



INTEGRATED
REPORT

25



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Navigational icons



This icon refers to where additional information can be found in this report.



This icon refers to where additional information can be found on the Group's website: www.quantumfoods.co.za.



This icon refers to areas where Quantum Foods has a material impact on society or the environment.



This icon refers to areas with potential direct or indirect climate-related impacts or opportunities.

OUR PURPOSE, VISION AND VALUES

Quantum Foods is a diversified business built around animal feed, poultry and eggs. We operate in fragmented market segments where Quantum Foods is one of a few high-volume producers serving livestock farmers, processors and retailers in South Africa and selected other African markets. We deliver reliable, high-quality nutrition for both livestock and people at competitive prices.



Our purpose

We produce affordable, quality products responsibly to add value to life, communities and our partners.



Our vision

We aim to be the leading feed, poultry, livestock and protein business in Africa, delivering sustainable returns.



Our values

Our values are designed to foster a culture of fairness and respect for our employees, communities, suppliers and customers. They inform our behaviour and actions while supporting our vision and purpose.

Teamwork

(trust and shared goals)

Accountability

(ownership and responsibility)

Exceeding expectations

(high standards and going the extra mile)

Adaptable

(change quickly and move with the times)

Resilience

(never give up)

Our role in building a better future

We have identified three core United Nations (“UN”) Sustainable Development Goals (“SDGs”) where Quantum Foods is best positioned to make a meaningful impact.



UN SDG 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture



UN SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



UN SDG 12: Ensure sustainable consumption and production patterns

Key commitments

Our code of ethics reflects our shared commitment to responsible and ethical conduct across every part of the business. We strive to be a good corporate citizen, actively enable socio-economic transformation, and position ourselves as the partner and employer of choice in the communities where we operate.

The code states our collective commitment to:

- Being a good corporate citizen
- Enabling socio-economic transformation
- Being the business partner and employer of choice in the areas where we operate
- Achieving and continually improving employment equity
- Adding sustainable value for key stakeholders
- Adhering to internationally accepted standards
- Auditing our farms and operating facilities regularly
- Adhering to world-class animal production procedures and complying with all relevant legislative guidelines
- Adhering to the laws of the countries in which we operate, with ethical behaviour going beyond abiding by the law

Key capabilities

- Reliable, cost-effective raw material sourcing
- Ability to scale up or mothball operations in response to demand
- Proven operational expertise across Africa sites
- Strong stakeholder relationships with customers, suppliers and regulators
- Specialist feed consulting services that deepen customer partnerships
- Ability to manage profitability cycles

A VALUE STORY ABOUT NUTRITION AND RESILIENCE

Anchored in purpose

Everything we do is firmly anchored in our purpose: to provide affordable, high-quality protein to South Africans and to our broader African markets in a responsible way. This commitment extends beyond commercial outcomes to a broader contribution to food security and nutrition. By helping to combat malnutrition and promote better health and wellbeing, we support UN SDG 2: Zero Hunger.

Delivering across an integrated value chain

Quantum Foods operates a fully integrated poultry and egg value chain, positioning the Group as one of the few players able to compete at scale in South Africa and selected African markets. This integration enables tight control over feed, poultry farming, and egg production, reducing reliance on external markets and strengthening resilience against supply chain disruption. Integrated feed and poultry farming operations mitigate against cyclical risks and disaster events such as highly pathogenic avian influenza ("HPAI"), while effective sourcing provides supply security even when external markets are disrupted.

Growth potential in Africa

With rising urbanisation, a growing middle class, and increasing demand for affordable protein, Africa presents a long-term growth opportunity. Few companies have successfully scaled in this market, but Quantum Foods' proven expertise in running operations across multiple African countries provides a competitive edge and geographic diversification.

Resilience through the cycles

The business has demonstrated resilience through both market upswings and downturns. Vertical integration, cost-effective feed sourcing, and the ability to flex flock sizes or outsource production allow the Group to manage volatility while preserving margins. These capabilities provide investors with confidence in both downside protection and upside capture.

Flexible operating model

Flexibility is a hallmark of the business. By adapting the operating model to emerging risks and opportunities, such as outsourcing rearing to reduce risk or managing flock size, the Group optimises capital deployment and operational efficiency while staying responsive to changing market dynamics.

In a commodity-driven sector, managing profitability through volatile feed costs, disease outbreaks, and regulatory challenges is critical. Vertical integration helps buffer these shocks and ensures long-term sustainability. Active engagement in industry bodies reinforces stability and strengthens the Group's trusted position in the market.

Responding to climate realities

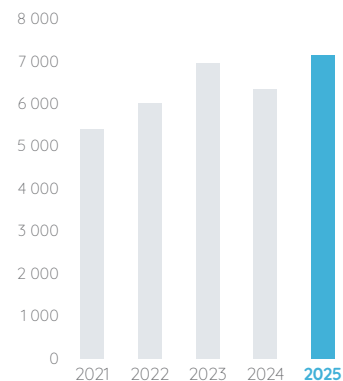
Climate change brings increasing risks, including droughts, extreme weather, and input contamination. To address these, the Group has undertaken detailed site-specific climate assessments and is implementing mitigation and continuity plans. External environmental, social and governance ("ESG") reviews add rigour to this process, while targeted capital investments in water, feed, and farming infrastructure further strengthen resilience and efficiency.

Every capital investment is evaluated for both financial and ESG impact, ensuring growth remains responsible and sustainable. Initiatives include reducing packaging waste, trialling recycled plastics, improving animal welfare, and raising efficiency standards. By aligning profitability with environmental care, innovation, and people development, Quantum Foods creates lasting value for shareholders, employees, customers and communities.

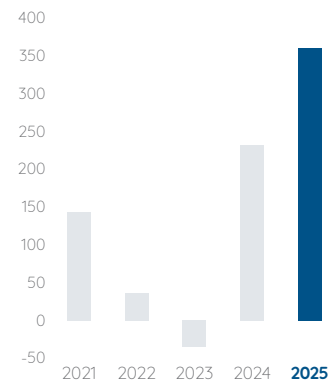


Key indicators

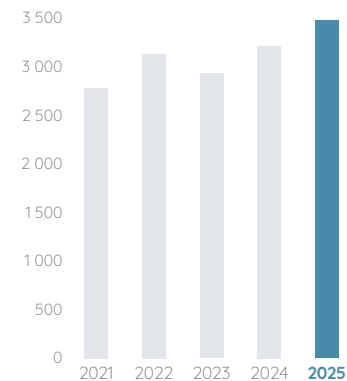
Revenue (R million)



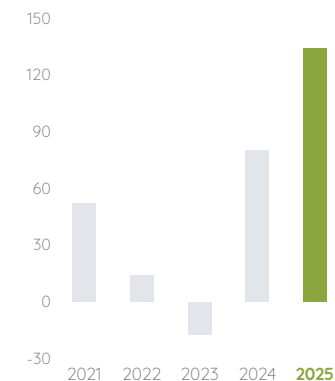
Operating profit/loss (R million)



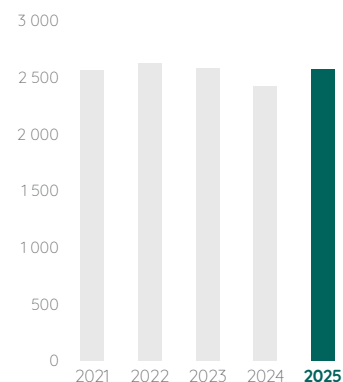
Total assets (R million)



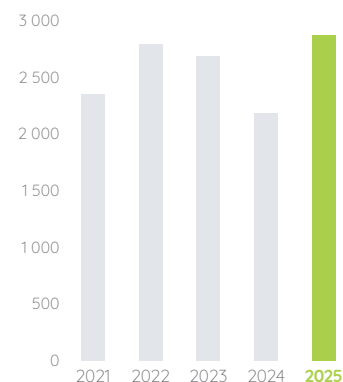
Headline earnings per share (cents)



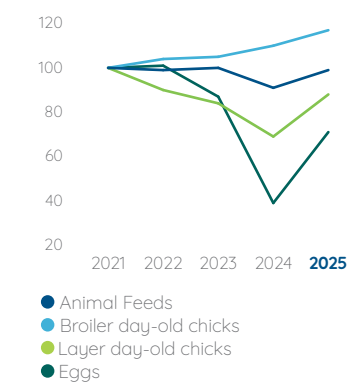
Number of employees



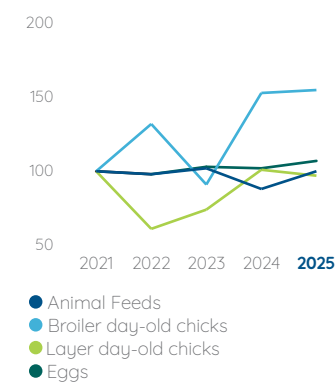
Electricity from renewable sources (kWh'000)



Volume growth % year-on-year (South Africa)



Volume growth % year-on-year (Other African countries)



WELCOME TO OUR 2025 ANNUAL INTEGRATED REPORT

Quantum Foods Holdings Limited and its subsidiaries (“Quantum Foods” or “the Group” or “the Company”) are committed to transparent and responsive reporting that meets the information needs of our material stakeholders while complying with regulatory requirements. This annual integrated report covers the financial year from 1 October 2024 to 30 September 2025 (“FY2025”)¹.

Quantum Foods is a public company that is incorporated in South Africa in accordance with the provisions of the Companies Act, No. 71 of 2008, as amended (“Companies Act”), and the Companies Regulations, 2011 (“Companies Regulations”), as amended. The Company complies with all laws applicable to it, including the maintenance and disclosure of beneficial ownership information and enhanced corporate governance obligations.

Quantum Foods’ ordinary shares are listed on the Prime Segment of the Main Board of the securities exchange operated by the JSE Limited (“JSE”) under the share code QFH. The Company adheres to the JSE Limited Listings Requirements (“JSE Listings Requirements”), including its General Principles.

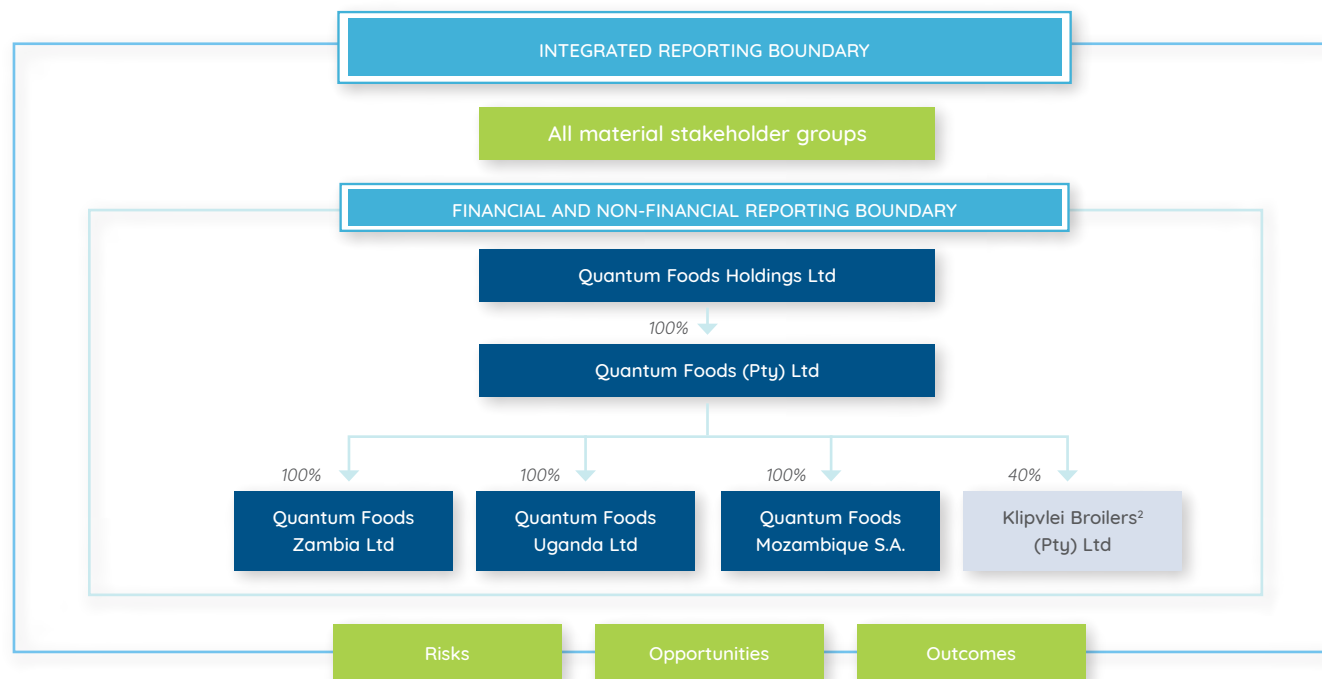
Our target audience

This report focuses on providing information to the Group’s investors and other material stakeholders. The Group does not have institutional shareholders.

🔗 Broader stakeholder information is available on our website at <https://quantumfoods.co.za/>. This includes policies, charters, certificates and financial announcements.

Scope and boundary of the report

We provide financial and non-financial performance data on the Group’s business activities in all our operating geographies. This includes South Africa, Zambia, Uganda and Mozambique, with a primary focus on South Africa as the major contributor to revenue.



🔗 Find out more about our material stakeholder groups on page 16.

🔗 Read more about risks and opportunities in the strategic risk section on page 33 and our business model outcomes on page 25.

¹ References to specific financial years in this report are indicated as FY2024, FY2025, etc. All other years not referenced relate to the applicable calendar year.

² The strategic investment in Klipvlei Broilers secures an important broiler volume contract for the long term.

We apply materiality

We considered both financial and impact materiality in determining the scope and contents of this report. Materiality is informed by our risks, opportunities and stakeholder needs and concerns related to value creation. The FY2025 material matters remained the same as in FY2024.

Material matters from a financial perspective (outside-in factors)

- Lack of economic growth in South Africa
- Growth opportunities
- Cost and availability of raw materials
- Manage industry profitability cycles
- Poultry disease
- Electricity supply
- Infrastructure
- Customer and supplier engagement

Material matters from an impact perspective (inside-out factors)

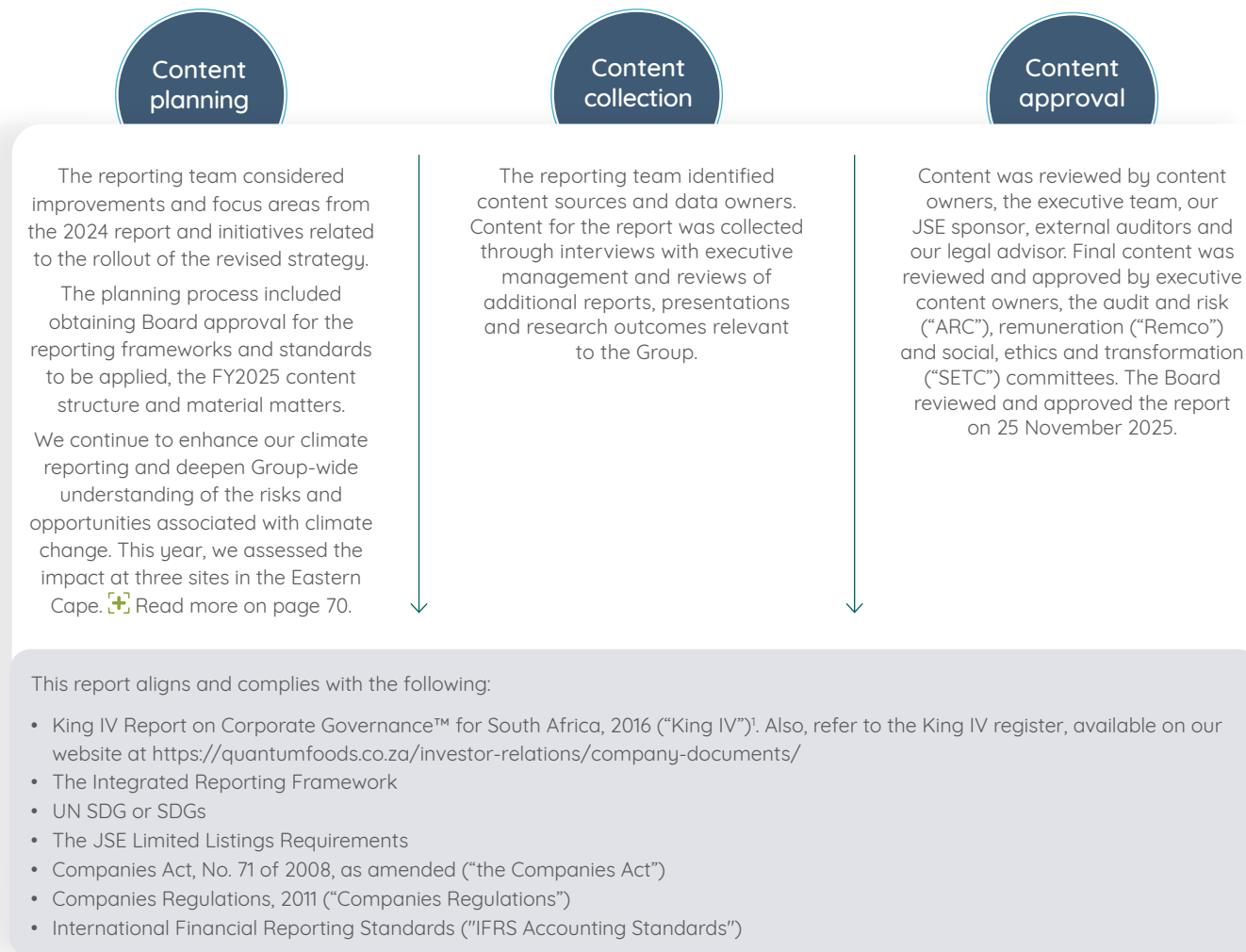
- Nutrition
- Animal welfare
- Responsible sourcing
- Protecting the environment (emissions and waste)
- Water
- Skills development
- Health, safety and human disease
- Transformation
- Product safety and quality

✚ Read more about our materiality process and material matters on page 29.

The Board, supported by the ARC, SETC and Remco, holds **ultimate responsibility** for overseeing the **integrity** of the annual integrated report. The Board confirms that it has collectively reviewed both the reporting process outputs and the content of this report, ensuring it **accurately reflects** the Group's performance, governance and strategic direction.

Content development and approval

We have a well-entrenched reporting process. The main aspects are included below:



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Reporting landscape update

Recent regulatory changes continue to shape corporate reporting requirements. The Companies Amendment Act No. 16 of 2024 and the Companies Second Amendment No. 17 of 2024 (collectively, the “Companies Amendment Acts”) were enacted into law in July 2024, with selected provisions effective from 27 December 2024. The remaining provisions are still pending promulgation through Government Gazette notices or amended regulations.

The Climate Change Act, No. 22 of 2024 (“Climate Change Act”) took effect in March 2025, although key provisions on carbon budgets and sectoral targets are still subject to regulation.

Following a review of its 2022 Sustainability Disclosure Guidance and Climate Change Disclosure Guidance, the JSE reaffirmed their continued relevance and usefulness in the context of an evolving sustainability reporting environment. While recognising ongoing global and local developments, the JSE determined that an update would be premature at this stage.

In November 2025, the JSE released a Consultation Paper on Financial Reporting Costs (“Consultation Paper”) as part of its ongoing efforts to streamline regulatory obligations and enhance market competitiveness. The Consultation Paper seeks stakeholder input on potential amendments to the JSE Listings Requirements aimed at reducing the financial reporting burden on listed companies while maintaining transparency and investor confidence.

The IoDSA King V™ Report on Corporate Governance for South Africa (King V™)¹ was released on 31 October 2025, with an effective date for financial years commencing on or after 1 January 2026. The Group will undertake a comprehensive assessment of the King V™ principles and will implement the requisite enhancements to its governance framework and disclosures from the FY2026 reporting period onwards.

Globally, the International Sustainability Standards Board’s IFRS S1 and S2 standards became effective in January 2024. South Africa has not yet formalised mandatory adoption, but amendments to the Companies Act are expected to pave the way, with momentum building internationally as major economies move towards alignment.

Quantum Foods is actively evaluating these regulatory and reporting developments and is mapping any gaps to ensure timely alignment and adherence to emerging standards.

Compliance, reliability and comparability

Our annual integrated report provides a holistic overview of Quantum Foods’ strategy, performance, business activities and the factors that will ensure long-term sustainability.

Data and information disclosed in this report are comparable to those provided in the previous financial year.

In compliance with paragraph 7.F.6 of the JSE Listings Requirements, Quantum Foods complies with the provisions of the Companies Act and operates in conformity with its Memorandum of Incorporation, available at <https://quantumfoods.co.za/investor-relations/company-documents/>.

External and internal assurance

Some aspects of this report were subject to external assurance. A few are outlined below.

-  The summarised consolidated financial statements provided in this report are extracted from the complete statutory financial statements available on the Group’s website: <https://quantumfoods.co.za/investor-relations/reports-and-results/>
-  The summarised consolidated financial statements were audited by Ernst & Young Inc. (“EY”). The independent auditor’s report on the summary consolidated financial statements is available on page 103
-  Quantum Foods’ broad-based black economic empowerment (“B-BBEE”) score was externally assured by AQRate and is available on the Group’s website at <https://quantumfoods.co.za/investor-relations/company-documents/>
-  IBIS Environmental Social Governance Consulting South Africa (Pty) Ltd (“IBIS”) completed an independent ESG review of Quantum Foods’ operations against the reference framework set out on page 60

For the rest of the report, assurance was provided through internal controls and processes.

We recognise the requirement to increase external assurance of non-financial reporting and will continue to evaluate potential improvements.


Forward-looking statements

Certain statements in this report may constitute “forward-looking statements”. The actual results and performance of the Group may differ materially from those implied by such statements due to various factors. Readers are cautioned not to place undue reliance on these statements. The Group does not undertake any obligation to revise these statements after the date of this report.

We welcome feedback

We are committed to communicating meaningfully with our stakeholders. We appreciate feedback on the effectiveness of this report. Any feedback can be emailed to Quantum Foods’ company secretary, Ziyanda Wakashe, at company.secretary@quantumfoods.co.za.

 This report is available on the Quantum Foods website: <https://quantumfoods.co.za/investor-relations/reports-and-results/>



WA Hanekom
Chairman



AD van der Merwe
Chief executive officer (“CEO”)

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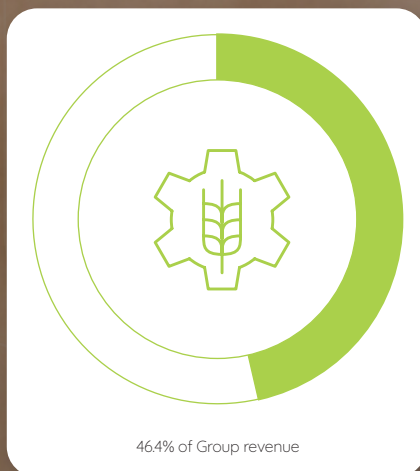
OUR GROUP PROFILE

Quantum Foods is a fully integrated and diversified feed, poultry and egg business operating through four business segments.

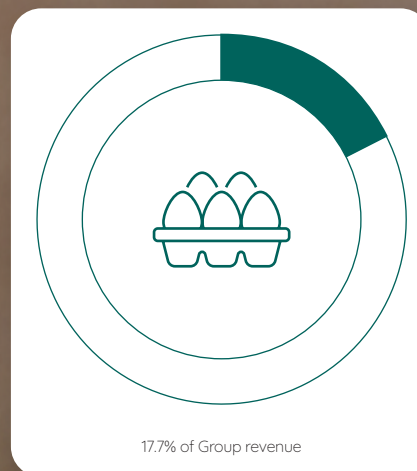
We promote food security and nutrition, addressing two of the most urgent challenges in Africa today. Our portfolio includes established consumer brands and long-standing partnerships across the feed and livestock sectors and within the formal retail market.

Animal feeds

provides customised feed solutions

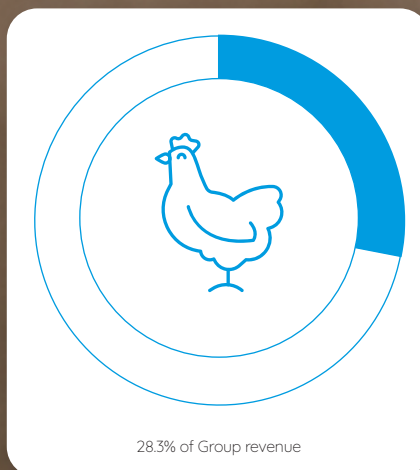


Eggs include the packing and distribution of eggs and egg products

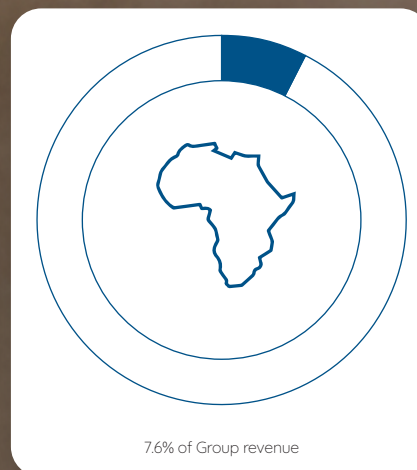


Broiler and layer farming

focuses on breeding, hatching, poultry farming and egg production



Other African countries include feed, breeding, hatching, poultry farming and egg operations in Zambia, Uganda and Mozambique



Key facts and indicators

731 328 tons
of feed supplied
(FY2024: 671 209 tons)

86 million
day-old chicks produced
(FY2024: 82 million)

828 million eggs
and egg products sold
(FY2024: 531 million)

2 572 employees
(FY2024: 2 425)

7.6% of Group revenue
from other African countries
(FY2024: 7.4%)

B-BBEE level 8
(FY2024: 8)

4 operating countries
(FY2024: 4)

8 commercial brands
(FY2024: 8)



Animal feeds profile

Nova Feeds is one of South Africa's most established feed manufacturers, with a history spanning more than 60 years. The business provides customised products backed by personalised technical service and advice.



“Our **heritage** lies in working alongside generations of farmers, gaining deep insight into their specific livestock needs and **creating tailored** feed solutions that enable **sustainable farming**.”
– Nova Feeds



Contribution to revenue:

R3 313 million

(FY2024: R3 139 million)

Contribution to adjusted operating profit*:

R103 million

(FY2024: R94 million)

* Operating profit adjusted for 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 (“HEPS”).

Facilities in South Africa

The business has six feed mills across four manufacturing sites. The project to expand production capacity at the Malmesbury feed mill is progressing well.

Products

Our feed mills are specialised facilities where grains, concentrates, supplements and other raw materials are processed into animal feed in formats such as meal, pellets and crumbs, supplied either in bulk or bagged form.

Feed formulations cover both monogastric livestock, such as poultry, and ruminants, such as dairy cattle. Core product categories include broiler and layer poultry, dairy, pig, ostrich and sheep feed.

In FY2025, 33% of total feed volumes were consumed internally by Group businesses, compared to 29% in the prior year.

What sets us apart

Our automated feed mills deliver consistent, high-quality products to customers nationwide. Our technical advisors partner with farmers to design nutritional solutions that optimise animal performance and address specific livestock needs.

We apply rigorous quality and safety systems across our operations to comply with regulations, maintain strict biosecurity and protect our people. Our uncompromising approach to feed safety guarantees integrity across the value chain.

Through our long-standing partnership with Nutreco, a global leader in animal nutrition, we access cutting-edge research and international benchmarking in feed formulation. In South Africa, we collaborate with leading educational institutions to track industry trends and conduct ongoing studies at our own trial units.

We drive continuous improvement to boost productivity, while our stock management processes consistently outperform international benchmarks, ensuring precise handling of large volumes on a just-in-time basis.

Building a next-generation feed plant

The Board approved a R194 million expansion at the Malmesbury feed mill in April 2024. Building at the new facility is ahead of schedule, with production set to start in February 2026.

Instead of replicating a standard feed mill, the Group deliberately sourced best-in-class equipment from leading global suppliers. The facility integrates highly advanced fine-grinding technology, precision mixers, pellet technology systems and efficient cooling equipment. For the first time, we will monitor protein and pellet quality in-line during production, eliminating the inefficiencies and risks of post-production testing.

The fine-grinding line will serve pig producers who require ultra-finely milled feed, while the facility can also produce high-grade broiler feed. By building within the existing Malmesbury site, we use established intake and storage infrastructure, significantly reducing costs compared with a greenfield development.

Broiler and layer farming profile

Our hatcheries apply the latest technology to incubate fertile eggs and produce healthy day-old chicks. On our layer and broiler farms, purpose-built housing creates ideal conditions, while rigorous biosecurity protocols safeguard both the birds and the people who care for them.

Broiler farming



“**Quality** is at the core of everything we do. From rearing the finest breeding stock to implementing rigorous hatchery practices, we spare no effort in **ensuring** that our day-old chicks meet the **highest standards** of health, vitality, and genetic excellence.” – *Bellevue Chix*



Contribution to revenue:

R2 025 million

(FY2024: R1 866 million)

Contribution to adjusted operating profit*:

R127 million

(FY2024: Loss of R11 million)

* Operating profit adjusted for 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 HEPS.

Facilities in South Africa

- Six parent rearing farms owned by the Group
- Six parent layer farms – four of which are owned by the Group, while the remaining two are contracted to supply the Group with fertilised eggs
- Four hatcheries
- Eight broiler farms in South Africa, of which the Group owns six and two are operated under long-term contracts

Products

Hatching eggs, day-old broiler chicks and reared live broilers.

What sets us apart

We use Ross 308 genetics to produce broilers that consistently meet customer requirements for weight and size. The Ross 308 breeder is the world's most popular broiler, known for its fast growth rate and high mass-to-bone percentage. These birds deliver excellent feed conversion.

As a major contract producer, we rely on our own feed and day-old chicks while also supplying day-old chicks to contracted and open-market customers. We automate our operations and apply data-driven monitoring to maximise performance and protect animal welfare, adhering to the South African Poultry Association's ("SAPA") code of practice.

We operate our broiler operations through a north and south split. In the Western Cape, we have eight broiler farms, with Astral remaining our largest customer and anchoring production volumes. In the north, the conversion of a broiler farm and a layer rearing farm to broiler breeder farms improved our efficiencies by decreasing logistical costs and improving hatchability.

On-farm hatching: An African first

Quantum Foods became the first company in Africa to trial on-farm hatching this year.

Traditionally, chicks hatch in centralised hatcheries and are transported to farms. On-farm hatching mimics the natural hen environment and improves animal welfare. Fertilised eggs are delivered to farms on day 18 of incubation, where they hatch inside climate-controlled rearing environments. Chicks hatched on farm experience less stress and gain immediate access to feed and water.

The Group obtained a mobile egg placement machine following a study tour in Belgium. The machine arrived in June 2025 and was adapted for a trial in South African conditions. The business case for potential full conversion to on-farm hatching will be considered in FY2026.

Benefits include:

- Better utilisation of smaller settable eggs in the 46–50-gram range, often underused in conventional hatcheries
- Reduced contamination risk due to hatching on the farm
- Immediate access to feed and water, accelerating gut development and improving survival rates
- Stronger performance indicators, including feed conversion, body weight and production efficiency factors
- Accelerates the chick's development cycle
- Elimination of handling and transport stress, leading to healthier, more resilient chicks
- Less waste, with fewer unhatched eggs and less packaging material to manage

Layer farming



“Our Lohmann birds optimise performance through **persistent high production and efficient feed conversion.**” – *Bergvlei Chicks*



Facilities in South Africa

- One grandparent farm owned by the Group
- Two parent layer farms owned by the Group and four contracted and geographically diverse farms to supply the Group with fertilised hatching eggs
- Two commercial hatcheries, of which the Group owns one
- Five commercial rearing farms, of which one is contracted and four owned by the Group
- Ten commercial layer farms owned by the Group

Products

Layer parent stock, hatching eggs, day-old pullets, point-of-lay hens and table eggs. Table eggs are transferred to the egg business.

What sets us apart

Quantum Foods holds a licence to import pedigree Lohmann grandparent layer stock, known for its feed efficiency. We distribute the next generation of parent stock exclusively in South Africa and in selected other African countries on a non-exclusive basis.

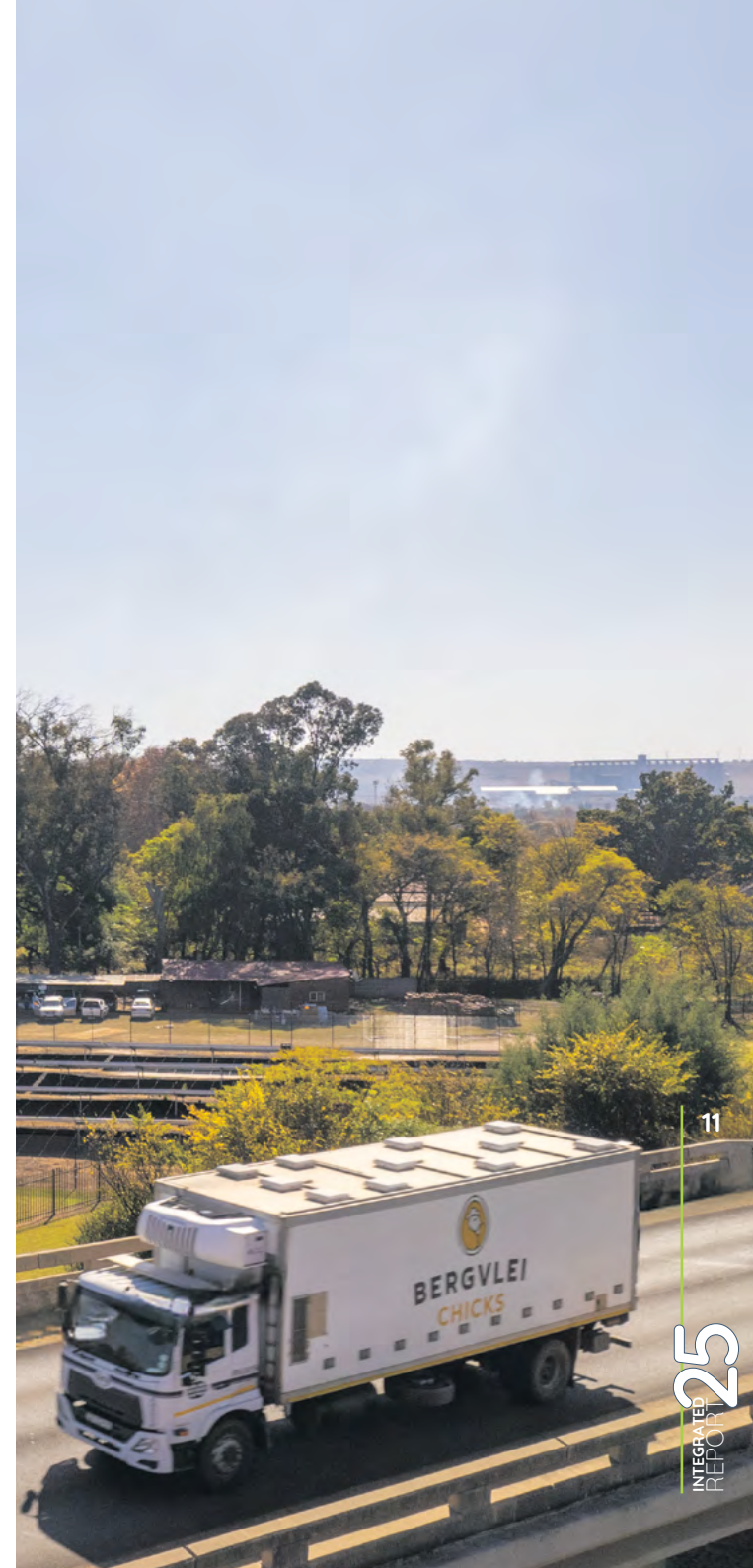
The **Bergvlei Chicks** business includes layer grandparent and parent breeding farms, two hatcheries, two owned and one contracted rearing farm. It produces day-old parent and day-old commercial chicks, hatching eggs and point-of-lay hens. Fertile hatching eggs are incubated and female day-old chicks are sold or placed at rearing farms. Day-old chicks and layer hens are sold nationally and to customers in other African countries by the *Bergvlei Chicks* sales team or transferred to layer rearing farms for the Group's point of lay hen production requirements.

The **internal layer farming business** rears day-old chicks for placement on the commercial layer farms, where table eggs are produced for supply to the egg business.

Quantum Foods complies with the SAPA code of practice, which sets poultry industry norms and standards. Our husbandry systems are designed to meet the physiological needs of birds and ensure responsible farming practices.

First-mover advantage after HPAI

The layer flock in South Africa recovered after the HPAI outbreaks in 2023 and 2024, when infected birds were destroyed. Quantum Foods repopulated flocks faster than competitors, was able to supply customers with sizeable batches of day-old pullets and point-of-lay hens and gained new large customers in the process. When demand slowed in the second half of the year, the Group had to correct oversupply.



Eggs profile

Our integrated egg business captures value across the entire chain, from rearing and commercial layer farms through to grading, packaging and distribution to retail shelves.



“Our vision is to be the preferred provider of **high-quality** shell eggs and liquid egg products, **consistently** meeting the requirements of our customers and the consumers they serve.”
– Nulaid



Contribution to revenue:

R1 263 million

(FY2024: R859 million)

Contribution to adjusted operating profit*:

R111 million

(FY2024: R140 million)

* Operating profit adjusted for 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 HEPS.

Facilities in South Africa

Four grading and packing facilities.

Products

A range of egg products, including:

- Commercial table
- Free-range
- Canola
- Pasteurised shell
- Liquid products

What sets us apart

Quantum Foods' egg business remains one of South Africa's leading suppliers. We offer a wide range of egg products, from branded shell eggs to private-label supply for leading South African retailers, as well as sales into informal markets. Our value chain is fully integrated, covering layer farms, pack stations and distribution routes, ensuring consistent quality and traceability from farm to shelf.

In FY2025, approximately 12% of our egg volumes were sourced from contracted external suppliers, compared to 15% in FY2024.

We apply advanced technology to sort eggs by weight and pack them in a variety of formats. We also produce fresh and pasteurised liquid eggs for industrial customers and grade and distribute shell eggs in most provinces of South Africa. Free-range eggs are supplied from two dedicated farms to meet growing demand.

All our facilities operate under rigorous food safety and quality systems. We comply with the Agricultural Products Standards Act No. 119 of 1990 and are certified against global benchmarks such as FSSC 22000 and Food Safety Assessment. Our commitment to excellence is reinforced by regular inspections and audits by our retail partners.

