For Immediate Release **10 June 2013**

Zambeef Products plc
("Zambeef" or the "Group")

Unaudited Results for the Six Months Ended 31 March 2013

Zambeef (AIM: ZAM), the fully integrated agri-business with operations in Zambia, Nigeria and Ghana, is pleased to announce its results for the six month period ended 31 March 2013.

Financial Highlights

Revenue	Up 20% to USD153.4m	(2012 USD127.6m)
Gross Profit	Up 24% to USD55.6m	(2012 USD44.7m**)
EBITDA	Up 8% to USD16.6m	(2012 USD15.3m**)
Adjusted Pre Tax Profit	Down 7% to USD8.4m+	(2012 USD9m**+)

**excludes the USD9.7m provision for the tax assessment, of which USD6.7m was charged to cost of sales issued on Zamanita Ltd. ("Zamanita") See below for a full explanation
+ adjusted to exclude unrealised foreign exchange differences

Highlights

- Significant growth in revenue and gross profit, up 20 per cent. and 24 per cent. respectively; and EBITDA growth up eight per cent.
- Gross margins increased from 35 per cent. for March 2012 (excluding the Zamanita tax provision) to 36.3 per cent. for March 2013
- Adjusted pre-tax profit declined 7 per cent. due to increases in overhead costs, increased finance costs and higher depreciation costs due to increased capital expenditure and realised exchange losses due to the depreciation of the Zambian Kwacha against the USD
- Strongest divisional growth seen in cropping (up 76 per cent.), edible oils (up 70 per cent.), stock feed (up 36 per cent.), and West Africa (up 30 per cent.)
- Oil seed crushing recommenced at Zamanita
- Increased crop yield performance at farming operations
- Disposal of 49 per cent. of Zam Chick Limited ("Zam Chick") to Rainbow Farms Investments (Pty) Limited ("Rainbow") for USD14.25 million - effective date of completion of the transaction was 31 March 2013
- Recently announced hatchery partnership with Rainbow.

Commenting on the results, Chairman Dr. Jacob Mwanza, said:

"We have been very encouraged by the good growth in turnover, gross margins, gross profit and EBITDA. Adjusted pre-tax profit was lower than last year's strong comparative period, largely due to increased costs. However, the successful integration at Mpongwe Farm and subsequent excellent crop production, the doubling of capacity at Zamanita, the increase in capacity of our broiler and layer operations and capacity improvements at Master Pork, all leave Zambeef in a strong position to take advantage of growing demand for food products in Zambia. As such, as we return the chicken and egg, pork, and dairy divisions to expected levels of profitability, we anticipate a stronger performance in the second half of FY 2013 and the Board expects the Company to start paying dividends from 2014 onwards."

For further information, please contact:

Zambeef Products plc
Francis Grogan, Chief Executive Officer Tel: +260 (0) 9 7799 9001
Carl Irwin, Director of Strategy and Development Tel: +260 (0) 9 7777 1002

Strand Hanson Limited Tel: +44 (0) 20 7409 3494
Angela Hallett
James Spinney

Panmure Gordon (UK) Limited Tel: +44 (0) 20 7886 2500
Callum Stewart
Hannah Woodley

Buchanan Communications
Mark Edwards Tel: +44 (0) 20 7466 5000
Sophie McNulty
Louise Hadcocks

Notes to Editors
The Zambeef Group is one of the largest integrated agri-businesses in Zambia, involved in the primary production, processing, distribution and retailing of beef, chickens, pork, milk, eggs, dairy products, fish, flour, bread, edible oils and stock feed, throughout Zambia and the surrounding region, as well as Nigeria and Ghana. The Group is also one of the largest cereal row cropping operations in Zambia, with approximately 8,350 Ha of irrigated land and approximately 8,650 Ha of rain-fed/dry land, available for planting each year.

The Group employed an average of 5,579 employees in the period.

Further information can be found on www.zambeefplc.com

This publication is in line with standard practice for London Stock Exchange.

CHAIRMAN'S REPORT

Economic Review

I am pleased to report that following the ongoing improvement in operational performance in 2012 most areas of the business have continued to perform strongly during the six month period ended 31 March 2013.

The wider Zambian economy remains buoyant and the positive environment has led to substantial inward investment into the country. Macroeconomic factors that have an important bearing on the business and, for the most part are supporting our growth: increasing employment opportunities; higher disposable income amongst our customers (leading to greater demand for our products); continuing single-digit inflation and reducing lending rates. The period also saw the Kwacha undergo a rebasing, with the new Kwacha (ZMW) being worth 1,000 units of the old currency (ZMK).

