016: 9 days); net year-end working capital cycle 1 day (F2016: -1 day)
• Cash effects of investing activities of R2,2bn
  • Stay-in-business and expansion capital expenditure of R1,9bn compares with depreciation & amortisation of R1,2bn
  • Acquisitions consumed R1,3bn, of which Guzmán Gastronomía and Cuttings was most significant business
  • Proceeds on disposals of R1,1bn, including Puratos/Chipkins JV deal of R388m and sale of investments R670m
• Cash and cash equivalents of R6,3bn

Audited Financial Results for the year ended June 30 2017
Financial guidance

Well placed to evolve, grow, and acquire off a sound financial position

- Financial base supportive of business to deliver continued real growth in home currencies:
  - Bidcorp is expected to remain cash generative (managed well)
  - Debt to equity ratio low at 7% with ample headroom to fund organic and acquisitive growth
  - Unused facilities adequate but looking to create further funding capacity (and efficiency)
  - Strength of financial position provides a cushion for the vagaries of markets and unanticipated events
    (Bidcorp operates across 30 different countries and 20 different currencies)
- Businesses are managed and measured in their local currencies, returns focus remain the core driver of management
- Currency volatility likely to remain a feature into F2018; ZAR is the reporting currency however non-ZAR profits 90% of group
- International shareholder base growing slowly but steadily (55%), focus on cultivating long term shareholding base
- Bidcorp well placed in 2018 to continue building on the achievements of 2017 and prior
Audited Financial Results for the year ended June 30 2017

International operations
Geographically diversified

Revenue

- 22%
- 25%
- 38%
- 15%

Bidcorp has scale

- 25,613 employees
- 260 warehouses
- 1,3m m² distribution storage
- 5,227 distribution vehicles
- >300,000 customers
- 60% Independent trade
- Ambient 30%, Frozen 34%, Chilled 29%, other non-food 7%
- > US$10bn in sales

Trading profit

- 35%
- 24%
- 21%
- 20%

Australasia
United Kingdom
Europe
Emerging Markets

25,613 employees
260 warehouses
1,3m m² distribution storage
5,227 distribution vehicles
>300,000 customers
60% Independent trade
Ambient 30%, Frozen 34%, Chilled 29%, other non-food 7%
> US$10bn in sales
Group overview
Proven formula continued to deliver a good result

Momentum continued through both the first and second half with real growth in home currency achieved across all segments
- Constant currency trading profit growth of 16% in a low inflation environment
- Negative currency translation impact on ZAR/EUR (8%), ZAR/AUD (3%), and ZAR/GBP (20%)
- Largely organically driven as bolt-ons not reflected for full twelve months – 1.6% effect on revenue and 1.3% effect on trading profit
- 13 bolt-ons of varying scale collectively add R2.1bn to revenue and R70m to trading profit
- UK team has adapted to the challenge of a weaker GBP post the Brexit referendum very well, strategy has proved correct in practice
- Quality of revenue continued to improve with focus on foodservice and complementary added value products
- Intergroup cooperation is working well as learnings are shared and potentially costly mistakes minimised
- Clear Bidfood livery, rebranding being rolled out internationally and embraced by acquired companies

Outlook for 2018
- Momentum has continued post year end, however cycling through strong growth
- Businesses managed and measured in home currencies, another positive underlying operating performance is anticipated

<table>
<thead>
<tr>
<th></th>
<th>Year ended June 30 2017</th>
<th>Pro forma Year ended June 30 2016</th>
<th>Change</th>
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<tbody>
<tr>
<td>Revenue (as reported in actual FX)</td>
<td>130 926 600</td>
<td>140 523 301</td>
<td>(6,8%)</td>
</tr>
<tr>
<td>Trading profit (as reported in actual FX)</td>
<td>5 506 275</td>
<td>5 150 613</td>
<td>6,9%</td>
</tr>
<tr>
<td>Trading margin</td>
<td>4,2%</td>
<td>3,7%</td>
<td>14,7%</td>
</tr>
</tbody>
</table>
Operational features for Australia