Rebuilding capacity

The downtime following HPAI in FY2023 and FY2024 gave us the opportunity to refurbish poultry houses and equipment at some of our dormant farms. This increased Grade 1 egg output and reduced wastage once production resumed.

To support ongoing growth, Quantum Foods increased egg sales through its depot channel this year. The channel plays a key role in serving informal customers and smaller traders. Depots act as sales points for live birds, second-grade eggs and direct supply to spaza shops, wholesalers and the public. Word-of-mouth and local sales representatives strengthen this network.

Quantum Foods reopened its Pinetown packing station in FY2024 after the HPAI outbreak forced its closure. The packing station now operates at lower volumes but has restored a key presence for *Nulaid* in KwaZulu-Natal. While Quantum Foods regained only a third of its former retail customers in the province, it has created new opportunities in the informal market.

Sales of *Quantum Nest Eggs* rose, supported by depots that expanded access and cut distribution costs.

Other African countries' profile

Our experience in running animal feed, poultry farming and egg businesses on the African continent provides an effective diversification strategy and an attractive margin opportunity.



“Built on **farming expertise, strong breeder** alliances and a nationwide distribution network, Mega continues to build its growth as a Zambian enterprise with a national presence.” – Mega

Contribution to revenue:

R545 million

(FY2024: R468 million)

Contribution to adjusted operating profit*:

R42 million

(FY2024: R45 million)

* Operating profit adjusted for 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 HEPS.

Zambia



Facilities in Zambia

- One parent breeding facility for layers and broilers
- One layer rearing farm
- One layer farm with an egg packing facility and a separate cull depot
- One hatchery
- Two feed mills

Zambia products

Day-old pullets and day-old broiler chicks, animal feeds and table eggs.

What sets us apart

Quantum Foods Zambia has served the country's agribusiness sector since 1997, building a strong presence as a reliable producer of efficient and cost-effective poultry products and feed for the local market.

We produce feed that sustains our own operations and meets the needs of a growing base of external customers. We supply day-old pullets to our layer rearing farms and external buyers, while we sell day-old broiler chicks exclusively to external customers.

We distribute a large share of our products, including table eggs, day-old chicks and animal feed, through 49 Company-owned small retail outlets, giving us broad market reach.

Zambia: A story of resilience

Actions taken in Zambia demonstrate how resilience can be built through adaptability and market strength. Even during years of drought and up to 22 hours of daily load shedding, the business ensured ongoing operations by adjusting production rhythms, protecting core capacity and staying close to customers.

When feed costs surged to historic highs, the business safeguarded profitability by adapting prices in line with demand. The egg market's unique dynamics, particularly strong consumer loyalty and active border trade, meant that volumes held firm even in the toughest conditions. Customers continued to buy and the business maintained its role as a reliable supplier of protein.

As conditions improved in FY2025, with one of the largest maize harvests reducing input costs and electricity supply becoming more stable, the benefits of this resilience became clear. The business not only withstood the shocks but emerged stronger, demonstrating its ability to adapt, protect margins and sustain growth in a challenging environment.

Uganda

“With over two decades of experience, we combine **farming, breeding, hatching** and **feed** production to deliver **quality** chicks, eggs and feed across the country.” – Quantum Foods Uganda



Facilities in Uganda

- One layer rearing and commercial egg-laying farm with an egg packing facility
- Two owned and one rented farm for layer, broiler and dual-purpose breeding
- One hatchery
- One feed mill

Uganda products

Day-old pullets, day-old broiler chicks and day-old dual-purpose chicks, animal feeds and table eggs.

What sets us apart

Quantum Foods Uganda has operated since 2000 and has built a strong presence in the local poultry industry. We supply day-old pullets for our own production and to external customers, while we sell day-old broiler chicks, including Ross 308 and dual-purpose Sasso-A1 breeds, exclusively to the external market.

We distribute eggs directly from our farm and through a network of small retail outlets and agents. This provides Quantum Foods Uganda with broad market access while ensuring customer convenience.

Local parent stock and hatchery improvements

The Sasso-A1 parent flocks that were placed at local operations in Uganda in the previous year reached full production. This eliminated reliance on imported Sasso A1 hatching eggs, increased sales of day-old dual-purpose chicks and reduced exposure to global supply disruptions.

The hatchery increased capacity with the addition of a seventh setter and hatcher unit, commissioned in September 2025. A setter is a specialised incubator that controls temperature and humidity to ensure optimal embryo development during the first stage of hatching.

By building local capability, Quantum Foods Uganda secured supply and drove regional expansion. Agents extended operations into Kenya and exports started flowing into Tanzania.

Mozambique

“Galovos employs a dedicated team that ensures customers receive **quality eggs**, delivered fresh from the farm and **on time, every day.**”
– Galovos



Facilities in Mozambique

- One layer farm
- One egg packing facility

Mozambique products

Table eggs.

What sets us apart

Quantum Foods Mozambique has operated since 2016, supplying eggs to both formal retail channels and informal markets. We serve major South African retailers active in Mozambique alongside local retail chains.

We source feed from third-party suppliers and stock the farm with point-of-lay birds produced by Quantum Foods in South Africa. This approach ensures consistent quality and reliable performance across our operations.

Restoring our flocks to health

In December 2024, rioters looted Quantum Foods' Mozambican farm, stealing approximately 20 000 hens, eggs, vaccines and equipment. The violence and disruption caused stress in the remaining flock, with the theft of vaccines also disrupting bird health. Our teams immediately prioritised flock care. They stabilised conditions on the farm, reinforced security and introduced new routines to help the birds recover health and productivity. Extra attention to feeding, upgrades to housing and veterinary oversight reduced mortality rates, while improved care restored body weights.

The recovery of the Mozambican business confirms Quantum Foods' ability to protect its flocks, which restored performance and secured continuity after severe disruption.

GEOGRAPHIC FOOTPRINT

We serve several internal and external customers across formal and informal markets across the African continent.

In South Africa, our distribution network spans six provinces and includes feed mills, farms, hatcheries, processing plants, egg packing facilities and distribution depots. We also have production facilities in three other countries across southern and East Africa. These regional operations have a proven track record and provide a strong platform for continued expansion into sub-Saharan Africa.



Layer breeders



Feed mills



Layer hatcheries



Layer rearing farms



Layer farms



Broiler breeders



Broiler hatcheries



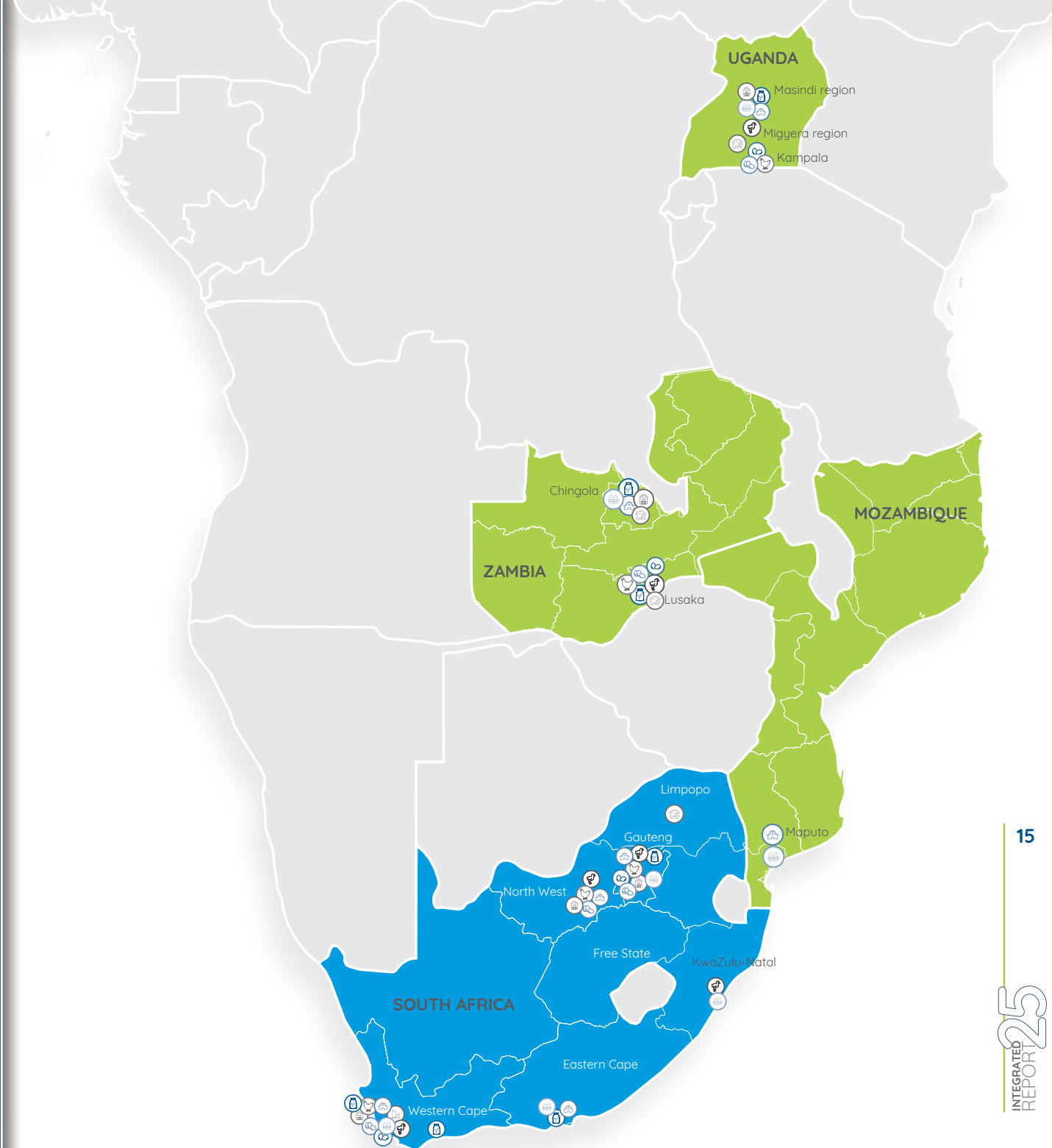
Broiler farms



Egg packing stations



Depots



OUR STAKEHOLDERS

We recognise that stakeholders are central to our success. We maintain regular communication to keep them informed about relevant events in our operations.

The Board sets the strategic direction for stakeholder engagement, while the SETC oversees and monitors these relationships. Management takes accountability for day-to-day stakeholder interactions. Our stakeholder policy stipulates how we should identify, engage with and respond to stakeholders consistently and strategically. It is built on transparency, inclusivity and accountability and aligns with Principle 16 of King IV.

[Our stakeholder policy is available on our website at https://quantumfoods.co.za/investor-relations/company-documents/.](https://quantumfoods.co.za/investor-relations/company-documents/)

Our key stakeholders



How we identify stakeholders

We identify and engage with stakeholder groups based on the following criteria:

Role and/or responsibility	These are stakeholders where we have current or potential future legal, financial or operational responsibilities enshrined in regulations, contracts, policies or codes of conduct. These include, for example, customers, suppliers, employees and regulatory bodies.
Influence	These are stakeholders that influence our ability to meet the Group’s strategic objectives, currently or in the future. These include, for example, government, customers and shareholders.
Proximity	These are the stakeholders with whom we interact most, including internal stakeholders, those with longstanding relationships, those on whom the Group depends most in our day-to-day operations and those living in proximity to our operating sites.
Dependency	These are stakeholders who are most dependent on Quantum Foods. These include employees and their families, customers who are dependent on our products and services for their safety, livelihood, health or welfare and suppliers for whom the Group is a large customer.
Representation	These are stakeholders who are entrusted to represent other individuals through regulatory structures or culture/tradition. They include government representatives, local communities, trade unions and membership-based organisations.
Strategic or short-term importance	Significant changes to business strategies and/or the business environment may require that we engage with additional stakeholders.

The fundamental principles guiding our engagement

- An inclusive approach:** consultation with relevant stakeholders in developing and achieving an accountable and strategic response to sustainability.
- Materiality:** determining the relevance and significance of issues to both the Group and its stakeholders. The materiality of issues concerns the legitimate interests and expectations of stakeholders in the context of legal and strategic considerations.
- Responding appropriately:** to stakeholder issues through decisions, actions, performance and communication.

Our stakeholder commitments

Animal welfare	We do not compromise animal welfare. We adhere to world-class production procedures and compliance with relevant legislative guidelines is non-negotiable.
Human rights	<p>We respect the rights of all our stakeholders.</p> <p>We support human rights, as defined in:</p> <ul style="list-style-type: none"> • The United Nations Universal Declaration of Human Rights • The UN Guiding Principles on Business and Human Rights • The International Labour Organisation Fundamental Conventions
Ethical behaviour	<p>Quantum Foods commits to ensure that stakeholders are:</p> <ul style="list-style-type: none"> • Not subjected to any form of unfair discrimination or harassment • Not subjected to forced, child or compulsory labour • Provided with safe and favourable conditions of work • Protected in terms of their freedom of conscience and expression • Protected in their right to privacy • Provided with the freedom of collective bargaining and association • Protected against involuntary resettlement where possible • Offered fair remuneration • Effectively trained, where relevant. This includes security employees who are trained in human rights • Offered access to a grievance mechanism



Shareholders, investors and funders

Quantum Foods has more than 3 500 shareholders. The five largest shareholders hold more than 95% of the total shares. Quantum Foods has almost no institutional shareholders.

Method of engagement	Stakeholder needs, expectations and concerns	Group response and outcomes
<ul style="list-style-type: none">• Website• JSE Stock Exchange News Service (“SENS”)• Trading updates• Results presentations (including a question-and-answer (“Q&A”) session)• Announcements and reports• Annual general meeting (“AGM”), including a Q&A session	<ul style="list-style-type: none">• Board composition• Return on investment• Responsible capital allocation• Business sustainability• Ethical behaviour	<ul style="list-style-type: none">• Our AGM was held in March 2025• Annual results were released in November 2024.• Interim results were released in May 2025• We issued several SENS announcements on shareholder matters• We invited shareholders to engage on remuneration matters in accordance with the requirements of the JSE Listings Requirements and the King IV recommendations• We take a zero-tolerance approach to unethical conduct

 Read more about shareholder engagements in the Chairman’s message from page 42.

Employees

Our employees’ motivation and engagement drive our long-term sustainability and success. We have diverse work environments, ranging from farms and facilities to corporate offices.

Method of engagement	Stakeholder needs, expectations and concerns	Group response and outcomes
<ul style="list-style-type: none">• Internal communication• Management and union meetings• Confidential tip-off anonymous lines• Training programmes• Performance feedback discussions• CEO roadshows	<ul style="list-style-type: none">• Job security and retrenchments• Personal development (including training)• Health and safety• Fair remuneration and wages• Diverse and inclusive workplace culture	<ul style="list-style-type: none">• Stability returned to the workforce after lay-off and retrenchment programmes last year• A renewed focus on internal culture development• A wellness and communications app was launched in FY2025• Wage negotiations were held with multiple trade unions and successfully settled within the mandate• Formal health and safety audits were completed• Zero fatalities (FY2024: one fatality of a contractor employee) and 99 safety incidents (FY2024: 90) were reported in South Africa• 725 employees received training in South Africa (FY2024: 460) to further their careers and improve performance

Customers and consumers

We supply feed, poultry livestock, eggs and egg products. We serve a broad customer base that includes livestock farmers, major retailers, wholesalers, industrial clients, informal vendors, commercial abattoirs and our own broiler and layer farms.

Method of engagement	Stakeholder needs, expectations and concerns	Group response and outcomes
<ul style="list-style-type: none"> Brand websites and marketing material Regular meetings Consumer hotline Customer satisfaction surveys 	<ul style="list-style-type: none"> Affordable protein Nutrition benefits Products within specification Safe products Competitive pricing Reliable supply 	<ul style="list-style-type: none"> We ensure food safety through entrenched controls and audits We provide a reliable supply of safe products, including transport to other parts of the country to meet demand Customer satisfaction surveys support quality relationships We had no product recalls or indications of unsafe products

Suppliers and contractors

Our suppliers and contractors are crucial to our operations. They include commodity traders, parent stock providers and packaging material suppliers. We also work with service providers in information technology (“IT”), logistics and assurance to support operations and uphold high standards across the value chain.

Method of engagement	Stakeholder needs, expectations and concerns	Group response and outcomes
<ul style="list-style-type: none"> A centralised procurement team manages communication for larger expenditure items The Group’s decentralised procurement managers meet with suppliers and contractors A tender process is followed for selected expense categories 	<ul style="list-style-type: none"> Security of supply Commitment to B-BBEE Reasonable terms 	<ul style="list-style-type: none"> Certain countries are excluded from tenders based on perceived value chain risks, and may require disclosure of policies related to responsible business practices Ongoing engagements with existing suppliers to ensure constructive relationships Quality management is in place for key procurement categories

Securing supply in a constrained maize market

Late rains in the early part of 2025 damaged South Africa’s maize crop, causing high moisture levels and elevated mycotoxin risks. This led to yellow maize supply challenges. Feed producers experienced shortages and operational challenges as yellow maize supply fell below demand.

Quantum Foods secured reliable supply through its long-standing partnerships with global suppliers. This allowed us to ensure uninterrupted feed supply.

Communities

Our communities include both the broader society and specific groups within the areas where we operate. These communities engage with us as entrepreneurs, non-profit organisations, schools and local groups.

Method of engagement	Stakeholder needs, expectations and concerns	Group response and outcomes
<ul style="list-style-type: none"> Requests for assistance in the communities where we operate Event-based engagement Employee volunteer events 	<ul style="list-style-type: none"> Economic empowerment and job creation Basic human rights requirements (food security and education) Animal welfare 	<ul style="list-style-type: none"> We continued with social development and enterprise development initiatives

 Read more about community engagements to combat malnutrition from page 61.

Embedding social investment across the business

Under the CEO’s leadership, Quantum Foods has launched a programme to embed social investment as a core responsibility in every business segment. Each segment is tasked with developing its own corporate social investment initiatives, going beyond financial support to contribute time and skills that directly benefit local communities.

Employees have embraced this approach with energy and pride, applying their expertise to projects that create meaningful, lasting change. Their active involvement demonstrates how social investment can strengthen both communities and company culture, reinforcing Quantum Foods’ commitment to shared value.

Sharing our team’s skills

We support the Casa Giato orphanage in Mozambique through donations and the time and expertise of our employees. We supply liquid eggs and replenish books and stationery every month, while our Mozambique team has supported teachers and employees with layer farming and nutrition training.

Government and regulatory bodies

We actively engage with a wide range of government departments, municipalities, and regulatory bodies, including the Department of Trade, Industry and Competition, the Department of Agriculture, AgriSeta and South African Revenue Services (“SARS”). These relationships support our compliance, operational efficiency and contribution to the broader agricultural sector.

Method of engagement	Stakeholder needs, expectations and concerns	Group response and outcomes
<ul style="list-style-type: none">Independent auditsAd hoc queries and requestsReports and submissions	<ul style="list-style-type: none">Adherence to regulatory requirementsCompliance and independent assurance to measure complianceResponsible corporate citizenship	<ul style="list-style-type: none">Employees receive compliance training and we take immediate action in the event of adverse findingsEmployee training on regulatory requirementsOngoing interaction with various government agencies over the management of HPAI, particularly around vaccination and applicable protocolsTwo administrative penalties were received for pre-acquisition Environmental Impact Assessment transgressions at a farm in the Eastern Cape and a farm in Gauteng. The Group has appealed the penalties. Read more on page 60.

Industry bodies

The poultry industry is the most significant single contributor to South Africa’s agricultural sector. A variety of industry associations represent different segments of the value chain and work collaboratively to promote a competitive, resilient and sustainable industry.

Method of engagement	Stakeholder needs, expectations and concerns	Group response and outcomes
<ul style="list-style-type: none">Industry body participation through committees and meetingsTopical submissions	<ul style="list-style-type: none">Active participation in industry body managementKeeping abreast of new developmentsVaccination registration process, access and affordability	<ul style="list-style-type: none">We provided support in the execution of South Africa’s Poultry Sector Master Plan and its 2030 visionExecutive committee members are involved at senior level in industry bodies such as SAPA and the Animal Feed Manufacturers Association of South Africa

Partnering with industry and government for impact

We engaged in industry-wide forums with government on various matters. In the last few years, these have mainly focused on the impact of HPAI and anticipated mass vaccinations.

The Group’s compensation claim related to the FY2023 and FY2024 HPAI outbreaks was declined, with government indicating that no compensation was payable as the infected birds had no commercial value. An objection was lodged in July 2025.

We support vaccination in principle, but have highlighted challenges in the current protocol. Discussions with government on vaccinations have been positive, although practical solutions need to be agreed upon.

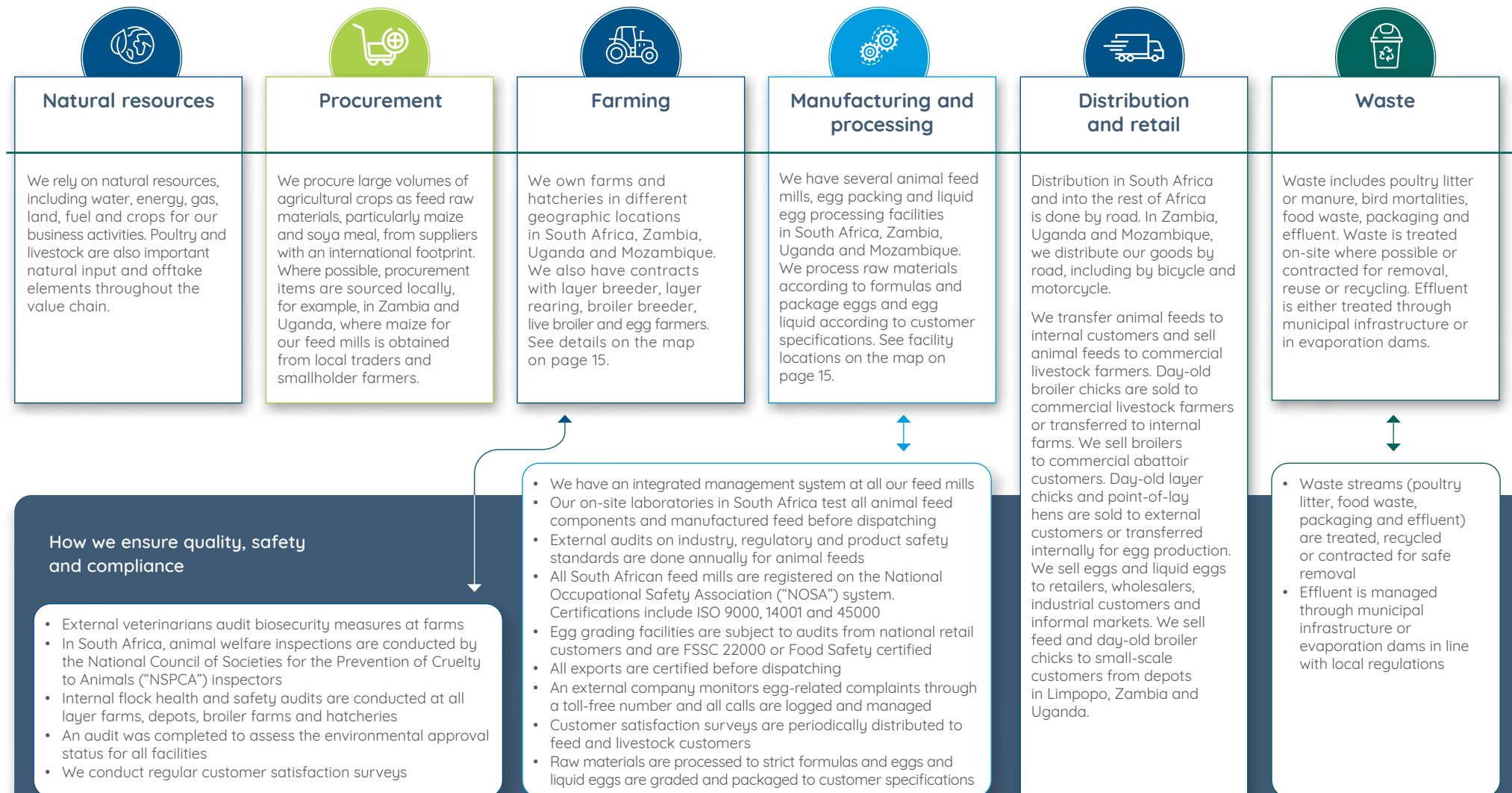
We use constructive dialogue to influence discussions. Our teams also engage directly with the Department of Agriculture, parliamentary committees and policy forums to provide input on regulations that balance biosecurity with economic viability.

We work closely with government and industry peers to shape regulatory approaches.

THE QUANTUM FOODS VALUE CHAIN

Quantum Foods operates an integrated and diversified value chain, encompassing a wide range of activities from farm to shelf. This structure allows us to enhance efficiency, maintain greater control, and safeguard value throughout our operations.

We are able to provide affordable access to poultry and egg products for human consumption and high-quality animal feed for livestock. We contribute meaningfully to hunger alleviation and improved nutrition across our markets through our consistent delivery of fresh, nutritious products.



OUR BUSINESS MODEL

Our business model continues to evolve as we implement strategy enhancements and introduce initiatives aimed at creating value and using our capital effectively. This ongoing transformation allows us to continuously refine our operations, enabling us to create better, preserve, and protect value across the business.

What we do (our business activities)

Quantum Foods is a diversified agricultural business providing high volumes of quality products for livestock and human nutrition. Our activities are focused on:






- **Procurement**, with feed raw materials as the largest category
- **Poultry farming** (breeding, livestock, eggs)
- **Processing and manufacturing** of animal feeds and eggs
- **Technical advice** and customer support

What we need to run our business (inputs)

Six capital inputs

- Financial capital to operate and invest in growth
- Manufactured capital to farm, process and distribute
- Human capital to plan, execute and expand
- Intellectual capital to build brands, design systems and deliver technical advice
- Social and relationship capital to build stakeholder trust and access markets
- Natural capital to support an environment where we can operate efficiently

What shaped our outcomes in 2025

- Record South African layer flock recovery after the severe impact of HPAI in the previous two years. ( read more on page 27)
- More favourable operating conditions ( read more on page 27)
- An entrenched governance structure, processes and controls ( read more on page 74)
- Risks and opportunities ( read more on page 41)
- Our strategy and where we allocated resources ( read more on page 34)

 Read more about our performance in the chief financial officer's ("CFO") report from page 50.

Inputs

The availability, quality and affordability of inputs can affect our performance and key aspects of risk management. Input relationships and dependencies shape our competitive advantage and the unique capabilities that enable us to transform inputs and deliver on our purpose.



Financial capital

- Strong net cash position
- Extended payment terms
- R100 million term loan facility, of which R80 million was repayable at 30 September 2025



Manufactured capital

- Strategically located and owned feed mills, poultry farms, commercial hatcheries and egg packing stations
- Geographically diverse owned and contracted farms
- Extensive distribution (own and outsourced) in South Africa and other African countries
- Back-up power at all operations



Intellectual capital

- Leading consumer brands
- Access to world-class poultry genetics
- Scientific expertise and data-rich monitoring sources for animal feed formulation and analysis
- Independent audits/reviews on biosecurity, risks and ESG
- Maturing the capability to mitigate climate risks and use opportunities
- Understanding and experience in running businesses in African markets
- Expanded enterprise resource planning system



Human capital

- Renewed focus on employee development and culture
- Board and employee skills, expertise and experience
- Leadership succession plans
- Investment in creating a skills pipeline through training and bursaries



Social and relationship capital

- Strong relationships with customers and suppliers
- Industry participation and lobbying
- Animal welfare commitment
- Community engagement
- Shareholder demands and related engagements



Natural capital

- Natural resources, including land, crops, water, the sun and gas
- By-products from food and beverage producers
- Healthy livestock and ecosystems

Outputs, by-products and waste

We deliver high-quality outputs that build customer satisfaction, strengthen supplier confidence and reinforce our reputation as a trusted partner. By innovating and collaborating strategically, we reduce and repurpose by-products and waste, creating new income streams while helping to preserve natural resources.

Examples of outputs, by-products and waste include:

- Animal feeds used by internal farming customers
- Animal feeds are sold to external livestock farming customers
- Day-old pullets are sold to customers or reared to be layer hens
- Day-old broiler chicks are sold to customers or reared as broilers
- Broilers are sold to commercial abattoir customers
- Layer hens are reared for producing eggs or sold to customers
- Day-old layer parents are sold to customers or used for breeding
- Eggs are sold to informal and formal markets as packed or liquid eggs
- By-products, ranging from litter/manure sold as fertiliser, cracked eggs sold as liquid products and end-of-lay birds sold at depots
- Waste includes eggshells, mortalities, spoiled packaging, hazardous waste and effluent

Outcomes

Agriculture's seasonal cycles, disruptive events and external shocks directly affect our performance and outcomes. To sustain resilience, we make deliberate trade-offs that protect and strengthen all six capitals over the long term. This ensures we continue creating lasting value for all stakeholders.

Financial capital

- Stronger Rand against the US Dollar resulted in lower raw material and fuel costs
- Cost savings from infrequent generator use due to less load shedding
- Declining inflation and interest rates are providing moderate relief to consumer spending
- Capital retained for investment and growth
- Cash flow secured
- No debt covenants breached
- Dividend 34.0 cents per share

Manufactured capital

- Repaired Malmesbury intake and restored operations
- New Malmesbury feed plant on schedule
- Ongoing site conversions or closures for efficiencies and long-term sustainability
- Reopened the KwaZulu-Natal packing station
- Rationalised farms to strengthen control and biosecurity
- Launched on-farm hatching pilot to improve efficiency and performance.

Intellectual capital

- Strengthened procurement discipline with bi-weekly reviews and expanded supplier audits
- Improved broiler and dairy herd performance through advanced feed formulations and customer forums
- Advanced research and development with Nutreco, including joint trials and quarterly technical reviews
- Piloted artificial intelligence projects and process automation opportunities

Human capital

- Expanded skills pool through training, career pathways and leadership programmes
- Redeployment of resources, where required, with 32 retrenchments
- Advanced diversity and female representation in senior and farm management roles, supported by international training and leadership programmes
- Concluded wage negotiations without industrial action

Social and relationship capital

- Strengthened customer loyalty through trusted brands
- Contributed to food security, improved nutrition and hunger reduction
- Advanced supplier and enterprise development initiatives
- Supported communities with social programmes focused on food security

Natural capital

- Climate risk assessments completed at Eastern Cape sites
- Water resilience improved through recycling, storage, new wells and backup systems, including emergency measures to address Zambia's drought
- Waste and effluent managed responsibly, with BiobiN® composting and wastewater systems
- Renewable energy contribution from solar photovoltaic ("PV") systems increased
- Higher emissions due to increased road transport

Outlook

Our outlook is supported by growth opportunities in regional markets, investment in capacity, and increased resilience to climate and market risks, supporting the medium-term outlook.

 Read more about the outlook and our future opportunities in the CEO report from page 44.

Financial capital – Increasing, with risks

- Increasing through growth in feed, broiler and regional operations and potential in higher-margin informal markets
- At risk from any future HPAI outbreaks, infrastructure costs and climate volatility. These will require disciplined capital management

Manufactured capital – Increasing

- Increasing through new capacity and upgrades
- Ongoing focus on asset improvements and optimisation of the asset base

Intellectual capital – Increasing

- Increasing with the greater use of data analytics, artificial intelligence and precision feeding
- Enhanced through ongoing innovation and technical partnerships
- Preserved through succession planning, incentives and mentoring
- Can decrease when specialist skills or people in key positions leave the Group

Human capital – Increasing, with localised risks

- Increasing as training, leadership development and succession planning secure future skills
- Localised risks remain from potential operational resizing in response to HPAI outbreaks or restructuring

Social and relationship capital – Increasing, with risks

- Increasing through stronger customer engagement in informal and regional markets
- Reinforced by supplier development and ongoing social investment initiatives
- Potential erosion caused by food safety incidents, community conflict based on urbanisation and loss of customers

Natural capital – Increasing

- Increasing based on input requirements to support our growth aspirations
- Preservation through investment in alternative energy, water-saving measures and biodiversity programmes
- Efficiency gains and less transportation of day-old chicks from on-farm hatching and waste-to-value initiatives will further reduce the impact

 Read more in the CFO report from page 50.

Business model focus areas and trade-offs in FY2025

- We increased manufactured capital through investments in new infrastructure, including the Malmesbury expansion, converting farms to broiler breeder facilities and on-farm hatching pilots. While this reduced financial capital in the short term, it created additional capacity, efficiency and resilience that will deliver long-term benefits
- We prepared for future HPAI-related risks by diversifying flock placements, strengthening biosecurity and resizing operations where required. These actions temporarily reduced manufactured and financial capital but preserved business continuity and supported long-term recovery
- Job losses were limited, with redeployment where required. Training, succession planning and leadership programmes helped preserve and grow skills
- Transporting eggs, poultry livestock and feed impacts emissions and costs, placing pressure on natural and financial capital. Investments in water, energy and waste initiatives supported long-term sustainability goals
- We deepened our understanding of climate risks and water security through site-level assessments, increasing intellectual capital and strengthening risk management capabilities

OPERATING CONTEXT

Geopolitical uncertainty, intensifying climate changes and global economic volatility defined FY2025. The monetary policy shifts in the United States (“US”) weakened the Dollar, resulting in a partial Rand recovery. Even with this improvement, exchange rate volatility continued to shape agricultural markets and raised costs for countries dependent on imported feed ingredients, vaccines and equipment.

Global environment: Navigating shocks and volatility

FY2025 was marked by geopolitical uncertainty, climate volatility and fragile global growth.

Monetary policy shifts in the US weakened the Dollar, prompting a partial Rand recovery. Despite this improvement, exchange-rate swings continued to shape agricultural markets and lifted costs for countries reliant on imported feed ingredients, vaccines and equipment. Renewed trade disputes between the US and leading global importers and exporters caused ripple effects across global supply chains. The renegotiation of the African Growth and Opportunity Act (AGOA) in Washington heightened uncertainty, with preferential access to the US market remaining critical for South African agricultural exports.

Quantum Foods response: We mitigate global volatility by hedging currency exposures, diversifying raw material sourcing and securing competitive supply, while engaging with industry bodies on relevant matters.

South Africa: Balancing recovery and constraints

The national layer flock recovered strongly from the 2023/24 HPAI outbreaks, reaching record levels of bird numbers by September 2025. Egg supply increased steadily, with producer prices trending downwards from early in the year. Feed raw material costs remained relatively stable, except during the period before the larger 2025 maize harvest came to market. No widespread incidents of HPAI were reported in the industry during the year. Some small outbreaks forced certain customers to cancel or delay orders, creating operational disruption and cost pressures.

The relatively strong Rand against the Dollar supported lower feed and fuel costs. Reduced load shedding lowered generator costs, although electricity prices increased. Inflation declined towards the South African Reserve Bank’s target range and interest rates were cut, marginally improving consumer spending power. The Government of National Unity (GNU) initially supported business confidence, but rising political tensions in its second year highlighted ongoing fragility. Infrastructure constraints in logistics and water supply remain a structural challenge.

Quantum Foods response: We safeguarded supply by maintaining strict biosecurity, optimised feed sourcing to benefit from stable input costs and a stronger Rand, and managed energy use amid ongoing infrastructure challenges.

Managing HPAI risk

The UN Food and Agriculture Organisation reported in March 2025 that HPAI was spreading globally at an unprecedented scale. In May 2025, South Africa suspended poultry imports from Brazil after highly pathogenic strains emerged. The ban was partially lifted in June. The Department of Agriculture approved the first national vaccination strategy, established a Biosecurity Council to improve traceability and announced investment in vaccine capacity. Vaccination rollout remains at pilot stage, led by Astral Foods.

Quantum Foods response: We continue to support coordinated government and industry initiatives on biosecurity and vaccination. In line with the strategy introduced in FY2024, we placed fewer layers in higher-risk regions and expanded sourcing of hatching eggs from geographically diverse breeder farms. One of our sites in the Western Cape was placed under quarantine after an isolated outbreak in October 2025, following a year of no incidents.

Inflation and consumer demand

Headline inflation moderated during FY2025, allowing gradual rate cuts and slightly stronger gross domestic product (“GDP”) growth than in FY2024. Affordability remained the dominant driver of food purchasing. PwC’s 2025 Consumer Pulse survey found that 70% of South African consumers remained highly sensitive to food price inflation, with almost 30% reducing red meat consumption in favour of eggs and chicken.

Quantum Foods response: We prioritised securing a stable supply of eggs and chicken while maintaining affordability. We continued to invest in efficiency and product availability to ensure that consumers can access reliable protein options.

Commodity prices

The 2025 South African maize harvest was significantly higher than the prior year, easing local feed costs during the second half of FY2025. The average yellow maize price on the South African Futures Exchange (“SAFEX”) rose 14.2% year-on-year after the smaller 2024 harvest and increased use of imported maize at coastal mills. International soya meal prices fell sharply, reducing the average landed price in Cape Town by 17.6%, while the Rand strengthened 2.5% against the US Dollar. Weighted average layer feed costs were unchanged and broiler feed costs decreased by 2.0% year-on-year.

Quantum Foods response: We managed commodity and foreign-exchange exposure daily within central procurement mandates. Our disciplined approach enabled us to secure raw materials at optimal prices, reduce volatility and remain competitive in feed manufacturing.

Zambia: Stability from better harvests

Trading conditions improved significantly after years of drought. Better rainfall in early 2025 produced a stronger grain harvest, reducing pressure on feed costs and supporting more stable operations. Improved water levels at the Kariba hydro facility also boosted electricity supply, reducing reliance on costly diesel generation. However, prolonged dry spells later in the season curtailed maize yields in parts of the country, highlighting continued climate risk.

Quantum Foods response: We leveraged improved grain supply and electricity stability to reduce feed and energy costs, while monitoring climate risks and adjusting procurement to protect operations.

Mozambique: Recovering amid unrest

Political unrest persisted, and an incident of looting at our Maputo farm on 26 December 2024 led to the theft of approximately 16% of birds on site. Although this created short-term disruption, operations stabilised in the second half of the year. Egg prices softened as higher South African production volumes crossed into Mozambique, improving availability but compressing margins.

Quantum Foods response: We secured operations after the Maputo farm incident and adapted pricing and distribution to manage margin pressure from increased cross-border supply.

Uganda: Managing demand under cost pressure

Operating conditions became more challenging in the second half of FY2025 as feed costs rose. Local demand for eggs and chicks remained firm, but higher input costs pressured margins and limited growth potential.

Quantum Foods response: We focused on cost discipline and efficiencies to sustain margins while meeting strong local demand for eggs and chicks.

