OUR BUSINESS MODEL

Tiger Brands creates value and delivers on its purpose by producing, marketing and distributing everyday branded food, home and personal care products predominantly in South Africa with a growing presence across Africa.

KEY INPUTS

SOCIAL AND RELATIONSHIP CAPITAL

- Committed workforce
- Investor confidence
- Constructive relationship with government and regulators
- Positive supplier and customer relations
- Trusted brand and reputation with consumers and society
- Stable operating context contributing to sustained market demand.

OUR PEOPLE

- Strong and diverse board
- Experienced executive team
- 10 158 permanent employees
- Enabling environment
- Adequate governance structures
- Improved reward and personal development opportunities.

OUR BRAND, REPUTATION AND COMPANY CULTURE

- Long operating history
- Strong brand and reputation
- Unique product formulations and trusted recipes
- Research and development capacity
- Governance and business systems
- Company culture.

MANUFACTURED CAPITAL

- 41 manufacturing facilities
- 36 sites
- Logistics and distribution.

FINANCIAL CAPITAL

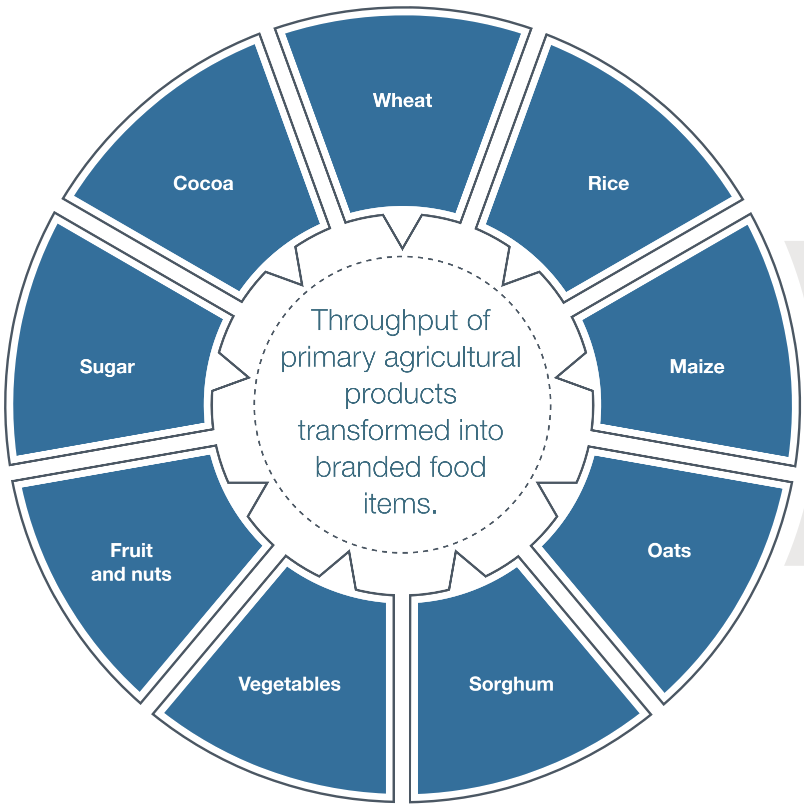
- Equity
- Borrowings
- Cash generated from operations.

NATURAL RESOURCES CAPITAL

- Local and imported raw materials and ingredients
- Water for production facilities comprising municipal supply and own borehole sources
- Fuel (diesel and petrol) for distribution as well as manufacture
- Fertile soil and conducive agricultural conditions (regenerative agriculture)
- Energy for manufacturing (primarily Eskom electricity).

OUR EXTERNAL ENVIRONMENT

- Weak macro-economic fundamentals
- An increasingly competitive market
- Changing consumer expectations
- Pressure to improve ESG performance
- Persistent impacts of the Covid-19 pandemic.



OUR TOP RISKS

1 Albany route-to market	**2** Inability to respond to changes in market dynamics and competition	**3.1** Negative impact of Covid-19	**3.2** Food quality and safety
3.3 Changing consumer preferences	**3.4** Information and cyber security	**3.5** Data and information risk	

Our product portfolio is well placed to grow presence in most occasions with further innovation or inorganic opportunities possible.

OUR REVENUE STREAMS

Our revenue streams comprise product sales from:

- Grains: 47%
- Consumer Brands: 36%
- Home and Personal Care: 6%
- Exports and International: 11%

Material revenue differentiators

- The group's long-standing market-leading position in branded food and beverages
- Our "Billion-Rand Brands", many of which are rated first or second in their categories and have received many external awards as South Africa's most loved brands.
- A robust marketing strategy to ensure our brands remain relevant and top-of-mind, supported by increased and targeted investment
- Far-reaching distribution capabilities
- The strength and quality of our relationships with our customers
- Strong consumer insights informing our category strategies.

OUR VALUE CHAIN ACTIVITIES

Procurement
Procuring raw materials, ingredients and packaging from local and international markets

Manufacturing
Converting raw materials into quality Food, Home and Personal Care products, using Tiger Brands' proprietary formulations

Research and development
Monitoring consumer tastes and trends, and investing in product and process research and development, to ensure that we maintain a leadership position

Packaging and logistics
Packing our products in branded packaging, and distributing these products as efficiently as possible to consumers through a network of customers that include retailers, wholesalers and the general trade

Marketing and branding
Supporting these activities with our strategic marketing and branding initiatives, and our focused corporate social investment activities

OUTPUTS

Milling and Baking
Other Grains
Groceries
Snacks & Treats
Beverages
Baby Care
Out of Home
Exports and International

OUR COST STREAMS

Our most significant cost streams are:

- Raw material procurement
- Sales and distribution expenses
- Marketing expenses
- Maintenance and upgrading of plant and equipment
- Food quality and safety
- Employee wages and benefits
- Electricity and fuel
- Regulatory compliance costs
- Other administrative costs.

Material cost differentiators

- Our vertical supply chain
- Standardisation and simplification of group processes, systems and practices.

KEY OUTCOMES

SOCIAL AND RELATIONSHIP CAPITAL

- ✓ Provision of affordable nutrition
- ✓ Economic opportunities across value chain
- ✓ Community impact of operations
- ✗ Contribution to non-communicable disease.

OUTCOMES on page 22.

OUR PEOPLE

- ✓ Investment in employee skills and motivation
- ✓ Investment in employee health and safety
- ✓ Enhanced employee and board diversity
- ✗ Some negative health and safety incidents.

OUTCOMES on page 22.

OUR BRAND, REPUTATION AND COMPANY CULTURE

- ✓ Investment in maintaining brand equity
- ✓ Innovation launches including in health and nutrition, value and convenience.

OUTCOMES on page 22.

MANUFACTURED CAPITAL

- ✓ Investment in modernising plant and equipment
- ✗ General wear and tear/depreciation.

OUTCOMES on page 23.

FINANCIAL CAPITAL

- ✓ Dividends
- ✓ Return on net assets
- ✓ Return on equity
- ✓ Return on invested capital (ROIC)
- ✓ Favourable funding terms.

OUTCOMES on page 23.

NATURAL RESOURCES CAPITAL

- ✓ Investments in numerous mitigation measures
- ✓ Innovation in products, processes and consumption
- ✗ Raw material extraction
- ✗ Energy use and GHG emissions across value chain
- ✗ Water use and potential contamination
- ✗ Habitat impacts across supply chain (biodiversity loss)
- ✗ Environmental incidents.

OUTCOMES on page 23.