



Zambeef Products plc

("Zambeef" or the "Group")

Full Year Trading Update

Zambeef (AIM: ZAM), the fully integrated cold chain foods and retail business with operations in Zambia, Nigeria and Ghana provides the following update on trading.

The Group announces that, for the year ended 30 September 2024 (all amounts in USD), revenue, adjusted EBITDA, adjusted and reported PBT are all anticipated to be in line with current market expectations due to underlying operational performance, despite a challenging economic and operating environment. Pleasingly, adjusted and reported profit after tax is expected to be higher than current market expectations, benefiting from a reduced tax impact for reasons including the benefit of the Group restructuring as announced in September 2023.

The macroeconomic conditions leading up to September 2024 were characterized by difficult operating circumstances, including, as previously announced, a severe drought and reduced consumer spending, compounded by the Central Bank's tightening monetary policy to address inflationary risks and constrained government spending. These factors significantly limited kwacha liquidity in the economy, leading to lower-than-expected demand for our products. The outbreak of Anthrax restricted cattle movement and negatively impacted public perception, slowing beef volumes in the first quarter. However, we saw a recovery in beef volumes, as bans on animal movement were lifted, from the second to the fourth quarter due to improved availability.

Furthermore, diminished water levels impacted Zambia's hydropower generation which accounts for 85% of the country's electricity. The government initiated an aggressive countrywide load management program that necessitated the use of more expensive alternative energy sources.

This, along with the sustained devaluation of the local currency from K21.02/USD at the beginning of the financial year to K26.54/USD at the end of the period along with an average inflation rate rising to 15.6%, contributed significantly to the high input and overhead costs.

Despite these challenges, the business remained focused on its primary strategy of revenue enhancement, cost optimization, and volume growth.

The Group expects its results for the financial year ended 30 September 2024 to be released by the end of December 2024. Shareholders are advised that the information contained in this Trading Update has not been reviewed nor reported on by the Company's external auditors.

* Adjusted EBITDA, adjusted profit before tax and adjusted profit after tax exclude the cost of the expected impairment in full (c.USD1.4m), as previously disclosed in the Company's announcement of 23 April 2024, of the investment in an associate (Zampalm) in which the Group owns a 10% equity interest, and which remains in operation. In addition, adjusted profit after tax also excludes the loss from assets held for sale (Chiawa Farm).

For further information, please visit www.zambeefplc.com or contact:

Zambeef Products plc

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The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Upon the publication of this announcement via Regulatory Information Service, this inside information is now considered to be in the public domain.

About Zambeef Products plc

Zambeef Products plc is the largest integrated cold chain food products and agribusiness company in Zambia and one of the largest in the region, involved in the primary production, processing, distribution and retailing of beef, chicken, pork, milk, dairy products, fish, flour and stockfeed, throughout Zambia and the surrounding region, as well as Nigeria and Ghana.

It has 236 retail outlets throughout Zambia and West Africa.

The Company is one of the largest suppliers of beef in Zambia. Five beef abattoirs and three feedlots are located throughout Zambia, with a capacity to slaughter 230,000 cattle a year. It is also one of the largest chicken producers in Zambia, with a capacity of 10.6 million broilers and 31.8 million-day-old chicks a year. It is one of the largest piggeries, pig abattoirs and pork processing plants in Zambia, with a capacity to slaughter 75,000 pigs a year, while its dairy has a capacity of 120,000 litres per day.

The Group is also one of the largest cereal row cropping operations in Zambia, with approximately 7,265 hectares of row crops under irrigation, which are planted twice a year, and a further 8,000 hectares of rainfed/dry-land crops available for planting. www.zambeefplc.com

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