Poultry as Africa's protein backbone

Poultry remains the most significant contributor to South African agriculture and the most affordable protein source across Africa, where demand continues to exceed production. Domestic demand held firm as consumers prioritised value. Outbreaks of HPAI in the US, Brazil and Europe reduced imports into South Africa, supporting local producers. The Department of Agriculture sharpened its focus on food security and job creation, while industry associations renewed calls for VAT relief on staple chicken products.

Quantum Foods response: We continue to strengthen food security by supplying affordable poultry and eggs, advocating for supportive policy measures and investing in resilient production to meet growing African demand.

Regulatory and governance environment

Poultry market inquiry

The Competition Commission published the final Terms of Reference for the Poultry Market Inquiry on 30 September 2025. The inquiry addresses both the egg and broiler meat sectors, focusing on market concentration, vertical integration, access to inputs and barriers to entry. The inquiry is expected to be completed within 18 months of commencing in October 2025.

In Zambia, investigations into feed pricing and poultry market competitiveness continued, with early findings pointing to structural constraints from drought and currency depreciation.

Quantum Foods response: The Group has submitted information in South Africa and Zambia as requested by competition authorities.

Acts and regulations coming into effect

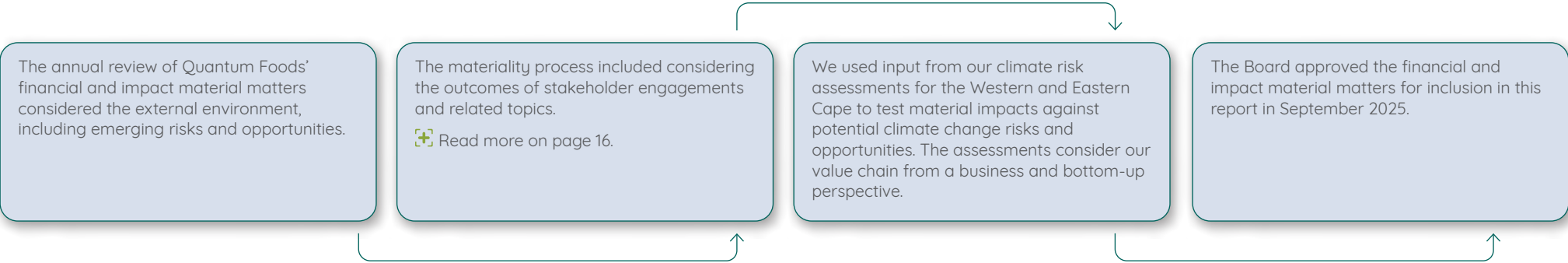
The partial commencement of the Companies Amendment Acts introduced key changes to the Companies Act, including shareholder election of SETC members, with remuneration policy reforms pending. The Climate Change Act, established carbon budgets and sectoral emission reduction targets towards South Africa's net-zero 2050 goal. King V™ expands disclosure requirements, particularly on sustainability, artificial intelligence and data governance.

Quantum Foods response: We have implemented the promulgated Companies Act changes, remain compliant with employment equity requirements and assigned internal responsibility for the Climate Change Act requirements. The Group will undertake a comprehensive assessment of the King V™ principles and will implement the requisite enhancements to its governance framework and disclosures from the FY2026 reporting period onwards.

MATERIAL MATTERS

Quantum Foods has had a well-established materiality process since first reporting in 2015. While our material matters have remained broadly consistent year-on-year, they continue to reflect key ESG factors that underpin our long-term sustainability.

In 2023, we started incorporating impact materiality in our annual integrated report following developments in global sustainability standards. We also aligned with the JSE Sustainability Disclosure Guidance, which recommends a double materiality approach.



We recognise that some matters have both financial and impact materiality aspects. In distinguishing between these, we classified each matter according to its primary perspective, while holistically considering the other.

Financial materiality

Lack of economic growth in South Africa

Statistics South Africa confirmed in September 2025 that the country's GDP grew by 0.8% in the second quarter of 2025 (April-June), following a 0.1% increase in the first quarter. Inflation remained broadly contained against a backdrop of low international fuel prices. The full impact of a range of new trade tariffs announced by the US remains uncertain.

The exchange value of the Rand was weighed down by escalating geopolitical tensions and political uncertainty in South Africa following Parliament's initial rejection of the 2025 National Budget, which partially offset some of the benefits of the weaker US Dollar¹.

The agricultural sector showed a strong recovery in the first quarter, supported by an excellent summer grains and oilseeds season². The La Niña weather pattern ended, and by September 2025, the country was in the El Niño-Southern Oscillation, which is a neutral state. The average level of major dams remained high in most provinces.

Capitals affected

Related risks and opportunities	Our strategic responses
<ul style="list-style-type: none">Raw material price increasesEgg supply and demand imbalances	<ul style="list-style-type: none">Optimise business portfolioGrowthEfficient operations and customer focus

¹ <https://www.resbank.co.za/en/home/publications/publication-detail-pages/quarterly-bulletins/quarterly-bulletin-publications/2025/june>

² <https://wandilesihlobo.com/2025/06/08/some-notes-on-south-africas-agricultural-performance-in-2025/>

Growth opportunities

Volume growth is essential for the sustainability of Quantum Foods’ low-margin commodity-type product portfolio. Chicken is a staple food in South Africa, providing a readily available and affordable source of protein for many households.

Poultry imports have been decreasing due to higher domestic production and reduced competitiveness of imports, including the impact of bird flu outbreaks in the US, Brazil and Europe. A decline in food inflation, increased supply, and softening domestic chicken and egg prices are supporting current market growth.

Future opportunities include entering new markets and driving growth in existing markets through product innovation across the poultry, egg and animal feed value chains. The consumer shift away from red and processed meat towards more affordable, healthier and environmentally friendly alternatives is also expected to create further demand.

Capitals affected

Related risks and opportunities	Our strategic responses
<ul style="list-style-type: none">• Poultry diseases• Egg supply and demand imbalances• Product efficacy challenges• Key management exposure	<ul style="list-style-type: none">• Optimise business portfolio• Growth• Efficient operations and customer focus

Cost and availability of key raw materials

Fluctuations in the cost or availability of essential raw materials can significantly impact production costs and quality. Global supply chains have been in flux due to the recent US tariffs and trade policy. New duties are rendering traditional sourcing unprofitable, resulting in supplier networks being rapidly reconfigured.

Supply chain disruptions can have a significant impact on animal feed production costs and profitability. The latter has a ripple effect, especially on the egg business, where the selling price is determined by supply and demand factors and not the cost of production (of which feed is the primary contributor). These dynamics result in cyclical profitability due to varying margins and an inability to recover fluctuating raw material costs in final product prices. Reduced bird placements are reducing our exposure.

Changing climate conditions also cause increasing volatility in the quality, quantity and location of raw materials and can have significant impacts on costs throughout our value chain. For example, lower protein content in raw materials can require additional feed additives to achieve the desired nutritional value and performance, which further increases costs.

Capitals affected

Related risks and opportunities	Our strategic responses
<ul style="list-style-type: none">• Raw material price increases• Disruption of physical supply of raw materials	<ul style="list-style-type: none">• Optimise business portfolio• Growth• Efficient operations and customer focus

Manage industry profitability cycles

Many large players in the poultry industry rely on vertical integration to absorb external shocks and challenges such as HPAI outbreaks, fluctuating trade dynamics, and rising feed costs. This enables producers to absorb some margin impacts to meet customer pricing targets. Customer pricing is not always input cost-driven, especially for eggs. Integrated operations can assist in buffering against market supply and demand fluctuations and support the long-term sustainability of poultry producers.

Capitals affected

Related risks and opportunities	Our strategic responses
<ul style="list-style-type: none">• Raw material price increases• Poultry disease• Egg supply and demand imbalances• Key management exposure• Inadequate talent pipeline• Suboptimal corporate culture	<ul style="list-style-type: none">• Optimise business portfolio• Growth• Efficient operations and customer focus• Human capital management• Organisational health

Poultry disease

Outbreaks of poultry disease can significantly impact our farming operations’ productivity, efficiency and financial performance. HPAI risk in South Africa remains high, with isolated outbreaks reported by other producers in a few provinces and by Quantum Foods in the Western Cape in October 2025. These outbreaks affected broiler breeders, commercial layers and ducks. The UN Food and Agriculture Organisation warned that the rapid spread of the highly infectious virus H5N1 has reached an “unprecedented” scale, wiping out hundreds of millions of birds worldwide and increasingly spilling over into mammals.

Legend

Financial capital

Manufactured capital

Intellectual capital






Human capital

Social and relationship capital

Natural capital

With millions of people relying on poultry for meat and eggs, the challenge is not only to contain the virus but also to protect food production systems. In 2025, more than 30 million birds in the US were killed due to HPAI, mostly egg-laying chickens.

Capitals affected







Related risks and opportunities	Our strategic responses
<ul style="list-style-type: none">• Poultry diseases• Product efficacy challenges	<ul style="list-style-type: none">• Optimise business portfolio• Growth• Efficient operations and customer focus• Human capital management• Organisational health

Electricity supply

Quantum Foods’ operations depend on a consistent and stable electricity supply to maintain optimal production and environmental conditions for poultry, egg and animal feed products. Since 2007, South Africa has experienced intermittent disruptions of electricity supply. However, system performance improved significantly in 2025, supported by the substantial renewable energy capacity installed by businesses and private users. Lower demand, attributable to subdued economic growth, also contributed to the improvement.

However, electricity supply disruptions caused by failures in electricity distribution infrastructure (breakdowns and theft) are becoming a challenge.

Capitals affected



Related risks and opportunities	Our strategic responses
<ul style="list-style-type: none">• Inconsistent power supply• Disruption of physical supply of raw materials	<ul style="list-style-type: none">• Optimise business portfolio• Growth• Efficient operations and customer focus

Infrastructure





Ageing and deteriorating infrastructure, including roads, rail and ports, increases costs and risks associated with imports, transport and deliveries. Roads now carry more than 70% of South Africa’s industrial cargo due to the deterioration of the country’s rail system.

Freight transport reform is set to enhance efficiency by establishing an independent transport economic regulator to ensure fair and open access for private operators and unbundling Transnet.

South Africa’s municipalities continue to struggle with fiscal and operational difficulties. Strain on financial resources, coupled with frequent disruptions to basic service delivery in electricity, water, waste and sanitation, discouraged domestic and international investment. These failing and poorly maintained public assets are particularly vulnerable to natural disasters. Severe weather conditions, such as the Eastern Cape floods in June 2025, also put additional pressure on government resources. These events can impact our business in numerous ways, such as delays in shipments or damage to infrastructure.

Economic growth is virtually impossible without a functioning, integrated public logistics infrastructure.

Capitals affected






Related risks and opportunities	Our strategic responses
<ul style="list-style-type: none">• Disruption of physical supply of raw materials• Higher operational cost	<ul style="list-style-type: none">• Optimise business portfolio• Growth• Efficient operations and customer focus

Customer and supplier engagement

Strong relationships built on trust and transparency are essential for ensuring smooth operations and meeting market demands. Losing a major customer or developing an acrimonious relationship due to mismatched expectations is detrimental to growth, efficiency and reputation. Local supplier development is a transformation imperative and a way to mitigate supply chain risk, exchange rate impacts and import-driven inflation.

Capitals affected











Related risks and opportunities	Our strategic responses
<ul style="list-style-type: none">• Raw material price increases• Egg supply and demand imbalances• Cyber security breach• Key management exposure• Inadequate talent pipeline• Suboptimal corporate culture	<ul style="list-style-type: none">• Optimise business portfolio• Growth• Efficient operations and customer focus• Human capital management• Organisational health

Legend

Impact materiality

Our operations impact several stakeholders. We work closely with them to understand our impacts and take action to reduce any negative consequences.

Material matters from an impact perspective (inside-out factors)	Read more
Nutrition: Our ability to provide high-quality protein at affordable prices contributes to ending hunger and associated perils, such as stunted development of young children.	 Page 60
Animal welfare: Adhering to acceptable and required practices reflects our ethical responsibility, while biosecurity measures protect our birds against diseases, such as HPAI. Maintaining optimum internal ambient temperatures will become an increasingly important factor for poultry hatching, rearing and performance.	 Page 68
Responsible sourcing: Developing local small suppliers and ensuring responsible practices in our value chain will create value for all stakeholders and assist in the protection of human rights.	 Page 61
Protecting the environment (emissions and waste): Implementing practices to minimise emissions and waste is crucial for environmental stewardship, compliance with regulations and reducing our carbon footprint and taxes.	 Page 66
Water: More pervasive drought conditions can lead to water supply risks, which will affect raw material quality and availability as well as operations, including bird performance, cooling and sanitation. Floods, on the other hand, can lead to severe infrastructure damage. This will require increasing investment in water recycling, storage and treatment capacity.	 Page 69
Skills development: As one of the few corporate players in the poultry and egg sector in South Africa, Quantum Foods contributes to creating a pool of skills for the industry and high-performing employees for our own operations.	 Page 63
Health, safety, and human disease: By providing a safe working environment and protective equipment, including biosecurity measures, Quantum Foods takes care of employees and complies with legislation.	 Page 64
Transformation: Our commitment to empowerment, development and employment equity will lead to improved socio-economic status for previously disadvantaged individuals and communities.	 Page 65
Product safety and quality: We aim to provide products that are safe and nutritious for their target market – be it human or animal – to consume. Increasing temperatures and disrupted rainfall patterns can affect the life cycle phases of mycotoxigenic fungi and their ability to invade and contaminate staple crops such as maize and soybean, thus affecting product safety and quality.	 Page 68

OUR STRATEGY AND RISKS

Our strategy


We created a new strategy last year under the banner of “Re-focus, optimise and grow”. Following a robust process, we ensured that the new strategy considers stakeholder interests, potential impacts, material matters and a dynamic operating environment.

Strategy implementation and monitoring

The Board is responsible for setting the strategic direction for the Group and considers the needs, interests and expectations of our material stakeholders. The Board tracks performance and progress related to the strategy through quarterly Board meetings and related executive management reports.

Progress with implementing our strategy is measured through several monthly operational indicators. We have short-term financial and non-financial targets set by the executive committee and which are captured in the annual budget approved by the Board. Longer-term targets have been set for 2030. These have been cascaded to the various business units to ensure alignment.

In line with Quantum Foods’ remuneration policy, operational targets, which include an ESG component, form the basis for management employees’ performance contracts and are reviewed annually.

 Read about these performance conditions and operational targets in the remuneration committee report from page 84.

Our risk register is updated annually and considers any challenges or opportunities arising from our performance against strategy and changes in the external environment.

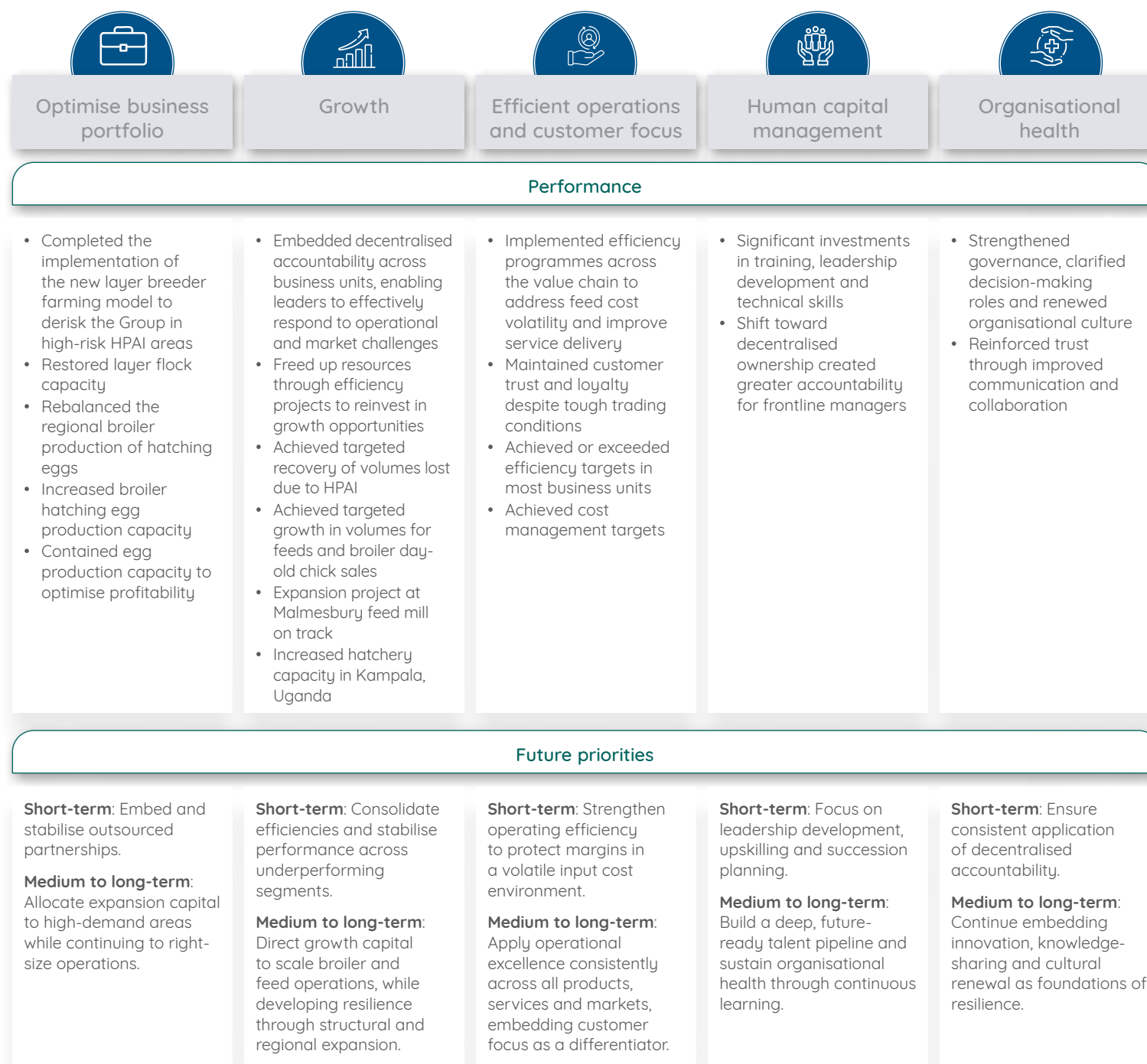


Progress with implementing our strategy

The Group's strategy for 2026-2030 is designed to strengthen resilience, capture growth in attractive segments and embed a culture of innovation and accountability across all operations.

Key objectives


- Pursue growth in non-cyclical segments (feed and broiler farming) to reduce exposure to market volatility and create a more stable earnings base
- Expand market share in South African day-old layer chicks, building on strong flock performance and customer demand
- Explore Lohmann genetics opportunities, supporting long-term productivity improvements
- Positioning Zambia as a growth hub for the rest of Africa
- Expand the use of process automation and artificial intelligence across operations, with applications in planning, flock health monitoring, maintenance, logistics, recruitment and customer service














Monitoring key performance measures

We have a set of key measures to track delivery against our strategy and to provide stakeholders with a clear view of our operational, financial and sustainability performance. These indicators highlight both progress and pressure points, enabling management to make informed decisions, allocate resources effectively and respond proactively to risks and opportunities.

Indicators linked to our short-term incentive plan's operational targets are indicated below. These targets are reviewed each year.

 Read more in the remuneration report on page 93.

Key strategic performance indicators	Performance	Direct link to remuneration	Affects remuneration through its impact on earnings
Raw material procurement pricing within contracts			✓
Feeds profit growth to meet internal targets			✓
Maintain relative broiler performance			✓
Broiler chicks per hen housed		✓	
South Africa completed layer flock performance		✓	
Eggs operational indicators (returns, first-grade egg sales, stock variances)		✓	
Other African countries EBIT margin (excluding forex)			✓
<i>Bergvlei Chicks</i> profit to meet internal targets			✓
ESG projects completed		✓	
B-BBEE score			✓
South African operations' total operating cost to meet internal targets		✓	

Legend

 On track  Some challenges  Delayed or underperforming



Optimise business portfolio

The Group made significant progress in reshaping its portfolio to secure a more sustainable balance between supply, demand and profitability.

- The rebalancing of regional broiler breeders was completed, reducing costly regional transfers, improving efficiencies and stabilising day-old chick supply across markets. Two farms (one layer rearing farm and one broiler farm) were repurposed to broiler breeder farms in the North to strengthen breeder capacity
- The layer parent stock was regionally dispersed, ensuring that the genetic base mitigates disease risk
- Strong recovery and growth in feed volumes compared to FY2024, when HPAI outbreaks caused lower demand

FY2026 priorities

- Complete the Malmesbury feed mill expansion on time and within budget
- Expand the depot model to increase rural market supply in South Africa
- Secure additional broiler breeder rearing capacity in the northern region
- Increase on-farm broiler chick hatching and finalise the business proposal
- Advance automation and technology adoption across farming operations
- Acquire land in the Copperbelt and commence with a project to expand layer capacity
- Continue to explore growth opportunities in the other African businesses
- Pursue a corporate transaction in Mozambique
- Expand breeder capacity and add maize storage in Uganda to support local egg hatching and feed supply stability



Growth

Growth momentum was re-established in FY2025, supported by substantial contributions from multiple business units.

- *Nova Feeds* delivered a notable recovery in volumes, with external sales increasing substantially. 33.3% of production was consumed by the internal poultry farming operations, with most of the production sold to external livestock customers
- The Group's layer flock recovered to planned capacity, resulting in a 79.5% increase in egg sales volumes
- *Bergvlei Chicks* sales volumes grew by 72.2% for day-old chicks and by 110.0% for point-of-lay hens due to improved supply and higher demand during the first half of FY2025

FY2026 priorities

- Grow external feed volumes in line with medium-term targets, including from the Malmesbury feed mill capacity expansion project
- Increase day-old chick sales in the northern region
- Expand day-old pullet sales and test export opportunities
- Expand the regional South African footprint of *Quantum Nest Egg*-branded sales
- Increase broiler production capacity in the southern region
- Consider expansion of feed production capacity in the Southern and Eastern Cape



Efficient operations and customer focus

Operational performance improved significantly during FY2025, driven by cost and productivity gains.

- Feed operations maintained a 100% performance index, entrenched the BESTMIX® formulation system, and upheld ISO and Occupational, Health and Safety Assurance (“OHAS”) compliance standards
- Broiler operations improved efficiencies, meeting production efficiency targets
- Internal layer farms benefited from refurbishments, new egg conveyors and packers and improved feed and energy management. This resulted in higher hen day performance, stronger feed conversion, reduced mortality and lower egg wastage, all contributing to excellent efficiencies
- *Bergvlei Chicks* achieved its key metrics, with more chicks per hen housed, maintaining point-of-lay uniformity, delivering higher bodyweights at 17 weeks and limiting distribution cost increases. In the second half of FY2025, efficiencies were constrained as lower egg margins and HPAI outbreaks led to some customers delaying or cancelling orders
- *Nulaid* improved packing station efficiencies despite processing much higher volumes of eggs
- Layer farming efficiencies in Uganda improved significantly
- Broiler breeder efficiencies improved in both Zambia and Uganda
- A looting incident negatively impacted layer farming efficiencies in Mozambique

FY2026 priorities

- Maintain strict cost discipline and distribution costs within the Steel and Engineering Industries Federation of Southern Africa (“SEIFSA”) benchmarks. Reviewing logistics models to optimise fleet, tender outcomes and technology
- Drive operational efficiency, upgrade technology, improve process automation and overall equipment effectiveness
- Strengthen farming performance through improved settable eggs per hen housed, raising hatchability rates and enhanced day-old chick quality
- Expand sales of day-old chicks, grow day-old pullet volumes, reduce point-of-lay sales to remain within facility capacity and test new export opportunities
- Build the *Quantum Nest Eggs* brand
- Advance regional growth and address Mozambique’s scale risk through a partnership
- Finalise the Zambia egg expansion plan



Human capital management

We strengthened our organisational culture by embedding values, enhancing engagement and benchmarking policies. We refined our leave framework to better support long-serving employees and senior leaders. A Group-wide culture survey will provide insights to guide future human capital initiatives.

We introduced structured talent pipelines and succession planning to build leadership capacity. The new *Inspired Leadership* programme represents a shift from traditional training, combining structured development and targeted coaching. Piloted with top managers, it lays the foundation for a scalable leadership pipeline across the business.

We supported the development of female leaders with targeted programmes, strengthened execution capacity, completed supervisor leadership development training, improved employee wellbeing and stabilised retention.

FY2026 priorities

- Roll out leadership development programme across more leadership levels
- Expand our graduate trainee programme
- Continue bursary and mentorship programmes
- Implement the talent management framework, supported by a new intake of managers for the leadership assessment centre
- Benchmark and refresh the employee value proposition
- Provide targeted training for regional sales managers
- Appoint an internal veterinarian to enhance flock health oversight



Organisational health

We strengthened the Group’s organisational health in FY2025 by enhancing culture, collaboration and employee engagement.

- B-BBEE targeted score achieved
- ESG projects advanced across all business units
- Cross-segment collaboration strengthened
- Enhanced capacity for employee communication and wellness support by rolling out the Quantum Foods “Our Voice” App
- Culture survey completed
- Strengthened our relationship with North-West University through participation in their first careers day for students studying BSc (Animal Science)

FY2026 priorities

- Implement culture survey recommendations
- Complete ESG projects
- Conduct quarterly feedback sessions at all farms and sites
- Refresh and implement farm safety and security plans

Our segments support future strategy implementation



Animal feeds

Continue to grow volumes, market share and earnings, supported by planned capacity expansion.



Farming

Broiler farming

Grow volumes, with additional live broiler capacity in the Western Cape once the planned conversion of a breeder farm into a commercial broiler farm is completed. Earnings are expected to rise in line with higher volumes.

Bergvlei Chicks layer farming

Higher volumes of day-old chicks are anticipated, including exports to other African countries. This will be supported by increased production capacity from the leased hatchery in the Western Cape. Demand for point-of-lay hens will depend on the egg cycle and will require disciplined production planning to align output with market conditions.

Internal layer farming

Production efficiencies are at high levels, with the focus on sustaining performance and maintaining farm and packing station assets. No significant volume growth is expected under current conditions, but if HPAI vaccination protocols are successfully implemented, this could unlock further growth potential.



Eggs

FY2026 is expected to be very challenging, with recovery forecast in 18-24 months as the cycle improves. Losses during the down cycle should be less severe than in the past, as the business has been rightsized to about two-thirds of its size before the HPAI outbreaks. The segment will also be able to direct egg sales to more favourable channels.



Other African countries

Zambia

High maize prices and load shedding constrained FY2025 earnings in the first half. Over the next three years, growth is expected through investment in *Mega* eggs and increased feed and chick sales in a market with improving demand.

Uganda

Maintaining strong results will be the immediate focus.

Mozambique

Operations are expected to follow the South African egg cycle, with a downswing anticipated from the end of FY2025, lasting 18-24 months.



Strategic risks

Proactive risk management is essential to implement our strategy and ensure that Quantum Foods remains a competitive and sustainable business. Risk management improves operational effectiveness, and higher value creation becomes possible if challenges are turned into opportunities.

The Board is responsible for risk governance and provides direction as to how risks and opportunities are approached and addressed.

Risks are inherent in doing business and relate to our strategic themes, ESG priorities, business performance and compliance with laws and regulations. Risks also present opportunities as industry and market factors shift over time.

We encourage employees to be **transparent and thorough** in discussing risk issues, making all relevant facts and information available so that we can consider all possible options and **make informed decisions**.

Risk management elements

Enterprise risk management (“ERM”) framework	The ERM framework provides an overview of how we manage risks and provides examples of how this approach is implemented within the Group. Its key objective is to support the Board and ARC in discharging their duties as oversight bodies as defined in their respective mandates and terms of reference.
Risk register	The Quantum Foods risk register and combined assurance model contain details of the risks identified, the risk classification, risk mitigation and desired and actual levels of assurance for effectively controlling our risk environment.
Principles and standards	Our approach to ERM is informed by the principles outlined by the Committee of Sponsoring Organisations of the Treadway Commission.
Risk culture	A healthy risk culture is achieved and maintained through risk communication, training and information sessions. We also encourage employees to be transparent, honest and fact-based in discussing risks.
ERM system	The Quantum Foods ERM system helps identify potential events that may affect the business, assists in managing the associated risks and opportunities and provides reasonable assurance that our strategic themes will be effectively implemented.
ERM policy	Our approach to risk management is set out in the Quantum Foods ERM policy. This policy is reviewed and approved annually by the Board. The policy provides details on the responsibility for risk management at the various levels in the Group and the requirements for risk reporting.

Our risk management process

 Our risk management process includes formal consideration of direct climate impacts and other sustainability aspects.






High



Likelihood \longrightarrow High

No Risk

Risk and trend	Mitigation to create opportunities
Poultry diseases impacting poultry productivity  ▲	HPAI can have devastating impacts on the poultry business and disrupt the market for animal feeds. It can lead to reduced productivity, lower efficiency and high mortality, resulting in financial and job losses. The prevalence of disease can increase due to climate change affecting the migratory patterns of wild birds. We have a comprehensive vaccination and flock health monitoring programme to protect the Group's flocks. Strict biosecurity management is enforced, and further diversification of farming operations provides some mitigation against the potential impact and scale of poultry disease outbreaks. Until HPAI vaccination can be implemented on a large scale, this risk will remain very high.
Inability to cope commercially with raw material price increases, particularly maize and soybean meal  ►	The animal feed business relies on the availability of quality raw materials, especially maize and soybean meal. Climate events can impact availability, nutrient levels and mycotoxins, leading to higher costs and potential financial loss. Our centralised raw material procurement team tracks market trends, costs and potential impacts daily. Procurement is supported by a Board-approved hedging strategy and policy, with no speculative positions taken.
Egg supply and demand imbalances with oversupply resulting in pricing challenges ▲	External shocks such as HPAI can cause sudden disruptions to the egg market. Supply challenges can lead to lower earnings and operational losses. Our focus on operational efficiencies and costs enables the Group to mitigate the financial impact of these disruptions. Flexible demand planning results in adjustments to production planning and capacity. We are able to move volumes between market segments and regions to smooth some demand and supply imbalances.
Inconsistent power supply causing business disruption ▼	Our operations require a consistent power supply to manufacture animal feed, provide ventilation and feed to poultry, process hatching and commercial table eggs and provide administrative support. Load shedding decreased in South Africa from the second half of FY2024 but increased significantly in Zambia. To mitigate power supply interruptions, we have backup generators at all sites. Disaster recovery and grid loss plans are in place, with the feed mills producing according to capacity planning programmes. Backup generators protect livestock when needed and we installed solar generation capacity at seven units.
Disruption of the physical supply of raw materials (imports and transport) leading to operational loss  ▼	Without sufficient volumes of raw material components, our animal feed mills are unable to produce feed to meet customer requirements. Unavailability due to supply chain disruptions and changes in sourcing countries due to climate impacts and geopolitical matters can lead to significant financial loss and strain customer relationships. Formulation changes can mitigate this risk but can increase costs due to more expensive substitutes and can reduce operational efficiencies. We allocate storage capacity for at-risk products and continuously plan for key raw material availability. We have contracts with multinational suppliers that have alternative sourcing arrangements.
Product efficiency challenges (contamination, specifications or technical advice) leading to operational loss or reputational damage  ►	The quality and safety of our products rely on measures to avoid contamination, adherence to specifications and sound technical advice. These include controls to detect mycotoxins and to ensure nutritional value through internal and external laboratory testing throughout the value chain. Poor product quality and safety can lead to lower flock and livestock productivity, animal mortality and human health risks, resulting in financial loss and reputational damage. We have a rigorous supplier selection process and contract based on detailed product specifications to avoid this. Our formulation process can be adapted to allow for alternatives, substitutes and new additives to achieve nutritional levels that deliver optimum productivity and flock performance. Responsiveness to customer audits and feedback mitigates against sales volume impacts and supports good relationships.
Cyber security breach resulting in loss of information ▲	We rely on secure and accurate data for operations, customer interactions and financial performance reporting. Any privacy breach can result in financial penalties, loss and reputational damage. We have a combination of outsourced and internal security mechanisms in place. An external cyber security and penetration test showed a satisfactory outcome, with the team unable to physically or virtually penetrate the Quantum Foods cyber security defence systems. Regular risk awareness training occurs on the Ataata platform, with a disaster recovery test performed every six months. We drive initiatives to increase employee awareness, including requirements relating to the Protection of Personal Information Act, No. 4 of 2013.
Key management exposure ▲	The loss or unavailability of key senior and executive employees can result in a significant loss of management capability and experience. We maintain a formal succession plan which includes a quarterly talent planning review. Short- and long-term incentive schemes are in place to retain senior management.
Inadequate talent pipeline ▲	As senior and executive managers retire, we can lose institutional knowledge and valuable operational capability. A lack of successors with the required skills can lead to operational disruption and products not delivered per specification on time. We have a formal succession plan and biannual talent reviews to drive career development and knowledge sharing. Talent development initiatives are targeted and specific, for example, in the development of layer farm managers and employees with executive management potential.
Suboptimal corporate culture negatively impacting the execution of corporate strategy ▼	If our employees do not live our values or behave unethically, we can suffer significant reputational damage, leading to financial loss and weakening trust. We value organisational health and a culture of high performance where people are motivated and equipped to deliver on our strategy. Employee engagement incorporates values conversations, surveys and training. We also encourage employees to use our anonymous tip-off line.

CHAIRMAN'S MESSAGE



Governance and Board matters

The Board continued to exercise its duties with independence, accountability and sound judgement, ensuring that its oversight remains effective and responsive to the Group's strategic direction and operating context.

The Board worked closely with the CEO in her first year in office, alongside the rest of the leadership team, to guide and support the rollout of the Group's refreshed strategy. This included regular strategic reviews, progress monitoring against key milestones and ensuring alignment between operational priorities and long-term value creation objectives. The collaborative approach enabled management to act decisively while maintaining clear accountability to the Board.

At the 2025 AGM held on 20 March 2025, more than 25% of shareholders voted against the non-binding advisory resolutions endorsing the Group's remuneration policy and implementation report. Following the AGM, the Board invited shareholders who voted against either or both resolutions to provide feedback; however, no specific concerns were communicated.

The special resolution to approve fees for non-executive directors ("NEDs") with effect from 1 April 2025 was not approved. Consequently, the Company was not authorised to remunerate NEDs for their services as directors of the Company from 1 April 2025. Similarly, the FY2025 special resolution in respect of a general authority to provide financial assistance for the subscription or acquisition of shares was not approved.

The Group continues to strengthen its risk management practices. In FY2025, Deloitte & Touche conducted an operational business continuity review to ensure that the Group can operate under conditions of volatility and withstand and recover from acute shocks. Areas for improvement identified include developing a formal business continuity policy and framework, enhancing the completeness of plans and improving testing and employee training.

WA Hanekom
Chairman



The year was characterised by geopolitical shifts and significant uncertainty, impacting financial markets and the strength of currencies. Nations around the world are reconsidering and realigning their geopolitical positions, with global supply chains reconfiguring rapidly.

While a weaker US Dollar and lower oil prices alleviated some pressure on the South African Rand¹, economic growth remains insufficient to make meaningful inroads on pressing challenges, notably unemployment.

The recovery of the national egg layer flock was a key focus for the South African poultry industry during the year, following the significant previous HPAI outbreaks. During this year, Quantum Foods benefited from improved throughput after the recovery of its layer flock, minimal load shedding and stable feed costs. Isolated and relatively minor outbreaks of HPAI were reported in South Africa since June 2025. An HPAI outbreak was confirmed on 6 October 2025 at one of the Group's Western Cape layer farms. The site was placed under quarantine by the state veterinarian, resulting in the loss of egg production from 153 494 layer hens.

Within this context, the Group's operating profit increased to R369 million (FY2024: R231 million).

Shareholder matters

Our shareholder base is unusual within the South African listed environment. With c. 97% of shares owned by our top ten shareholders and limited liquidity, our share register is concentrated. As outlined in several JSE Limited SENS announcements this year, shareholder-related issues continued to require our attention. The Board is deliberate in ensuring that communication around these processes is transparent, consistent and fair.

Sustainability at the core

The signing of the Climate Change Act provides a timely legal framework for South Africa's climate response, and the Group is aligning its governance and operational processes accordingly. As a Board, we recognise that increasing investment in climate adaptation and mitigation is essential for effective risk management and business continuity.

Transformation remains a strategic imperative. A new employment equity plan is being developed to align with updated sectoral targets, with a focus on improving representation at senior and professionally qualified levels, as well as for disability appointments. The Group also prioritises local supplier development to mitigate supply chain risk and support responsible value chain practices, including the protection of human rights.

Dividend

The board of directors of the Company has resolved to declare a final gross cash dividend of 34.0 cents per share for the year ended 30 September 2025 (2024: Nil), from income reserves.

Appreciation

In closing, I wish to thank my fellow Board members, the leadership and all employees for their commitment and hard work. To our CEO Adel, on behalf of the Board, I thank you for providing strategic focus and leading the Group. As we look ahead, we remain focused on delivering value, advancing transformation and upholding stakeholder trust in our ability to create long-term value.

WA Hanekom
Chairman

¹ <https://www.resbank.co.za/en/home/publications/publication-detail-pages/quarterly-bulletins/quarterly-bulletin-publications/2025/june>



- The Group reported a solid performance in FY2025, underpinned by operational efficiencies and volume recovery, leading to improved profitability
- Animal feeds reported a substantial recovery in volumes
- We successfully redistributed our layer parent stock and completed regional broiler breeder rebalancing
- We achieved excellent layer farming efficiencies and further improved broiler performance in the southern region
- Some disruptions were experienced during the year, including cancellations and postponements of layer livestock orders
- Profitability improved in Uganda and Zambia but was lower in Mozambique, with the latter affected by looting during the political unrest

Outcomes against expectations

We outlined expectations for this financial year in our FY2024 annual integrated report. We report on our delivery against these in the operational discussion below and in our strategy section.

- The expansion in feed mill capacity that is underway will position the Group well for increased demand
- The broiler business remains a key growth area where we plan to become self-sufficient in terms of breeder eggs
- We intend to limit layer flock growth to optimise current assets for sustained efficiency
- We prepared the business for increased day-old chick and day-old pullet supply
- We will continue rightsizing our commercial layer farming and *Nulaid* operations with a more focused geographical and market approach
- In Zambia, we plan to drive capacity utilisation for the expanded feed mill through expected demand increases
- In Uganda, we increased hatchery capacity to drive further breeder growth
- In Mozambique, we will continue looking for partners to scale the business

Refer to our strategy on page 34 for additional information on our performance in each business area.

