



ZAMBEEF PRODUCTS PLC
[Incorporated in the Republic of Zambia] Company
registration number: 31824 Share Code: ZAMBEEF
ISIN: ZM0000000201

TRADING STATEMENT

In accordance with the Lusaka Securities Exchange ("LuSE") Listings Requirements, the Board of Directors of Zambeef Products Plc (the "Company" or the "Group") hereby advises the shareholders of the Company that the Total Basic Earnings per Share for the financial year ended 30 September 2024 is expected to be 48.7% higher (in Zambian Kwacha) than that of the financial year ended 30 September 2023.

During the year ended 30 September 2024, the Group posted profitability growth (in Zambian Kwacha) despite a challenging economic and operating environment, due to underlying operational performance.

The Company reiterates the guidance provided in the Company's previous Trading Update of 22 November 2024, and therefore there is no change to the most recent market expectations as updated on 22 November 2024.

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 year ended 30 September 2024 to be released in early December 2024. Shareholders are advised that the information contained in this Trading Statement has not been reviewed nor reported on by the Company's external auditors.

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

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Notes to Editors

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 250 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 9.4m broilers and 31.2 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 7,787 hectares of row crops under irrigation, which are planted twice a year, and a further 8,694 hectares of rainfed/dry-land crops available for planting each year.

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