• Foodservice in isolation now 80% of total sales and 85% of profit as low margin QSR business exited

• New branches in Yatala (Brisbane), Truganina and Port Melbourne (Melbourne), and Botany (Sydney); a new bespoke facility for the Adelaide branch; Fresh in Perth consolidated on to the Perth Logistics site, the only remaining logistics presence; three acquisitions in Launceston, Cairns and Port Macquarie; 36 branches at year end

• Internal disruption with the concept of a nimble multi-site strategy that results in smaller, high-service level depots established in major metros to ensure optimally sized facilities by revenue and staffing

• Imports division continued to add new choice for customers with an emphasis on place of origin, high quality product from over 20 countries; direct sourcing provides an attractive offering for the restaurant market, as distinct from the institutional market, and captures margin in-house; imports already exceed A$130m in sales to branches

• Meat is making solid progress, with 6 processing plants and 4 own-brands, and is profitable, with scope to expand margin; dedicated vehicle fleet livery underscores this as a speciality offer with a “Paddock-to-Plate” strategy

• Fresh has moved in to profit with management changes implemented, remains difficult

Outlook for 2018

• Branch network continues to be selectively expanded to fill territorial gaps; multi-site strategy strengthening competitive position

• In-house sourcing ongoing to expand choice through own imports, Bidfood Procurement Community, in Italy and Spain

• Leveraging Fresh and Meat offering in conjunction with Foodservice
Australasia

Fixed asset investment continues in New Zealand, with six distribution facilities under construction

Operational features for New Zealand

- Food deflation was replaced by inflation as the months progressed with internally measured inflation higher than official statistics
- Gross margin increased ahead of sales growth and offset some of the effects of rising expenses, not least labour
- All 4 segments had strong sales; processing progressing very well, supported by the branch network, and recorded 24% sales growth with a more than doubling in margin and becoming a key component of the service offer
- Fixed asset investment of NZD30m in Hamilton, Timaru, Invercargill, with land purchased in North Auckland; 6 distribution facilities are under construction including Nelson, Greymouth, and Christchurch; additional projects identified
- Information technology, including pricing and margin management, key to competitive advantage in both branches and fleet vehicles
- Active business development pipeline

Outlook for 2018

- Investment in physical capacity ongoing
- Tight labour market is a challenge, not helped by tighter immigration requirements, so wage growth will continue to exceed CPI
- Revenue has exceeded NZD1bn which makes continued double-digit growth challenging in a country of 4.5m people
- New DC’s operational in stages over the coming months

Audited Financial Results for the year ended June 30 2017
Audited Financial Results for the year ended June 30 2017

Operational features for United Kingdom

- Full twelve months of trading following Brexit referendum vote on June 23 2016; activity levels have been reasonably good, assisted by increased tourism and to a lesser extent staycations, but broader economic backdrop is caution and uncertainty
- Despite the negative macros, Bidfood UK ended Q4 and the fiscal strongly, with buoyant volume; a higher gross margin on flat sales together with tight expenses control had a 0.8% point positive impact on trading margin; £23m in capex, including substantial fleet investment
- Cimandis (Channel Islands) reflected a loss but has been integrated with a new management team and support, expected to deliver a much improved performance in 2018
- Swithenbank, the fresh produce business, has been repositioned with a lower cost base
- Slough became successfully operational during the year
- Fresh is typically more volatile than foodservice, with 2017 especially so; despite margin pressure a good performance; higher penetration in the independent category assisted by acquisitions; business positioned for growth and new staff have been taken on
- UK has embraced group technology initiatives with good success

Outlook for 2018

- Bidfood UK budgeting to improve on 2017 result, with a freetrade focus
- Management remains alert to the risks and potential opportunities associated with Brexit outcomes
- New executive leadership at Logistics focused on optimising the parts that are profitable and shrinking the size of the business
Europe
Bulking up in Spain, accelerating the “Made in Italy” theme, Eastern Europe continues to trade strongly

