

Astral Foods Limited
("Astral Foods")
Registration number: 1978/003194/06
JSE Code: ARL ISIN: ZAE000029757

Trading statement

Further to the voluntary operational update issued on 5 February 2019 which stated that operating profit for the first quarter of the current financial year which ended on 31 December 2018, was significant lower than the corresponding period in the previous financial year, shareholders are now advised as follows:

- A reasonable degree of certainty exists that Astral Foods' earnings per share for the six months ended 31 March 2019 will reflect a decrease of between 55% (1 077 cents per share) and 50% (979 cents per share) compared to the previous comparable period. This implies that earnings per share is expected to be between 881 and 979 cents per share. The earnings per share for the six months ended 31 March 2018 has been restated at 1 958 cents per share, previously reported as 1 973 cents per share.
- Headline earnings per share for the six months ended 31 March 2019 will reflect a decrease of between 55% (1 077 cents per share) and 50% (979 cents per share) compared to the previous comparable period. This implies that headline earnings per share is expected to be between 882 and 980 cents per share. The headline earnings per share for the six months ended 31 March 2018 has been restated at 1 959 cents per share, previously reported as 1 974 cents per share.

The reduction in profitability was mainly as a result of higher feed prices and production related cost increases, exacerbated by lower selling prices for poultry products.

The restatement of the prior year figures relates to certain sales transactions of goods delivered during September 2017, initially recognized as revenue for the first half of the prior year, whereas on re-assessment of the nature of the transactions, it was concluded that it should have been recognized as revenue for the 2017 financial year.

The financial information on which this trading statement is based has not been reviewed and reported on by Astral Foods' auditors.

It is expected that the results for the six months to 31 March 2019 will be published on SENS on 13 May 2019.

Poor management of municipal infrastructure within the Lekwa (Standerton) Municipality, particularly water reticulation and supply which is crucial for a poultry processing plant, has resulted in unnecessary costs for Astral in the recent past, and ongoing infrastructural failure is causing a dire situation for Astral's operations in the area.

Pretoria

30 April 2019

Sponsor

Nedbank Corporate and Investment Banking, a division of Nedbank Limited