Performance Review

Overview

Revenue, in ZMW, increased by 24 per cent., to ZMW809 million. In USD terms, the increase was 20 per cent. to USD153 million. Gross margins have improved from 29.8 per cent. in 2012, to 36.3 per cent. in 2013. However, adjusted pre-tax profit declined by 4 per cent. (ZMW) and 7 per cent. (USD) due to higher than expected increase in overhead costs, largely attributable to increases in the statutory minimum wage put into effect in July 2012, and increases in the cost of power and fuel, increased finance costs (gearing up by 15 per cent.), higher depreciation costs (up by 29 per cent.) due to increased capital expenditure and realised exchange losses due to the depreciation of the Zambian Kwacha against the USD. This has increased the cost to income ratio from 24.6 per cent. to 25 per cent. Operating profit has increased by 289 per cent. in ZMW, and 276 per cent. in USD terms. These metrics exclude the effect on performance of the profit of ZMW69 million or USD13.1 million, arising out of the sale of the 49 per cent. holding in Zam Chick Limited ("Zam Chick") to Rainbow Farms Investments (Pty) Limited ("Rainbow").

Divisional Performance

Most divisions have performed strongly. In particular, Mpongwe Farm has had an excellent summer cropping season, and is the leading contributor to both revenue and profitability in the farming division. The stock feed division continues to do well and has exhibited strong growth during the period. Following on from the major upgrade and expansion of the Zamanita plant, edible oil seed crushing re-commenced in early October 2012, which has resulted in substantial growth in revenue and gross margin (the plant having been shut down for a period of nine months during FY 2012 to allow the work to take place). Production levels are also increasing in the dairy, leading to increased margins in the milk division versus the second half of FY 2012. The West African operations have shown improvement in both revenue and margins following the increase in Shoprite stores during 2012.

However, the chicken, pork and bakery and flour divisions have had a challenging six months, although we expect to return these divisions to improved performance in the second half of the financial year.

Zam Chick

One of the most important events during the period has been the sale of 49 per cent. of Zam Chick, our broiler operations, for USD14.25 million to Rainbow, a subsidiary of Rainbow Chickens Limited, South Africa, one of the largest chicken producers in Sub-Saharan Africa. This transaction will make available to Zambeef Rainbow's vast experience and track record in the poultry industry and a key focus will be on value added and processed chicken products, where Rainbow has demonstrated significant capabilities in the South African market.

Zamanita Tax Dispute

In relation to the disputed tax demand made by the Zambia Revenue Authority ("ZRA") with respect to Zamanita, Zambeef made its final written submission to the Revenue Appeals Tribunal on 11 February 2013, which was within the requisite ten-week period following the conclusion of the hearing. Thereafter, the ZRA submitted its position on 25 March 2013, to which Zambeef has submitted its response. A decision is expected to be made by the Revenue Appeals Tribunal in the second half of the current financial year.

As announced previously, a full provision for this tax demand amounting to ZMW49 million (approximately USD9.7 million) was made in the financial statements for the year ended 30 September 2012.

Board of Directors & Management Committee

As announced on 28 March 2013, Zambeef's Finance Director, Sushmit N. Maitra, will leave the Group with effect from 15 June 2013 following completion of a handover to his successor, Craig Harris. Currently Chief Administration Officer (CAO) of Zambeef, Mr. Harris previously held the position of the Group's Chief Financial Officer (CFO) from 1996 to 2004. His prior knowledge of Zambeef's operations and his recent experience as CAO leave him very well placed to pick up the reins as CFO and assist in driving the Company's continuing growth and expansion.

As we continually seek to improve group-wide team working and to make communication more effective, the Company has taken the decision to upgrade and expand the Management Committee set up last year into a Senior Management Committee, consisting currently of 18 senior managers and business unit heads.

Outlook and Dividend

Following the successful integration at Mpongwe Farm, the doubling of capacity at Zamanita, the increase in capacity of our broiler and layer operations, capacity improvements at Master Pork and the planned increase in capacity of the dairy plant (expected to be completed in the second half of FY 2013), Zambeef is now in a strong position to take advantage of the growing demand for food products in Zambia. We will continue to invest in our infrastructure, in order to further improve efficiencies, and increase scope and scale, where appropriate.

Major areas of capex investment over the next six to 12 months will seek to increase production and efficiency levels in the following areas:

i. Expansion of the dairy housing to increase milk yields;
ii. Expansion of the stock feed capacity with the installation of a third pelleting line;
iii. Continued expansion of our retail operations with an increased focus on wholesale centres;
iv. Continued rehabilitation and refurbishment of our existing retail outlets and processing facilities to ensure we continue to maintain efficiencies;
v. Continued investment into the Nigerian operations; and
vi. Continued investment into the palm plantation.

The return to cash generation is paramount to our business model. It will allow us to invest in the business to fund organic growth, reduce our borrowings and pay regular dividends to shareholders. We believe we are on track to meet this objective, and the Board expects the Company to start paying dividends from 2014 onwards.

As announced on 30 May 2013, Zambeef has entered into an agreement with Rainbow to establish a broiler parent stock rearing, laying and hatching operation for the supply of day old chicks, called Zamhatch Limited ("Zamhatch").

The establishment of Zamhatch is in line with the Group's strategically integrated business model. The Board considers that managing the quality and quantity of supply of day old chicks to its broiler division will enable the Group to maximise operational performance as well as create opportunities to generate revenue from the sale of day-old chicks to third parties.

Following completion of this transaction, the Board expects Zamhatch to become operational over the next two to three years.