Operational features for Europe
• Resolute focus on food and added value is yielding better returns through the region
• In Netherlands, national accounts sales grew by 11% and freetrade sales by 15%
• In Belgium, strong HORECA strategic focus; sales boosted by acquisition of Bestfoods wef September 2016
• Quartiglia acquisition contributed 13% to DAC sales in Italy; street trade increased to 81% of DAC sales; relationship with other Bidfood companies is developing well with accelerating demand for products manufactured in Italy; objective to grow our Italian footprint
• In Czech and Slovakia, HORECA contributes ± 70% of total sales; ongoing investment in depots and factories
• In Poland, freetrade sales growth was 17,9% with the channel now 71% of the portfolio business at a higher GP than national accounts
• Baltics business now restructured to deliver enhanced performance across a more focused footprint
• Guzmán acquisition in Spain is settling in well; recent financial results encouraging with double-digit sales growth; 85% of sales are currently HORECA; Barcelona 69% of sales and Madrid 23%, up from 18% in the prior year and a growth focus

Outlook for 2018
• Eastern Europe continuing to trade strongly even as the businesses mature; large investment in modernisation; wage growth pressure
• Netherlands is transforming to more of a high-service model but margin gains are a medium term objective
• Guzmán acquisition to contribute for the full year
• Acquisitive opportunities under the spotlight – recent entry to Germany, Austria and Portugal is small but in line with strategy to target adjacent territories, learn, and then grow
Operational features for Emerging Markets

- Premium international products, including gourmet, in big demand in China; routes to market include supermarkets, hotels, restaurants, and bakery in both first and second tier cities; high-end target market is substantial
- Major Chinese cities in which Bidfood is based by order of sales are Shenzhen, Beijing, Guangzhou and Shanghai; these key cities are a base for exploiting growth and developing sales in smaller cities such as Hangzhou, Nanjing, Shenyang, Shanxi, Shijiazhuang, Chongqing, Xiamen, Yunnan, Zhengzhou, Nanning, Chengdu, Changsha, Xian, Sanya, and Wuhan
- Hong Kong growth prospects enhanced by relocation to modern warehouse, improving efficiencies and capacity
- Acquisition of Aeroshield in Malaysia (July 2017) is in line with objective to target adjacent countries such as Indonesia, Philippines, Vietnam, etc
- In South Africa, Bidfood, Crown, Bakery Solutions and Food Exports contributed an increase in sales of 10%, translating to an aggregate 24% rise in trading profit; the execution on strategy has positioned the businesses well for a challenging economy and tougher competition; revised model to serve the rest of Africa
- Despite a very difficult period the Brazilian business has grown strongly; South America has the potential to be a meaningful contributor, possibly replicating the New Zealand experience

Outlook for 2018

- Across Emerging Markets a further positive result is anticipated
- Acquisitive possibilities on the agenda
### Segment profits detail