AD van der Merwe
Chief executive officer



Quantum Foods delivered a year of operational progress and strategic alignment, strengthening our feed, farming and egg businesses, while advancing growth opportunities in Africa. Despite challenging conditions, we improved efficiencies, invested in capacity and delivered against our targets.

Animal feeds

Revenue ▲

R3 313 million

5.6% from FY2024

Adjusted operating profit ▲

R103 million

(FY2024: R94 million)

Total volumes ▲

8.7%

up from FY2024

Highlights

- Good volume recovery as layer feed demand increased
- Retention of key customers
- Improved efficiencies and costs in line with targets
- Renewed quality control focus on procedures and equipment
- Malmesbury expansion on track

Areas of concern/improvement

- Feed factories running at high capacity
- High moisture content in maize impacted nutritional formulation and production efficiency
- Disease challenges, including HPAI and foot-and-mouth disease outbreaks
- Local yellow maize supply and demand uncertainty
- Employee retention in key areas

Total feed volumes increased by 8.7%, supported by strong product performance across all species and layer feed volume recovery.

We improved efficiencies and managed costs diligently while improving control procedures and upgrading equipment, reinforced product quality. Year-on-year stock losses declined through focused actions and strong operational execution.

We grew our customer base by successfully embedding our service model in key customers' operations to increase on-farm performance.

The Malmesbury feed mill operated at full capacity, underscoring the rationale for the current expansion. The explosion at the intake facility in June 2024 caused a temporary disruption, but repairs were completed in December 2024.

The bag feed and depot model continued to gain momentum in the North, servicing informal and emerging farmers. These depots also provided new opportunities to sell complementary products such as chicks, medication and other farming inputs

Farming

Revenue ▲

R2 025 million

8.5% from FY2024

Adjusted operating profit ▲

R127 million

(that includes an HPAI biological asset write-off of R8 million)

(FY2024: R11 million loss included an HPAI biological asset write-off of R37 million)

Day-old pullet volumes ▲

28.1%

Day-old broiler chick volumes ▲

6.4%

Highlights

Broiler farming
<ul style="list-style-type: none">Consistent broiler performanceAbove-standard settable egg production
Layer farming
<ul style="list-style-type: none">Local day-old pullet sales increasedPoint-of-lay sales increasedSecond breeder site at TongaatSuccessfully repositioned the <i>Bergvlei Chicks</i> brandMaintained disease-free flocksImproved performance of the current layer flockDisposal of three dormant layer farms and one depot in line with our strategic intentRecapacitated the northern layer farms in line with planned placement capacity

Areas of concern/improvement

Broiler farming
<ul style="list-style-type: none">Underperformance at one facilityContinued risk of HPAI
Layer farming
<ul style="list-style-type: none">Insufficient hatching egg supply in the first half of the yearSurplus hatching egg supply in the second half of the yearSurplus point-of-lay stock in the second half of the year following cancellationsSouth Africa remained listed as a positive HPAI status on the World Organisation for Animal HealthContinued risk of HPAI

Broiler farming

Broiler farming revenue increased by 0.8% to R1 711 million as we simplified our model by focusing on day-old chicks vs a combination of day-old chicks and broiler contract farming in the North.

In the North, we exited two broiler farms and repurposed one broiler farm and one layer rearing farm into breeder operations. We invested R56 million in retrofits and new technology.

These projects, together with the breeder birds in production, will increase hatching egg volumes in the vicinity of the Hartbeespoort hatchery and reduce the number of hatching eggs required to be transferred to this facility from the Western Cape. This will reduce logistical costs and improve efficiencies, especially hatchability, which is negatively impacted by the long-distance transfer process.

The genetic performance of the Ross 308 birds improved at both breeder and broiler levels and we successfully implemented cost management initiatives. We also embedded leadership development into our farming operations, with international exposure for young managers, internal promotions and the Group's first female hatchery manager who completed international training.

We obtained ZA certification on most farms, which secured compliance for future vaccination protocols.

Total day-old chick production increased by 6.4% compared to last year. Live broiler volumes decreased by 0.3% due to a slight reduction in the number of broilers supplied.

Layer farming

Layer farming revenue increased by 87.0% to R313 million in a year of two halves. We were among the first to repopulate after HPAI, securing new customers in South Africa and demonstrating the strength of our brand.

Volumes grew strongly during the first half of FY2025, although exports were hampered by the HPAI status of South Africa and restrictions in African markets.

In the second half, industry-wide repopulation led to oversupply, saturating markets, creating surplus hatching eggs, and forcing early flock culling. This shortened cycles below the normal 65-week standard and eroded margins.

We continued to roll out our new outsourcing model, contracting with breeder farms in lower-risk HPAI areas and converting one of our facilities into a breeder farm. Quantum Foods owns birds on four of the six breeder farms. Contracted breeder farms supply facilities and take care of the flocks while committing to sell hatching eggs to us.

A long-term lease was secured for a layer hatchery in the Western Cape, both to support future growth and reduce HPAI outbreak risk by spreading hatchery operations across two provinces.

Exports remained strategically important. Sales into Uganda stayed suspended due to HPAI restrictions, but we maintained a portion of the supply to Uganda through a producer in Kenya. Namibia, Eswatini and Angola delivered steady volumes, with day-old chick sales to Angola performing strongly. Increased point-of-lay hen sales were made possible by additional contracted farms.

All breeder and rearing farms have ZA certificates, enabling readiness for exports and compliance with possible future HPAI vaccination requirements.

We further rationalised the business by selling older farms and shifting some rearing farms to internal operations only. This strengthened control and biosecurity.

Layer farm performance benefited from a normalisation of the flock age profile, with feed conversion ratio, mortality and egg production improving substantially from FY2024.

Higher production volumes supported stronger farm overhead recovery, making layer farming the most important contributor to the Group's

improved financial results for FY2025.

Eggs

Revenue ▲
R1 263 million
47.0% from FY2024

Adjusted operating profit ▼
R111 million
(FY2024: R140 million)

Total volumes ▲
79.5%
from FY2024 during which volumes were severely impacted by HPAI outbreaks

Highlights

- Continued improvement in packing station indicators
- Returned Pinetown packing station to operational status, re-entering the KwaZulu-Natal market


Areas of concern/improvement

- Regaining lost retail volumes in KwaZulu-Natal
- Replacing key employees lost during the lay-off period

The egg business, under the *Nulaid* brand, delivered a strong recovery in FY2025. Despite a 17.1% decline in average selling prices, increased volumes and disciplined cost management sustained profitability and ensured positive contribution.

Supply was 79.5% higher than the previous year, supporting the rationale for the reopening of the Pinetown packing station in KwaZulu-Natal in August 2024, assisting with re-establishing our presence.

The increase in volumes, improved efficiencies at packing stations, packaging rationalisation and tighter overhead control all contributed positively to margins.

Our customer channel mix shifted during the year, with formal retail sales declining from 58.9% to 46.2% of volumes. We refocused on the informal market as a growth opportunity for the *Quantum Nest Eggs* brand.  Read more about capacity building through informal market sales on page 12.

We achieved distribution efficiencies by optimising routes, reallocating vehicles, eliminating rentals and decreasing the fleet to cut fixed costs. We also improved speed and accuracy through labelling automation and achieved higher use of clam-shell packaging formats with recycled content.

Liquid egg volumes fell 18.7% after the loss of a major customer, but premium categories such as free-range and pasteurised egg volumes remained unchanged. We refocused marketing spend on nutrition and affordability, strengthened digital platforms, and expanded television exposure.

We rationalised the eggs business by reducing our targeted layer flock size.



Other African countries

Revenue ▲ R545 million 16.5% from FY2024	Adjusted operating profit ▼ R42 million (FY2024: R45 million)	Egg volumes ▲ 4.2% Day-old chick volumes ▼ 0.6%
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Highlights	Areas of concern/improvement
<ul style="list-style-type: none">• Strong performance of the egg business in Zambia• Increased commercial egg production in Zambia and Uganda• Growth in feed sales in Zambia and Uganda• Improvement in broiler breeder production in Uganda• Significant improvement in commercial layer performance in Uganda	<ul style="list-style-type: none">• Unrest and looting in Mozambique• Availability of forex in Mozambique• Maize write-offs in Zambia• Lohmann breeder production in Zambia• Day-old chick sales in Zambia

Our Africa operations demonstrated resilience despite external shocks, proving the resilience and recovery capacity of the portfolio. Our strategic priorities remain securing a partner in Mozambique, executing the day-old-chick expansion in Uganda, stabilising Lusaka operations and pursuing organic egg growth in Zambia.

Zambia

Zambia delivered contrasting results. Egg operations reported excellent profitability, supported by strong demand and a firmer Kwacha. Unfortunately, the Lusaka feed and chick businesses recorded significant losses due to the previous year’s drought impacting feed and livestock demand, as well as maize stock variances.

We responded with senior management changes, improved controls and restructuring, while maize write-offs were absorbed.

Uganda

Uganda delivered another year of strong growth. External feed sales rose substantially, supported by expansion into concentrates and additional warehouse space. The hatchery expanded output and more Sasso parent flocks were placed. This increased broiler and dual-purpose chick sales.

Mozambique

As outlined on page 28, operations in Mozambique were impacted by protest action following the Mozambican general election in October 2024. The financial impact of the protest action was relatively minor and the egg business continued to perform well until looting on the farm resulted in bird loss, disrupted operations and bird health challenges. Selling prices were initially supported by lower availability of eggs in the market, but margins came under pressure from increased cross-border supply as South African production recovered.

The business achieved satisfactory efficiencies and cost management in challenging circumstances. However, the looting of hens and resultant lower egg production, further impacted by a disruption in planned vaccinations, contributed to lower earnings.

Strengthening our culture and developing our people

Beyond financial and operational delivery, building a constructive culture remains central to our long-term success. We are embedding values-based leadership and formalised succession planning, with quarterly reviews and structured frameworks.

Employee wellness remains a focus as economic and social pressures rise. Programmes are being expanded and the Group-wide engagement survey in FY2025 will guide priorities. The launch of the Quantum Foods Our Voice App will enhance communication and connectivity across the Group.

Future focus

Looking ahead, we will focus on completing major capital projects, improving efficiency, expanding broiler operations and expanding African operations. While challenges persist, including ongoing HPAI risks and broader economic volatility, the Group enters FY2026 with a clear strategy, a strengthened operational base and the capability to deliver sustainable growth.

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

We discuss our strategy implementation and future priorities in detail in the strategy section from page 34.

Appreciation

The substantial progress we made this year could not have been achieved without the support of the entire Quantum Foods team. Your belief in our purpose is essential to driving our success. I thank the Board for supporting me as CEO and for trusting the leadership team to roll out a new strategy. I also acknowledge our stakeholders for their ongoing confidence and trust in us, which we constantly strive to enhance.



AD van der Merwe
Chief executive officer





- Revenue increased by 12.9% to R7 147 million
- Cost of sales increased by 11.4% to R5 691 million, with stable feed costs, improved layer and broiler efficiencies and higher volumes
- Biological assets of R8 million were written off due to HPAI, compared to R37 million in FY2024
- Operating profit increased by 59.6% to R369 million
- Headline earnings per share increased to 134.4 cents, compared to 80.4 cents in FY2024
- Animal feeds increased revenue by 5.6% and adjusted operating profit by 9.6%
- Broiler and layer farming increased revenue by 8.5% and recorded an adjusted operating profit of R127 million compared to a loss of R11 million in FY2024
- The eggs business increased revenue by 47.0% but adjusted operating profit decreased by 20.8% to R111 million
- Other African countries increased revenue by 16.5% and recorded an adjusted operating profit of R42 million compared to an operating profit of R45 million in FY2024

South African operations benefited from substantial volume recovery after the severe impact of HPAI in the previous two years, insignificant instances of loadshedding, strong operational efficiencies and cost management. Lower egg selling prices partially offset positive factors. Earnings from other African operations were satisfactory, bolstered by the excellent performance of *Mega* eggs in Zambia and higher feed and egg sales volumes in Uganda. Challenges in Zambia included weak livestock and feed demand due to constrained grain and energy supply for most of the year. In Mozambique, we experienced country unrest and looting at our facility.

A Muller
Chief financial officer



The Group delivered one of its best profit performances since unbundling from Pioneer Foods just over ten years ago.

Summary statement of income

	2025 R'000	2024 R'000
External revenue	7 146 536	6 332 075
Eggs	1 263 121	858 979
Farming	2 024 970	1 866 400
Animal feeds	3 313 448	3 138 813
Other African countries	544 997	467 883
Cost of sales	(5 691 047)	(5 107 263)
Gross profit	1 455 489	1 224 812
Other income	19 642	16 186
Other gains/(losses) – net	192 018	185 243
Net impairment losses on trade and other receivables	(4 456)	(2 068)
Cash operating expenses	(1 184 492)	(1 088 482)
Depreciation and amortisation	(109 556)	(104 771)
Segment results	368 645	230 920
Eggs	114 197	141 499
Farming	131 646	(13 203)
Animal feeds	103 308	93 934
Other African countries	42 191	45 598
Head office costs	(22 697)	(36 908)
Net finance income/(cost)	5 450	(11 786)
Share of profit of associate company	767	724
Profit before income tax	374 862	219 858
Income tax expense	(96 225)	(59 454)
Profit for the year	278 637	160 404
Headline earnings per share (cents)	134.4	80.4
Dividend per share (cents)	34.0	–

Resilience through recovery and renewal

Group revenue increased by 12.9% to R7.1 billion (FY2024: R6.3 billion). Revenue from the South African operations rose by 12.6% to R6.6 billion (FY2024: R5.9 billion), while revenue from other African operations increased by 16.5% to R545 million (FY2024: R468 million). Other African operations contributed 7.6% of Group revenue compared to 7.4% in the previous year.

In South Africa, the animal feeds segment delivered revenue growth of 5.6%, underpinned by a 2.8% increase in external volumes sold and slightly higher average selling prices. The farming segment reported an 8.5% increase in revenue, mainly due to much higher layer livestock volumes. Revenue from the egg segment increased by 47.0% with a 79.5% increase in sales volumes due to the recovery of the flock post HPAI. This was partially offset by a 17.1% decrease in average egg selling prices.

Revenue from other African operations increased mainly due to higher feed and egg sales volumes and selling prices in Zambia, as well as higher feed and egg sales volumes in Uganda.

Effective cost management

Group cost of sales increased by 11.4% to R5.7 billion. Higher costs resulted from higher volumes, but were contained by much improved levels of operational efficiency and stable 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 R192 million (FY2024: R172 million), which included biological asset write-offs due to HPAI-infected birds of R8 million (FY2024: R37 million). Excluding the fair value adjustments, gross profit increased by 18% to R1.65 billion (FY2024: R1.40 billion) at a margin of 23.1% (FY2024: 22.1%).

Aggregate cash operating expenses increased by 8.8% to R1.18 billion (FY2024: R1.09 billion). This was mainly attributable to:

- An increase in sales and distribution costs due to higher volumes sold
- Higher employee expenses due to increased volumes, more units being operational and increased provision for management incentives

These factors were partially offset by a reduction in generator fuel expenses due to fewer load shedding hours and lower expenses on corporate matters.

Strong profitability increase

Operating profit before capital items increased by 55.3% to R361 million (FY2024: R232 million).

Profit from the South African operations rose to R341 million compared to R224 million in FY2024, with margins improving from 3.8% to 5.2%.

The farming segment reported a profit of R127 million compared to a loss of R11 million in the previous reporting period. Earnings from the broiler farming business increased on the back of higher volumes of day-old chicks produced and excellent farming efficiencies. Earnings from layer farming improved significantly, supported by much higher throughput, improved efficiencies and fewer HPAI outbreaks. These benefits were partially offset by weaker layer livestock demand in the second half of FY2025, which negatively impacted efficiencies and led to cost pressures. The value of livestock written off due to HPAI in FY2025 was R8 million. In FY2024, R37 million of livestock was written off due to HPAI, with extra feed costs incurred while birds were being culled and significant overhead costs incurred despite lower volumes produced while operations were in recovery.

Adjusted operating profit from the egg segment decreased by 20.8% to a profit of R111 million, with the benefit of a 79.5% increase in volumes and improved efficiencies offset by a 17.1% decline in average egg prices.

Adjusted operating profit from animal feeds increased by 9.6% to R103 million, mainly due to 8.7% higher total production volumes and well-executed cost and margin management.

Other African operations recorded an adjusted operating profit of R42 million compared to R45 million previously. Profits improved in Uganda and Zambia but were lower in Mozambique, where birds were lost in a looting incident. This also compromised bird health due to vaccination interruption. Egg selling prices in Mozambique were lower on the back of higher supply following the recovery of the South African layer flock. In Uganda, earnings benefited from increased egg and feed sales, improved broiler breeder and layer farming efficiencies, continued strong demand for day-old chicks and stable feed costs. The improvement in Zambia's earnings was due to sustained strong demand for eggs and higher selling prices. Broiler breeder and layer farming efficiencies improved and higher feed volumes were sold.

Head office costs declined from R37 million to R23 million, reflecting lower expenditure on corporate and legal matters.

Headline earnings per share increased to 134.4 cents per share from 80.4 cents per share.

Cash flow and capital expenditure

	2025 R'000	2024 R'000
Cash flow from operating activities	301 847	264 268
Cash flow from investing activities	(225 942)	(140 457)
Cash flow from financing activities (excluding dividend)	(50 045)	60 933
Dividend paid	(9)	(9)
Movement in cash for the year	25 851	184 735

Cash inflow from operating activities increased by 14.2% to R302 million (FY2024: R264 million) due to higher profits. This includes an increased investment in working capital of R174 million (FY2024: R110 million), with R14 million more inventory due to higher stock on hand. Trade and other receivables were R33 million (4.6%) higher. Lower trade and other payables balances of R94 million were due to differences in the timing of settlement. The increased working capital investment also includes an outflow from hedging activities of R23 million arising from SAFEX maize future market movements.

Cash used in investing activities amounted to R226 million compared to R140 million in FY2024. This includes capital expenditure on property, plant and equipment amounting to R261 million (FY2024: R153 million), R22 million in interest received (FY2024: R8 million) and proceeds on the sale of dormant layer farms and a depot in the northern region. The main capital projects, in addition to maintenance capital, included the building of an additional feed mill in Malmesbury and the conversion of a commercial broiler farm and a layer rearing farm in Gauteng to broiler breeder farms.

Cash flow from financing activities amounted to an outflow of R50 million (FY2024: inflow of R61 million). This includes the repayment of R20 million on the R100 million term loan facility drawn down in the previous reporting period, interest paid of R14 million (FY2024: R19 million) and payment of principal lease elements of R16 million (FY2024: R20 million).

Cash and cash equivalents improved from R246 million at 30 September 2024 to R276 million at 30 September 2025.

The Rand value of the Group's investment in the other African countries segment increased by R34 million from 30 September 2024, primarily due to the devaluation of the Rand against the Ugandan Shilling and Zambian Kwacha when comparing the exchange rates used for conversion at year-end dates. This foreign currency translation reserve increase is included in other comprehensive income for the year.

The Group's borrowings as at 30 September 2025 consisted of an interest-bearing term loan facility of R80 million, together with lease liabilities recognised in accordance with IFRS 16 – Leases.

Summary statement of financial position	2025 R'000	2024 R'000
Non-current assets	1 613 893	1 429 050
Non-current asset held for sale	8 065	–
Current assets (excluding cash)	1 578 075	1 540 547
Cash	275 860	245 828
Current liabilities (excluding lease liabilities)	(639 132)	(721 683)
Non-current liabilities (excluding lease liabilities)	(386 808)	(355 942)
Lease liabilities	(54 879)	(43 085)
Equity	2 395 074	2 094 715

Enhancing systems and processes

In line with our new Group strategy to re-focus, optimise and grow, we are planning to accelerate digitalisation to enhance efficiency. Targeted improvements include the increased use of process automation and apps to capture data at source.

Our current data environment is anchored in a core enterprise resource planning (“ERP”) system, which integrates finance, sales and production functions. Farm performance data is generated but not yet fully integrated. On the feed side, specialist software supports both formulation and factory operations. This is linked into our ERP system.

Back-office systems are subject to additional 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.

All IT users undergo monthly cyber training supported by video modules and follow-up. To strengthen awareness, the business conducts internal phishing simulations and makes use of an external firm for annual penetration testing.

Dividend declaration

The board of directors of the Company has resolved to declare a final gross cash dividend of 34.0 cents per share for the year ended 30 September 2025 (2024: Nil), from income reserves.

At a rate of 20%, dividends tax will amount to 6.8 cents per share. Consequently, Quantum Foods shareholders (“Shareholders”) who are not exempt from dividends tax will receive a net dividend amount of 27.2 cents per share. Such tax will be withheld unless beneficial owners of the dividend have provided the necessary documentation to the relevant regulated intermediary to indicate that they are exempt therefrom or entitled to a reduced rate as a result of the double tax agreement between South Africa and their country of domicile. The dividend amounts to 34.0 cents per share for Shareholders exempt from dividends tax.

The salient dividend dates are as follows:

Last date of trading (<i>cum</i> dividend), on	Tuesday, 20 January 2026
Trading ex-dividend, on	Wednesday, 21 January 2026
Record date to determine which Shareholders are eligible to receive the final cash dividend, on	Friday, 23 January 2026
Payment date of the final cash dividend, on	Monday, 26 January 2026

Shareholders may not dematerialise or rematerialise their shares between Wednesday, 21 January 2026 and Friday, 23 January 2026, both days inclusive.

The issued share capital as at the declaration date is 203 078 410 shares.



AH Muller
Chief financial officer

BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE

Board of directors



**WOUTER ANDRÉ
HANEKOM (66)**

Chairman

André was appointed to the Board on 1 October 2014 and elected as chairman of the Board on 28 April 2015.

Qualifications
CA(SA)

Quantum Foods Board and committee membership
Non-executive Chairman, remuneration, social, ethics and transformation, nomination (chairman) and investment.

André joined Bokomo Breakfast Cereals in 1988 as a financial manager. He was later appointed as operational executive, and in 1994, he was appointed as chief executive officer of Bokomo.

After the merger between Sasko and Bokomo, André served as the executive responsible for Sasko Milling and Baking, after which he was appointed as chief executive officer of Pioneer Foods in 1999.

André retired as chief executive officer of Pioneer Foods in March 2013.

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**GEOFFREY GEORGE
FORTUIN (58)**

Lead independent director

Geoff was appointed to the Board on 28 April 2015 and appointed as lead independent director on 9 September 2021.

Qualifications
BCom (Acc), BCom (Acc) (Hons), CA(SA)

Quantum Foods Board and committee membership
Lead independent director, audit and risk (chairman), remuneration (chairman) and nomination.

Geoff is the financial director of Brimstone Investment Corporation Ltd. He was previously a partner at Deloitte & Touche for 15 years up to 2014, during which time he was responsible for the audit of various South African listed companies. He was also a member of the Deloitte South Africa board of directors.

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C **C**



**PIETER FRANCOIS
THERON BURGER (62)**

Independent non-executive director

Piet was appointed to the Board on 29 July 2024.

Qualifications
B Eng (Chemical), MBA

Quantum Foods Board and committee membership
Non-executive director, audit and risk and social, ethics and transformation.

Piet has over 30 years of manufacturing experience, having held executive positions at both Tiger Brands Limited and Pioneer Food Group Limited, together with various management positions at Pioneer Foods. Piet retired from Pioneer Foods in 2018.

SET **AR**



**LARRY WILSON
RIDDLE (66)**

Independent non-executive director

Larry was appointed to the Board on 28 September 2020.

Qualifications
BCom, BAccSc (Hons), CA(SA)

Quantum Foods Board and committee membership
Non-executive director, audit and risk, remuneration, nomination and investment (chairman).

Larry previously held the positions of commercial director and group corporate & external affairs director of Illovo Sugar Africa (Pty) Ltd ("Illovo") for seven years and three years, respectively. He held several senior management positions in Illovo, including general manager of the Illovo South African Operations, before he was appointed a director. Larry played a key role in looking after the Illovo joint ventures and associate companies in the Illovo group, including Gledhow Sugar Company, Glendale Distilling Company, Lacs (Pty) Ltd and Relax Ltd.

He was chairman of a number of the Illovo retirement funds. He is a past chairman of the South African Sugar Millers' Association and the Ethanol Producers' Association of South Africa.

Larry is currently the chairman of Crookes Brothers Ltd.

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**GARY
VAUGHAN-SMITH (62)**

Non-executive director

Gary was appointed to the Board on 19 February 2021.

Qualifications

BSc (Hons) Mathematical Statistics, MPhil Finance, Fellow of the Institute and Faculty of Actuaries.

Quantum Foods Board and committee membership

Non-executive director, social, ethics and transformation (chairman) and investment.

Gary is the founding partner and CEO of Silverstreet Capital LLP, London, UK, an asset management business focused on investing in the African agricultural sector. He has extensive experience in the African agricultural sector in eastern and southern Africa, including poultry, beef, processing, storage, seed and primary production. He has overseen investments of more than R6 billion into the African agricultural sector, many of which have been greenfield developments. Between 2001 and 2006, Gary was head of the alternative investment group at ABN AMRO Asset Management, based in London. Between 1990 and 2001, he was at Gartmore Investments Ltd, initially heading the quantitative investment team and then head of Gartmore's global portfolio team, also in London. Gary has broad experience in sourcing funding for projects and new investments. He has overseen the establishment of high ethical, ESG standards in the companies that the Silverlands Funds have invested in.

SET I

C



**ADEL DEIDRÉ
VAN DER MERWE (54)**

Chief executive officer

Adel has been with Quantum Foods since 2008 and was appointed to the Board on 1 April 2024.

Qualifications

BCom Management Accounting

Adel started in the corporate finance department of Pioneer Foods in 1995 and moved to central procurement, where she spent the bulk of her time involved in raw material and commodity procurement. In 2008, she joined Nova Feeds while it was still a division of Pioneer Foods. She joined the egg business in 2016 and was promoted to her current position on 1 April 2024. She has over 17 years' experience in the animal feeds and food industry.



**ANDRÉ HUGO
MULLER (55)**

Chief financial officer

André was appointed to the Board on 27 January 2014.

Qualifications

CA(SA)

André joined Quantum Foods in 2003 while it was still a division of Pioneer Foods. He started at *Nulaid* as a financial manager and was later appointed as the farming operations manager for *Nulaid*, a position he held for four years. André spent a year as the national sales and marketing manager for *Tydstroom* before being appointed as head of finance for Quantum Foods in 2012.



**ZIYANDA PATIENCE
WAKASHE (40)**

Company secretary and legal advisor

Ziyanda was appointed on 20 September 2022.

Qualifications

LLB, Certificate in Compliance Management

Quantum Foods Board and committee membership

Company Secretary

Ziyanda joined Quantum Foods in September 2022 from Sea Harvest Group Limited, where she served as the Legal and Compliance Officer and Assistant to the Group Company Secretary. She completed her articles in the civil and commercial litigation department at Schneider Galloon Reef & Co Attorneys and was admitted as an attorney of the High Court in 2020.

Executive committee



**ADEL DEIDRÉ
VAN DER MERWE (54)**

Chief executive officer

Adel has been with Quantum Foods since 2008.

Qualifications

BCom Management Accounting

Adel started in the corporate finance department of Pioneer Foods in 1995 and moved to central procurement, where she spent the bulk of her time involved in raw material and commodity procurement. In 2008, she joined *Nova Feeds* while it was still a division of Pioneer Foods. She joined the egg business in 2016 and was promoted to her current position on 1 April 2024. She has more than 17 years' experience in the animal feeds and food industry.



**ANDRÉ HUGO
MULLER (55)**

Chief financial officer

André has been with Quantum Foods since 2003.

Qualifications

CA(SA)

André joined Quantum Foods in 2003 while it was still a division of Pioneer Foods. He started at *Nulaid* as a financial manager and was later appointed as the farming operations manager for *Nulaid*, a position he held for four years. André spent a year as the national sales and marketing manager for *Tydstroom* before being appointed as head of finance for Quantum Foods in 2012.



**ROELOF
VILJOEN (59)**

Executive: supply chain

Roelof has been with Quantum Foods since 2008.

Qualifications

CA(SA)

Roelof was a financial manager and a sales manager at Sasko Grain before joining Quantum Foods while it was still a division of Pioneer Foods. He has over 26 years' experience in the food industry, of which 18 years have been spent in the poultry industry. Roelof was appointed to his current role in 2016.



**MARTHINUS PETRUS
VAN LILL (55)**

Executive: Feeds

Thinus has been with Quantum Foods since 1997.

Qualifications

BCom (Acc), BCompt (Hons), SAIPA (PA)

Thinus has been with *Nova Feeds* since 1997, while it was still a division of Pioneer Foods. He has since progressed from a financial manager to the executive responsible for Feeds. He has over 27 years' experience in the animal feeds and poultry industry. He is also closely involved in the supply chain, specifically in the raw material procurement strategy. On an industry level, he has been a longstanding director on the board of the Animal Feeds Manufacturing Association of South Africa.



**SELLO LACTON
MAILULA (47)**

Executive: Broiler farming

Lacton has been with Quantum Foods since 1 January 2020.

Qualifications

NDip Poultry, BTech Agriculture, PGDip, MBA

Lacton rejoined Quantum Foods on 1 January 2020 after five years of working internationally. He has over 25 years' experience in the poultry industry, the bulk of which was gained at Astral Foods and Quantum Foods in various roles in the broiler poultry value chain.

He spent three years as National Operations Manager for Broilers for *Dakahlia* Poultry in Egypt, followed by two years as Poultry Director of Biyinzika Poultry International Ltd in Uganda.



**HEATHER ELIZABETH
PETHER (57)**

Executive: Human Resources

Heather has been with Quantum Foods since 2005.

Qualifications

National Diploma in Human Resources, BA (HSSS)

Heather has over 29 years' experience in the human resources field. She spent seven years as the human resources manager of *Tydstroom* while it was a division of Pioneer Foods. She was appointed as the executive responsible for human resources at Quantum Foods in 2012.



**JAN HENDRIK
VAN RHYN (60)**

Executive: Africa

Jannie has been with Quantum Foods since 2014.

Qualifications

BEng, MSc, BCom (Hons)

Jannie spent nine years with Naspers Ltd, during which time he was involved in many start-up internet and internet-related businesses in China, South Africa and a number of other African countries. This includes Nigeria, where he was based for three years. Jannie was involved in projects, business development and operations in Sub-Saharan Africa for 13 years. He joined Quantum Foods in November 2014 and is responsible for the business in the rest of Africa.



**LESEGO AMOS
SELALEDI (48)**

Executive: Bergvlei Chicks

Amos has been with Quantum Foods since 1999.

Qualifications

BAgric, BInstAgrar (Hons), MPhil, BBA, MBA

Amos joined Quantum Foods in 1999 while it was still a division of Pioneer Foods. He started as a technical specialist at *Nova Feeds* and joined *Nulaid* in 2003 as a technical manager. He then became regional manager, then national manager, before being appointed as the executive for layer farming in January 2017. Amos has been responsible for *Bergvlei Chicks* (layer livestock) since October 2022. He has over 26 years' experience in the poultry industry.



**DAVID MICHAEL
NEL (48)**

Executive: Layer Farming and Eggs

David has been with Quantum Foods since 2020.

Qualifications

BCompt, MBA

David joined Quantum Foods in 2005 while it was still a division of Pioneer Foods and has over 21 years of experience in the food industry. He started his tenure at Quantum Foods as the finance manager for the Feeds Division, a role he held for seven years. Subsequently, he dedicated several years to the Group Shared Services Division of Pioneer Foods. In 2020, he assumed the role of business development manager at *Nova Feeds*. David was subsequently promoted to the position of national pack stations manager for *Nulaid* in 2022 and appointed to his current role in April 2024. Additionally, he is a member of the SAPA egg board.

Quantum Foods benefits from the industry **experience, leadership skills and spirit of collaboration that characterise our executive committee**. They are well-versed in executing strategy while driving sustainable operational performance.

ENSURING A RESPONSIBLE BUSINESS

We integrate ESG factors into our strategic decision-making processes as we remain attuned to our stakeholders, recognising the potential impact that our actions may have on their lives. Our sustainability policy serves as a guiding framework, ensuring that ESG considerations are embedded in our daily operations and strategic initiatives.

From reducing our environmental footprint and improving animal welfare, to supporting local farmers and ensuring strong governance, we see ESG as part of running a responsible and sustainable business. Our ambition remains to provide nutritious food while protecting the environment, caring for people and strengthening trust with all who rely on us.

Our sustainability commitments

We remain committed to:

- Conducting business in an ethical and socially responsible manner, considering our Board charter and code of ethics
- Proactively and responsibly engaging and partnering with relevant stakeholders to achieve our sustainability goals
- Implementing management systems that align with international best practice but are adapted to the nature and scale of our operations
- Integrating sustainability into our product development, business model, accounting and reporting activities
- Monitoring the performance of non-financial matters through the SETC

ESG integration

Our sustainability relies on the continued availability, quality and affordability of the six capitals, which address our key resources and relationships and determine our ability to implement our strategy and create future value.

Value chain

Our approach to ESG extends throughout our value chain to ensure that we can provide affordable access to poultry and egg products for human consumption and animal feeds for livestock consumption.

✚ Read more about our value chain on page 22.

Business model

The six capital resources and relationships that serve as inputs into our business activities offer a holistic view of ESG aspects important to Quantum Foods. ✚ Read more in our business model on page 23 and how we consider trade-offs on page 26.

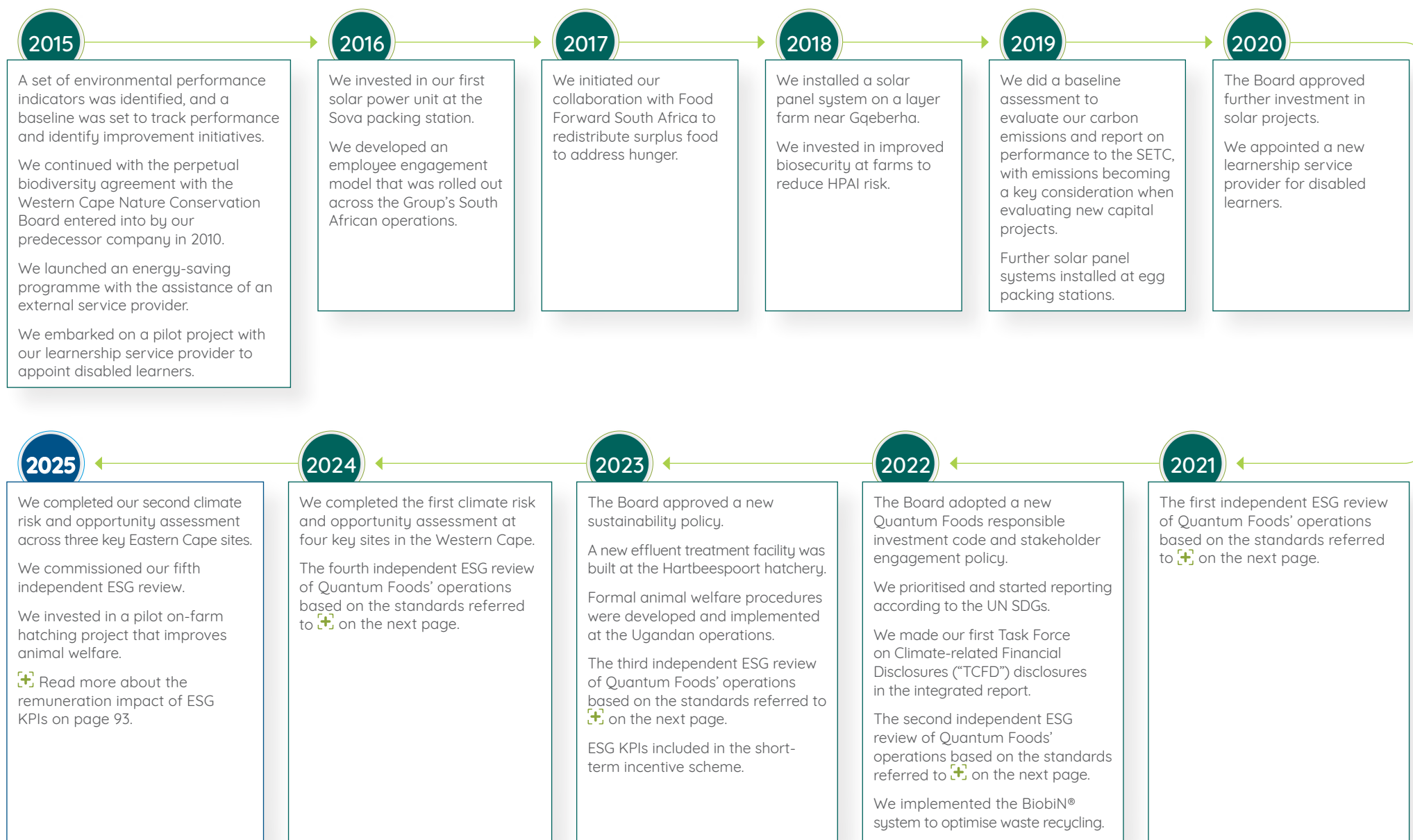
Strategy

ESG factors are considered in our strategy development and reviews, with particular emphasis on the strategic focus areas for efficient operations and customer focus, human capital management and organisational health. ✚ Read more about our progress in these areas from page 61.



Our ESG milestones

Quantum Foods has been integrating ESG aspects into strategic and investment decisions since listing on the JSE in October 2014. The timeline demonstrates our commitment to a sustainable and responsible business.