Zambia continues to be an attractive destination for agricultural and agro-processing investment. Aided by sound macro-economic policies and a stable political environment, its economy is expected to show continuing strong growth. Zambeef is a well-diversified Group. It has an outstanding management team with a proven successful track record. Accordingly, the Board has great confidence that the Group will continue to enhance its position as one of the leading food providers in the region.

Dr Jacob Mwanza
Chairman

10 June 2013

CHIEF EXECUTIVE OFFICER'S REPORT

I am delighted to present the results of the Zambeef Group for the six month period ended 31 March 2013. During the previous financial year, I reported that the biggest challenges faced by Zambeef were our supply constraints. I am pleased to report that, following the extensive capital investments made over the last 18 months, the majority of supply issues have been addressed.

Most of our divisions have performed well in the period under review. However, we have faced performance issues in our broilers, pork and mill and bakery divisions.

One of the key highlights of this period has been the completion of the sale of 49 per cent. of Zam Chick, details of which were announced to the market on 4 February 2013. Zam Chick currently manages and operates the Group's chicken broiler business, including the broiler houses, chicken abattoir and processing plant. We will leverage Rainbow's excellent track record of technical expertise in the chicken broiler business to grow this area of the Group's operations, with a key focus on the processing of value added and processed chicken products, where Rainbow has demonstrated significant capabilities in the South African market.

Particular areas of expertise to be introduced by Rainbow will be:

i. Technical specifications and standard operating procedures for broiler farms and processing facilities;
ii. Product specifications;
iii. Improved feed formulation for broiler chickens;
iv. Design and specification of facilities;
v. Veterinary and disease control management; and
vi. Generating and maintaining quick service restaurant relationships.

In addition to the above, the transaction and partnership provides Zambeef with further opportunities, such as the increase in value added range and the Zamhatch venture.

Comparing the six months ended 31 March 2013 to the six months ended 31 March 2012, most of our key performance indicators have improved. Revenue has grown by 24 per cent. in ZMW terms and 20 per cent. in USD terms, and gross margins improved from 35.0 per cent. (excluding the ZRA provision) to 36.3 per cent.. The cost income ratio has increased from 22.3 per cent. (excluding the ZRA provision) to 25 per cent. largely as a result of increase in the statutory minimum wages in July 2012. However, this represents a marginal improvement in the FY 2012 year end position of 26 per cent. Progress towards achieving the Group's total debt to equity (gearing) target ratio of 50 per cent. continues, reducing from 87 per cent. at FY 2012 year end to 82 per cent. as at 31 March 2013. The Group has maintained a healthy interest cover with EBITDA of 5 times without taking into account any exceptional costs or gains. The current ratio has improved from 1.1 as at March 2012 and 1.4 at FY 2012 year end to 1.5 at March 2013.

Some of the other challenges faced by the Group have been the increase in finance costs as a result of increased borrowings to support the substantial increase in inventories seen in the previous financial year, capital expenditure commitments; and depreciation in the Zambian Kwacha versus major global currencies. As a result, adjusted pre-tax profits for the period to March 2013 have declined by 4 per cent. in ZMW terms and 7 per cent. in USD terms in comparison to March 2012 (pre-Zamanita tax provision).

In line with ensuring that we continue to improve our supply chain and increase efficiencies, we continue with our capital expenditure programme, which has been targeted at the following:

i. Completion of the dairy processing plant to increase capacity to 60,000 litres per day, up from 25,000 litres per day, expected to commence operations in the second half of the financial year;
ii. Completion of the mixer at our stock feed operations to produce fish and dog feed mashes, completed in the second half of the period;
iii. Increasing the number of new retail outlets by three and refurbishment of five existing outlets;
iv. Increase in boreholes and upgrade of silo facilities at Mpongwe Farm;
v. Purchase of new farming assets such as spreaders, combine harvester and tractors;
vi. Continued investment in the palm plantation with increase of plantation size to 1,938 Ha; and
vii. Rehabilitation and refurbishment of older assets.

Taking each of our business areas in turn as follows:

Edible oils

	Six months to 31 March 2013 *USD'000s*	Six months to 31 March 2012 *USD'000s*	% change	% of Group (2013)
Revenue	38,825	28,483	36%	23%
Gross profit	9,232	5,440*	70%	16%

* excludes the tax provision

Zamanita recommenced crushing after the expansion and renovation of the solvent extraction plant in early October 2012 and, after a steady build-up in production capacity during the first quarter of the current financial year, is now running at over 85 per cent. capacity. As expected, revenue is up significantly period on period as a result of the extra capacity and increased crushing, while margins have also improved.

Soya meal continues to be in high demand across the region.

World edible oil prices are currently at a four year low, leading to a reduction in price. This has led to a large increase in volumes of imported edible oil into Zambia. However, as reported in the Zambian press, it is estimated that a large proportion of this oil is being imported without payment of necessary duties and levies, leading to an unfair advantage in pricing. Zamanita's strengths continue to be: the higher margins from crushing, the Zambeef retail network, a strong brand name and good service levels; all of which allow us to continue to be one of the leading suppliers of edible oil in the market.

The Group has once again sourced 40,000 MT of soya beans from the local market, and 40,000 MT produced by the Group's cropping division. This represents a sufficient volume of soya beans for twelve months crushing purposes.