<table>
<thead>
<tr>
<th>ZAR’ million</th>
<th>Trading profit F2017</th>
<th>Margin %</th>
<th>Share of group %</th>
<th>Change %</th>
<th>Trading profit PF2016</th>
<th>Margin %</th>
<th>Share of group %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bidfood</td>
<td>5 561,4</td>
<td>4,3</td>
<td></td>
<td>6,2</td>
<td>5 238,8</td>
<td>3,7</td>
<td></td>
</tr>
<tr>
<td>Australasia</td>
<td>1 951,7</td>
<td>6,6</td>
<td>35,5</td>
<td>9,8</td>
<td>1 778,1</td>
<td>5,9</td>
<td>34,5</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>1 332,8</td>
<td>2,7</td>
<td>24,2</td>
<td>(9,6)</td>
<td>1 473,9</td>
<td>2,4</td>
<td>28,6</td>
</tr>
<tr>
<td>Bidfood &amp; Fresh</td>
<td>1 320,8</td>
<td>4,7</td>
<td></td>
<td>0,1</td>
<td>1 395,6</td>
<td>4,0</td>
<td></td>
</tr>
<tr>
<td>Logistics</td>
<td>12,0</td>
<td>0,1</td>
<td></td>
<td></td>
<td>78,3</td>
<td>0,3</td>
<td></td>
</tr>
<tr>
<td>Europe</td>
<td>1 175,2</td>
<td>3,6</td>
<td>21,3</td>
<td>11,5</td>
<td>1 053,6</td>
<td>3,4</td>
<td>20,5</td>
</tr>
<tr>
<td>Emerging Markets</td>
<td>1 101,7</td>
<td>5,7</td>
<td>20,0</td>
<td>18,1</td>
<td>933,2</td>
<td>5,1</td>
<td>18,1</td>
</tr>
<tr>
<td>Corporate</td>
<td>(55,1)</td>
<td></td>
<td></td>
<td></td>
<td>(88,2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>5 506,3</td>
<td>4,2</td>
<td>100</td>
<td>6,9</td>
<td>5 150,6</td>
<td>3,7</td>
<td>100,0</td>
</tr>
</tbody>
</table>
## Segment profits detail (Constant currency)

<table>
<thead>
<tr>
<th>ZAR’ million</th>
<th>Trading profit F2017</th>
<th>Margin %</th>
<th>Share of group %</th>
<th>Change %</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Bidfood</td>
<td>6 045,1</td>
<td>4,3</td>
<td></td>
<td>15,4</td>
<td>5 238,8</td>
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<td></td>
</tr>
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<td>Australasia</td>
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<td>2,4</td>
<td>28,6</td>
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<tr>
<td>Bidfood &amp; Fresh Logistics</td>
<td>1 641,7</td>
<td>4,7</td>
<td>14,9</td>
<td>0,1</td>
<td>1 395,6</td>
<td>78,3</td>
<td>4,0</td>
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<tr>
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<td>5,1</td>
<td>18,1</td>
</tr>
<tr>
<td>Corporate</td>
<td>(71,0)</td>
<td></td>
<td></td>
<td></td>
<td>(88,2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>5 974,1</td>
<td>4,2</td>
<td>100</td>
<td>16,0</td>
<td>5 150,6</td>
<td>3,7</td>
<td>100,0</td>
</tr>
</tbody>
</table>
## Consolidated statement of profit or loss

<table>
<thead>
<tr>
<th>ZAR’ million</th>
<th>June 30 2017</th>
<th>PF June 30 2016</th>
<th>2017 Currency effects</th>
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<tbody>
<tr>
<td></td>
<td>Avg R/£ 17,29</td>
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<td>Revenue</td>
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<td></td>
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<td></td>
<td>4,6</td>
</tr>
</tbody>
</table>

- Segment revenue performance
  - Bidfood Australasia’s net revenue declined by 1,0% in constant currency, mainly due to the exit of logistics related revenues in Australia. However, free trade sales grew by a respectable 5%
  - Bidfood Europe net revenue grew by R1,2bn or 4,0%, however in constant currency, growth was 12,6%
  - Bidfood Emerging Markets net revenues grew by R1,1bn or 9,6% in constant currency. Strong revenue growth in Brazil (11% organic growth & 36% acquisitive growth - Mariusso), Chile (16,7%), and Asia (10,0%)
  - Bidfood UK, net revenue declined by R11,0bn (-18,0%); excluding the effects of a strengthening rand, revenue was up 1,9%. Low revenue growth can be attributed to the UK foodservice like-for-like revenue decline of 1,9% mainly due to the exiting of TGI and Prezzo contracts during the year. However, free-trade volume is 8% higher than F2016
  - 12 bolt-on acquisitions and Guzman contributed R2,1bn to F2017. If all acquisitions had been effective July 1 2016, the total revenue contribution would have been R3,6bn
  - Constant currency growth of 4,6%
  - Constant currency free-trade revenue growth of 7,7% (excluding Logistics revenue)
### Consolidated statement of profit or loss