ESG review in 2025

IBIS has been conducting independent annual ESG performance reviews at Quantum Foods since 2021, based on the following:

- The International Finance Corporation’s performance standards on environmental and social sustainability
- Core International Labour Organisation (“ILO”) standards and basic terms of employment
- United Nations Global Compact
- UK Bribery Act

Key findings

ESG successes

- The installation of variable speed drives for energy efficiency at the animal feed sites continued
- Funds have been allocated to upgrade the Paterson feed mill, including a new intake and improved storage facilities, combined with improvements to ensure better dust and stormwater management
- Corporate social responsibility expanded to all business segments, including business units in other African countries
- Continued assessment of climate risk and mitigation measures for near-coastal operations and incorporation of climate risk into decision-making when considering expanding into new geographies

ESG challenges

- An increase in security risk, particularly hijackings of delivery vehicles
- Power supply issues in Zambia increased generator diesel consumption
- Security issues related to post-election unrest in Mozambique, including the looting of the site and the evacuation of employees
- 32 retrenchments in FY2025 due to the effects of HPAI
- Two administrative penalties of R10 million were levied in September 2025 and November 2025 due to Section 24G applications lodged at Egglund poultry farm and Kaalfontein layer farm to ensure environmental compliances for poultry houses erected by the previous owners without environmental approval. Quantum Foods acquired the farms in 2009 and 2010 and the poultry houses were constructed approximately five years earlier. We have lodged appeals
- An isolated HPAI outbreak at one of the Group’s layer farms in the Western Cape at the end of FY2025

Recent developments

- The *Tydstroom* Eigendom broiler farm was converted to a broiler breeder farm, with updates to the facility including a new guard house, mortality house, egg room, shavings store, chemical store, fumigation room, visitor/employee showers, manager’s office with a vaccine/kitchen area, a laundry and a small storeroom
- The mothballed *Nulaid* Pinetown pack station was reopened in August 2024
- The *Bellevue Chix* Philadelphia breeder farm was closed in 2025 and is in the process of being converted to a broiler farm
- A new feed plant is under construction at the Group’s Malmesbury site
- Several changes and mitigation measures were introduced to combat HPAI, including dedicated feed trucks that only serve internal farms, improved decontamination processes for vehicles entering farms and strategies to expand to other less-impacted regions
- On-farm hatching introduced for broilers
- Completed the upgrade of the feed mill in Zambia

Our contribution to the Sustainable Development Goals

We continue to align our efforts with the SDGs, using them as a framework to guide our focus and measure progress on global challenges. By embracing the 17 goals, we actively promote and participate in collective action to drive meaningful change and contribute to a more sustainable future. We prioritised SDG 2 (zero hunger), SDG 8 (decent work and economic growth) and SDG 12 (responsible consumption and production).

Our significant impacts

Quantum Foods has identified its most material impacts on society and the environment in alignment with evolving global reporting standards. This assessment deepens our understanding of key sustainability risks and opportunities, enabling more informed decision-making.

 Read more about these on page 32.

In this section, we match our material impacts with the SDGs to highlight our ESG focus areas.



UN SDG 2: Zero hunger



Nutrition

Our ability to provide high-quality protein at affordable prices contributes to ending hunger and associated perils, such as stunted development of young children.



Responsible sourcing

Developing local small suppliers and ensuring responsible practices in our value chain will create value for all stakeholders and assist in the protection of human rights.

Context and commitment

South Africa continues to face deep-rooted challenges driving food insecurity and malnutrition. Poverty levels remained high, with around 55% of the population living below the upper-bound poverty line, as defined by the Presidential Multisectoral End Childhood Hunger and Malnutrition Initiative. Statistics South Africa set the upper-bound poverty line at R1 634 per person per month at May 2024 prices. One in four children under the age of five suffers from stunted growth, reflecting the severe nutritional deprivation that undermines both child development and maternal health.

Poultry, notably eggs and broiler meat, play a vital role in supporting human nutrition. Eggs remain one of the most efficient and accessible sources of high-quality animal protein, rich in essential nutrients such as vitamin B12, choline and essential fatty acids. These are all critical for child development and maternal health.

Quantum Foods recognised the urgency of this nutritional crisis and the responsibility we carry as a major producer of eggs, day-old chicks and broiler livestock..

In FY2025, we sold 828 million eggs across four African countries and produced 86 million day-old chicks for human consumption.

Beyond production, we actively supported local food systems through enterprise and supplier development programmes, helping small-scale producers build resilience and access markets. Our corporate social investment initiatives also focused on hunger relief and nutrition education.

UN SDG 2 targets	Measuring progress in 2025
2.2 By 2030, end all forms of malnutrition, including achieving by 2025 the internationally agreed targets on stunting and wasting in children under five years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women, and older persons	<ul style="list-style-type: none"> Families facing hunger receive support through our long-standing donor relationship with FoodForward South Africa ("FFSA") We donate egg and liquid egg products to several institutions that assist with food security
2.3 By 2030, double the agricultural productivity and the incomes of small-scale food producers, particularly women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets, and opportunities for value addition and non-farm employment	<ul style="list-style-type: none"> We continued supporting small black enterprise suppliers such as NNT Women Poultry in Tsitsikamma and Nomvula Poultry situated in Tierpoort, Pretoria

Combating malnutrition and stunting

Quantum Foods is a longstanding partner of FFSA, the country's most significant food recovery and distribution organisation. FFSA collects edible surplus food from across the supply chain, including manufacturers, wholesalers and retailers, and redistributes it to a vetted network of beneficiary organisations that feed nearly a million vulnerable South Africans daily.

Quantum Foods has supported its Mother and Child Nutrition Programme since 2023. The programme targets pregnant women and young children living below the poverty line in the Western and Eastern Cape. The programme focuses on preventing malnutrition and rehabilitating underweight children. In 2025, the initiative expanded its reach, delivering monthly high-protein food boxes to hundreds of households.

Quantum Foods continues to contribute eggs to this programme, an essential, nutrient-dense food that supports healthy growth and cognitive development in children. In FY2025, we donated 6 000 dozen eggs to parcels, which are distributed to food-insecure households and monitored by social workers and dietitians to ensure nutritional impact. Encouragingly, children in the tracking dataset showed consistent weight gain over the reporting period. Operations in the other African countries identified impoverished schools in their area and donated eggs to ensure that the children are fed at least one wholesome meal per day.

Developing small enterprises in our supply chain

We have a range of initiatives where we support small businesses in different parts of our operations:

- We support black farmers with discounted point-of-lay hens, day-old chicks and feed
- We provide feed and farm management assistance to historically disadvantaged South African ("HDSA") farmers for improved production
- We procure eggs from HDSA egg producers in the Western Cape and Eastern Cape
- We assisted one of our HDSA egg producers in applying for funding from the Industrial Development Corporation



UN SDG 8: Decent work and economic growth

Skills development	As one of the few corporate players in the poultry and egg sector in South Africa, Quantum Foods contributes to creating a pool of skills for the industry and high-performing employees for our own operations.
Health, safety and human disease	By providing a safe working environment and protective equipment, including biosecurity measures, Quantum Foods takes care of employees and complies with legislation.
Transformation	Our commitment to empowerment, development and employment equity will lead to improved socio-economic status for previously disadvantaged individuals and communities.

Context and commitment

South Africa's unemployment rate continues to rise sharply. In the second quarter of 2025, Statistics South Africa reported that 33% of the labour force is officially unemployed, amounting to about 8.4 million people. In this fragile labour market, the poultry industry is the country's largest agricultural employer that supports around 60 000 jobs.

Quantum Foods remains a significant contributor to employment, particularly in rural areas where our farming operations are based. Our scale and geographic footprint enable us to support livelihoods in communities with limited economic opportunities.

We are committed to fair and ethical labour practices, as outlined in our sustainability policy. As such, we ensure that Quantum Foods:

- Upholds the International Labour Organisation's Fundamental Conventions and the UN Universal Declaration of Human Rights
- Prohibits child and forced labour
- Pays wages that meet or exceed legal and industry minimums
- Treats employees fairly in terms of recruitment, progression, terms and conditions of work and representation, irrespective of gender, race, disability, political opinion, sexual orientation, age, religion, social or ethnic origin, or HIV status
- Allows consultative workplace structures and associations that enable employees to present their views to management
- Supports collective bargaining and consultative workplace structures
- Ensures that where employees are relocated for extended periods in remote locations, they have access to adequate housing and basic services
- Prioritises the advancement of black, Indian and coloured representation in management roles in line with the Group's employment equity strategy

UN SDG 8 targets

Measuring progress in 2025

8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

- Quantum Foods provides employment for 2 572 people (FY2024: 2 425)
- 35.9% female employees in South Africa (FY2024: 37.0%)


8.6 By 2020, substantially reduce the proportion of youth not in employment, education or training

- 33 internships, apprenticeships, learnerships and adult basic education and training ("ABET") opportunities in South Africa (FY2024: 53)
- Support for skills training and entrepreneurship community programmes

8.7 Take immediate and effective measures to secure the prohibition and elimination of the worst forms of child labour, eradicate forced labour, and by 2025, end child labour in all its forms

- No child labour
- No forced labour
- Quantum Foods demands these standards from our suppliers

8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, particularly women migrants, and those in precarious employment

- Successfully concluded wage agreements that confirm effective employee engagement
-  Read more about occupational injuries on page 64

Our employee profile

We employ people in South Africa, Zambia, Uganda and Mozambique and adhere to employment legislation in all territories.

Headcount	2025	2024
Salaried	499	484
Salaried contractors	44	54
Wages	1 169	1 104
Wages contractors	8	7
Total South Africa	1 720	1 649
Total Mozambique	90	86
Total Uganda	246	223
Total Zambia	516	467
Total Quantum Foods Group	2 572	2 425

The increase in headcount in Uganda is mainly due to a change in the processing of chicken manure whereby manure is prepared for sale to farmers, improving cost recovery and sustainable waste management, as opposed to disposing in bulk. The increase in headcount in Zambia is mainly due to the timing of maize procurement, where additional seasonal workers are appointed. Although South African operations retrenched 32 employees, previously scaled-down operations due to HPAI outbreaks recommenced operations. This resulted in higher employee numbers this year.

Employee turnover for South African operations (%)

	2025	2024
Total turnover	18.8	26.9
Management turnover	0.8	1.2
Not-in-management turnover	18.0	25.7

We follow prescribed legal processes when implementing operational resizing measures and, where possible, explore alternatives to people losing their jobs.

Diversity, transformation and employment equity

Quantum Foods is committed to addressing inequalities regarding race, gender and disability.

1 668 employees

were permanently employed by the South African operations as at 30 September 2025

(FY2024: 1 588)

92.6%

of permanent employees in South Africa are HDSA

(FY2024: 92.7%)

39.3%

of management in South Africa are HDSA (grade 12+ employees)

(FY2024: 39.7%)

35.9%

of permanent South African employees are women

(FY2024: 37.0%)

3.0%

of South African employees are on fixed-term contracts

(FY2024: 3.7%)

 Read about diversity in our Board composition on page 78

Employment equity statistics for South Africa as at 30 September 2025											
	African		Coloured		Indian		White		Foreigners		
Occupation levels	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Total
Top management	1	2	1	1	0	0	1	4	0	0	10
Senior management	0	3	3	0	0	0	3	16	0	0	25
Professionally qualified, experienced specialists and mid-management	2	20	5	11	2	2	16	42	0	0	100
Skilled technical and qualified employees, junior management, supervisors, foremen and superintendents	42	99	57	51	2	5	14	25	0	0	295
Semi-skilled and discretionary decision-making employees	211	445	68	130	0	0	2	1	0	0	857
Unskilled and defined decision-making employees	144	179	24	34	0	0	0	0	0	0	381
Total permanent employees	400	748	158	227	4	7	36	88	0	0	1 668
Non-permanent employees	10	19	3	9	0	0	0	11	0	0	52
Total	410	767	161	236	4	7	36	99	0	0	1 720

Leadership development

During the year, we introduced more structured talent pipelines, strengthened succession planning and sharpened our focus on engagement and policy benchmarking.

Leadership is a critical enabler of long-term business success, particularly in times of change and uncertainty. Strong leadership ensures clarity of purpose, inspires teams and drives accountability for delivering on strategy. Traditional training programmes have often focused on technical skills or short-term management needs.

Our newly launched Inspired Leadership programme marks a step-change from this approach. It is designed to strengthen leadership practices and to cultivate thought leadership and future-ready capabilities. It combines structured development with targeted coaching, enabling technically strong managers to grow into confident people leaders. By piloting with select cohorts from our top 50 managers, the programme sets the foundation for a leadership pipeline that can be scaled across the Group.

Our succession pipeline

Talent development progressed on multiple fronts in FY2025. The Group expanded its graduate pipeline in partnership with North-West University, following the successful appointment of its first trainee into a supervisory role. Building on this success, the programme was broadened to include three additional students, among them a black female trainee, to support transformation goals. A firm commitment has also been made to ensure greater female representation across the pipeline.

Quantum Foods has established a formalised talent pool targeting employees earmarked for future senior and executive roles. Participants undergo rigorous development processes, including psychometric evaluations, business case presentations and targeted coaching for technically strong individuals who require further development in people leadership. Progress is tracked through quarterly executive reviews, which also inform succession and retirement planning.

To strengthen skills retention and long-term succession planning, the retirement age was raised from 60 to 63. Proactive planning for executives nearing retirement has already begun, with identified successors and tailored interventions in place. These initiatives ensure a well-rounded, future-ready leadership pipeline, supporting both the Group's strategic goals and transformation commitments.

Growing our leaders

During the year, leaders at the broiler business completed a year-long coaching journey. Several of the attendees progressed to the Inspired Leadership programme. At junior levels, certain employees completed programmes at the Potchefstroom and Stellenbosch universities. We also expanded international exposure, with our first female hatchery manager who trained abroad, a young breeder specialist who will hone his skills in Scotland and a senior colleague enrolling in a London programme.

We prioritised internal mobility, supporting employees through promotions that opened growth opportunities across the Group. The team also improved gender diversity, particularly in senior and farm management roles. We are creating a culture where women are empowered and recognised.

Training and development

Quantum Foods relies on a robust framework to identify and implement training and development initiatives that keep the business competitive. We systematically assess training needs, design and source engaging programmes and drive continuous improvement to enhance performance, foster growth and sustain our status as a learning organisation.

We contribute to employability in South Africa by investing in our own skills pipeline. We develop training resources, adapt investments to business needs and expand online learning to train farm employees, induct new employees and refresh existing skills.

We run workshops in life skills, legislation and compliance, ensuring that all licences and accreditations remain current. We also extend life skills and diversity training, increasing both the number of employees trained and overall training spend.

Supervisory training programme

Quantum Foods is currently piloting this programme at the *Nova Feeds* plant in Malmesbury, with plans to expand the initiative to other feed units and packing stations. This SETA-registered, eight-month online programme is tailored to junior managers and aims to enhance leadership capabilities at the supervisory level.

The curriculum covers essential foundational topics such as time management, performance management and the interpretation of operational efficiency metrics, including overall equipment effectiveness and other key business statistics. By equipping supervisors with these skills, the programme supports improved operational oversight and contributes to building a stronger, more capable leadership pipeline.

Internships, learnerships and bursaries

We continue to invest in talent development through structured learnerships and internships, with a strong focus on animal production and egg packing station management. These programmes aim to upskill general workers in supervisory roles, addressing operational needs and promoting internal growth. We introduced an 18-month graduate trainee programme in 2023 to nurture emerging talent. We appoint students who have Animal Science qualifications from universities and expose them to our operations. We successfully appointed a manager from this programme. The programme will continue with new graduates in 2026.

Bursaries are offered to diploma-level employees seeking to obtain degrees, supported by a student pipeline from Tshwane University of Technology and national qualifications framework ("NQF") training. In addition, the Group offers bursaries to external students in their final years of agriculture and agri sciences studies. We provided second-round support for 12 unemployed disabled learnerships during the year, which included stipends.

- 27 bursaries were allocated to students studying at institutions including North-West University, Stellenbosch University, Boston City College in Cape Town and Unisa. Courses included degrees and diplomas in Animal Science, Agricultural Science, Supply Chain Management, Accounting, Business Management and HR.
- 89% of bursaries were awarded to HDSA candidates, reflecting a strong focus on transformation and inclusion.
- 12 students from Tshwane University of Technology and Elsenburg Agricultural Training Institute were appointed as interns on various farms as part of their work-integrated learning to graduate at the end of 2025.

Skills pipeline in South Africa	2025	2024
Internships	12	8
Apprenticeships	5	0
Learnerships	13	24
ABET	3	21
Total	33	53

Internships and apprenticeships increased after operations recommenced following a period of lay-offs. The decrease in the number of ABET participants was due to ABET being offered in the business since 2015, and employees preferring to complete the NQF2 animal production learnership. The latter is at the same level as the current ABET classes. The decline in learnerships is due to a lower number of applications received from employees as a result of operations affected by HPAI when the learnership window period was open.

Training spend in South Africa

	2025	2024
Total number of employees trained	725	460
Employee training spend	R6.2 million	R4.7 million
Employee training spend as a percentage of payroll	1.3%	1.1%

Our training spend increased from R4.7 million in FY2024 to R6.2 million in FY2025. This is mainly due to an increased focus on leadership development interventions.

Retrenchments

Fortunately, retrenchments were much lower this year and limited to the layer farming and eggs business, with little impact on overall operations. There were 32 Section 189 retrenchments and Section 197 transfers related to operations at Gottini Lake in Gauteng.

Occupational health and safety

Quantum Foods is committed to maintaining safe and healthy working conditions for all employees and contractors, as outlined in our sustainability policy. We aim to safeguard the wellbeing of everyone affected by our operations, comply with all applicable laws and progressively align with international best practices. This includes assessing and mitigating health and safety risks, particularly in high-risk areas such as animal feed and poultry production, where employees may be exposed to noise, hazardous chemicals, biological agents and ergonomic stressors.

Each farm is supported by a qualified occupational health, safety and environmental ("OHSE") manager who conducts inspections and helps develop site-specific management systems. Farm managers are responsible for implementation, supported by active health and safety committees comprising management, supervisors and labourers. Annual training ensures awareness and compliance and all statutory appointments under the Occupational Health and Safety Act are in place.

Our feed factories are veterinary-approved, Animal Feed Manufacturers Association of South Africa-compliant and certified under ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018, with the Paterson facility working towards full certification. Hazardous chemical assessors are appointed at relevant sites and employees handling dangerous substances are equipped with appropriate protective gear, including respirators.

Occupational hygiene surveillance is conducted biannually, covering noise, ventilation, illumination, grain dust and ergonomics. Medical surveillance programmes include entry, periodic and exit assessments for permanent employees in designated roles, covering lung function, vision, hearing, chronic conditions and drug screening.

Zero
fatalities ▼
(FY2024: 1)

99
recordable injuries in
South African operations ▲
(FY2024: 90)

439
lost days in South African
operations ▲
(FY2024: 401)

Recordable injuries and lost days in South Africa increased due to more repetitive motion injuries, violent acts at work and injuries in the categories of needle pricks and machine entanglements. Refresher training in the latter two categories remains a priority.

Six incidents were reported in the violent acts at work category relating to two truck hijacking incidents in Gqeberha in the Eastern Cape, where employees were physically injured and suffered from psychological trauma. Employees involved were offered psychological trauma counselling.

Employees in animal feed and poultry production face risks such as high noise levels, dangerous equipment, slippery floors, musculoskeletal strain and exposure to hazardous chemicals used in refrigeration and disinfection. They also face biological hazards, including infectious diseases. We protect our employees against these risks by implementing strict health and safety measures in line with international best practice standards.

Protecting labour rights

The Quantum Foods sustainability policy highlights our commitment to good labour relationships through consultative workplace structures and associations that allow employees to present their views to management. As such, we engage with different labour unions and have open communication channels.

Our human resource policies and code of ethics protect employees' rights against discrimination and set out our commitment to freedom of association. Employees are informed of these policies at induction and have access to a central database of policies.

We adhere to all legal and regulatory requirements regarding labour decisions and processes.

Labour relations remained largely stable in FY2025, with all bargaining units settling at a 5.0% wage increase, above both the Consumer Price Index ("CPI") and the national minimum wage adjustment. National minimum-wage employees also received the full 5.0% increase, despite a lower legislated adjustment. This reflects management's commitment to ensuring fairness across the workforce.

We have 11 trade unions representing employees in South Africa. The Food and Allied Workers Union ("FAWU") has the highest overall representation among Quantum Foods' employees. Union membership remained at similar levels.

34%

of the Group's South African employees belong to a trade union

(FY2024: 35%)

10%

of the Group's wage employees in its South African operations are FAWU members

(FY2024: 13%)

74%

of full-time employees in Zambia belong to the National Union of Plantation, Agricultural and Allied Workers ("NUPAAW")

(FY2024: 70%)

No employees in Uganda belong to a union.

35%

of employees in Mozambique belong to the Sindicato Nacional dos Trabalhadores Agro-Pecudários Indústria de Caju e Florestas union ("SINTAICAF")

(FY2024: 44%)

An ethical workplace and a zero tolerance for fraud and corruption

Quantum Foods has implemented several measures to address fraud and corruption risks within its operations. We have a whistle-blowing hotline that allows employees and stakeholders to report suspected fraud or ethical transgressions confidentially and without fear of retaliation. This hotline is part of our broader commitment to ethical governance, as outlined in our anti-bribery and corruption policy. The SETC plays a key role in maintaining an ethical culture across the organisation and monitors compliance with fair labour practices, social development, and anti-corruption standards.

To ensure continued vigilance, we plan to integrate fraud risk awareness into our ethics and compliance training for the 2026 financial year. This proactive approach reflects our commitment to strengthening internal safeguards and further promoting a culture of accountability.

During the year, a dedicated competitor contact policy was developed to replace the previous, limited guidance embedded within the code of ethics. While the code required employees to declare interactions with competitors, it lacked the clarity and specificity needed to ensure consistent compliance. The new standalone policy addresses this gap by providing comprehensive, actionable guidance on managing such contacts responsibly and transparently.

Advancing equity and opportunity

We are committed to enhancing the socio-economic status of HDSAs. Quantum Foods' progress towards broad-based black economic empowerment is verified annually through a compliance scorecard. We are committed to improving the Company's B-BBEE status.

Transformation continues to be embedded through a newly elected employment equity committee and the completion of a barrier analysis survey, which combined online responses with physical workshops. Action plans have been developed to address identified obstacles, with particular emphasis on improving black female representation in senior management.

Quantum Foods achieved a level 7 B-BBEE score in FY2025 but was again discounted to level 8 (FY2024: level 8) as we did not achieve the sub-minimum scores for the ownership, training and development and preferential procurement elements.

The sub-minimums for training and development and preferential procurement could not be achieved due to, *inter alia*, the fact that material quantities of feed raw materials were supplied mainly by international companies or imported based on cost comparisons. For example, the need to increase our ratio of imported soya meal based on price or availability had a significant impact compared to sourcing from our local level 1 supplier.





We achieved maximum scores in elements such as enterprise, supplier, and socio-economic development.

🔗 Our full scorecard is available on our website at <https://quantumfoods.co.za/investor-relations/company-documents/>

The Group considers employment equity when making external appointments, especially at the senior level, to improve our management control and employment equity scores. 📖 Read more about employment equity on page 63.



UN SDG 12: Responsible consumption and production

 Protecting the environment (emissions and waste)	Implementing practices to minimise emissions and waste is crucial for environmental stewardship, compliance with regulations and reducing our carbon footprint and taxes.
 Water	More pervasive drought conditions can lead to water supply risks, which will affect raw material quality and availability as well as operations, including bird performance, cooling and sanitation. Floods, on the other hand, can lead to severe infrastructure damage. This will require increasing investment in water recycling, storage and treatment capacity.
 Product safety and quality	We aim to provide products that are safe and nutritious for their target market – be it human or animal – to consume.
 Animal welfare	Adhering to acceptable and required practices reflects our ethical responsibility, while biosecurity measures protect our birds.

Quantum Foods aims to:

- Comply with applicable local and national laws and address any gaps identified
- Identify potential risks and appropriate mitigating measures through an environmental impact assessment, especially when business operations change
- Consider the potential for positive environmental impacts from business activities
- Take appropriate actions to mitigate environmental risks
- Ensure the fair treatment of animals according to local and international guidelines, as appropriate
- Consider the impact of our operations on the environment, particularly in terms of carbon emissions, as an essential consideration when evaluating new capital projects

UN SDG 12 targets	Measuring progress in 2025
12.2 By 2030, achieve the sustainable management and efficient use of natural resources	<ul style="list-style-type: none">• We measure progress in minimising our resource use• We continue to invest in solar systems, water treatment and waste management
12.3 By 2030, halve per capita global food waste at the retail and consumer level, and reduce food losses along production and supply chains including post-harvest losses	<ul style="list-style-type: none">• We improve efficiency and reduce waste to avoid losses in the production process• We support FFSA, which reduces waste by recovering quality edible surplus food for distribution to community organisations
12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse	<ul style="list-style-type: none">• We use BiobiN® to recycle waste• We recycle water at some sites and continue to look for additional opportunities• We pack most of our eggs in recyclable packaging• Feed is mostly supplied in bulk, a process not generating packaging waste• Livestock supplies use reusable packaging• Poultry manure is mostly recycled as fertiliser
12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle	<ul style="list-style-type: none">• We require top suppliers to share their policies and declare compliance with sustainable practices, such as human rights and child or forced labour

Promoting resource efficiency

Our businesses operate with environmental management systems (“EMS”) tailored to their specific contexts. These systems range from comprehensive frameworks addressing all environmental aspects to foundational approaches in African operations. We actively monitor resource efficiency indicators, including electricity and water usage, to cut consumption and lower environmental impact.

We focus on innovative packaging solutions at our egg packing stations. We redesigned our boxes with shorter flaps, reducing the volume of packaging material. The switch to corrugated packaging delivered further material savings, while clamshell packaging significantly reduced the need for plastic shrink wrap.

We also explore biodegradable and compostable packaging materials to reduce reliance on plastics and improve end-of-life sustainability. These initiatives demonstrate our commitment to environmental stewardship and continuous improvement.

Context and commitment

The way the world produces food threatens its ability to feed future generations. Food production contributes significantly to climate change, water scarcity, deforestation and social injustices such as forced labour and corruption. Food security and affordability now stand at the centre of global wellbeing, as climate extremes and geopolitical instability disrupt supply chains and agricultural productivity.

Consumers demand greater transparency, traceability and assurance of ethical practices in food production. In poultry farming, they expect higher standards of animal welfare at every stage of production. As producers, we need to constantly evaluate improvements by adopting innovative farming technologies such as AI-powered sensors, real-time behaviour tracking and precision feeding systems to monitor animal health and welfare more effectively. These innovations improve disease prevention, reduce environmental impact and raise welfare standards.

The Quantum Foods sustainability policy states our objectives to:

- Minimise adverse impacts and enhance positive effects on the environment as relevant and appropriate
- Make efficient and sustainable use of natural resources, for example, soil, land, livestock, biodiversity and water and to take a preventive and precautionary approach to protect the environment wherever possible
- Support the reduction of greenhouse gas emissions, which contribute to climate change
- Encourage the development of environmentally friendly technologies
- Ensure the fair treatment of animals

Environmental performance indicators

South Africa	2025	2024	2023	2022	2021	Notes
Coal (tons)	2 589	3 355	3 718	3 547	2 963	Coal heating has remained fairly flat over time as it is only used at a small number of farms and at the start of the rearing cycle. Coal use decreased in FY2025 due to the exit of a rented broiler farm during the year.
Gas (Kg)	2 021 240	1 831 999	1 666 519	1 691 353	1 601 939	Factors that affect gas use include the number of day-old pullets placed on layer rearing farms, the pre-placement heating regime and the impact of HPAI on bird volumes. Gas usage per bird reduced in FY2025 compared to FY2024.
Diesel/petrol/paraffin (litres)	1 310 147	1 743 819	3 628 628	1 722 523	1 282 974	Fuel use reached record levels in FY2023 due to additional generator usage to combat higher levels of load shedding.
Heavy fuel oil/poly fuel (litres)	1 145 180	1 197 458	1 264 519	1 063 457	1 112 546	Heavy fuel oil and polyfuel use is driven mainly by the volume of pelletised feed, which requires more fuel per ton than other feed types.
Packaging (tons)	3 739	2 269	4 579	5 298	5 287	Although we continuously improve packaging, consumption is mainly determined by the volume of eggs sold. This is affected by HPAI and market demands. Egg sales volumes increased in FY2025 after recovery from the HPAI outbreaks in the previous two years.
Waste: litter/manure produced (tons)	104 130	68 875	125 002	144 331	138 604	Litter or manure volumes are driven by the number of birds on farms, which are affected by HPAI outbreaks and market demand. Waste increased in FY2025 due to higher populations of birds on farms following recovery from HPAI outbreaks in the previous two years.
Mortalities to landfill/waste pits (tons)	830	2 581	2 370	1 409	949	Mortalities are impacted by volumes of birds on farms and outbreaks of HPAI. FY2024 included the culling of birds that were infected by HPAI at the end of FY2023.
Water (kl)	1 409 379	1 418 315	1 550 064	1 539 176	1 473 424	Water usage is mainly determined by bird numbers and the requirement for cooling and washing houses. The decrease from FY2024 onwards is due to lower populations of birds on farms following the FY2023 and FY2024 HPAI outbreaks.
Effluent water (kl)	161 630	188 104	306 957	264 694	285 490	Effluent water usage depends on volumes produced, the number of rearing and laying cycles completed within a year and increased cleaning requirements following an HPAI outbreak.
Electricity (kWh'000)	43 893	39 526	37 513	45 209	46 813	The use of purchased electricity increased in FY2025. Very few load shedding hours occurred since March 2024. Solar panel projects implemented had a positive impact.
Electricity from renewable sources (kWh'000)	2 873	2 183	2 686	2 797	2 353	The use of electricity from renewable sources has increased over time as new solar panel projects were implemented. FY2024 renewable energy use decreased due to solar plant maintenance.

Selected comparative figures were updated following an improvement in the accuracy of measurement techniques.

In FY2022, we began measuring environmental performance indicators for Zambia, Uganda and Mozambique. Comparative numbers are unavailable for the full FY2022 for some indicators in the table.

Other African countries	2025	2024	2023	2022	Notes
Coal (tons)	26	22	20	52	Coal heating is only used on one Quantum Foods farm in Zambia. FY2022 included usage on Ugandan farms.
Gas (Kg)	34 041	28 726	43 004	38 588	Gas use increased in FY2025 due to more birds being placed on Ugandan farms during the year.
Diesel/petrol/paraffin (litres)	902 628	622 393	502 668	485 521	Petrol used was not included for the full FY2022. In FY2025, higher use in Zambia resulted from increased load shedding, with generator diesel increasing by 154 952 litres. Other usage increased by 29%, with higher sales volumes through the Copperbelt depots being the main driver.
Packaging (tons)	623	617	634	–	Packaging usage is mainly determined by the volume of eggs sold, which is affected by bird volumes, egg production efficiency and market demands. Packaging was not measured in FY2022.
Waste: litter/manure produced (tons)	22 704	21 670	21 171	20 641	Litter or manure is determined by the volume of birds on farms.
Mortalities to landfill/waste pits (tons)	144	163	195	193	Mortalities reduced in FY2025 mainly at the Mega eggs and Masindi commercial laying farms.
Water (kl)	221 611	220 979	213 686	175 040	Water usage is mainly driven by bird numbers and the requirement for cooling. Borehole water use was not measured for the full FY2022.
Effluent water (kl)	610	529	1 525	–	Effluent water usage depends on volumes produced and the number of rearing and laying cycles completed within a year. Effluent water was not measured in FY2022. Effluent water increased in FY2025 due to more flocks being replaced in Mozambique, which resulted in more cleaning at chicken houses.
Electricity (kWh'000)	2 371	2 697	3 163	3 027	Electricity use decreased due to increased load shedding in Zambia.

Selected comparative figures were updated following an improvement in the accuracy of measurement techniques.

Ensuring food safety

Quantum Foods is committed to producing safe and nutritious products for both human and animal consumption. Food safety is a key component of our risk management process, which includes measures to prevent contamination and ensure product integrity. Animal feeds are manufactured in accordance with good manufacturing practices and all feed mills operate under integrated management systems ("IMS") that are subject to annual external audits. These audits, conducted by internationally accredited certification bodies, include regular surveillance and complete re-certification every three years. An internal audit programme further supports continuous monitoring and improvement of these systems.

We have a specialist quality management resource who drives safety processes, including auditing selected suppliers. If non-compliance is identified and not addressed, contracts may be terminated. Raw materials are rigorously tested upon delivery to feed mills and any non-conforming items are rejected before offloading. This ensures compliance with food safety regulations and complements the existing quality system, which tracks non-conformances, customer complaints, and corrective actions.

The health of poultry flocks is central to producing safe food. Quantum Foods enforces strict biosecurity protocols across all farms, which both internal employees and independent veterinarians regularly audit. Vaccination programmes, along with monitoring of serology, environmental conditions, and water quality, help maintain flock health. Internal health and safety audits are conducted annually at all layer farms, depots and broiler farms.

Egg production and packing facilities also undergo annual food safety audits by accredited bodies and all sites have achieved certification in accordance with FSA or FSSC 22000 standards. Our annual independent ESG review assesses the effectiveness of food safety management systems, including hygiene practices, training, microbiological and chemical verification plans, handling of non-conformances and traceability.

Customer satisfaction measures

Quantum Foods serves both internal and external customers through its integrated operations. We consistently deliver high-quality products and services across all customer segments. We operate a formal customer complaint system to capture and address feedback effectively. In the animal feeds division, we measure customer satisfaction through an independent annual survey that identifies trends, benchmarks performance and guides improvements.

In our farming operations, we monitor customer satisfaction through ongoing engagement focused on the quality and production performance of livestock supplied. In the egg business, we partner with an external company to manage customer feedback. Customers and consumers use a toll-free number to report issues and we log and track all calls. Senior management reviews weekly reports to identify patterns and address problems, ensuring we maintain a strong customer-centric approach.

Quantum Foods experienced zero product recalls during FY2025 (FY2024: 0).

Protecting animal welfare

Animal welfare is formally monitored by the SETC, which reports to the Board at least once per reporting cycle. We conduct regular internal audits across all farms to ensure compliance with biosecurity and welfare protocols and provide employees with continuous training. The National Council of Societies for the Prevention of Cruelty to Animals also conducts unscheduled inspections. Each site operates under a veterinary health plan and strict biosecurity controls, including restricted visitor access. We hold suppliers and contract production facilities to the same standards as our own farms.

We schedule facility maintenance to maintain optimal conditions, including bird cages, housing, temperature control, ventilation, lighting and access to clean water and feed. We actively address the threat of HPAI by implementing enclosed housing, reducing wild bird populations near farms and upgrading water treatment systems. During quarantine closures, we provided employees with refresher training on animal welfare and biosecurity before resuming operations.

In Zambia, we monitor poultry health through indicators such as mortality rates, water quality and dust levels, with oversight from qualified veterinarians to mitigate diseases like infectious bronchitis. Uganda and Mozambique follow formal procedures for biosecurity and animal welfare.

Contracted veterinarians conduct audits across all operations, enforcing standard operating procedures and providing recommendations to enhance flock health and operational practices. We plan to appoint an internal veterinarian in FY2026.

Training anchors our approach to compliance and continuous improvement. We provide farming employees with ongoing instruction in biosecurity and welfare practices, supported by refresher training after operational disruptions such as quarantine closures.

Water availability

South Africa is preparing to implement a revised raw water pricing strategy in 2026 to promote efficient and sustainable use. As outlined by AgriSA, this strategy supports the National Water Resource Strategy III (“NWRS-3”), which projects a national water deficit of between 1.6 and 2.7 billion cubic metres, approximately 17% of total demand, by 2030. The revised pricing will reflect the scarcity value of water, encouraging conservation and improved resource management.

Water remains a critical input across our operations, from poultry sustenance to cleaning, packing and processing. We source water primarily from boreholes and irrigation schemes and monitor quality through regular sampling and testing. To manage rising risks around availability, quality and cost, we have invested in recycling, storage and treatment capacity, while maintaining backup supplies at all sites for emergencies and fire protection.

In Zambia, we faced severe operational challenges during one of the worst droughts in history, which reduced water availability and coincided with intense load shedding from hydroelectric shortages. We commissioned additional wells, deployed backup generators and repaired leaks in reticulation systems to safeguard continuity. Water management remains a strategic priority as climate change intensifies drought and exposes infrastructure vulnerabilities.

Wastewater and effluent management

We manage wastewater and effluent responsibly across all operations. Domestic wastewater is treated through septic tank systems, soakaways, or discharged into municipal sewer systems, depending on local infrastructure. We outsource effluent from feed truck washing to specialist facilities, which undergo periodic compliance audits.

We continuously upgrade facilities to improve wastewater management. At the Hartbeespoort hatchery, we installed multiple wastewater treatment and retention ponds to handle effluent more effectively. We direct effluent from poultry houses into evaporation ponds, in line with prescribed legislation, guidelines or licensing conditions.

We manage operational waste, including litter, manure, feathers, mortalities and egg and hatchery by-products, through a comprehensive waste plan. This includes landfilling and controlled burning, as well as alternative approaches that support circular economy principles. Manure serves as a valuable input for fertiliser production and creates additional income opportunities.

Organic waste from poultry farms and egg packing stations is biodegradable and suitable for composting. We process this waste using the BiobiN® system, with three units currently in operation at Brackenfell egg packing station, Fransrug layer rearing farm and Bellevue Chix broiler hatchery in the Western Cape. We plan to expand the system to other sites where volumes justify implementation.

No environmental or pollution incidents were reported in South Africa, Zambia, Uganda or Mozambique during the reporting period.

Renewable energy use

AgriSA confirmed that around 85% of South Africa’s electricity is still generated from coal and reliance on fossil fuels remains high despite environmental concerns. However, the share of renewables is expected to grow rapidly. Since 2016, we have invested in grid-tied PV systems, which have proven to deliver reliable returns. We are exploring further installations at feed mills and farms to increase renewable energy contributions, with seven systems already supplying 6% of our total electricity needs.

South Africa	2025	2024	2023	2022	2021
Electricity purchased (kWh’000)	43 893	39 526	37 513	45 209	46 813
Electricity from renewable sources (kWh’000)	2 873	2 183	2 686	2 797	2 353

Biodiversity

Adjacent to our Fynbos broiler farm on South Africa’s West Coast, the 34-hectare Atlantis Sand Fynbos Conservation Area protects one of the country’s most threatened ecosystems. We established the site in 2010 in partnership with the City of Cape Town and under the guidance of the Western Cape Nature Conservation Board. The area plays a vital role in conserving biodiversity and safeguarding this unique habitat.

The conservation area forms part of the Cape Flats Sand Fynbos biome, renowned for its rich biodiversity and ecological importance. Classified as critically endangered by the South African National Biodiversity Institute, this vegetation type faces severe threats due to habitat loss and the high concentration of endangered plant species.

Regular surveys conducted by visiting researchers have identified over 160 plant species within the area, including 31 listed as threatened with extinction. These findings underscore the significance of ongoing conservation efforts.

In accordance with the area’s environmental management plan:

- No development is permitted
- Alien and invasive species are actively removed
- A fire management system is maintained to support natural ecological processes

To protect its integrity, the conservation area is securely fenced off from our broiler operations, with restricted access to ensure that it remains undisturbed.

We have subsequently expanded our commitment to environmental stewardship by joining the Paardeberg Sustainability Initiative. We support botanical surveys, conservation work, erosion control, alien clearing and fire protection. Quantum Foods contributed two team members to the initiative and donated machinery and fuel. This engagement has fostered new relationships with neighbouring farmers and local communities, strengthening our shared commitment to sustainability.