Beef

	Six months to 31 March 2013 *USD'000s*	Six months to 31 March 2012 *USD'000s*	% change	% of Group (2013)
Revenue	34,146	29,704	15%	20%
Gross profit	11,240	10,765	4%	20%

Demand for beef is still very strong, with revenue and gross profitability ahead of last year.

Adequate supplies of both choice and traditional beef have been available throughout the majority of the period. We have therefore been able to keep pace with demand. We continue to improve the size and health of our breeding herd at Mpongwe Farm. Feedlotting at Huntley, Sinazongwe, Mongu and Namwala is yielding good results and aiding the supply of choice beef for slaughter. Work on improving animal husbandry by small-scale producers in cattle dense provinces, subsidised by Zambeef and its strategic partners, has started and will increase the quality and quantity of cattle for the future.

Stock feed (Novatek)

	Six months to 31 March 2013 *USD'000s*	Six months to 31 March 2012 *USD'000s*	% change	% of Group (2013)
Revenue	23,950	16,965	41%	14%
Gross profit	5,840	4,283	36%	11%

Novatek continues to perform at full capacity and is barely able to meet demand from third party customers. This has aided Novatek in becoming one of the market leaders in its sector and being recognised as the producer of one of the best quality animal feeds in Zambia.

Export of feed to Zimbabwe is also on the increase.

In our 2012 annual report, it was indicated that we were planning to install a new mash feed mixer. This has been assembled and is relieving pressure on the two existing pelleting lines, and is expected to add 3,000 MT of mashes per month, having commenced production in April 2013. Additionally an upgrade and extra capacity has been added to the full fat extrusion plant. Fish and dog feed is being produced, adding sales volume, since early May 2013. A third pelleting line is at an advanced planning stage but will only come into production in 2014. This capacity will be fully required as Zambeef's internal demand will increase due to the expected expansion of the broiler segment following the strategic partnership with Rainbow.

A project to improve traditional beef supply and quality is underway, with Zambeef partnering with a veterinary supply company in remote but cattle dense areas, which will supply veterinary medicines but more importantly educate the small scale cattle farmers. Zambeef will supply the basic ruminant feed components while guaranteeing the purchase of these improved cattle. There is a potential opportunity to supply finished feeds (all species) in these areas, as none is currently available. Zambeef already has the distribution network and facilities in place to meet this demand and increasing production capacity at Novatek will allow us to capitalise on such opportunities.

Cropping

	Six months to 31 March 2013 *USD'000s*	Six months to 31 March 2012 *USD'000s*	% change	% of Group (2013)
Revenue	23,368	23,067	1%	13%
Gross profit	14,972	8,495	76%	27%

Zambeef's summer cropping programme for FY 2013 was conducted on all four estates: Chiawa Estate in the south of Zambia, on the confluence of the Zambezi and Kafue rivers totalling 2,160 Ha of irrigated land; Sinazongwe Estate on the banks of Lake Kariba comprising 1,779 Ha of irrigated land; Huntley Estate in Chisamba, north of Lusaka with 766 Ha of irrigated land and 737 Ha of rainfed land available for cropping; and Mpongwe Estate in Mpongwe district of the northern Copperbelt Province having a total of 3,344 Ha of irrigated land and 6,977 Ha of rainfed land.

A total of 15,753 Ha of summer cropping was planted this season. This was split as follows:

i) 11,907 Ha (75.6 per cent.) soya beans to supply Zamanita with over 37,500 Mt of soya beans.
ii) 2,415 Ha (15.3 per cent.) commercial maize to provide Novatek with 20,500 Mt of maize as a strategic reserve.
iii) 228 Ha (1.4 per cent.) maize silage for the dairy operation.
iv) 817 Ha (5.2 per cent.) pasture and grass for the cattle livestock.
v) 63 Ha (0.4 per cent.) sunflower to supply Zamanita for trials on producing sunflower oil.
vi) 323 Ha (2.1 per cent.) sunhemp planted in Chiawa for soil conditioning.

The farming division has had another excellent summer. We finished harvesting the soya crop in May 2013 and yields are ahead of budget. Whilst Mpongwe continues to be the leading performer with respect to yields per hectare, it is also pleasing to report that Chiawa Farm's yields have seen good growth from the previous financial year showing a positive trend and outlook.

Planting has commenced for the winter season for wheat, barley and winter maize and it is expected to yield positive results.

Chicken & Egg

	Six months to 31 March 2013 *USD'000s*	Six months to 31 March 2012 *USD'000s*	% change	% of Group (2013)
Revenue	16,537	14,054	18%	9%
Gross profit	4,086	4,305	(5%)	7%

As with beef supply, Zambeef addressed the supply constraints it has faced over the last 18 months. However, as the entire country has been deficient in supply, there has been a rush to increase broiler production, both from the commercial sector and informal sector. As such, a national capacity increase took place during the last quarter of 2012 leading to an over-supply in the

The situation has now stabilised, with most producers reducing day old chick placements. We anticipate demand continuing to grow in the future and thus, we expect the market capacity to be met by consumer demand.

