



Press Release

ASTRAL DISPOSES OF ITS MINORITY INTEREST IN QUANTUM FOODS

6 March 2024: Astral Foods Limited (Astral), an integrated poultry producer confirms the disposal, after due consideration of the offer by its full Board of Directors, of its 9.8% interest (equal to 19 550 855 shares) in Quantum Foods Holdings Limited ("Quantum"), for a total consideration of R141.7 million. The transaction has been executed through a "book over" effective 5 March 2024. No regulatory approvals are required by Astral for this transaction.

Chris Schutte, CEO of Astral, commented: *"At the time Astral acquired the 9.8% equity stake in Quantum during June 2020, there were unmitigated risks the Group had to manage. These risks centred around securing the supply of live broilers to Astral's County Fair operation in the Western Cape from Quantum. Quantum supplies Astral with approximately 600,000 broilers per week for further processing, about 35% of County Fair's total slaughter capacity."*

The offer price received was R7.25 per share, an approximate 70% premium to the current market value. As the Quantum shares are not sufficiently liquid, Astral accepted the offer for its 9.8% equity stake thus avoiding trading the shares on the open market, which would have taken an extended period of time to realise and possibly impacted the Quantum share price negatively. The proceeds on the sale at R141.7 million exceeds the carry value of Astral's investment of R97.8 million as at 30 September 2023.

Schutte concluded: *"The unsolicited offer from Country Bird Holdings (CBH) has afforded Astral the opportunity to divest of its passive minority interest in Quantum as it was never intended to be a long-term investment for the Group. A 5-year term remains on the existing broiler supply agreement and Astral has sufficient time to implement mitigating actions should the supply agreement come under threat at the end of the contractual period. This cash injection contributes positively to rebuilding Astral's balance sheet that was impacted negatively by an array of headwinds in 2023."*

Ends

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Issued and released by:	Keyter Rech Investor Solutions Marlize Keyter 083 701 2021
Issue date:	6 March 2024
JSE code:	ARL
Website:	www.astralfoods.com

Company background

Astral Foods Limited (Astral), an integrated poultry producer, with key activities in the manufacturing of animal feeds, broiler genetics, production and sale of day-old chicks and hatching eggs, integrated parent breeding and broiler production operations, abattoirs as well as the sales and distribution of various key poultry brands. The brands in the Astral stable include:

- County Fair
- Festive
- Goldi
- Mountain Valley
- Ross Poultry Breeders
- National Chicks
- Meadow Feeds
- Tiger Animal Feeds
- Tiger Chicks
- Central Analytical Laboratories