Environmental initiatives in Africa

Emerging environmental regulations across African countries increasingly mandate comprehensive Environmental and Social Impact Assessments (“ESIAs”), with regional bodies such as the Southern African Development Community (“SADC”) providing guidelines for implementation. National environmental management agencies, such as those in Kenya and Nigeria, have also formalised environmental audit frameworks¹ to strengthen compliance monitoring and sustainability accountability.

Quantum Foods aligns with these evolving standards by implementing key environmental and biosecurity initiatives across its African operations. These include wastewater management projects at hatcheries, adherence to National Environment Management Authority (“NEMA”) and Ministry of Agriculture, Animal Industry and Fisheries (“MAAIF”) audits in Uganda, and the development of an asbestos management plan and register in Zambia.

We base our environmental and biosecurity protocols on best practices and regional veterinary compliance benchmarks. Accredited veterinary services support these programmes, while our teams receive regular training to ensure ongoing compliance and uphold environmental and animal welfare standards across all sites.

¹ https://www.sadc.int/sites/default/files/2025-08/ESIA-SEA_Final.pdf

Climate-related risks, opportunities and disclosures

Quantum Foods is increasingly exposed to climate-related risks such as shifting weather patterns, prolonged droughts and flooding. These factors directly impact agricultural productivity and the availability of key inputs. We are actively pursuing strategies to reduce our environmental footprint and promote responsible resource use, with a particular focus on water conservation and energy efficiency across our operations.

Climate deep dives continue

Building on the work done in 2023 and again in 2024 at four sites in the Western Cape, three Eastern Cape sites were independently assessed on actual and potential climate-related risks and opportunities this year. The sites included the *Nova Feeds* feed mill in Paterson and the *Nulaid* layer farm and *Nulaid* packing station, both located in Thornhill.

This work strengthens our ability to anticipate, manage and adapt to climate-related risks, which are increasingly affecting agricultural operations, supply chains and infrastructure. By proactively evaluating these factors, we are better positioned to protect our assets, ensure business continuity and align with national climate strategies like the National Water Resource Strategy and broader ESG goals. It also demonstrates a commitment to responsible stewardship, which investors, regulators and consumers increasingly value.

The categories of risks are broadly consistent across provinces, but their timing and local manifestations differ. In the Eastern Cape, for example, *Nova Feeds*' pasture-based dairy customers are highly sensitive to weather variability, resulting in immediate feed demand spikes in adverse conditions. In contrast, Western Cape feedlot-style systems are less exposed to short-term weather swings but face greater chronic water scarcity. These differences underline the value of site-level insights and the need for tailored adaptation strategies.

Eastern Cape climate deep dive

Our 2024 Western Cape climate risk assessment provided important benchmarks, highlighting how dry summers and high water stress increase risks for feed production, raise poultry house cooling demand and push up input costs during drought.

Applying the same methodology in the Eastern Cape, our findings outlined how climate-related risks and opportunities differ between the two provinces. Near-term climate change impacts in 2020-2039 in the Eastern Cape indicate that average annual temperatures are likely to rise by 1°C, based on the World Bank's Climate Knowledge Portal climate model. The number of very hot days (above 35°C) will increase by an average of 9.45 days per year, while average annual rainfall will decrease by about 4 mm.

Climate change will also drive more chronic physical risk over longer timeframes and increase the frequency of acute, one-off risks. For example, recent floods in KwaZulu-Natal and the Eastern Cape, previously classified as one-in-40-year events, now rank as one-in-20-year events.

1. Western Cape vs Eastern Cape climate impacts

In the Western Cape, dry summers and high water stress raise risks for feed raw material production, increase poultry house cooling demand and drive up input costs during drought. In contrast, the Eastern Cape receives more consistent rainfall but faces challenges such as degrading infrastructure and periodic drought.

2. Impacts on customers

Climate change directly affects Quantum Foods' customers, especially dairy farmers in the Eastern Cape. Dairy cows meet most nutritional needs from open pastures, relying less on animal feed. When weather deteriorates, milk production can drop by 1-2 litres per cow per day, reflecting the animals' higher environmental exposure. Farmers adapt by adjusting feed formulations and Quantum Foods provides customised recipes based on pasture analysis. In the Western Cape, larger-scale dairy producers use more animal feed and less pasture and benefit from greater protection against the elements.

3. Risk reduction through integration

The integrated layer farm and packhouse operations in the Eastern Cape reduce risks and costs because eggs do not require truck transport between sites. By controlling both production and processing on adjacent sites, Quantum Foods better manages costs, disease spread and supply chain disruptions. When extreme weather affects egg production, the company adjusts packing operations accordingly.

4. Data measurement sophistication

The Western Cape dairy operations deploy more advanced data measurement systems than Eastern Cape facilities. These systems improve climate control and production forecasting, while the Eastern Cape relies on more basic monitoring tools. However, this is offset by a strong technical advisory presence at farm level, where pastures are sampled every few days and herds are individually assessed, enabling responsive feed adjustments that mitigate weather-related productivity losses.

5. Site manager awareness

Eastern Cape site managers show strong awareness of climate and weather impacts on operations. They connect weather events to client outcomes and production impacts and implement adaptation strategies accordingly. For example, farm managers recognise the link between temperature, humidity and chicken mortality and respond by installing effective cooling systems. This operational awareness positions Quantum Foods to adapt effectively under changing climatic conditions.

Governance

Board oversight

The Board provided oversight of climate-related risks and opportunities by applying the principles of King IV™, including taking responsibility for ethical leadership. This includes anticipating, preventing and mitigating any adverse consequences of our operations on the environment and other stakeholders.

Board	Remuneration in focus:
<ul style="list-style-type: none">Responsible for oversight of ESG, including climate-related risks and opportunitiesCommissioned the annual independent ESG review incorporating climate-related risks and opportunitiesIncluded ESG performance targets in remuneration policyConsiders climate-related risks and opportunities when making capital allocation decisions	Operational targets relate to efficiency, ESG and cost management. As such, these targets can only be achieved if climate-related risks and opportunities are actively managed towards positive outcomes. ESG targets are commercially sensitive but drive improvements identified by the independent ESG review. Read more on page 60.



SETC	Capital expenditure in focus:
<ul style="list-style-type: none">Provides oversight of Quantum Foods' performance in terms of the environment as per the Companies Act requirementsMandated by the Board to monitor and report on climate and environmental issuesResponsible for monitoring implementation of the sustainability policy that incorporates the responsible investment code and serves as a guideline for integrating ESG into everyday practicesReports directly to shareholders on matters within its mandate	The investment in the new Malmesbury feed mill considered various efficiency improvements through process design and equipment selection. Read more on page 9.

Management responsibilities

Management is responsible for implementing our sustainability policy, which outlines key environmental objectives:

- Minimising negative impacts and enhancing positive contributions to the environment, where relevant and feasible
- Using natural resources efficiently and sustainably, including soil, land, livestock, biodiversity, and water, while adopting a precautionary approach to environmental protection
- Supporting the reduction of greenhouse gas emissions to mitigate climate change
- Promoting the development and adoption of environmentally friendly technologies

We assess environmental impacts through:

- Conducting environmental impact assessments when operational changes occur, identifying risks and appropriate mitigation measures
- Evaluating opportunities for positive environmental outcomes from business activities
- Taking proactive steps to manage environmental risks
- Considering the carbon footprint of operations, particularly when reviewing new capital investments

Management's responsibilities in terms of climate risks and opportunities include:

- Ensuring compliance with applicable local and national environmental laws and swiftly addressing any identified gaps. This includes keeping track of climate-related legislative and regulatory changes and requirements
- Including climate-related data in monthly management reports submitted to the executive committee
- Using operational certifications and audit processes to drive resource and process improvements
- Using resource data to identify opportunities to reduce impact and improve the Group's resilience to climate change while managing costs

Strategy

Climate-related risks and opportunities

Climate and materiality	<p>Quantum Foods' annual reporting process includes a review of the Group's material impacts, including on the environment. The material impacts highlight aspects important to our stakeholders and complement our strategic risks. Two material impacts are directly linked to climate-related risks and opportunities:</p> <ul style="list-style-type: none">Protecting the environment (emissions and waste)Water <p>Read more about these material impacts on page 32.</p>
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Climate risks and opportunities included in this report have not yet been filtered for short, medium or long-term impacts and no financial outcomes were calculated. Further research is also required to understand the link between climate events and HPAI outbreaks, as well as mycotoxin prevalence and crop nutrition.

Risk type	Risk and opportunity	Description	Mitigation and adaptation response
Physical risks			
Acute, event-driven risks	Crop destruction	Raw material availability, quality and pricing	<ul style="list-style-type: none">• Diversified raw material supply network• Contracted international commodity trading companies carry supply risk• Direct exposure and engagement with sourcing countries• Quality and nutrient value testing• Flexible feed reformulation• Food safety certification and international quality standards• Comprehensive asset and business interruption insurance• Route consolidation and logistical adjustments
	Crop delays	Disrupt drying, quality and availability	
	Egg quality	Affecting efficiency	
	Infrastructure damage	Affecting delivery, efficiency and maintenance	
Chronic risks			
Increasing temperatures	HPAI outbreaks	Migratory bird patterns spreading disease	<ul style="list-style-type: none">• Biosecurity measures at all sites• Enclosed bird housing and tree removal• Geographic diversification• Investment in new hen houses with more efficient temperature control• Targeted temperature control in packing stations• Rapid packing and supply capabilities• Feed substitutes and additives• Laboratory tests for mycotoxins at the feed mills• Poultry tested for mycotoxin prevalence
	Egg shelf life and quality	Affecting variability and pricing	
	Feed quality and protein	Affecting performance and conversion	
	Mycotoxin growth	Contamination affecting quality and costs	
Temperature fluctuation	Animal productivity	Temperature affecting feed uptake and conversion	<ul style="list-style-type: none">• Most bird houses are fully enclosed to control temperature• Technology-controlled equipment and related alarms installed• Wet evaporative cooling systems used• Genetics promote adaptability to different environments
	Feed consumption	Affecting weight and performance	
	Higher emissions	Increasing carbon footprint	
Drought conditions	Water security	Affecting operations and quality	<ul style="list-style-type: none">• Water treatment and recycling plants• Supplementary borehole water and on-site dams• Emergency protocols in place
Increasing emissions	Increasing waste	Driven by climate change	<ul style="list-style-type: none">• Wastewater captured into evaporation ponds• Rejected eggs have alternative markets and uses• BiobiN® systems at packing stations and hatcheries• Biodegradable packaging
Transition risks			
	Policy and legal	Health, safety, waste and environmental standards and regulations	<ul style="list-style-type: none">• Increased focus on environmental data and action to reduce impacts• Contracted information sharing about changes in national, provincial and local legal requirements and regulations
	Technology	Improved feed products and efficiency	<ul style="list-style-type: none">• Investigate and adopt new technology with positive financial and environmental results
	Market	Alternative products and price sensitivity	<ul style="list-style-type: none">• Operational flexibility accommodates shifts in species feed demand• Feed formula changes• Data collection through technical advisers to improve performance and manage risks
	Reputation	Increased footprint and livestock performance	<ul style="list-style-type: none">• Transparent reporting and continuous improvement• Customer satisfaction surveys and engagement

Opportunities

- Solar investments strengthen energy security, lower operating costs and cut emissions
- Engaging with the government through industry associations to finalise vaccination in South Africa will reduce the risk of climate-related HPAl outbreaks
- Adequate geographic diversification, relocating poultry, securing new leases and partnering with contract farmers in less poultry-dense areas assist us with climate-related risk management
- Improving feed efficiency through advancing genetics, which lowers manure output per bird and reduces our environmental footprint
- Adopting precision farming and digital technologies for off-site auditing and monitoring enhances welfare, surveillance, performance and efficiency
- Converting waste into heat sources creates renewable energy opportunities
- Investing in alternative water sources, including boreholes, recycling and storage, manages climate shocks and infrastructure failures more effectively
- Incorporating climate-related risks and opportunities into our investment decisions shapes future acquisitions and site locations
- Adequate climate-related disclosures enhances ability to access lender capital
- Growth in informal and rural egg markets provides resilience against retail price volatility and reduces shelf-life risks

Impact of climate-related risks and opportunities

Climate-related risks and opportunities might become a significant determinant in future acquisitions, including types of operations and location of facilities. Climate-related risks will also inform future decisions to close or relocate operations.

- Access to capital is likely to become subject to climate-related information and financing institutions are starting to introduce requirements into debt covenants
- As we increase our investment in solar energy, we expect a more reliable supply, lower cost over the long-term and lower carbon emissions

Resilience to different climate-related scenarios

We based our 2025 climate risk process on identifying physical and transition risks and opportunities likely to occur by 2039. We selected three sites in the Eastern Cape for their operational diversity. We assessed these sites using a scenario where current international policies and commitments are met, as presented by signatories to the 2015 Paris Agreement through their most recent Nationally Determined Contributions. Meeting these commitments is expected to increase average global temperatures by 2.7°C by 2100.

Under the chosen “current policies” scenario, we anticipate limited near-term climate change impacts, including:

- Annual average temperature increases of 1°C during this period, based on the World Bank’s Climate Knowledge Portal ensemble climate model
- An increase in very hot days (above 35°C) by about one day a month on average
- A decrease in average annual rainfall of up to 10% over this period

We will consider alternative scenarios in future assessments and start quantifying financial impacts for the most material climate-related risks and opportunities in future reporting cycles.

Risks and opportunity management


We describe our risk management process on page 39. The findings from our climate risk process were integrated into our risk management process. At this stage, we classify risks according to likelihood and impact, which is an executive judgement and not based on scientific data. Our strategic risks on page 40 are the outcome of our risk management process. A number of the strategic risks are directly or indirectly related to the impacts of climate change.

Metrics and targets

We measure greenhouse gases (“GHGs”) for reporting to South Africa’s Department of Forestry, Fisheries and the Environment (“DFFE”), which includes Scope 1 emissions from our South African operations. Our other African operations are now also reporting internally on environmental performance indicators and carbon emissions. No targets have yet been set for climate-related metrics.

Scope 1 and Scope 2 GHG emissions

	2025	2024	2023	2022	2021
Scope 1 (direct GHG emissions) (tCO ₂ e)	20 789	21 310	27 122	20 309	17 784
Scope 2 (indirect GHG emissions) (tCO ₂ e)	42 138	40 040	39 764	47 922	49 622

* 2025 data includes Scope 1 emissions of 2 313 tCO₂e (2024: 1 676 tCO₂e) of our other African operations. No emissions from the other African operations are included in Scope 2 emissions, and comparative figures are presented. Scope 1 emissions decreased due to decreased coal, diesel and heavy fuel oil consumption.  Read more on page 67. Scope 2 emissions increased due to the increased use of electricity, due to discontinuation of load shedding. Scope 2 emissions were calculated using the electricity grid emission factor for South Africa of 0.96 CO₂e /kWh (Government Gazette 51495, 2024) (2024: 1.01 CO₂e /kWh (Government Gazette 50071, 2024)).

Carbon tax

Quantum Foods paid R1 022 820 in carbon tax (FY2024: R864 729) for emissions generated in the 2024 calendar year. The carbon tax rate per ton of carbon emissions equivalent increased by 24.2% in 2025 (FY2024: 19.5%).

We apply a 60% general rebate to all fuel types except diesel and petrol. Diesel and petrol qualify for a 100% rebate as the tax is already captured through the fuel levy, while emissions from poultry manure management receive a 100% rebate. Through our participation in the Voluntary Carbon Budget Project, we secure a further 5% rebate until the process becomes mandatory. We also claim a 7.37% trade allowance rebate on emissions from the animal feed segment.

In 2025, South Africa increased the carbon tax from R190 to R236 per ton of CO₂ equivalent, with effect from 1 January. The government also released a discussion paper on phase 2 of the tax, proposing reduced tax-free allowances and more substantial incentives for emissions reduction. From 2026, electricity emissions will also fall under the tax, with renewable energy credits partially deductible. Projections indicate that the per-ton cost will rise to R462 by 2030, representing a 14% annual increase.

CORPORATE GOVERNANCE

Governance report

Quantum Foods is committed to maintaining high standards of corporate governance, integrity and ethical conduct, underpinned by a stakeholder-inclusive approach that is efficient, effective and value-creating. The Group applies the principles of King IV through an outcomes-based governance framework, ensuring that ethical leadership and accountability guide all business activities and decision-making processes.

We strive to meet stakeholder expectations by demonstrating exemplary corporate citizenship, embedding ESG principles across all operations and consistently applying sound governance practices founded on transparency, responsibility,

Quantum Foods' corporate governance framework

The Group's governance framework underpins our commitment to sound corporate governance, ethical leadership and compliance with legislative requirements. It promotes continuous improvement, accountability and alignment with our core values to ensure sustainable performance and responsible corporate citizenship.

Furthermore, the framework's purpose is to provide for prudent management while protecting the interests of all stakeholders. The framework is available on our website at <https://quantumfoods.co.za/investor-relations/company-documents/>

Governing structures and delegation

The Board acts as the focal point for and custodian of corporate governance, with its key roles and responsibilities including:

- Setting the direction and determining the Group's strategic themes and objectives
- Determining and setting the tone for the Group's values
- Satisfying itself that the Group is governed effectively based on corporate governance best practices
- Monitoring the implementation of the Board's decisions and policies
- Ensuring that the Group has an effective and independent ARC, Remco and SETC
- Providing oversight on the work performed by the investment and nomination committees
- Appointing and evaluating the performance of the CEO and the company secretary

To enable the Board to effectively discharge its responsibilities, certain functions are delegated to Board committees. Each committee is chaired by a non-executive or independent non-executive director, and their terms of reference are reviewed annually to ensure alignment with corporate governance requirements and evolving best practices. The Board is supported by five committees, the Exco and subsidiary boards. These structures operate in accordance with approved charters, comprise appropriately skilled members and include senior management participation. Committees and boards have access to specialist advice when required to fulfil their mandates. Subsidiaries have their own boards of directors and meet as required to ensure effective oversight and alignment with Group governance standards.

King IV application

Our King IV disclosure register provides information on how we implement King IV and is available at <https://quantumfoods.co.za/investor-relations/company-documents/>.



Board focus areas for FY2025

The Board's focus areas and activities during the year included:

Group strategy	<p>The in-depth strategy session held in September 2025 provided opportunities for comprehensive discussions on the Group's strategic priorities, inherent risks and opportunities and emerging industry trends.</p> <p>The Group's risk register and the potential impact of these risks on strategy execution remained a central focus area.</p> <p>The Board also considered global and industry-specific risk perspectives, with particular attention to the ongoing threat of HPAI and its potential implications for operations and sustainability.</p> <p>The Group's strategy, as presented by management during the annual Board strategy meeting, was evaluated, deliberated upon and subsequently approved by the Board.</p>
Monitoring of HPAI recovery plan, HPAI risk mitigation plan and claim for compensation	<p>The Board continued to monitor management's recovery plan in response to the 2023 and 2024 HPAI outbreaks. This included increasing the geographical spread of layer breeder facilities and placing lower numbers of layers in high-risk areas. The Board oversaw progress on a claim in terms of the Animal Diseases Act No. 35 of 1984 for losses incurred as a result of the 2023 and 2024 HPAI outbreaks. Quantum Foods objected against the ruling of the Director-General of Animal Health that HPAI-infected birds have zero value and awaits the outcome of the objection.</p>
2025 HPAI outbreak at the Rondevley layer farm in the Western Cape	<p>The Board oversaw management's response to this outbreak that was detected in the first week of October 2025. 153 494 layer hens were affected and culled to prevent possible spread of the virus.</p>
Changes to the composition of the nomination committee	<p>The Board considered and amended the composition of the nominations committee ("Nomcom") to ensure that the majority of its members are independent non-executive directors, thereby strengthening alignment with corporate governance principles and best practice.</p>
Legal matters – Ms TJA Golden's resignation in 2024	<p>The Board oversaw the Company's appeal against the ruling by the Western Cape Division of the High Court of South Africa which found in favour of Ms TJA Golden following her earlier application to the High Court of South Africa seeking, <i>inter alia</i>, an order to the effect that the provision of the Company's memorandum of incorporation in terms of which the majority of the Company's directors required Ms TJA Golden's resignation be declared invalid and that she be reinstated as a director of the Company. Leave to appeal was granted, and the Company has lodged an appeal to the Supreme Court of Appeal and is awaiting the allocation of a hearing date.</p>
The Companies Amendment Acts, Nos. 16 and 17 of 2024	<p>The Board oversaw preparations for, and implementation of, those provisions of the Companies Amendment Acts, that became effective on 27 December 2024, which resulted in, <i>inter alia</i>, members of the SETC being proposed for approval by shareholders at the March 2025 AGM.</p>
Consideration of capital projects of more than R6 million and funding options	<p>Capital expenditure projects are evaluated based on their affordability, anticipated return, contribution to the Group's strategy and environmental impact. The Board approved the conversion of a layer rearing farm and a broiler farm in North West to broiler breeder farms. This resulted in improved hatching egg production for supply to the expanded Hartbeespoort broiler hatchery.</p> <p>The Board approved the first phase of the conversion of the Philadelphia Chicks broiler breeder facility to a broiler farm as part of the Group's strategic initiatives to enhance operational efficiency, optimise asset utilisation and strengthen supply chain resilience. Further capacity expansion on this farm is possible and will be considered by the Board following an evaluation of the market and environmental approvals being obtained. This conversion supports the Group's long-term growth objectives by increasing broiler production capacity, improving cost efficiencies and ensuring greater alignment between supply and market demand.</p> <p>The Board approved an expansion of the <i>Mega</i> egg business in Zambia. Procurement of a farm near Chingola was approved and timelines for the development of the layer production facility on this farm and feed mill refurbishment on the current <i>Mega</i> eggs site will be finalised in FY2026, taking into account market dynamics and project financing requirements.</p>
Monitoring of the Malmesbury feed mill expansion project and broiler breeder expansion in North West	<p>The Board monitored progress on the multi-year Malmesbury feed mill expansion project, which commenced in FY2024 and is expected to be in full production by February 2026. The Board monitored progress on the project to increase broiler breeder production capacity in the North West province. The project was completed within budget and on time, providing more than the anticipated number of hatching eggs to the Hartbeespoort hatchery in the second half of FY2025.</p>
Declaration of dividends	<p>The Board considered and resolved to declare a final dividend of 34.0 cents per share for the period ended 30 September 2025.</p>

In addition to the key focus areas outlined above, the Board:

- Reviewed, discussed and approved the Group's interim and full-year financial results and results announcements
- Received feedback from the executive management on an assessment of climate risk and opportunities performed for operations in the Eastern Cape
- Reviewed and approved the Group's budget for FY2026
- Evaluated the outcomes of the assessment of the Board and its committees' performance and determined appropriate improvement mechanisms in line with King IV
- Reviewed and approved key policies in accordance with its work plan
- Oversaw management's actions following the discovery of maize stock variances in Lusaka
- Monitored progress on objections by the Company against administrative penalties of R10 million levied by the Eastern Cape Provincial Department of Economic Development, Environmental Affairs and Tourism and the Gauteng Department of Environment. The administrative penalties followed section 24G rectification applications submitted by the Company to regulate the expansion of chicken layer house operations erected without prior environmental approval. The chicken houses were constructed by previous owners of two farms, some five years prior to the Company acquiring the farms

The Board's role and responsibilities

Members of the Board are regularly updated on industry matters and applicable laws and regulations.

The Board is accountable for providing ethical leadership, strategic direction and oversight to ensure the sustainable success of Quantum Foods. It assumes ultimate responsibility for the Group's strategy, performance, reporting and overall governance. Day-to-day management is delegated to the executive committee, under the leadership of the CEO, in accordance with the Group's governance framework.

To support effective governance, specific responsibilities are delegated to Board committees, each chaired by a non-executive or independent non-executive director. Committee charters are reviewed annually to ensure alignment with governance best practices, legislative changes and the evolving needs of the Group. Through these structures, the Board ensures effective oversight, transparent accountability and the continuous enhancement of performance and stakeholder value.

Directors are afforded continuous development opportunities, including site visits to business operations and targeted training interventions on corporate governance, risk management and the JSE Listings Requirements. The Board is satisfied that it has fulfilled its duties in line with its charter and annual work plan, exercising due care and diligence in all deliberations and decisions.

All subsidiaries have formally adopted the Group's governance framework at their respective Board meetings.



The Board

ARC

Members:

Mr GG Fortuin (chairman)
Mr LW Riddle
Mr PFT Burger

The ARC comprises three independent NEDs. Mr WA Hanekom, Ms AD van der Merwe and Mr AH Muller, in their capacities as chairman of the Board, CEO and CFO, respectively, are permanent invitees to the meetings. The internal and external auditors also attend ARC meetings. The ARC holds a minimum of three meetings per annum. One of the meetings specifically focuses on risk to ensure risk management is adequately addressed. More information about the functions and responsibilities of the ARC during the year is provided in the ARC report on page 101.

SETC

Members:

Mr G Vaughan-Smith (chairman)
Mr WA Hanekom
Mr PFT Burger

The SETC comprises one independent non-executive director ("NED") and two NEDs. Ms HE Pether, Ms AD van der Merwe, Mr AH Muller, Mr LA Selaedi and Mr R Viljoen in their capacities as Executive: Human resources, CEO, CFO, Executive: *Bergvlei Chicks* and Executive: Supply chain, respectively, are permanent invitees to the SETC meetings. The SETC holds a minimum of two meetings per annum. The SETC monitors sustainable development and the Group's non-financial performance. More information about the functions and responsibilities of the SETC during the year is provided in the SETC report on page 81.

Remco

Members:

Mr GG Fortuin (chairman)
Mr LW Riddle
Mr WA Hanekom

The Remco comprises two independent NEDs and one NED. Ms AD van der Merwe, Mr AH Muller and Ms HE Pether, in their capacities as CEO, CFO and Executive: Human resources, respectively, are permanent invitees of the committee. The Remco is primarily responsible for reviewing and approving executive remuneration, and assisting the Board in reviewing NED remuneration recommendations. The Remco holds a minimum of two meetings per annum. The Remco takes cognisance of local and international best practices to ensure that the Group's remuneration practices are fair and reasonable for executives and the Company. More information about the functions and responsibilities of the Remco during the year is provided in the Remco report on page 84.

Nomcom

Members:

Mr WA Hanekom (chairman)
Mr GG Fortuin
Mr LW Riddle

The Nomcom comprises two independent NEDs and one NED. Ms AD van der Merwe and Ms HE Pether, in their capacities as CEO and Executive: Human Resources, respectively, are permanent invitees to Nomcom meetings. The Nomcom is primarily responsible for conducting recruitment processes and recommending suitable candidates to the Board to fill Board vacancies as and when they arise. The Nomcom met twice in FY2025.

Investment Committee ("Investco")

Members:

Mr LW Riddle (chairman)
Mr WA Hanekom
Mr G Vaughan-Smith

The Investco comprises one independent NED and two NEDs. Ms AD van der Merwe and Mr AH Muller, in their capacities as CEO and CFO respectively, are permanent invitees to Investco meetings. The Investco is primarily responsible for assisting management with evaluating potential capital expenditure and financing. All capital expenditure and financing decisions are approved by the Board as a whole. The Investco held three meetings in FY2025.

Executive management

IT steering committee

More information about the functions and responsibilities of the IT steering committee during the year is provided in the IT governance report on page 81.

Subsidiary boards

The Board committees are satisfied that they have **fulfilled their responsibilities** in accordance with their respective charters and workplans, where applicable, for the reporting period.

The Board is committed to the effective management of Quantum Foods and has maintained its dedication to high governance standards. This promotes sound business practices and effective strategy execution.

The Board sets the tone for the Group's values, including principles of ethical practices.

Meeting attendance

In fulfilling its governance responsibilities and in line with its charter and annual workplan, the Board held four scheduled meetings during the year. Five additional board meetings were held to discuss amendments to the Companies Act, Board and committee composition, NED remuneration, the relocation of the Company's head office, the appeal by the Company following a ruling by the Cape High Court in favour of Ms TJA Golden, and to consider and approve capital projects. The Board members also attended a full-day session during which the FY2026 strategy was approved. The SETC held two scheduled meetings during the year, while the ARC convened three planned meetings. The Remco held two regular meetings. The Nomcom held two meetings in FY2025 to review its composition and to consider directors recommended for re-election at the 2026 AGM. The Investco held three meetings in FY2025 to discuss capital projects and funding.

The Board is satisfied with the attendance and contribution of its members at its Board and committee meetings.

The Board composition and director attendance at Board and committee meetings during the reporting period are set out below:

Member	Status	AGM	Board	Remco	ARC	SETC	Nomcom	Investco	Strategy session
WA Hanekom	Non-executive Chairman	1/1	9/9	2/2	3/3*	2/2	2/2	3/3	1/1
GG Fortuin	Lead independent NED	1/1	9/9	2/2	3/3	n/a	1/2 [#]	n/a	1/1
PFT Burger	Independent NED	1/1	9/9	n/a	3/3	2/2	n/a	n/a	1/1
LW Riddle	Independent NED	1/1	9/9	2/2	3/3	n/a	2/2	3/3	1/1
G Vaughan-Smith	Non-executive director	1/1	9/9	2/2*	1/3*	2/2	2/2 ^{**}	3/3	1/1
AD van der Merwe	CEO	1/1	9/9	2/2*	3/3*	2/2*	2/2*	3/3*	1/1
AH Muller	CFO	1/1	9/9	2/2*	3/3*	2/2*	2/2*	3/3*	1/1

* Attended as an invitee

[#] GG Fortuin was appointed to the Nomcom on 22 Jan 2025. G Vaughan-Smith stepped down from the Nomcom on 22 Jan 2025.

The members of the Board are experienced individuals who understand their duty to **act with care, skill and diligence**.

Board composition and functions

The Board consists of seven directors. Five are NEDs, with three independent. The non-executive chairman, Mr WA Hanekom, presides over meetings of the Board. Mr GG Fortuin is the lead independent director.

The Board has a charter that sets out a clear division of responsibilities at Board level. The charter also sets out a clear balance of power and authority at a Board level to ensure that no director has unfettered decision-making powers.

The Board recognises the value of increased broader diversity and has therefore adopted a diversity policy that promotes enhanced diversity in terms of gender, race, culture, age, field of knowledge, skills, expertise and experience when vacancies arise.

The Board did not set voluntary diversity targets for FY2025. Areas for improved diversity are considered when the performance of the Board and committees is evaluated or when vacancies arise.

Each director's skills, experience and qualifications are appropriate to ensure that the Board has the necessary skills and experience to discharge the Board's governance role and responsibilities in line with the Board charter, the JSE Listings Requirements and King IV principles.

At each AGM, one-third of the NEDs retire by rotation but are eligible for re-election, provided that any NED who has already held office for a period of three years since his/her last election retires at the next AGM but remains eligible for re-election. Appointment of directors by the Board to fill a vacancy will be subject to shareholders' confirmation at the next AGM by an ordinary resolution of the shareholders.

A director shall be obliged to retire at the conclusion of the AGM relating to the financial year in which the director reaches the age of 70 years old and shall not be eligible for re-election.

A brief professional profile of each candidate standing for election or re-election at the AGM is available in the Company's notice of the 2026 AGM ("AGM Notice").

Roles, recruitment and succession planning

The responsibilities and functions fulfilled by Mr WA Hanekom in his capacity as non-executive chairman of the Board are distinct from those carried out by Ms AD van der Merwe, who serves as the CEO and holds the position of executive director. The CEO functions within a service agreement that requires a three-month termination notice period and is not bound by any restraint of trade agreement.

The CEO assumes the primary responsibility of guiding the development and execution of the Group's strategic initiatives. Additionally, the CEO is accountable for formulating policies and operational plans and serves as the primary liaison between management and the Board.

The Nomcom oversees the CEO and executive succession planning. The Nomcom is confident that adequate measures are in place to ensure continuity. The CEO is not a member of any other governing body outside of the Group.

The Board appoints the CEO and the company secretary. The independence of each NED is assessed regularly by monitoring information submitted by directors relating to their relevant business interests.

The Investco aids management in evaluating and financing business-enhancing capital projects but has no decision-making authority. The Board considers and approves capital expenditure and funding (if deemed appropriate).

Board evaluation

The Board's policy is to conduct annual effectiveness evaluations. The Board conducted an internal evaluation of its performance and that of its committees during FY2025.

The assessment comprised a questionnaire based on established best practice. The evaluation confirmed that the Board fulfils its obligations, demonstrates ethical leadership and effectively manages risk while providing oversight for the implementation of the Group's strategy.

Company secretary

All Board members have access to the advice and services of the company secretary, Ms ZP Wakashe, who is responsible for ensuring the effective administration of the Board and the implementation of robust corporate governance procedures and compliance. This includes Company announcements, investor communications and access to information pertaining to matters that could potentially impact the Company and its activities. Following a Board-approved procedure, Board members may also seek independent advice to aid them in fulfilling their responsibilities, at the Group's cost.

The company secretary has access to external legal advice.

In fulfilling her governance role, the company secretary performed the following key functions:

- Provided directors with information and guidance on their responsibilities to ensure these are properly discharged in the best interests of the Group
- Kept the Board informed of legislative and regulatory developments affecting the business
- Assisted the Board with the annual evaluation of its performance and that of its committees
- Advised the Board on directors' duties and good corporate governance practices

In line with the principles of good governance as recommended by King IV, the company secretary is not a director of the Company and is considered by the Board to be suitably independent. The Board is satisfied that the company secretary possesses the qualification, competence, expertise and experience to perform her duties in a professional and responsible manner.

It is acknowledged that she has maintained an arms-length relationship with the Board and its directors and raises matters that may warrant the Board's attention when appropriate. It was noted that she continues to provide the directors, collectively and individually, with guidance as to their duties, responsibilities, and powers, including updates to laws that impact the Company and its operations.

The company secretary reports directly to the Board on statutory matters and to the CFO in relation to her other duties.

The Board believes effective arrangements for accessing professional corporate governance advice are in place.

Legal compliance

The Board recognises its responsibility to ensure that Quantum Foods complies with applicable laws and monitors adherence to relevant regulatory rules, codes and standards. Board members have experience in and knowledge of the agricultural industry and are aware of the potential impact of changes to the law.

The responsibility for the implementation and execution of effective compliance management is delegated to management.

Compliance monitoring forms an essential component of the compliance process and is designed to assess business activities, ensuring they are conducted in accordance with relevant legal and regulatory obligations. Oversight includes the level of legal compliance with the applicable legislation, regulations, rules, standards, best practices and codes identified as crucial. Management continues to embed compliance within the organisational culture through proactive risk identification, ongoing training and internal communication. This approach ensures that compliance is not viewed as a standalone function but as a key element of responsible corporate citizenship and ethical business practice.

The compliance framework is integrated with the Group's broader risk management and assurance processes, promoting alignment between regulatory compliance, governance and sustainability objectives. Material compliance findings are reported to the ARC and, where appropriate, escalated to the Board.

Two administrative penalties of R10 million were issued in relation to the retrospective Section 24G environmental authorisation process for the Eggland and the Kaalfontein Layer farm. The Group is appealing the decisions, as the non-compliant activities occurred under the former ownership of the properties, and Quantum Foods instituted the rectification applications to rectify the matters. In FY2026, the Group will continue to monitor applicable laws for any changes and developments.

Compliance function activities

As part of our ongoing compliance programme, an online occupational health and safety ("OHS") awareness training initiative was implemented to enhance employee understanding of workplace safety obligations and promote a culture of accountability.

In addition, a gap analysis and compliance assessment was conducted to confirm the Group's compliance with the requirements of the Protection of Personal Information Act ("POPIA"). These initiatives form part of our broader commitment to proactive compliance management, continuous improvement and the mitigation of legal and operational risks.

Combined assurance

The Group implemented a comprehensive assurance framework in line with King IV to coordinate and integrate the efforts of management, internal and external assurance providers to promote collaboration and facilitate a holistic view of the Group's risk profile and assurance activities.

Assurance providers collectively strengthen corporate governance at Quantum Foods by offering different and complementary forms of assurance. They are distinguished by their respective levels of independence from the Group's operational activities and from the organisation itself, thereby ensuring objectivity, transparency and effective oversight across all assurance processes.

The executive directors and directors of key subsidiaries are responsible for ensuring that a robust internal control environment exists to ensure that:

- Group assets are adequately safeguarded and used only for the purposes of value creation
- Accurate accounting records are regularly maintained
- All financial and operational information used in the business is reliable and accurate

Through the use of Quantum Foods' combined assurance model, the independence of assurance gradually increases over four lines.



The ARC reviewed the Group's key risks, as identified through the enterprise risk management process, and assessed the adequacy of assurance obtained in respect of these risks. The committee also evaluated the effectiveness of the combined assurance approach in **strengthening oversight, accountability and integrated governance**, and was satisfied with the outcome.

Group external audit

The FY2025 external audit services for the Group, the South African operations and the Ugandan operations were provided by EY. PricewaterhouseCoopers Inc. ("PwC") provided external audit services for the Mozambican operations and KPMG was appointed during the year to provide auditing services for the Zambian operations. The ARC monitors feedback on the audits provided to the subsidiary boards. Read more about the Group's external audit in the ARC report on page 101.

Group internal audit

Deloitte & Touche provided the Group's internal audit services for FY2025. The internal audit service agreement was renewed in FY2025 and expires on 30 September 2028. The internal audit function operates in terms of an approved charter, which is reviewed annually for relevance to the Group's strategies, operations and legislative environment.

Internal audit provides independent and objective assurance on the adequacy and effectiveness of the Group's governance, risk management and internal control processes. Risk findings and management actions to mitigate these are reported to the ARC and escalated to the Board if necessary. The ARC evaluates the performance and independence of both the internal audit function and the head of internal audit on an annual basis.

The annual audit plan is based on an assessment of risk areas identified by internal audit and management. Risks with a high probability and impact were prioritised and included in the annual plan. The plan is endorsed by the ARC and updated as appropriate to ensure it is responsive to change.

The internal auditors continued to monitor the effectiveness and adequacy of the Group's risk framework and risk register, with the assurance process being a combination of internal and external accountabilities.

The ARC report is provided on pages 101 to 102. Read more about the Group's strategic risks on page 40.

Stakeholder relations

Relationships with key stakeholders, including customers, suppliers, government, society and investors, are recognised as fundamental to the Group's ability to create and sustain long-term value. The Board acknowledges that transparent, consistent and proactive engagement with stakeholders is essential to maintaining trust and achieving mutually beneficial outcomes.

The Group's approach to stakeholder communication is guided by an approved stakeholder engagement policy, which outlines the principles and processes for sharing key information about the Group's strategy, performance and future initiatives. This policy ensures that communication is accurate, timely and aligned with regulatory requirements and corporate governance best practices.