We have also implemented two new layer houses, which increases our capacity by 25 per cent. One of the inhibiting factors in this area has been the increased cost of feed which has led to reduced margins. It is expected that margins, along with revenue, will increase during the second half of the year.

Pork

	Six months to 31 March 2013 *USD'000s*	Six months to 31 March 2012 *USD'000s*	% change	% of Group (2013)
Revenue	11,575	10,196	14%	7%
Gross profit	1,412	3,138	(55%)	3%

Similar to beef and chicken, Zambeef's main drive over the last eighteen months has been to increase throughput and capacity in its pork division. The slaughter numbers of live pigs have improved to over 1,000 per week from less than 900 per week in the previous financial year and should demand warrant it and grower consistency continue, we believe we can achieve capacity in excess of 1,300 pigs per week in the foreseeable future.

Whilst revenue was up, profitability was down due to a significant reduction in gross margins. A large portion of production at Master Pork requires imported raw materials. During 2012, there was a three-month moratorium on importation of food products into Zambia leading to a situation where the Group had procured stock, but was not able to import it, whilst having to meet costs. These costs were factored into the cost of our raw materials, leading to the reduction in margins. The situation has now resolved and is not expected to reoccur. Nevertheless the Group maintains continuous dialogue with the Zambian Government on this and other subjects.

The installation of the increased capacity at Master Pork has been completed and we look forward to further growth and improved margins in 2014.

West Africa

	Six months to 31 March 2013 ***USD'000s***	**Six months to 31 March 2012** ***USD'000s***	**% change**	**% of Group (2013)**
Revenue	7,668	5,452	41%	4%
Gross profit	1,817	1,392	30%	3%

The West African operations continue to be dependent on the roll out of Shoprite stores. Having seen two new stores open during 2012 in Ilorin and Abuja, there has been a resulting increase in revenue across the operations.

We have also strengthened the management team during this financial period with the Head of our International Retail operations assuming the role of Managing Director for West Africa. Aided by his input, the margins show improvement since the 2012 year end.

Shoprite's aim is to continue with opening at least three new stores every year, with four stores expected to open in 2013: Abuja, Ibadan and Kano, Nigeira; and one additional store in Accra, Ghana.

As a result continued strong growth is expected in Zambeef's West African operations.

Bakery & Flour

	Six months to 31 March 2013 ***USD'000s***	**Six months to 31 March 2012** ***USD'000s***	**% change**	**% of Group (2013)**
Revenue	7,457	8,386	(11%)	4%
Gross profit	1,863	1,620	15%	3%

This division has had a reasonable first half after taking into account lower wheat prices and the removal of Value Added Tax (VAT). The winter crop of 2012 saw an excellent harvest of wheat in Zambia, leading to a reduction in pricing of the primary commodity, which had led to increased margins on processed products. However, with the budget of fiscal year 2013 announcing the removal of VAT from wheat and wheat products effective January 2013, there had been a slow down in the uptake and distribution of wheat and wheat products during October to December 2013, which had led to reduced revenue.

The higher percentage of revenue and profitability continue to be derived from flour. The Zambeef retail framework allows us to be a national distributor of both flour and bread.

Demand for flour is expected to be strong in the second half of the financial year and Zambeef welcomes the removal of VAT on wheat and wheat products.

Fish, Zamchick Inn & Leather

	Six months to 31 March 2013 ***USD'000s***	**Six months to 31 March 2012** ***USD'000s***	**% change**	**% of Group (2013)**
Revenue	5,564	5,032	11%	3%
Gross profit	2,021	1,638	23%	4%

Demand for fish remains stable despite increasing competition with the key to success being a good supply base, an efficient distribution network and quality product. This continues to be an attractive substitute for meat protein and is in high demand.

Zamchick Inn remains a small part of the business, as the Group's decision has been to maintain the number of stores, while improving quality and efficiency. There is enormous competition in this sector, and as such, the Group continues to do well by improving margins with reasonable revenue growth.

The leather division had an excellent year last year and has started this one in a similar manner. Processing up to 8,000 hides per month, Zamleather is the Group's main buyer of hides and provides an environmentally friendly approach to Zambeef's beef abattoir by-products. The shoe division is unable to meet demand and production continues to increase.

Milk and Dairy

	Six months to 31 March 2013 *USD'000s*	Six months to 31 March 2012 *USD'000s*	% change	% of Group (2013)
Revenue	5,515	5,919	(7%)	3%
Gross profit	3,119	3,612	(14%)	6%

Demand for fresh milk and value added dairy products is on the increase and whilst we have made significant inroads with both improving yields and herd size at Kalundu Dairy, as well as increased sourcing from third party suppliers, we are still short of meeting demand across our retail channels, having experienced supply constraints in this division in the second half of FY 2012 through disease issues leading to poor yields and reduced milking herd size. This has led to a reduction in revenue in comparison to the first half of FY 2012. However, we have made good progress with improving our yields, herd health conditions, and number of milking cows in comparison to the end of FY 2012. With the lucerne being grown at Chiawa farm, we aim to improve the quality of feed to our dairy for the foreseeable future.