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<table>
<thead>
<tr>
<th>Trading margins</th>
<th>June 30 2017</th>
<th>PF June 30 2016</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bidfood</td>
<td>4,21%</td>
<td>3,66%</td>
<td>14,7% improvement in trading margin</td>
</tr>
</tbody>
</table>

- Improvement in trading margin reflects the improved GP% of 21,7% (PF2016: 20,8%) offset by increased cost to serve of 17,5% (PF2016: 17,1%)
- The Group trading margin has increased to 4,21% (PF2016: 3,66%), a direct consequence of the operational focus to grow the independent trade and rebalance the customer portfolio
- Operating expenses:
  - Sales and distribution costs driven by changing mix of business and higher activity levels
  - Labour cost pressures in some growing economies
  - Admin and other expenses well controlled
  - Constant currency increase of 7,0%
### Consolidated statement of profit or loss

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<th></th>
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<tr>
<td>Net finance expense</td>
<td>(219,2) 25,6</td>
<td>(294,6)</td>
<td>(233,9) 20,6</td>
</tr>
</tbody>
</table>

- €95m, £55m and A$120m debt renegotiated in F2017
- €60m new debt for Guzman acquisition
- 65% of gross debt termed beyond June 2018
- Positive effect of exchange translations of 5%
- Offset by working capital absorption of R753,7m mainly by an increase in inventory of R466,6m
## Consolidated statement of profit or loss

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<td>25,1</td>
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<td>26,6</td>
</tr>
<tr>
<td>Taxation</td>
<td>(1 251,0)</td>
<td>(1 179,0)</td>
<td>(1 334,8)</td>
</tr>
</tbody>
</table>

### Effective tax rate (ex capital items and associates)

<table>
<thead>
<tr>
<th></th>
<th>June 30 2017</th>
<th>PF June 30 2016</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>23,8%</td>
<td>24,5%</td>
<td>Estimated sustainable tax rate going forward is approximately 25%</td>
</tr>
</tbody>
</table>
## Consolidated statement of profit or loss

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</tr>
<tr>
<td>Non-controlling interests</td>
<td>23,6</td>
<td>39,5</td>
<td>25,2</td>
</tr>
<tr>
<td>Headline earnings</td>
<td>3 921,8 9,4</td>
<td>3 583,4</td>
<td>4 270,7 19,2</td>
</tr>
<tr>
<td>HEPS (cps)</td>
<td>1 181,0 9,4</td>
<td>1 080,0</td>
<td>1 286,1 19,1</td>
</tr>
</tbody>
</table>

### Headline earnings:
- Net capital items of R114,3m. Majority relates to the profit on sale of subsidiaries R522,0m and net impairments of R429,0m (Goodwill R176,0m (PCL 247 and Turkey), PPE R115,0m, Intangible assets R94,4m and A-F-S investments R43,8m)
- Negative currency effect of 9,8% on headline earnings. Average rand FX rate stronger versus sterling (19,5%), AUS dollar (2,9%) and euro (7,8%)

### HEPS (cps) impacted by:
- Constant HEPS growth 19,1% (PF 2016: 14,2%)
## Audited Financial Results for the year ended June 30 2017