The Board exercises ongoing oversight of stakeholder relationship management, whereas management is responsible for the implementation and execution of effective stakeholder relationship management.

Read more about stakeholder engagement on page 16.

IT governance

Aligned with the principles of King IV, the Group recognises technology and information as critical enablers of strategy, performance and long-term sustainability. Oversight of IT governance is provided by the IT steering committee, which reports to both the executive committee and the ARC. Chaired by the CFO, the committee ensures that technology investments, information systems and digital initiatives are effectively governed and deliver value to the business.

Management is responsible for implementing sound IT and information governance structures, supported by policies and controls that safeguard data integrity, cybersecurity and legislative compliance. The IT steering committee monitors technology resilience, information security and emerging digital risks, providing assurance that the Group's IT environment remains robust, efficient and responsive to evolving operational and regulatory requirements.

The IT steering committee is governed by Quantum Foods' IT terms of reference. It has decision-making authority with regard to its duties and is accountable to the Board, the ARC and the executive committee across the following areas of responsibility:

- Strategy
- Investment
- Sourcing
- Risk management
- Information security
- Disaster recovery

Quantum Foods' IT charter is based on the principles of the Control Objectives for Information and Related Technologies ("COBIT") framework for IT governance. COBIT is an internationally recognised IT framework that guides the Board in discharging its IT responsibilities. The COBIT framework is published by the Information Systems Audit and Control Association.

An IT governance framework and reporting system provides the Board with assurance that the IT strategy, procedures and controls reduce IT risk, including risks related to information security, to an acceptable level. External advisors assist with ensuring that measures are put in place to ensure the security of IT.

The IT function remains focused on strengthening infrastructure resilience, enhancing cybersecurity and advancing digital transformation. Key areas of focus during FY2025 included reviewing the IT steering committee terms of reference and Group IT policies, the IT asset replacement programme, the transition to Windows 11 and continued implementation of the cyber risk management programme.

Strategic initiatives encompass a Sage X3 ERP and payroll system upgrade, further rollout of the Noda Fleet management application, commissioning of the Aviance planning software for broiler operations, implementation of the Eggsactly mobile application for farm production data capture and preparing the information infrastructure for higher use of process automation and artificial intelligence software. These initiatives aim to enhance operational efficiency, data integrity and informed decision-making through secure and scalable technology platforms.

Based on reports from the ARC, the Board is satisfied that IT governance and risk management requirements, including the suitability of the IT strategy and policies, systems and network architecture, applications, disaster recovery and cyber security management, are adequately addressed by an appropriate IT governance framework.

Social, ethics and transformation committee report

In terms of regulation 43(5)(a) of the Companies Regulations, the SETC has oversight of five main focus areas. These areas include:

1. Social and economic development
2. Good corporate citizenship
3. Environment, health and public safety
4. Consumer relationships
5. Labour and employment

The SETC monitors the sustainable development and non-financial performance of the Group relating to:

- Performance against the Group's environmental, social and governance standards
- Stakeholder management, engagement and reporting
- Health and public safety, including occupational health and safety and the quality of the Group's products and services
- B-BBEE
- Diversity management
- Labour relations and working conditions
- Human capital management, including training and skills development
- Management and monitoring of the Group's environmental impact
- Ethics management
- Corporate social investment
- Climate risks and opportunities

Focusing on these areas enables the SETC to maintain the knowledge and oversight required to monitor Quantum Foods' role as a responsible corporate citizen. This focus also ensures that the committee can evaluate and strengthen the Group's commitment to ethical, social, and environmental performance and, where necessary, advise the Board on measures to enhance non-financial performance.

Quantum Foods remains committed to operating profitably and sustainably, implementing initiatives that prioritise water conservation, effective waste management and the use of clean energy. These efforts not only align with stakeholder expectations but also support the Group's long-term environmental and operational sustainability. Quantum Foods endorses the UN SDGs as a worldwide appeal to take action to create a better and more sustainable future for people and the planet. The SETC monitored the Group's contribution to the relevant UN SDGs. More details can be found in the responsible business chapter from page 58.

Below are the key areas of focus during the reporting period:

Topic	Progress and actions arising
B-BBEE scorecard and targets	The SETC considered the corporate targets for the B-BBEE scorecard in South Africa for the financial year and received updates on tracking against the scorecard. More detail is available on page 65.
Sponsorships and charitable donations	The SETC monitored the CSI activities for the period under review. These are detailed on page 61.
Water, energy and waste disposal management	<p>The SETC monitors water, energy and waste management and a report containing usage details is reviewed biannually. The aim is to reduce waste in the use of these resources across the Group's operations by monitoring performance year on year. Read more on page 67.</p> <p>A specific area of focus is projects to supplement electricity produced from non-renewable sources with solar technology. Read more on page 69.</p>
Occupational health and safety compliance	<p>The SETC noted progress in obtaining occupational certificates for various business premises. This is an ongoing expense, with the pace of progress impacted by third parties. In FY2025, R6.7 million (FY2024: R0.7 million) of capital was spent to ensure progress on compliance.</p> <p>Quantum Foods remains committed to maintaining a high standard of occupational health and safety, fostering a strong safety culture through training awareness programmes and adherence to established safety protocols. Its comprehensive OHS framework safeguards the wellbeing of employees and ensures the protection of the Group's assets across all operations.</p>
Customer complaints and food safety	The SETC monitored customer complaints and food safety and is satisfied that such matters were monitored and dealt with adequately during the year. Read more about food safety on page 68.
Employment equity and training	<p>The SETC oversaw and monitored the development of a new five-year employment equity plan for the reporting cycle that commenced in September 2025, to ensure compliance with the new employment equity regulations, particularly the introduction of sectoral targets.</p> <p>The SETC monitored the Inspired Leadership Programme, aimed at enhancing managerial capability and strengthening the leadership pipeline to support progression into senior management and executive-level roles.</p> <p>Read more on page 63.</p>
Human capital	The SETC monitored organisational development initiatives, workforce design and planning. Read more on page 63.
Animal welfare	The SETC monitored engagements with the NSPCA and other stakeholders to ensure that animal welfare remains a priority. Read more on page 68.
ESG compliance	The SETC received findings and monitored management actions from external ESG reviews against standards, including the International Finance Corporation Performance Standards. Read more on page 60.
Climate change	The SETC reviewed the outcome of a climate risk evaluation for selected sites in the Eastern Cape. Read more on page 70.
Companies Amendment Acts	The SETC noted certain sections of the Companies Amendment Acts, which were assented to by the President on 26 July 2024 and came into effect on 27 December 2024. This resulted in, <i>inter alia</i> , the requirement for the election or re-election of SETC members by shareholders of the Company and the presentation of the SETC report at the March 2025 annual general meeting.
Ethics management	<p>The SETC monitors ethics management and adherence to the Group's code of ethics, which is reviewed annually. Local anonymous tip-off lines are available to stakeholders in Quantum Foods' operating jurisdictions (South Africa, Mozambique, Uganda and Zambia).</p> <p>Read more on the Group's measures to ensure proper ethics management in the King IV register on our website.</p>

The SETC evaluated and approved the non-financial information within its mandate contained in this report and recommended its approval to the Board.

In accordance with Principle 8, Recommended Practice 50(f) of King IV, the SETC is satisfied that it has fulfilled its responsibilities in accordance with its charter, its statutory responsibilities and workplan for the reporting period.

The SETC has determined the following as main focus areas for FY2026. This will be supported by ongoing monitoring of the various topics that comprise the SETC’s mandate.

Topic	Area of future focus
B-BBEE scorecard and targets	The SETC will supervise the Group’s action plan to enhance its B-BBEE score. The Group will continue to invest in its current business operations that promote transformation and empowerment.
Improved ESG performance	The SETC will oversee the further progress made in improving ESG performance.
Climate risks, opportunities and reporting	The SETC will oversee the further evaluation of climate risks, opportunities and reporting.
The effective date for the Companies Amendment Acts	The SETC noted that an effective date for the remaining provisions of the Companies Amendment Acts has not yet been gazetted. The SETC will monitor legislative developments and respond appropriately.
Stakeholder engagement	The SETC will continue to monitor the Group’s stakeholder engagement strategy and the outcomes of stakeholder engagements.

Mr G Vaughan-Smith
Chairman

Wellington
17 November 2025



REMUNERATION COMMITTEE REPORT

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Part 1: Letter from the chairman of the Remco to shareholders

Dear shareholders

Introduction

On behalf of the Remco, I am pleased to present the Quantum Foods remuneration committee report for FY2025, highlighting the committee's activities for the year. As will be described in further detail below, Quantum Foods experienced sustained growth during the financial year, which led to increased profits and, by implication, shareholder returns. As a result, the Remco was able to approve short-term bonuses to participants in the Company's short-term incentive ("STI") scheme. Performance targets for grants made in terms of the previous long-term incentive ("LTI") scheme were also achieved.

The Remco is confident that the remuneration structures that are in place achieve the necessary balance between creating long-term, sustainable value for our investors while delivering high-quality customer service and appropriately incentivising our employees. We continuously focus on ensuring that remuneration structures remain fit for purpose.

Our performance and remuneration outcomes

The FY2025 performance of South African operations was supported by substantial volume recovery, excellent operational efficiencies, negligible load shedding hours and no significant HPAI outbreaks.

Volumes increased mostly in the animal feeds, layer farming and egg businesses, where FY2024 volumes were negatively impacted by earlier HPAI outbreaks. The cost recovery and margin benefit of increased egg sales and improved packing station efficiencies were offset by a decline in egg prices as the layer flock in South Africa was restored to higher levels than mid-2023, prior to the HPAI outbreaks. This resulted in lower earnings from the egg business. Efficiencies improved at both broiler breeder and broiler farming operations and improved significantly on the layer farms. Despite the negative impact of lower layer livestock demand, and an HPAI outbreak during the second half of FY2025, earnings from the farming operations improved substantially. Earnings from the feed business were higher, supported by volume recovery, strong efficiencies and well-executed volume-margin management. Operating costs were contained below the target for South African operations and the ESG targets set for FY2025 were achieved.

The other African businesses performed well in FY2025. In Zambia, egg margins increased despite very high raw material costs in the first half of the year. The much-improved grain harvest of 2025 supported egg margins in the second half of the year and resulted in increased demand for feed and day-old chicks. In Uganda, the satisfactory earnings of FY2024 were exceeded during FY2025. Earnings from Mozambique were negatively impacted by social unrest, a looting incident during which 16% of layer birds were stolen, resulting in a negative impact on efficiencies, which was compounded by lower egg selling prices.

Participants in the STI and LTI schemes benefited from the improved performance, which is reflected in the STI and LTI outcomes for the management team.

Quantum Foods' financial performance is discussed in the reports of the chairman, CEO and the CFO commencing on page 44.

Short-term incentive (“STI”)

STI component	%	Outcome for FY2025	Impact on variable remuneration
Target for headline earnings before tax per share	50	Actual earnings exceeded the stretch target	R16.5 million
Growth in economic profit over a three-year period	20	Improvement in economic profit for the measurement period	R6.6 million
Operational efficiency targets for:	30	<ul style="list-style-type: none"> Layer-type hen production efficiency for completed flocks improved and exceeded the stretch target Egg packing station efficiencies improved and exceeded the stretch target Broiler-type breeder hen production efficiency for completed flocks improved and exceeded the stretch target Operating cost management exceeded the stretch target ESG performance targets were achieved 	R9.5 million*

* The STI payout for this component is not conditional on the achievement of headline earnings before tax targets.

Long-term incentive (“LTI”)

LTI benefits for FY2025 accrued in terms of the previous equity-settled share appreciation rights (“SAR”) scheme, consisting of two components:

- 50% has a performance component
- 50% is dependent on continued employment

The last SAR scheme awards were made in FY2023, the outcomes of which will be measured until FY2028. Read more on page 96.

The new LTI scheme, which is a cash-settled value appreciation rights (“VARs”) scheme, was implemented in FY2024 with the first awards made to participants. The second awards in terms of this VARs scheme were made in FY2025. The measurement period for vesting is four years from the date of award and these awards therefore had no outcome in FY2025. Read more on page 98.

SAR performance component (50%)

The first tranche of the SARs awarded in FY2023, the second tranche of the SARs awarded in FY2022, and the third tranche of the SARs awarded in FY2021 will each vest in February 2026. The hurdle for any vesting is a compounded annual growth rate (“CAGR”) in HEPS of higher than the consumer price index (“CPI”) plus 1% growth, with full (100%) vesting at CPI plus 5% growth and linear vesting in-between, measured from the award date to the vesting date of the SARs. The HEPS achieved in FY2025 resulted in:

- A 100% vesting of the performance component of the third tranche awarded in FY2021
- A 100% vesting of the performance component of the second tranche awarded in FY2022
- A 100% vesting of the performance component of the first tranche awarded in FY2023

SAR employment component (50%)

The employment period for the vesting of the first tranche of the SARs awarded in FY2023, the second tranche of the SARs awarded in FY2022 and the third tranche of the SARs awarded in FY2021 will each vest in February 2026. Any LTI benefit resulting from the vesting of these SARs will be included in a future report.

Remco activities during FY2025

The Remco made various key decisions during the reporting period, including:

Topic	Progress and actions arising
Total guaranteed pay adjustments	The Remco determined the mandates to adjust total guaranteed pay for salaried employees by 5.5% in January 2025 and for wage-earning employees by 5.0% in either April 2025 or July 2025. The Remco considered inflation, benchmarking outcomes and affordability in determining mandates. Additional adjustments were approved for a few managers as a result of benchmarking. The adjustment for all wage-earning employees exceeded the regulatory minimum wage increase.
STIs, outcomes and targets	The Remco reviewed the STI performance outcomes for FY2025 and approved new targets for FY2026. Read more about this on page 93.
LTIs, awards and targets	The second annual awards were made to participants of the new cash-settled VAR scheme in February 2025, and performance conditions were approved using a baseline HEPS of 56.6 cents per share. Read more about this on page 98. Read more about the VAR scheme in Part 2 of this report on page 92. Salient terms of the LTI scheme are included in the remuneration policy set out in Part 2 of this report. The remuneration policy will be presented to shareholders for a non-binding advisory vote at the 2026 AGM.
NED fees and policy	<p>The Company remunerated its NEDs up to 31 March 2025 in accordance with the fees approved by shareholders at the 2023 AGM.</p> <p>A special resolution seeking shareholder approval for the NED fees applicable from 1 April 2025 was tabled at the 2025 AGM but did not receive the requisite majority support. Consequently, the Company was not authorised to remunerate its NEDs for services rendered from 1 April 2025 onwards.</p> <p>It is imperative, from a legal and regulatory compliance and good corporate governance perspective, that the Group retain the services of the Company's non-executive directors. Accordingly, the Company's non-executive directors, excluding Mr WA Hanekom, (herein referred to as the "Relevant Directors") were appointed to the board of directors of Quantum Foods Proprietary Limited ("QF") with effect from 17 November 2025. QF conducts the vast majority of the Group's operations, and the Relevant Directors accordingly continued to perform board and committee duties within the Group's governance framework, in their capacities as directors of QF and members of the various QF board committees.</p> <p>QF will remunerate the Relevant Directors for their services rendered to QF. Such remuneration was calculated at 80% of the fees proposed at the 2025 AGM, pro-rated for the period of their appointments to the QF board and the relevant QF board committees ("QF NED Fees"). The Relevant Directors have, however, not received any remuneration in respect of their ongoing services to Quantum Foods from 1 April 2025.</p> <p>In light of the above, the notice of the 2026 AGM includes two separate special resolutions, as follows:</p> <ul style="list-style-type: none"> • a special resolution seeking shareholder approval for the fees payable to the Company's NEDs in respect of the period 1 April 2025 to 31 March 2026, thereby authorising payment for services rendered to: <ul style="list-style-type: none"> – the Company and the Group prior to their appointment to the QF board, from 1 April 2025; and – Quantum Foods from 17 November 2025; and • a special resolution seeking approval of the fees payable to the Company's NEDs with effect from 1 April 2026, taking into account the following: <ul style="list-style-type: none"> – the fees proposed to shareholders at the 2025 AGM, reduced by an amount equivalent to the QF NED Fees, on the basis that the Relevant Directors will continue to receive the QF NED Fees in respect of their services to QF. The remaining portion, representing approximately 20% of the fees proposed at the 2025 AGM (prior to any inflationary adjustment), relates to services rendered specifically to Quantum Foods; and – the application of an inflationary adjustment of 4.5%, which aligns broadly with inflation over the three-year period and is consistent with the annual increase applied to the Group's salaried employees. – The proposed fees further take into account the scope of the board and committee responsibilities and the outcome of a benchmarking exercise.

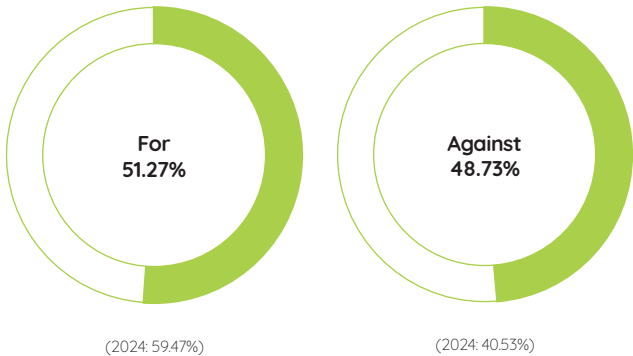
Topic	Progress and actions arising
Equal pay for work of equal value	The Remco again considered the results of an equal pay for work of equal value exercise and reviewed salary bands to ensure that these are market related. After the salary band review, the Company adjusted the remuneration of some employees, where relevant, to ensure that these are market related. This will remain an area of focus for the Remco to ensure employees are remunerated fairly and any differential is justified.
Companies Amendment Acts	<p>The Remco noted the two Companies Act Amendment Acts, which were assented to by the President on 26 July 2024. Selected provisions, excluding those pertaining to remuneration matters, came into effect on 27 December 2024.</p> <p>The remaining remuneration-related provisions of the Companies Amendment Acts, once effective, will result in, <i>inter alia</i>, additional remuneration disclosure requirements, binding shareholder votes on remuneration matters and implications for remuneration committee composition should shareholders vote against the resolutions proposed for approval of the remuneration policy and implementation reports of a company.</p> <p>The Remco noted that an effective date for these remaining provisions has not yet been gazetted and therefore proceeded in terms of the existing legal framework.</p>

The Remco considered the advice of remuneration consultants in implementing the remuneration policy and developing the new LTI scheme. These consultants satisfied the Remco’s requirements for independence and objectivity.

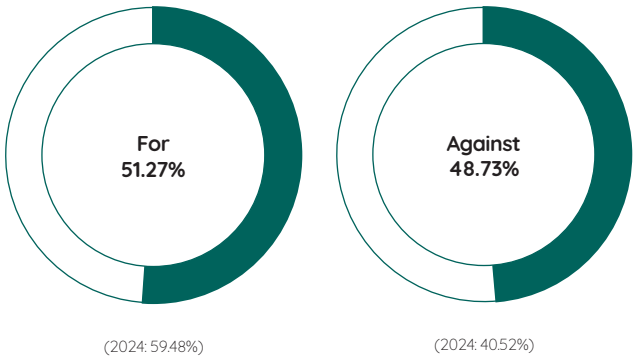
Shareholder engagement and voting

Shareholder votes at the 2025 AGM, held on 20 March 2025, were as follows:

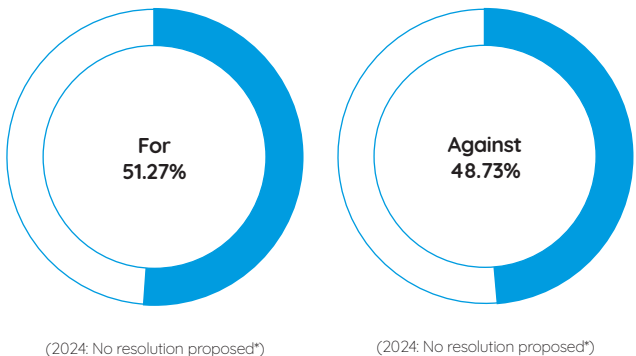
Shareholder vote on the Group’s remuneration policy



Shareholder vote on the Group’s implementation of its remuneration policy



Shareholder vote on the Remuneration of NEDs



* The special resolution, valid for two years, was passed at the AGM held on 24 February 2023.

As shareholders representing more than 25% of the votes exercisable at the 2025 AGM voted against the non-binding endorsement of the Company's remuneration policy and remuneration implementation report, the Company invited dissenting shareholders (being shareholders who voted against any of the non-binding advisory resolutions) to engage with the Company by providing their comments/concerns/questions regarding the Company's remuneration policy and/or remuneration implementation report, in writing to the Company by Friday, 2 May 2025.

No feedback was received from dissenting shareholders in response to the invitation which would require the Remco to reconsider the remuneration policy going forward.

The dissenting votes received against the remuneration-related resolutions and the special resolution proposed for the payment of NED fees include votes from a single shareholder that held more than 30% of the voting rights at the AGM on 20 March 2025. The Remco concluded that no changes to the remuneration policy were warranted.

Shareholder non-binding advisory votes

In line with the applicable regulatory framework (including the JSE Listings Requirements), the remuneration policy and implementation report will be submitted to shareholders for two separate non-binding advisory votes at the 2026 AGM. In the event that shareholders representing 25% or more of the votes exercisable at the 2026 AGM vote against either or both of the remuneration policy and implementation report, the Company will engage with shareholders to ascertain and appropriately address shareholder concerns.

Considering feedback from shareholders, the Remco reserves the right to modify aspects of the remuneration framework.

Should effective dates with regard to the Companies Amendment Acts be gazetted prior to the date of the 2026 AGM, the Remco will take guidance from the Minister's directions with regard to transitional arrangements and implementation/compliance deadlines.

Future areas of focus

Going forward the Remco will focus on:

Policy statement

This Remco report is split into three parts and provides an overview of the remuneration policy applicable to the Company's executive and NEDs for FY2026 and the outcomes of the remuneration policy for executive directors and NEDs for the reporting year. There were no policy exceptions during the period.

In accordance with Principle 8, Recommended Practice 50(f) of King IV, the Remco is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference, respective charters and work plans, where applicable, for the reporting period.

The Remco is of the view that the remuneration policy achieved its objectives in FY2025.

We look forward to receiving your support on the remuneration policy and implementation report, reflected in Part 2 and Part 3 of this report, respectively, at the 2026 AGM.



Mr GG Fortuin
Chairman

Wellington
17 November 2025

Topic	Progress and actions arising
Fair, ethical and responsible remuneration	The Remco will identify areas of improvement and implement measures to ensure that employees and executives are remunerated fairly, ethically and responsibly. This includes addressing any anomalies that may be identified within the remuneration structure and benchmarking the Company's TASK and ExecEval grading system.
The effective date for the Companies Amendment Acts	The Remco will monitor legislative developments and respond appropriately.

Part 2: FY2026 remuneration policy

Introduction

Part 2 of this report sets out the forward-looking remuneration policy, which will be applied in FY2026.

No changes were made to the LTI component of the remuneration policy for FY2026.

Changes were made to the STI component of the remuneration policy, where specific STI performance targets were set for FY2026.

The implementation of the FY2025 remuneration policy is set out in Part 3 of this report.

Remuneration governance

The Remco is constituted as a committee of the Board and is responsible for overseeing and recommending the Group's remuneration policy to the Board for approval. The Remco consists of three NEDs, two of whom are independent. The Remco is chaired by an independent NED.

The duties and responsibilities of the Remco primarily revolve around the Group-wide remuneration policy and implementation. The Remco performs the following main functions:

- Maintaining and approving human resource policies
- Monitoring the impact and implementation of applicable labour legislation that does not fall within the scope of the SETC
- Determining the remuneration packages of directors and the executive committee
- Determining performance targets for STIs
- Determining the outcome of STI performance targets
- Considering the LTI scheme and providing the Board with its recommendations
- Determining the awards to be made to participants under the LTI scheme
- Determining the outcome of LTI performance conditions
- Ensuring that all remuneration packages are fair, market-related and responsible
- Ensuring that directors' remuneration is accurately, completely and transparently disclosed and reported on
- Establishing the criteria to evaluate the performance of the executive committee and directors
- Evaluating and approving the Group's remuneration philosophy, strategy and policy

A detailed list of the Remco's duties and responsibilities is set out in its charter. These should be read together with the remuneration policy.

The Remco charter and remuneration policy are available online at www.quantumfoods.co.za/investor-relations/company-documents/

At a minimum, the Remco meets twice every financial year. Selected individuals may attend these meetings by invitation from the Remco, but recuse themselves when decisions on their own remuneration are taken. The membership and meeting attendance records of the Remco are disclosed in the corporate governance report on page 78.

Remuneration philosophy and principles

Quantum Foods' remuneration philosophy supports the delivery of the Company's business strategy. The Remco's remuneration approach combines talent development, career growth opportunities, performance recognition and a corporate culture driven by performance and value creation.

The remuneration philosophy is determined on an organisation-wide basis.

Quantum Foods aims to ensure that its remuneration policy (as part of its employee value proposition) is competitive enough to make it an employer of choice in the areas where we operate.

Quantum Foods rewards individual, team and business performance and encourages superior performance across the Group.

Fair, ethical and responsible remuneration

The Remco observes the principle of remuneration that is fair, ethical and responsible. The Remco continually examines innovative methods to ensure that remuneration paid to executive directors and employees is in line with the market and that it is justifiable in the context of overall employee remuneration.

In line with the provisions of the Employment Equity Act, No. 55 of 1998, as amended ("Employment Equity Act"), the Remco oversees the results of the Company's TASK and ExecEval grading system. This system enables the Remco to evaluate whether an employee's remuneration is in line with their peers within the same job category to identify and correct any unjustifiable differentials. This supports the principle of equal pay for work of equal value espoused in the Employment Equity Act.

Quantum Foods has a human resources strategy that supports career progression and the development of upcoming talent. Through its talent development programme (in partnership with certain institutions of higher education), students studying for qualifications in animal production participate in the Group's internship programme.

Learnership programmes are available to students in animal production at junior level and students of business management and administration at junior management level. The bursary programme supports Company-employed students studying towards tertiary qualifications in the areas of agriculture, science and other general management and business qualifications.





In addition, the Group offers bursaries to external students in their final years of agriculture and agri sciences studies. The apprenticeship programme has the training of artisans as a specific area of focus. Preference is given to students who will enhance the Group's transformation profile.

A specific area of focus is the development of leadership talent. Selected individuals have been identified to participate in senior and executive leadership development programmes where progress is formally tracked and considered by the executive team. During FY2025, senior managers joined the Inspired Leadership programme, an externally facilitated leadership coaching and training programme, to hone the skills required for effective leadership and strategy execution.


Remuneration framework

The remuneration framework consists of total guaranteed package (“TGP”) benefits and, depending on an employee’s job category and seniority, variable remuneration. Profitability and efficient business processes are the key Group performance indicators for reward. Individual performance indicators are determined according to the key measurable areas which contribute to overall Group performance and strategy execution.


The different components of remuneration, their link to Quantum Foods’ business strategy (read more on page 34) and positive outcomes in the economic, social and environmental context within which the Group operates, are summarised in the table below:

Component	Policy and link to business strategy
<p>TGP (fixed: applicable to all sectoral and non-sectoral employees)</p> <p><i>Ensuring the necessary skills to produce high quality products efficiently and deliver world-class customer service.</i></p>	<p>Aimed at attracting and retaining talent and ensuring competitiveness.</p> <p>Quantum Foods participates in a reputable South African salary survey and periodically benchmarks total remuneration packages against the market value applicable to various job categories. TGP is generally referenced to the job family market entry level. We use the REMChannel® Survey, which the Remco believes is appropriate in the context of Quantum Foods and its business. Internal salary positioning is based on factors that include work experience, competence, performance, internal historical factors and market influences.</p> <p>Collective bargaining agreements for unionised employees are negotiated annually.</p> <p>The average salary for each job category is reviewed annually within the context of the Company’s affordability constraints.</p> <p>Surveys, benchmarks and analyses of remuneration paid by comparator companies are used in determining executive directors’ remuneration. The Remco is satisfied that the surveys and benchmarks used are appropriate in the context of Quantum Foods and its business.</p> <div>   </div> <p>Efficient operations and customer focus Human capital management</p>
<p>Benefits (fixed: applicable to all employees)</p> <p><i>Allowing employees the flexibility of structuring benefits according to individual requirements.</i></p>	<p>Benefits form part of TGP and include medical aid, retirement fund contributions, disability and life insurance and travel allowances. Additional benefits, such as cellphone allowances, are offered to qualifying employees. Retirement contributions are made according to statutory requirements and fund-specific rules. Employees receive a long-service bonus equal to one month’s TGP for every 10 years of completed service. Employees receive a 13th cheque as part of their TGP. They can either elect to receive the 13th cheque on a once-off basis in December of every year, or have it paid to them in equal instalments over a 12-month period.</p> <div>   </div> <p>Efficient operations and customer focus Human capital management</p>


Component	Policy and link to business strategy																				
<p>STIs (variable: applicable to senior management)</p> <p><i>Drives sound operational efficiency and ESG performance that support the Group's ability to improve margins and returns on the asset base. This enables the creation of shareholder value.</i></p>	<p>The STI constitutes a performance bonus. This bonus is designed to motivate and reward senior management for their contribution to the achievement of short-term targets related to the main business drivers, ultimately increasing shareholder value.</p> <p>Performance conditions:</p> <p>Headline earnings before tax per share ("HEBTPS") target – the calculation for the achievement of the target is based on a target determined by the Remco. HEBTPS has a 50% weighting. The HEBTPS measure has been retained for FY2026.</p> <p>Growth in economic profit ("EP") – the growth calculation is based on the weighted average cost of capital over a rolling three-year period, applied to the average net asset base of the Group. EP has a 20% weighting. The EP measure has been retained for FY2026.</p> <p>Operational efficiency – the efficiency calculation is based on targets set for the percentage of second-grade eggs sold at egg packing stations, broiler-type breeder hen production efficiency, layer-type hen production efficiency, operating cost management and ESG performance. Each of the five operational efficiency measures contributes one-fifth to the overall operational efficiency performance measure, which has an overall 30% weighting.</p> <p>The operational efficiency measures for FY2026 have been amended as follows:</p> <ul style="list-style-type: none">• New targets were set for the percentage of second-grade eggs sold at egg packing stations, layer-type hen production efficiency, broiler-type breeder hen production efficiency, operating cost management and ESG performance <p>Details are set out in the STI section below and will be included in annexure 6 of the AGM Notice.</p> <p>Separate targets for HEBTPS and operational efficiency are set for STI participants employed in the Group's other African countries to align the earnings achieved in each region. Growth in EP is also measured by country. Executive management determines the HEBTPS, EP and operational efficiency targets for the operations in Zambia, Uganda and Mozambique.</p> <p>The table below provides more detail on the measurement of the STI across the Group:</p> <table><tr><th></th><th>HEBTPS</th><th>EP</th><th>Operational efficiency</th></tr><tr><td>CEO, CFO and executives</td><td>Group target</td><td>Group target</td><td>RSA target</td></tr><tr><td>Other RSA participants</td><td>Group target</td><td>Group target</td><td>RSA target</td></tr><tr><td>African country manager</td><td>Group target</td><td>Group target</td><td>Country target</td></tr><tr><td>Other African participants</td><td>Country target</td><td>Country target</td><td>Country target</td></tr></table>		HEBTPS	EP	Operational efficiency	CEO, CFO and executives	Group target	Group target	RSA target	Other RSA participants	Group target	Group target	RSA target	African country manager	Group target	Group target	Country target	Other African participants	Country target	Country target	Country target
	HEBTPS	EP	Operational efficiency																		
CEO, CFO and executives	Group target	Group target	RSA target																		
Other RSA participants	Group target	Group target	RSA target																		
African country manager	Group target	Group target	Country target																		
Other African participants	Country target	Country target	Country target																		



Growth



Efficient operations and customer focus



Human capital management



Growth



Efficient operations and customer focus



Human capital management

Component

LTI (variable: applicable to the executive committee and a small percentage of senior management)

Drives longer-term earnings growth and, by extension, the creation of shareholder value.

Encourages loyalty, supports the retention of critical skills and aligns the interests of executives with those of shareholders.

Policy and link to business strategy

The LTI consists of a cash-settled VAR plan designed to attract and retain talent over the long term, as well as align the interests of employees with those of shareholders. The plan is based on the premise of rewarding growth in enterprise value, based on a headline earnings multiple basis.

Participation in the LTI is restricted to the CEO, CFO, executive committee and a small percentage of the Group's senior management.

Vesting of awards is subject to performance conditions set out below, with vesting of each award taking place in a single tranche four years from the date of the award. The cash value will be adjusted for growth in Quantum Foods' rolling average enterprise value over the four-year period (enterprise value is calculated on a headline earnings ("HE") multiple basis (four-year rolling HE x 8) at the measurement date). The rationale for using the four-year rolling average enterprise value growth and not the enterprise value growth at the end of the four-year performance period (referencing HE in year four of the performance period) is to evaluate enterprise value delivery through the four-year performance period and not only at the end of the performance period.

Performance condition measured over a four-year performance period:

- Growth in the four-year rolling average Group headline earnings per share ("HEPS") will be subject to the thresholds below, with linear vesting in between.

CAGR in HEPS of CPI plus 1% growth	20% threshold vesting at this point
CAGR in HEPS of CPI plus 3% growth	100% full vesting
CAGR in HEPS of CPI plus 8% growth	150% stretch vesting

The Remco has the discretion to change the baseline HEPS for an allocation to ensure that the target for the vesting of this component is fair and reasonable to both shareholders and participants. The Board has the discretion to adjust HEPS for material non-recurring items when performance against targets is measured.

More details are set out in the LTI section below and will be included in annexure 6 of the AGM Notice.

Unvested awards in terms of the previous SAR scheme:

No further awards will be made under the previous SAR scheme. The vesting period for the SAR awards previously made will terminate in February 2028.



Growth



Efficient operations
and customer focus



Human capital
management

Pay mix

The pay mix for senior executives comprises a combination of TGP and variable pay. A sufficient portion of the pay mix is "at risk" to incentivise executives to meet financial performance targets and realise the Group's business strategy. The STI portion drives the achievement of earnings, which should support earnings growth in the short-term, while the LTI portion incentivises long-term enterprise value growth and alignment with shareholders. At lower levels, the on-target pay mix is weighted towards TGP.

TGP

The TGP and benefits offered by Quantum Foods are summarised in the remuneration framework. Several employees fall within collective bargaining units. Their remuneration is determined outside of the remuneration policy and is subject to the applicable collective bargaining agreement. All South African employees participate in a retirement scheme and a voluntary medical aid scheme.

Annual reviews and TGP increases

Annual reviews of TGP consider inflation, current market conditions, an employee's individual performance against pre-set goals and the performance of the Group.

Increases are limited to an approved budget and executive increases are considered within the context of average increases for employees throughout the Group. Employees whose individual performance falls below an acceptable standard will not be eligible for an increase. This is determined through the Group's performance management process.

STI

Based on business and individual performance, executives and selected senior managers may participate in the STI. A maximum bonus pool is calculated annually, from which the total amount of the STIs that can become payable to participants is paid.

The maximum bonus pool is calculated based on the participant's total cost to company and the maximum earning potential, depending on the participant's level. The actual bonus pool for the HEBTPS and EP components is self-funding, meaning that the achievement of targets is calculated after taking the actual bonus pool expense into account. The portion of the actual bonus pool that is dependent on the achievement of operational efficiency targets is not dependent on the achievement of HEBTPS or EP targets and is determined separately.

Earnings potential for STI

The table below sets out the earning potential of participants as a % of TGP:

Position	Maximum earnings potential for STI (as a % of TGP)*
CEO	100%
CFO and executives	75%
Senior management	15% or 35%

* The percentage of TGP that will be earned as STI should stretch performance be achieved for all three elements in the table on this page. Linear vesting from 0% applies for partial achievement of performance measures.

Members of senior management with significant responsibilities have a maximum STI earning potential of 35% of TGP and selected other senior management members have a maximum STI earning potential of 15% of TGP, should stretch performance targets be achieved.

2026 STI performance measures

The Remco reviewed the performance measures and will apply the following measures for the achievement of financial and operational targets for the FY2026 STI. The STI is based on three performance measures that apply to all eligible employees, as set out in the table below:

Performance measure	Weighting	On-target performance	Stretch performance
Achievement of the Group's HEBTPS target	50%	124.3* cents per share	144.2* cents per share
Growth in the Group's EP	20%	25% of the three-year rolling average improvement in EP is included in the bonus pool.	
Achievement of operational efficiency targets	30%	Based on breed standards for day-old broiler chick production, targets for the percentage of second-grade eggs sold at the egg packing stations, layer-type hen production efficiency, operating cost management and ESG performance. See further details in the operational targets section below.	

* Targets for FY2026: at HEBTPS performance of 124.3 cents per share or lower, the bonus will be 0%. At HEBTPS performance of 144.2 cents or higher, the bonus will be 100% with linear vesting for HEBTPS of between 124.3 cents and 144.2 cents. The measurement of HEBTPS is impacted by the actual weighted average number of shares (excluding treasury shares held) in issue.

These performance conditions are considered to contain sufficient stretch targets and are appropriate for Quantum Foods' business model.

In addition to the above, individual performance targets are determined and evaluated by the employee's manager on a six-monthly basis. A rating of at least 65% is required for a satisfactory performance score and participation in any STI payout.

The hurdle rates for HEBTPS, the percentage of growth in EP included in the bonus pool and operational efficiency targets are determined annually by the Remco to establish minimum and maximum potential bonus pay-outs.

HEBTPS and EP targets

To determine the HEBTPS targets for FY2026, the Remco considered the factors set out in Part 1 of this report on page 84, which resulted in improved earnings during FY2025. In addition, the Remco considered the anticipated impact on FY2026 egg selling prices of a recovered South African layer flock, the outbreak of HPAI experienced by the Group at the end of the financial year on a Western Cape layer farm and the targeted contribution from capital projects, specifically the expanded Malmesbury feed mill and the conversion of a dormant broiler breeder farm to a commercial broiler farm in the Western Cape. Based on the Group's historic performance, the Remco considers the HEBTPS target set for FY2026 to be sufficiently stretching.

25% of the three year average growth in the Group's EP is included in a bonus pool calculation. The weighting of 20% for the EP component of the STI in FY2025 will remain the same for FY2026.