The equipment for the new processing plant has arrived at Huntley and is expected to be set up and in production in the second half of the year. The new plant will allow Zambeef to more aggressively target supply growth and increase the amount of value added products produced, which is where the highest margins are earned.

The benefits of these measures are expected to return this division to an improved performance in FY 2014.

Conclusion and outlook

Whilst the Group has continued to record healthy growth in revenue and gross margins, we have had challenges in managing costs and a depreciating Zambian Kwacha, However, the commencement of oil seed crushing at Zamanita the continued strong performance of the farming division, together with the increase in production facilities across the Group, ensures Zambeef is well positioned to benefit from opportunities of increasing demand for food in the region.

We continue to invest into our palm plantation project with regular monitoring by an independent consultant. The current plantation size is 1,938 Ha and is expected to produce stepped yields of fresh fruit bunch (source of crude palm oil) from 2015 onwards. We expect to develop the total plantation size to c.2,950 Ha and establish a crushing mill by 2015.

Our partnership with Rainbow Chickens of South Africa is extremely exciting as it allows the Group to utilise the experience of one of the largest chicken producers in sub-Saharan Africa and invest in the future with proceeds from the part disposal of our investment in the broiler division.

In addition to the partnership on the broilers, the Group has also entered into an agreement with Rainbow to establish a broiler parent stock rearing, laying and hatching operation for the supply of day old chicks, to be trading under Zamhatch.

The establishment of Zamhatch is in line with the Group's strategically integrated business model, aimed at reducing risk and earnings volatility and capturing margin throughout the value chain, with a focus on supplying higher margin products. We consider that managing the quality and quantity of supply of day old chicks to our broiler division will enable the Group to maximise operational performance as well as create opportunities to generate revenue from the sale of day-old chicks to third parties.

This business will be developed at Mpongwe Farm and will also include an on-site feed mill to reduce transport costs that would otherwise be incurred in delivering feed from Zambeef's Lusaka-based operations. We expect the setup, establishment and commencement of the operations of Zamhatch to be over the next two to three years.

We will continue to make targeted investment in infrastructure and facilities to keep pace with consumer demand, driving revenue and maintaining margins together with strong cash generation, whilst aiming to reduce our cost to income ratio.

Francis Grogan
Chief Executive Officer

Date: 10 June 2013

REPORT OF THE DIRECTORS

In compliance with Division 8.3 of the Zambian Companies Act, the Directors submit their report on the activities of the Group for the period ended 31 March 2013.

1. **Principal activities**
   Zambeef Products PLC and its subsidiaries ("Group") is one of the largest agri-businesses in Zambia. The Group is principally involved in the production, processing, distribution and retailing of beef, chicken, pork, milk, dairy products, eggs, edible oils, stock feed, flour and bread. The Group also has large row cropping operations (principally maize, soya beans and wheat), with approximately 8,350 Ha of irrigated row crops and 8,650 Ha of rain-fed/dry-land crops available for planting each year. The Group is also in the process of rolling out its West Africa expansion in Nigeria and Ghana, as well as a palm project within Zambia.

2. **The Company**
   The Company is incorporated and domiciled in Zambia.

Business address	**Postal address**
Plot 4970, Manda Road	Private Bag 17
Industrial Area	Woodlands
Lusaka	**Lusaka**
ZAMBIA	**ZAMBIA**

3. **Share capital**
   Details of the Company's authorised and issued share capital are as follows:

	31 March 2013		**30 September 2012**	
	ZMW'000s	*USD'000s*	*ZMW'000s*	*USD'000s*
Authorised				
400,000,000 ordinary shares of 0.1 ngwee each	**400**	**83**	**400**	**83**
Issued and fully paid				
247,978,195 ordinary shares of 0.1 ngwee each	**248**	**61**	**248**	**61**

4. **Results**
   The Group's results are as follows:

	Unaudited				**Audited**	
	6 months to 31 March 2013	**6 months to 31 March 2013**	**6 months to 31 March 2012***	**6 months to 31 March 2012***	**Year ended 30 September 2012***	**Year ended 30 September 2012***
Group	*ZMW'000s*	*USD'000s*	*ZMW'000s*	*USD'000s*	*ZMW'000s*	*USD'000s*
Revenue	809,296	153,351	651,739	127,625	1,296,339	255,059
Profit/(loss) before taxation	33,807	6,406	(7,983)	(1,563)	15,558	3,060
Taxation credit/(charge)	973	184	(4,928)	(965)	(2,129)	(419)
Group profit/(loss) for the period	34,780	6,590	(12,911)	(2,528)	13,429	2,641
Group profit/(loss) attributable to:						
Equity holders of the parent	34,968	6,626	(12,934)	(2,533)	14,583	2,868
Non-controlling interest	(188)	(36)	23	5	(1,154)	(227)
	34,780	6,590	(12,911)	(2,528)	13,429	2,641

*The loss for the period to 31 March 2012 and year to 30 September 2012 includes a provision of ZMW33.96 million (c. USD6.7 million) under cost of sales and ZMW15.19 million (c. USD3.0 million) under administrative expenses with respect to a tax liability assessment from ZRA issued to Zamanita Limited (for importation of palm oil in prior periods).