### Consolidated statement of profit or loss

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<th>June 30 2017</th>
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<td></td>
</tr>
<tr>
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<td>5 506,3</td>
<td>5 150,6</td>
<td>5 974,1</td>
</tr>
<tr>
<td></td>
<td>6,9</td>
<td>16,0</td>
<td></td>
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<td>3 583,4</td>
<td>4 270,7</td>
</tr>
<tr>
<td>HEPS (cps)</td>
<td>1 181,0</td>
<td>1 080,0</td>
<td>1 286,1</td>
</tr>
<tr>
<td></td>
<td>9,4</td>
<td>19,2</td>
<td></td>
</tr>
<tr>
<td>Diluted HEPS (cps)</td>
<td>1 178,4</td>
<td>1 077,5</td>
<td>1 283,3</td>
</tr>
<tr>
<td></td>
<td>9,4</td>
<td>19,1</td>
<td></td>
</tr>
<tr>
<td>Dividend (cps)</td>
<td>500,0</td>
<td>241,0</td>
<td></td>
</tr>
</tbody>
</table>

- Dividend cover of approximately 2,36x Headline EPS
Consolidated statement of cash flows

Year ended June 30 2017  R’ billion

-0,8
-0,2
-1,3
-1,6
-2,2
6,2
1,5

Year ended June 30 2016  R’ billion

-0,2
1,5
-1,2
-0,6
-2,4

-0,8
5,9

-3 -2 -1 0 1 2 3 4 5 6 7

Cash generated from ops pre wc
Working capital (utilised) generated
Net finance charges
Taxation
Dividends paid
Cash effects of investment act’s
Cash effects of financing act’s

• Dividends paid to shareholders of R1,6bn
• Increase in financial activities of R1,5bn due to funding of €60,0m used for the acquisition of Guzman
• Investment activities
  • Net capex on PPE and intangibles of R1,9bn vs. R1,2bn of depreciation and amortisation
  • Net acquisitions of R0,3bn (including 12 bolt-on acquisitions and Guzman of R1,3bn but offset by R1,0bn of disposals (Sale of 50% of Bakery Supplies and investments))
Net working capital flows vs cash generated by operations

- Cash generation by operations before working capital increases by 5.4% to R6.2bn
- H2 2017 working capital generation R0.5bn
### Year end working capital days

<table>
<thead>
<tr>
<th>Year</th>
<th>Net days</th>
<th>Debtors days</th>
<th>Stock days</th>
<th>Creditors days</th>
</tr>
</thead>
<tbody>
<tr>
<td>F 2016</td>
<td>-1</td>
<td>37</td>
<td>29</td>
<td>-67</td>
</tr>
<tr>
<td>F 2017</td>
<td>1</td>
<td>34</td>
<td>28</td>
<td>-61</td>
</tr>
</tbody>
</table>

### 12 month rolling average working capital days

<table>
<thead>
<tr>
<th>Year</th>
<th>Net days</th>
<th>Debtors days</th>
<th>Stock days</th>
<th>Creditors days</th>
</tr>
</thead>
<tbody>
<tr>
<td>PF 2016</td>
<td>9</td>
<td>41</td>
<td>27</td>
<td>-59</td>
</tr>
<tr>
<td>H1 2017</td>
<td>5</td>
<td>40</td>
<td>28</td>
<td>-63</td>
</tr>
<tr>
<td>F 2017</td>
<td>7</td>
<td>40</td>
<td>28</td>
<td>-61</td>
</tr>
</tbody>
</table>

Net 12 month rolling average working capital days, relatively consistent with PF 2016 and H1 2017

- Impacts in H2
  - Structural change in EM markets and exiting Logistics contract
  - Activity levels
  - Timing of Guzman acquisition
• A conservative approach to gearing with trading profit interest cover at 25.1 times (PF 2016: 17.5 times); exceeds Group benchmark of 5-6 times
• Ample headroom to fund organic or acquisitive expansion
Bidcorp Historic Performance

Trading margin

- PF 2015: 3.60%
- PF 2016: 3.66%
- 2017: 4.21%

Returns % (annual)

- PF 2016: 32.6%
- PF 2017: 35.1%

Headline earnings per share

- PF 2015: 815.2 cpp
- PF 2016: 1080.0 cpp
- 2017: 1181.0 cpp

Dividend per share (cents)

- 2016: 500.0 cpp
- 2017: 500.0 cpp

Audited Financial Results for the year ended June 30 2017