Operational targets

The FY2025 targets were for broiler breeder, layer farming and egg packing station efficiencies, as well as operating cost management and ESG performance. Targets were set for:

- Broiler breeder efficiency, which was measured as the number of day-old chicks produced per breeder hen placed at the start of the laying cycle.
- Layer farming efficiency, which was aligned with the internationally recognised performance efficiency factor ("PEF") calculation used to measure the production efficiency of broiler-type birds. The measurement incorporates the actual number of eggs produced per hen housed at the start of the laying cycle, the feed conversion ratio achieved during the laying cycle and the liveability achieved during the laying cycle. These three factors are included in a calculation and expressed as a target for the layer productivity index.
- Egg packing station efficiencies which were measured based on the percentage of second-grade eggs sold.
- Operating cost management which was measured as the actual operating cost in comparison to the approved operating cost budget.
- ESG performance, which was measured as an improvement in priority areas identified from the independent ESG review performed in FY2024.

For FY2026, the measurements for broiler breeder efficiency, layer farming efficiencies, egg packing station efficiencies, operating cost management and ESG performance were retained, but new targets were set.

The FY2025 weighting of one-fifth for each component was retained for FY2026, as well as the 30% weighting of the operational efficiency targets.

Targets are commercially sensitive and therefore not disclosed. The target for ESG performance will be measured against areas of improvement identified from the independent ESG review performed in FY2025. The Remco considers the targets to be sufficiently stretching to ensure that, if achieved, they would optimise Group profitability and improve ESG performance.

The FY2026 weighting and maximum contribution of the operational targets to the total STI will be:

Target	Weighting	Maximum STI contribution
Layer farming efficiency	20%	6%
Egg packing station efficiency	20%	6%
Broiler breeder efficiency	20%	6%
Operating cost management	20%	6%
ESG performance	20%	6%
Total	100%	30%

The Remco considers these measurements as the most important in each of the businesses to increase earnings and realise the Group's business strategy.

Remco discretion

The Remco has the discretion to review STI payments in the interest of all stakeholders. This decision may be guided by contextual realities that may have impacted the performance of the Group in the year under review and will be justifiably applied in exceptional circumstances.

Malus and clawback

STI payments will either be forfeited, or the after-tax benefit will be clawed back, should STI payments be made during a period of 24 months after the occurrence of a "trigger event".

A trigger event, at the absolute discretion of the Remco, means any event to which the participant contributed and that resulted in:

- A wilful material misstatement of the financial results of the Company and/or any subsidiary
- A material failure in the risk management of the Company and/or any subsidiary
- Fraudulent or dishonest conduct

LTI

Selected employees, including executives, are given the opportunity to participate in the LTI at the sole discretion of the Board.

SAR scheme in terms of which the last allocations were made in February 2023

Shareholders approved the rules of the SAR scheme in compliance with the JSE Listings Requirements. In terms of the SAR scheme, selected senior employees are granted the opportunity to receive shares in the Company. The value of their awards is based on the future increase in value from the strike price at the award date to the share price at the exercise date.

Special dividends declared between the award date and vesting date are added to the share price at the exercise date to determine the value of an award.

The number of shares required to settle SAR allocations is dependent on future factors, including the achievement of HEPS targets and share price movements. The final measurement of the achievement of vesting conditions for SAR allocations made until February 2023 will be in February 2028 and the number of shares required to settle the LTI obligations can only be determined after the 2028 vesting.

VAR plan in terms of which the first allocations were made in FY2024

The new LTI scheme is a cash-settled VAR plan. In terms of the new LTI plan, the achievement of LTI targets is 100% based on the achievement of growth in HEPS targets over a rolling four-year period. In the VAR plan, an annual award is made to participants and measured over a four-year performance period. Targets for threshold (20% achievement), target (100% achievement) and stretch (150% achievement) are set and any payout adjusted for growth in the four-year rolling average enterprise value of the Company over the same period (enterprise value is calculated on a HE multiple basis (four-year rolling average HE x 8) at the measurement date) with a limit (maximum 3 times TGP) governing maximum payout to any employee.

The VAR plan is intended to promote the continued financial growth of the Group. The Remco determines the allocation to qualifying employees on an annual basis.

Salient terms of the LTI scheme is included in the remuneration policy set out in the AGM Notice to be presented to shareholders for a non-binding advisory vote at the 2026 AGM.

LTI allocation methodology

The VAR plan allocation levels are set out below:

	VAR allocation level (annual award as a % of TGP)
CEO	75%
CFO and other executives	50%
Selected senior management	20%

TGP at the date of award is used to determine the annual allocation of VAR awards to qualifying employees.

Award condition measured at the date of award

The Remco assesses the affordability of VAR awards at the award date with reference to the number of participants included in the VAR plan, as well as the overall estimated cost as at the date of award. Awards will be limited to a maximum of 7.5% of EBITDA for the preceding financial year. The Remco has the discretion to adjust the EBITDA for the preceding financial year for material non-recurring items.

Vesting profile, performance period and conditions for vesting

The VAR awards vest in a single tranche on the fourth anniversary of the award date. The performance conditions are measured over a four-year performance period and are aligned to the respective financial years.

The performance conditions for the FY2026 award, with a baseline HEPS of 58.5 cents, are:

100% of award is based on performance.

VARs vest in a single tranche on the fourth anniversary of the award date and will be settled in cash.

Vesting is based on CAGR in HEPS measured over a rolling four-year period with:

- 0% vesting below the threshold of CAGR in HEPS of CPI plus 1%
- 20% vesting at threshold performance of CPI plus 1%
- 100% vesting at target performance of CPI plus 3%
- 150% vesting at stretch performance of CPI plus 8% or more

✚ The vesting will be adjusted as set out on page 92 and with an overall limit of 3 x TGP for any participant.

Settlement

VAR awards will be settled in cash within 30 days of the vesting date.

To ensure that the settlement of vested VAR awards does not impact the Company's liquidity, a free cash flow settlement condition applies. Settlement of VAR awards will, at the discretion of the Remco, be fully or partially deferred, for a maximum period of 24 months, where payment exceeds 20% of the Company's free cash flow for the financial year prior to the vesting date.

Early termination of employment

For fault leavers as defined in the rules of the VAR plan, any unvested VARs will be forfeited and vested VARs not yet settled will be settled. For no-fault leavers as defined in the rules of the VAR plan, the participant will be entitled to the same rights and subject to the same conditions as they would have been had they remained employed by the Company. However, future vesting for no-fault leavers will be adjusted based on the period in service after the date of award. The Remco has the discretion to early test the achievement of performance conditions for no-fault leavers.

Malus and clawback

LTI benefits will either be forfeited or the after-tax benefit clawed back, where cash payments have been made during a period of 24 months after the occurrence of a "trigger event". A trigger event, at the absolute discretion of the Remco, means any event to which the participant contributed, and that resulted in:

- A wilful material misstatement of the financial results of the Company and/or any subsidiary
- A material failure in the risk management of the Company and/or any subsidiary
- Fraudulent or dishonest conduct

Executive directors' service agreements

Executive directors' service agreements are prepared with input from the Remco. These service agreements are similar to employment agreements for most other employees, apart from having a notice period of three months versus one month for most other employees. The three-month period applies to executive directors (including the CEO and CFO), as well as all senior managers.

Executive directors' service agreements do not contain restraint of trade provisions – this includes the service agreements for the CEO and CFO. Sign-on awards will only be made in exceptional circumstances to attract extraordinary talent. No such awards have been made to date. Executive contracts do not contain provisions that require the Remco to make severance or balloon payments on termination of employment.

The CEO, CFO and executives may serve on the boards of other companies as NEDs with the approval of either the Board (for the CEO) or the CEO (for the CFO or executives). This approval will only be given in limited instances that will not impact the execution of executive responsibilities.

Non-executive directors' fees

The Company's policy is that NEDs are paid a quarterly retainer fee by the company to which services are provided with 20% of fees payable by the Company and 80% of fees payable by Quantum Foods (Pty) Ltd that is the main operating company conducting the vast majority of the business and affairs of the Group. Fees are paid for being a Board member and for each committee on which the Board member serves. No fees are paid to members of the Nomcom, which meets as and when required. Payment of fees to members of the Investco will again be submitted for shareholder approval at the 2026 AGM in recognition of the workload of this committee. NEDs are paid an all-inclusive retainer fee and are not paid per meeting. NEDs do not receive supplementary fees for an increased workload or ad hoc meeting attendance; however, NEDs are reimbursed for any related disbursements.

The fees reflect the NEDs' assigned responsibilities. The fees are evaluated annually and periodically benchmarked against comparable companies. The benchmarking report published by the Institute of Directors in South Africa (2024) was used with specific reference to the median fees paid to NEDs of small market capitalisation companies (market capitalisation of less than R1 billion) in determining fees to be proposed to shareholders for approval at the 2026 AGM. The Remco is satisfied that the benchmarking is appropriate in the context of Quantum Foods and its business.

The table below sets out the fees approved by shareholders at the 2023 AGM which were paid to NEDs for services from 1 October 2024 to 31 March 2025. A special resolution seeking shareholder approval for the Company's non-executive directors' fees from 1 April 2025 was tabled at the 2025 AGM, but was not approved by the requisite majority of shareholders. Consequently, the Company was not authorised to pay fees to its non-executive directors for services rendered from 1 April 2025.

The Board, on the recommendation of the Remco, will propose two separate special resolutions at the 2026 AGM to approve the proposed NED fees, as set out in the table below. Additional information regarding the underlying approach and rationale supporting the proposed NED fees is provided in the notice of the 2026 AGM.

	Previously approved annual fees (exclusive of VAT)	Proposed annual fees from 1 April 2025 to 31 March 2026 (exclusive of VAT)	Proposed annual fees from 1 April 2026 (exclusive of VAT)
Chairman of the Board	R414 615	R306 450	R117 050
Lead Independent director ("LID")	R355 745	R237 600	R82 775
Board member (other than Chairman and LID)	R294 870	R196 800	R68 575
Committee Chairman ARC	R101 630	R80 760	R32 625
Committee Chairman SETC	R71 140	R58 860	R24 475
Committee Chairman Remco	R71 140	R47 520	R16 575
Committee Chairman Investco	RNil	R47 520	R16 575
Committee member ARC	R92 155	R61 560	R21 450
Committee member SETC	R65 820	R43 950	R15 325
Committee member Remco	R65 820	R43 950	R15 325
Committee member Investco	RNil	R43 950	R15 325

Part 3: Implementation of the remuneration policy in FY2025

TGP

The Remco approved a salary increase mandate of 5.5% (FY2024: 6.5%) of total cost to company for non-sectoral employees and executives, and a 5.0% (FY2024: 6.0%) basic pay increase for sectoral employees.

STI outcomes

The stretch targets for HEBTPS, EP and operational efficiency set for STI participants measured on Group and South African performance were achieved in FY2025, as set out in Part 1 of the remuneration report commencing on page 84. The STI accrued to these participants was 100% of the bonus pool cap of R31.8 million.

For STI participants measured against the Group's other African countries' performance, R0.8 million of the R1.2 million STI bonus pool cap accrued.

No STI payments were reduced or forfeited due to malus and claw-back provisions in FY2025.

The Remco did not exercise its discretion to adjust STI outcomes in FY2025.

The table below sets out the STI performance outcomes of participants measured on Group targets and South African operational efficiency for FY2025:

	Weighting %	Target performance	Stretch performance	Actual performance	Actual achievement (% of measure)	STI outcome* R'000
Group HEBTPS	50	124.3 cents	144.2 cents	197.8 cents	100.0	16 105
Group EP	20	Three-year rolling average improvement		Three-year rolling average improved by R62.5 million	100.0	6 442
25% of three-year rolling average improvement is included in bonus pool						
South Africa operational efficiency	30	See below		See below	100.0	9 265
Total	100	0%	100%		100.0	31 812

* STI outcome includes the effect of African country managers measured on other African countries' performance for operational efficiency but Group performance for HEBTPS and EP.

The table below sets out further details on the achievement of operational efficiency targets:

Performance measures	Weighting	Actual achievement (%)
Broiler breeder productivity	20%	100.0
Layer hen productivity	20%	100.0
Egg packing station efficiency	20%	100.0
Operating cost management	20%	100.0
ESG performance	20%	100.0
Weighted average achievement	100%	100.0

Different targets are set for each of the other African countries, and the table below provides a summary of the STI outcome of FY2025. The financial and operational performance of the other Africa business is reflected in the STI outcomes below.

Performance measures	Weighting	Actual achievement	STI outcome*
	%	%*	R'000
HEBTPS	50	100.0	423
EP	20	53.7	91
Operational efficiency	30	40.6	264
Total	100	62.6	778

* STI outcome excludes the effect of African country managers measured on other African countries' performance for operational efficiency but Group performance for HEBTPS and EP.

The table below sets out the STIs of executive directors in FY2025, based on the achievement of performance targets:

Participant	Maximum STI earning potential (as % of TGP)	Achievement of performance conditions %	Actual STI (as % of TGP)	2025 STI amount included in single figure table R'000
AD van der Merwe	100	100	100	4 431
AH Muller	75	100	75	2 849

LTI outcomes

The vesting period for the SAR awards made in terms of the previous LTI scheme will terminate in February 2028. The table below sets out how the previous SAR scheme will phase out and the new VAR plan will phase in, in the determination of the payment of any LTI benefits to participants.

	FY2026	FY2027	FY2028	FY2029
2021 SAR allocation	3rd vesting			
2022 SAR allocation	2nd vesting	3rd vesting		
2023 SAR allocation	1st vesting	2nd vesting	3rd vesting	
2024 VAR allocation			Vesting	
2025 VAR allocation				Vesting

The tables below set out the achievement of the performance conditions applicable to the SAR awards that will vest in 2026.

The LTI benefit that may have accrued in the future to a senior manager who retired from the other African operations was forfeited due to malus and claw-back provisions in FY2025 following the discovery of an unreported stock variance. No other LTI benefits were reduced or forfeited due to malus and claw-back provisions in FY2025.

2023 award	Threshold	Stretch	Actual
Performance measures = compound annual growth in adjusted HEPS	CPI plus 1% growth	CPI plus 5% growth	CPI plus 84.51% growth
2023 SAR allocation*	23.3 cents	26.0 cents	Profit of 134.4 cents**
Vesting (%)	0%	100%	100%

* 2023 adjusted HEPS was 20.0 cents per share. Exercising the Remco discretion, the actual 14.1 cents per share HEPS for FY2022 was adjusted in determining the baseline HEPS for this award.

** FY2025 HEPS

Vesting date	23 February 2026
Performance period	1 October 2022 to 30 September 2025
Employment period	23 February 2023 to 23 February 2026

2022 award	Threshold	Stretch	Actual
Performance measures = compound annual growth in adjusted HEPS	CPI plus 1% growth	CPI plus 5% growth	CPI plus 21.65% growth
2022 SAR allocation*	66.0 cents	76.5 cents	Profit of 134.4 cents**
Vesting (%)	0%	100%	100%

* 2022 adjusted HEPS was 52.20 cents per share and is equal to the actual FY2021 HEPS.

** FY2025 HEPS

Vesting date	21 February 2026
Performance period	1 October 2021 to 30 September 2025
Employment period	21 February 2022 to 21 February 2026

2021 award	Threshold	Stretch	Actual
Performance measures = compound annual growth in adjusted HEPS	CPI plus 1% growth	CPI plus 5% growth	CPI plus 5.79% growth
2021 SAR allocation*	107.7 cents	129.7 cents	Profit of 134.4 cents**
Vesting (%)	0%	100%	100%

* 2021 adjusted HEPS was 80.50 cents per share and is equal to the actual FY2020 HEPS.

** FY2025 HEPS

Vesting date	15 February 2026
Performance period	1 October 2020 to 30 September 2025
Employment period	15 February 2021 to 15 February 2026



LTI awards during FY2025

The VAR plan allocations awarded during the year are set out in the table below. Vesting of these allocations and adjustment of vested amounts for changes in the enterprise value over the four-year performance period will be measured in FY2028. No LTI benefits, in terms of the new VAR plan, accrued to participants in FY2025.

	2024 Award R'000	2025 Award R'000	Threshold (20% vesting)	Target (100% vesting)	Stretch (150% vesting)	Fair value of 2024 award at 30 September 2025** R'000	Fair value of 2025 award at 30 September 2025** R'000
AD van der Merwe	3 119	3 323	Average 4-year HEPS = CAGR Growth of CPI + 1% from Baseline*	Average 4-year HEPS = CAGR Growth of CPI + 3% from Baseline*	Average 4-year HEPS = CAGR Growth of CPI + 8% from Baseline*	8 028	7 319
AH Muller	1 782	1 899				4 587	4 182
Baseline HEPS	54.5 cents	56.6 cents					
Performance period	FY2024 – FY2027	FY2025 – FY2028					
Baseline enterprise value	R858.6 million	R899.9 million					
Vesting date	19 Feb 2028	19 Feb 2029					
Adjustment for change in enterprise value			(Average HE for the performance period x 8) / baseline enterprise value = adjustment factor				
VAR settlement			Award x vesting % x adjustment factor (limited to 3 times total guaranteed pay)				

* Linear interpolation applies between the levels.

** The fair value at year end is determined as award value x estimate of achievement of performance targets (vesting %) x adjustment for change in enterprise value that would result (adjustment factor).

The Remco exercised its discretion and determined the baseline HEPS for the FY2025 allocation as 56.6 cents per share. This is higher than the average actual HEPS of 32.3 cents per share recorded for the four financial years that ended 30 September 2024. In terms of the allocation limit, the Remco also exercised its discretion to increase reported EBITDA for FY2024 by R37.2 million (being the value of biological assets destroyed during FY2024 due to HPAI infection) in determining the value of awards to participants.

Unvested LTI awards

The table below discloses the number of each executive director's LTI awards as at 30 September 2025, whether allocated, settled, or forfeited, as well as the value of SARs exercised during the year and an indicative value of SARs not yet settled. No LTI awards were forfeited due to performance conditions not being achieved for the performance period. The indicative value of the closing number of SARs was calculated based on the number of SARs at the Company's volume-weighted average share price for the three days ended 30 September 2025 (of R7.33 per share), less the grant price of the particular SARs awarded.

Executive director LTIs in 2025 in terms of previous SAR awards

Award date	Note	Opening number	Award/ strike price Cents	Forfeited during the year	Vested during the year	Number exercised during the year	Exercise price Cents	Cash value of instruments exercised R'000	Closing number	Indicative value R'000
AD van der Merwe										
2020/02/17	1	65 646	357	–	65 646	65 646	999	422	–	–
2021/02/15	2	145 254	609	–	48 418	48 418	999	189	96 836	120
2022/02/21	3	464 044	539	–	154 680	154 680	999	711	309 364	599
2023/02/23	4	515 928	474	–	–	–	–	–	515 928	1 334
AH Muller										
2020/02/17	1	72 257	357	–	72 257	72 257	999	464	–	–
2021/02/15	2	153 544	609	–	51 180	51 180	999	200	102 364	127
2022/02/21	3	514 604	539	–	171 534	171 534	999	788	343 070	664
2023/02/23	4	544 220	474	–	–	–	–	–	544 220	1 407

Note 1: Vested in three equal tranches on 17/02/2023, 17/02/2024 and 17/02/2025. Awards must be exercised within 12 months of vesting.

Note 2: Vesting in three equal tranches on 15/02/2024, 15/02/2025 and 15/02/2026. Awards must be exercised within 12 months of vesting.

Note 3: Vesting in three equal tranches on 21/02/2025, 21/02/2026 and 21/02/2027. Awards must be exercised within 12 months of vesting.

Note 4: Vesting in three equal tranches on 23/02/2026, 23/02/2027 and 23/02/2028. Awards must be exercised within 12 months of vesting.

Remuneration outcomes for FY2025

The table below sets out the single-figure remuneration (i.e., TGP (basic salary and benefits), STI and LTI) received by executive directors and prescribed officers in FY2025 and FY2024, respectively:

	Basic salary	Benefits	STI**	LTI***	Directors' fees	Total
	R'000	R'000	R'000	R'000	R'000	R'000
30 September 2025						
AD van der Merwe	3 840	867*	4 431	1 322	–	10 460
AH Muller	3 316	433	2 849	1 452	–	8 050
Total	7 156	1 300	7 280	2 774	–	18 510

	Basic salary	Benefits	STI	LTI	Directors' fees	Total
	R'000	R'000	R'000	R'000	R'000	R'000
30 September 2024						
HA Lourens^	3 011	341	–	2 106	–	5 458
AD van der Merwe#	1 700	258	3 679	–	–	5 637
AH Muller	2 968	409	2 365	590	–	6 332
Total	7 679	1 008	6 044	2 696	–	17 427

^ Resigned as executive director on 31 May 2024.

* Includes R369 000 paid on reaching 30 years of service.

** STIs are included on the basis of what was earned for the financial year: STIs earned for the financial year are paid in the first quarter of the next financial year.

*** LTIs are included on the basis of amounts that resulted from the exercise of vested SARs in the financial year.

Appointed as CEO on 1 April 2024. 2024 LTI remuneration of R548 000 was paid prior to being appointed as a director.

NED fees

The table below sets out the fees paid to NEDs:

	FY2025 R'000^	FY2024 R'000
Name		
WA Hanekom	273	546
GG Fortuin	264	529
TJA Golden*	–	302
LW Riddle	226	453
PFT Burger#	226	78
G Vaughan-Smith	183	366
Total	1 172	2 274

^ Paid for the period 1 October 2024 to 31 March 2025.

* Resigned on 31 May 2024.

Appointed on 29 July 2024.

Approval

The Remco is satisfied that there were no material deviations from the remuneration policy during 2025. This remuneration report was approved by the Remco on 17 November 2025.

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

Directors' responsibility

In accordance with the requirements of the Companies Act, the Board is responsible for the preparation of the summary consolidated financial statements of Quantum Foods. The audited annual financial statements of the Group for the year ended 30 September 2025, from which these summary consolidated financial statements have been derived, were prepared in accordance with the requirements of the Companies Act.

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

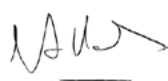
The Board is ultimately responsible for the internal control processes of Quantum Foods. Standards and systems of internal control are designed and implemented by management to provide reasonable assurance as to the integrity and reliability of financial records and of the financial statements and to 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 reasons given by management and the internal auditors, the Board is of the opinion that the accounting controls are sufficient 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 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.

The summary consolidated financial statements of the Group were approved by the Board on 25 November 2025 and are signed on its behalf by:



WA Hanekom
Chairman



AD van der Merwe
Chief Executive Officer

Company secretary certificate

In accordance with section 88(2)(e) of the Companies Act, for the year ended 30 September 2025, 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 which outlines the 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 work plan serves as a guideline for the committee in the execution of its mandate. Both the charter and work plan 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, JSE Listings Requirements as well as those highlighted in King IV.

Members of the audit and risk committee

As at 30 September 2025, 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 12th 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 IV.

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 IV:

- 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 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 has assessed its 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 3.84(g)(iii) read with paragraphs 3.86 and 3.87 of the JSE Listings Requirements.

- 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 2026 will be PG du Plessis' third 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 over the IT governance of the Group.
- Provided oversight over the combined assurance arrangements, including the external and internal auditors and satisfied itself of 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 work plan for the period under review.

The committee is satisfied with the assurance of the internal and external auditors, provided 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 3.84(g)(i) of the JSE Listings Requirements with the appropriateness of the expertise and experience of AH Muller as chief financial officer.

In addition, the committee considered and has satisfied itself with 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 audit matter and quality of external audit

The committee considered and resolved that the key audit matter reported on by the external auditor is the only significant matter required for consideration of the annual financial statements. The committee is satisfied that the key audit matter reported on by the external auditor have been appropriately addressed. 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 100.



GG Fortuin

Chairman: audit and risk committee

Wellington
25 November 2025

Independent auditor's report on the summary consolidated financial statements

To the Shareholders of Quantum Foods Holdings Limited

Introduction

The summary consolidated financial statements of Quantum Foods Holdings Limited, contained in the accompanying integrated report, which comprise the summary consolidated statement of financial position as at 30 September 2025, summary consolidated statement of comprehensive income, the summary consolidated statement of changes in equity and summary consolidated cash flow statement for the year then ended, and related notes, are derived from the audited consolidated financial statements of Quantum Foods Holdings Limited for the year ended 30 September 2025.

Opinion

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the requirements of the JSE Limited Listings Requirements for summary consolidated financial statements, as set out in Note 1 to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary consolidated financial statements.

Summary Consolidated Financial Statements

The summary consolidated financial statements do not contain all the disclosures required by IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon.

The Audited Consolidated Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 25 November 2025. That report also includes the communication of a key audit matter that, in our professional judgement, was of most significance in our audit of the consolidated financial statements of the current period.

Director's Responsibility for the Summary Consolidated Financial Statements

The directors are responsible for the preparation of the summary consolidated financial statements in accordance with the requirements of the JSE Limited Listings Requirements for the abridged reports, set out in Note 1 to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

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
25 November 2025

Summary consolidated statement of financial position

as at 30 September 2025

	Notes	2025 R'000	2024 R'000
Assets			
Non-current assets		1 613 893	1 429 050
Property, plant and equipment		1 543 407	1 368 237
Right-of-use assets		48 778	36 755
Intangible assets		6 495	9 014
Investment in associate		12 691	11 924
Trade and other receivables		2 411	2 657
Deferred income tax		111	463
Current assets		1 853 935	1 786 375
Inventories		367 863	361 857
Biological assets		460 008	460 093
Trade and other receivables		749 109	718 573
Derivative financial instruments		3	-
Current income tax		1 092	24
Cash and cash equivalents		275 860	245 828
Non-current assets held for sale	3	8 065	-
Total assets		3 475 893	3 215 425
Equity and liabilities			
Capital and reserves attributable to owners of the parent		2 395 074	2 094 715
Share capital		1 492 396	1 473 619
Treasury shares		(429)	(429)
Other reserves		(99 050)	(114 949)
Retained earnings		1 002 157	736 474
Total equity		2 395 074	2 094 715
Non-current liabilities		425 183	383 203
Borrowings		59 550	79 400
Lease liabilities		38 375	27 261
Deferred income tax		293 180	264 254
Provisions for other liabilities and charges		34 078	12 288
Current liabilities		655 636	737 507
Trade and other payables		605 280	696 531
Derivative financial instruments		-	487
Current income tax		12 010	2 651
Borrowings		20 000	20 000
Lease liabilities		16 504	15 824
Provisions for other liabilities and charges		1 842	2 014
Total liabilities		1 080 819	1 120 710
Total equity and liabilities		3 475 893	3 215 425

Summary consolidated statement of comprehensive income

for the year ended 30 September 2025

	Notes	2025 R'000	2024 R'000
Revenue	4	7 146 536	6 332 075
Cost of sales		(5 691 047)	(5 107 263)
Gross profit		1 455 489	1 224 812
Other income		19 642	16 186
Other gains/(losses) – net	5	192 018	185 243
Sales and distribution costs		(270 988)	(249 273)
Marketing costs		(11 999)	(10 639)
Administrative expenses		(188 936)	(183 814)
Net impairment losses on trade and other receivables		(4 456)	(2 068)
Other operating expenses		(822 125)	(749 527)
Operating profit		368 645	230 920
Investment income		22 011	8 032
Finance costs		(16 561)	(19 818)
Share of profit of associate company		767	724
Profit before income tax		374 862	219 858
Income tax expense		(96 225)	(59 454)
Profit for the year		278 637	160 404
Other comprehensive income for the year			
<i>Items that may subsequently be reclassified to profit or loss:</i>			
Fair value adjustments to cash flow hedging reserve		(16 402)	(5 750)
For the year		5 078	15 357
Income tax effect		(1 371)	(4 146)
Realised to profit or loss		(27 547)	(23 233)
Income tax effect		7 438	6 272
Movement in foreign currency translation reserve			
Currency translation differences		33 809	(89 755)
Total comprehensive income for the year		296 044	64 899
Profit for the year attributable to owners of the parent		278 637	160 404
Total comprehensive income for the year attributable to owners of the parent		296 044	64 899
Earnings per ordinary share (cents)	6	137.8	80.0
Diluted earnings per ordinary share (cents)	6	137.1	78.8

Summary consolidated statement of changes in equity

for the year ended 30 September 2025

	2025 R'000	2024 R'000
Share capital and treasury shares	1 491 967	1 473 190
Opening balance	1 473 190	1 464 640
Ordinary shares issued/transferred - share appreciation rights	18 777	8 550
Other reserves	(99 050)	(114 949)
Opening balance	(114 949)	(29 676)
Other comprehensive income for the year	17 407	(95 505)
Recognition of share-based payments	4 315	13 880
Ordinary shares transferred – share appreciation rights	(5 823)	(3 648)
Retained earnings	1 002 157	736 474
Opening balance	736 474	580 972
Profit for the year	278 637	160 404
Ordinary shares transferred – share appreciation rights	(12 954)	(4 902)
Total equity	2 395 074	2 094 715

Summary consolidated statement of cash flows

for the year ended 30 September 2025

	2025 R'000	2024 R'000
Cash flow from operating activities	301 847	264 268
Cash profit from operating activities	529 892	384 934
Working capital changes	(173 856)	(110 149)
Cash generated from operations	356 036	274 785
Income tax paid	(54 189)	(10 517)
Cash flow from investing activities	(225 942)	(140 457)
Additions to property, plant and equipment	(261 367)	(153 354)
Additions to intangible assets	(580)	(58)
Proceeds on disposal of property, plant and equipment	13 751	4 720
Repayment of loan included in other debtors	673	708
Interest received	21 581	7 527
Cash surplus	75 905	123 811
Cash flow from financing activities	(50 054)	60 924
Principal elements of lease payments	(15 934)	(19 919)
Borrowings raised	-	100 000
Borrowings repaid	(20 000)	-
Shares issued	-	8 550
Treasury shares acquired by subsidiary	-	(8 550)
Interest paid	(14 111)	(19 148)
Dividends paid to ordinary shareholders	(9)	(9)
Increase in cash and cash equivalents	25 851	184 735
Effects of exchange rate changes	4 181	(10 272)
Cash and cash equivalents at beginning of year	245 828	71 365
Cash and cash equivalents at end of year	275 860	245 828

Segmental analysis

for the year ended 30 September 2025

	2025 R'000	2024 R'000
SEGMENT INFORMATION		
Segment revenue	7 155 855	6 341 212
Eggs	1 263 121	858 979
Farming	2 034 289	1 875 537
Animal feeds	3 313 448	3 138 813
Other African countries	544 997	467 883
Less: Internal revenue	(9 319)	(9 137)
Farming	(9 319)	(9 137)
External revenue	7 146 536	6 332 075
Eggs	1 263 121	858 979
Farming	2 024 970	1 866 400
Animal feeds	3 313 448	3 138 813
Other African countries	544 997	467 883
Segment results – excluding items of a capital nature	360 709	232 243
Eggs	111 026	140 108
Farming	127 038	(10 636)
Animal feeds	103 257	94 231
Other African countries	42 085	45 448
Head office costs	(22 697)	(36 908)

	2025 R'000	2024 R'000
Items of a capital nature per segment included in other gains/ (losses) – net		
Profit/(loss) on disposal of property, plant and equipment before income tax	7 936	(1 323)
Eggs	3 171	1 391
Farming	4 608	(2 567)
Animal feeds	51	(297)
Other African countries	106	150
Segment results	368 645	230 920
Eggs	114 197	141 499
Farming	131 646	(13 203)
Animal feeds	103 308	93 934
Other African countries	42 191	45 598
Head office costs	(22 697)	(36 908)
A reconciliation of the segment results (operating profit) to profit before income tax is provided below:		
Segment results	368 645	230 920
Adjusted for:		
Investment income	22 011	8 032
Finance costs	(16 561)	(19 818)
Share of profit of associate company	767	724
Profit/(loss) before income tax per statement of comprehensive income	374 862	219 858

Notes to the consolidated financial statements

for the year ended 30 September 2025

1. Basis of preparation

The summary consolidated financial statements are prepared in accordance with the requirements of the JSE Limited ("JSE") for summary financial statements, and the requirements of the Companies Act applicable to summary financial statements. The JSE requires summary financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of the International Financial Reporting Standards ("IFRS Accounting Standards") and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 Interim Financial Reporting. The accounting policies applied in the preparation of the consolidated annual financial statements from which the summary consolidated financial statements were derived are in terms of IFRS Accounting Standards and are consistent with those accounting policies applied in the preparation of the previous consolidated annual financial statements.

2. Accounting policies

These summary consolidated financial statements incorporate accounting policies that are consistent with those applied in the Group's consolidated financial statements for the year ended 30 September 2025 and with those of previous financial years.

3. Non-current assets held for sale

	2025 R'000	2024 R'000
Najjera Breeder Farm	8 065	-

The Najjera Breeder Farm in Uganda with a book value of R8.1 million has been classified as a non-current asset held for sale at the reporting date as it meets the criteria for held-for-sale classification under *IFRS 5: Non-current Assets Held for Sale and Discontinued Operations*. These assets held for sale relates to the Other African countries segment. The Najjera 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 is lower than its fair value less costs to sell.

4. Revenue from contracts with customers

	2025 R'000	2024 R'000
Disaggregation of revenue from contracts with customers:		
Eggs	1 603 762	1 174 064
– included in eggs segment	1 263 121	858 980
– included in other African countries segment	340 641	315 084
Layer farming*	364 060	213 503
– included in farming segment	313 495	167 665
– included in other African countries segment	50 565	45 838
Broiler farming**	1 787 001	1 773 068
– included in farming segment	1 711 475	1 698 734
– included in other African countries segment	75 526	74 334
Animal feeds	3 391 713	3 171 440
– included in animal feeds segment	3 313 448	3 138 813
– included in other African countries segment	78 265	32 627
	7 146 536	6 332 075

* 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.

5. Other gains/(losses) – net

	2025 R'000	2024 R'000
Biological assets fair value adjustment	107 722	31 931
Unrealised – reflected in carrying amount of biological assets	(4 038)	8 194
Realised – reflected in cost of goods sold	111 760	23 737
Agricultural produce fair value adjustment	77 673	150 684
Unrealised – reflected in carrying amount of inventory	(2 812)	2 790
Realised – reflected in cost of goods sold	80 485	147 894
Foreign exchange differences	(1 678)	(3 071)
Financial instruments fair value adjustments	442	-
Foreign exchange contract cash flow hedging ineffective loss	(4)	(475)
Futures contract cash flow hedging ineffective (loss)/gain	(73)	7 497
Profit/(loss) on disposal of property, plant and equipment	7 936	(1 323)
	192 018	185 243

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.

6. 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:

	2025 R'000	2024 R'000
Profit for the year	278 637	160 404
Weighted average number of ordinary shares in issue ('000)	202 198	200 564

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.

	2025 Number '000	2024 Number '000
Weighted average number of ordinary shares in issue used as the denominator in calculating basic earnings per share	202 198	200 564
Adjustment for calculation of diluted earnings per share – Share appreciation rights	1 111	2 992
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	203 309	203 556

Share appreciation rights issued in terms of the share incentive scheme have a potential dilutive effect on earnings per ordinary share.

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:

	2025 R'000	2024 R'000
Profit for the year	278 637	160 404
Diluted weighted average number of ordinary shares in issue ('000)	203 309	203 556
Headline earnings is calculated in accordance with Circular 1/2023 issued by the South African Institute of Chartered Accountants.		
<i>Reconciliation between profit attributable to owners of the parent and headline earnings</i>		
Profit for the year	278 637	160 404
Remeasurement of items of a capital nature (Profit)/loss on disposal of property, plant and equipment	(6 894)	941
Gross	(7 936)	1 323
Tax effect	1 042	(382)
Headline earnings for the year	271 743	161 345
Earnings per ordinary share (cents)	137.8	80.0
Diluted earnings per ordinary share (cents)	137.1	78.8
Headline earnings per ordinary share (cents)	134.4	80.4
Diluted headline earnings per ordinary share (cents)	133.7	79.3

7. Contingent liabilities

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

8. Future capital commitments

Capital expenditure approved by the Board and contracted for amounts to R87.3 million (2024: R131.0 million). Capital expenditure approved by the Board, but not yet contracted for, amounts to R386.5 million (2024: R135.8 million).

9. Events after the reporting period

Dividend

A final gross dividend of 34.0 cents (2024: nil cents) per ordinary share has been approved and declared by the Board for the year ended 30 September 2025, on 25 November 2025.

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. Such tax must be withheld unless beneficial owners of the dividend have provided the necessary documentary proof to the relevant regulated intermediary that they are exempt therefrom, or entitled to a reduced rate as a result of the double taxation agreement between South Africa and the country of domicile of such owner.

The net dividend amounts to 27.2 cents per ordinary share for shareholders liable to pay dividends tax. The dividend amounts to 34.0 cents per ordinary share for shareholders exempt from paying dividends tax.

The number of issued ordinary shares is 203 078 410 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 summary consolidated financial statements by the Board.

10. Preparation of financial statements

These summary consolidated financial statements have been prepared under the supervision of AH Muller, CA(SA), chief financial officer.

11. Audit

The annual financial statements were audited by Ernst & Young Inc., who expressed an unmodified opinion thereon. The audited annual financial statements and the auditor's report thereon are available for inspection on the Company's website, <https://quantumfoods.co.za/investor-relations/reports-and-results/> or at the Company's registered office.

APPENDIX

Commonly used terms

Birds	All varieties of live chicken, including meat-type chicken, egg-type chicken, day-old chicks, layer chicken, etc.
Broilers	Also “broiler chickens”: a young, tender chicken of a meat-type strain suitable for roasting or grilling.
Day-old chicks	Chicks that are one day old, usually from the same stock as broilers.
Day-old pullets/pullets	Female layer chicks (of the egg type) that are one day old.
Feed conversion	The quantity of feed, in kilograms, required by birds of the egg type to produce one dozen table eggs, or required by birds of the meat type to produce one kilogram of broiler meat.
Free-range eggs	Eggs produced from poultry farmed in natural conditions, including freedom of movement.
Hatching eggs	Fertile eggs produced on a breeding farm.
Higher-value eggs	Extra-large, jumbo, free-range, canola and pasteurised eggs.
Layers	Mature female chickens (at least 19 weeks old) used to produce marketable egg products.
Liquid eggs	A product especially for the catering industry, where eggs are broken, and the content is sold in liquid form.
Livestock	Farmed animals kept for commercial use.
Parent stock	Chickens bred specifically for further reproduction. There is different parent stock for broilers and egg-type chickens.
Point-of-lay	The age at which a pullet lays its first eggs.
Poultry	All forms of domestic fowl, e.g., chickens, turkeys, ducks, geese, etc.
Rearing	The process of growing a day-old chick or pullet into a mature bird.
Table eggs	Eggs intended for consumption. Table eggs are normally graded according to a number of criteria, including weight and quality.