5. **Dividends**

A final dividend of 2.14 ngwee (0.45 cents) for the year ended 30 September 2011 was paid to shareholders on 29 February 2012. There was no dividend paid or proposed for the year ended 30 September 2012.

6. **Management**

The senior management team comprise the following:

Francis Grogan	-	Chief Executive Officer
Carl Irwin	-	Director of Strategy and Development
Yusuf Koya	-	Executive Director
Sushmit N. Maitra	-	Finance Director
Michael Ledwith	-	Chief Operating Officer
Craig Harris	-	Chief Administrative Officer
Mike Lovett	-	General Manager – Farms
Danny S. Museteka	-	Company Secretary
Ebrahim Israel	-	Managing Director – West Africa
Francis Mondomona	-	Special Assistant to the CEO
Felix Lupindula	-	Special Assistant to the CEO
Murray Moore	-	General Manager – National Retail
Alastair McLeod	-	General Manager – Zam Chick Limited
David Mynhardt	-	General Manager – Sinazongwe Farm
Anthony Wells	-	General Manager – Chiawa Farm
Richard Franklin	-	General Manager – Zamleather Limited
Dharmesh Patel	-	General Manager – Zamanita Limited
Walter Roodt	-	General Manager – Stock Feed (Novatek)
Justin Pigou	-	General Manager – Dairy
Rory Park	-	General Manager – Master Pork Limited
Webster Mapulanga	-	Factory Manager – Master Pork Limited
Andries Van Rensburg	-	Piggery Manager
Peter Wandira	-	Flour Mill Manager
Charles Milupi	-	Poultry Manager
Theo de Lange	-	Technical Manager
Bartholomew Mbao	-	Dairy Processing Manager
Justin Rust	-	Commercial Manager
Ivor Chilufya	-	Group Finance Controller
Victor Mundia	-	Group Finance Manager
Rehan Sayed	-	Finance Manager – Stock Feed and Zamleather Limited
Simon Nkhata	-	Finance Manager – Zambeef Retailing Limited
Royd Sitoloma	-	Finance Manager – Zamanita Limited
James Banda	-	Finance Manager – West Africa
Baron Chisola	-	Finance Manager – Stock Control
Eustace Bobo	-	Finance Manager – Fixed Assets
Mulendo Siame	-	Administration Manager – Huntley Farms
Anthony Seno	-	Head of IT
Juliet Bungoni	-	Head of Human Resources
Mathews Mbasela	-	Head of Payroll Processing
Ryan Stassen	-	Head of Procurement
Edward Tembo	-	Chief Security Manager
Pravin Abraham	-	Chief Internal Auditor
Jones Kayawe	-	Head of Environment, Health and Safety
Justo Kopulande	-	Head of Public Relations and Corporate Social Responsibility
Field Musongole	-	Maintenance Manager
Hilary Anderson	-	Retail Manager – Shoprite West Africa
Ernest Gondwe	-	Regional Manager – Shoprite & Excellent Meats
Francis Mulenga	-	Regional Manager – Shoprite
Noel Chola	-	Regional Manager – Shoprite
Rodgers Chinkuli	-	Regional Manager – Zambeef Outlets
Darren Young	-	Regional Manager – Zambeef Outlets
Perry Siame	-	Group Marketing Manager
Lufeyo Nkhoma	-	Head of Retail – Ghana
John Stephenson	-	Head of Retail – Nigeria
Clement Mulenga	-	Head of Processing – Nigeria

7. **Directors and Secretary**

The directors in office at the financial period and at the date of this report were as follows:

Jacob Mwanza (Dr)	-	Chairman
Lawrence S. Sikutwa	-	Non-executive Director
John Rabb	-	Non-executive Director
Irene M. Muyenga	-	Non-executive Director
Adam Fleming	-	Non-executive Director (Alternate Brian Dowden)
Francis Grogan	-	Chief Executive Officer
Carl Irwin	-	Director of Strategy and Development
Yusuf Koya	-	Executive Director
Sushmit N. Maitra	-	Finance Director
Danny Museteka	-	Company Secretary

8. **Directors' interests**

The directors held the following interests in the Company's ordinary shares at the balance sheet date:

	31 March 2013		30 September 2012	
	Direct	**Indirect**	**Direct**	**Indirect**
Jacob Mwanza (Dr)	1,100,000	-	1,100,000	-
Carl Irwin	3,763	4,322,682	3,763	4,322,682
Francis Grogan	-	3,596,631	-	3,596,631
John Rabb	-	7,868,813	-	7,868,813
Lawrence S. Sikutwa	-	115,176	-	115,176
Irene M. Muyenga	13,129	-	13,129	-
Adam Fleming	-	13,710,355	-	13,710,355
Yusuf Koya	42,762	-	42,762	-
Sushmit N. Maitra	-	-	-	-
	1,159,654	29,613,657	1,159,654	29,613,657

9. **Directors' fees and remuneration**

In April 2011, the Remuneration Committee agreed the following gross annual packages (USD), with further revisions carried out in subsequent Committee meetings held on January 2012:

	Salary USD	Housing Allowance USD	Car Allowance USD	Air Fares Allowance USD	Medicals
NON-EXECUTIVE					
Jacob Mwanza	123,000	-	-	-	-
Lawrence Sikutwa	54,000	-	-	-	-
Irene Muyenga	54,000	-	-	-	-
Adam Fleming	31,000	-	-	Refund policy	-
John Rabb	38,500	-	-	Refund policy	-
EXECUTIVE					
Francis Grogan	459,000	Company House	Company Car	46,000	Yes
Carl Irwin	166,000	-	-	46,000	Yes
Yusuf Koya	367,000	46,000	28,000	38,000	Yes
Sushmit N Maitra	284,000	46,000	28,000	9,000	Yes

In addition to the above, all Executive Directors are also entitled a Gratuity of 10 per cent. of gross basic salary paid over the two year contract term, less statutory deductions for tax.

Each Non-executive Director has entered into a letter of appointment with the Company on 1 April 2011, for an initial term of three years, unless terminated by either party giving three months' notice.

Each Executive Director has entered into a fixed term service agreement on 1 April 2011, for an initial term of two years, unless terminated by either party giving six months' notice.

There were no loans made to Directors or any outstanding loans from Directors at the period end.

Members of the Board were not entitled to any form of defined pension benefits from the Company.

10. **Significant Shareholdings [NEEDS UPDATING]**

As at 31 March 2013, the Company has been advised of the following notifiable interests in its ordinary share capital:

Investor Name	Current Position	% of Shareholding
M & G Recovery Fund	34,623,908	14%
SSB Emerging Markets Fund	24,631,080	10%
SQM Frontier Africa Master Fund	14,794,333	6%
The African Emerging Markets Fund	9,805,062	4%
Artio International Equity Fund	9,363,990	4%

11. **Employees**

The Group employed an average of 5,579 employees (30 September 2012 – 4,999, 31 March 2012 – 5,704) and total salaries and wages were ZMW93.2 million (USD17.7 million) for the period ended 31 March 2013 (30 September 2012 – ZMW158.6 million [USD31.2 million], 31 March 2012 – ZMW76.3 million [USD14.9 million]).

The average number of persons employed by the Group in each month of the 6 month period is as follows:

October 2012	-	5,369
November 2012	-	5,637
December 2012	-	5,649
January 2013	-	5,473
February 2013	-	5,711
March 2013	-	5,635

12. **Safety, Health and Environmental issues**

As part of some of the Group's term loans, the Group signed up to an Environmental and Social Action Plan ("ESAP"), which requires the Group to meet both local Zambian standards as well as international standards relating to the environment. The most recent independent consultant reports state that Zambeef continues to make positive progress in delivering the approved ESAP.

The Group provides healthcare services to its employees. The Group also supports various community activities in the areas that it operates from.

13. **Legal matters**

There are no significant legal or arbitration proceedings (including to the knowledge of the Directors, any such proceedings which are pending or threatened, by or against the Company or any subsidiary of the Group) which may have or have had during the 12 months immediately preceding the date of this document a significant effect on the financial position or profitability of the Company or any member of the Group, except the outstanding tax liability on Zamanita Limited of ZMW54.6 million (USD10.4 million) which the Group has referred to the Revenue Tribunals Authority.

14. **Gifts and donations**

The Group made donations of ZMW2 million (USD0.4 million) (30 September 2012 – ZMW1.8 million [USD0.4 million], 31 March 2012 – ZMW0.2 million [USD0.04 million]) to a number of activities.

15. **Export sales**

The Group made exports of ZMW83.2 million (USD15.8 million) during the period (30 September 2012 – ZMW21.3 million [USD4.2 million], 31 March 2012 – ZMW10.5 million [USD2.1 million]).

16. **Property, plant and equipment**

Assets totalling ZMW37.7 million (USD7.1 million) were purchased by the Group during the period (30 September 2012 – ZMW119.6 million [USD23.5 million], 31 March 2012 – ZMW76.9 million [USD15.1 million]) and recorded expenditure on the palm plantation development during the period of ZMW8.8 million (USD1.7 million) (30 September 2012 – ZMW13 million [USD2.6 million], 31 March 2012 – ZMW2.2 million [USD0.4 million]).

17. **Interim report**

The interim report set out below has been approved by the directors.

By order of the Board

Company Secretary

Date: 10 June 2013

Date: 10 June 2013

The Directors
Zambeef Products PLC
Plot 4970, Manda Road
Industrial Area
Lusaka

Dear Sirs

INDEPENDENT REVIEW REPORT OF ZAMBEEF PRODUCTS PLC AND ITS SUBSIDIARIES

Introduction
We have been instructed by the directors of the Company to review the financial information set out on pages 16 to 47 and we have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

Directors' responsibilities
The interim report, including the financial information contained therein, is the responsibility of, and has been approved by the directors. The Listing Rules of the Lusaka Stock Exchange and International Accounting Standard 34 require that the accounting policies and presentation applied to the interim figures should be consistent with those applied in preparing the preceding annual financial statements except where changes, and reasons for them, are disclosed.

Review of work performed
We conducted our review in accordance with guidance contained in the International Standards on Auditing. A review consists principally of making enquiry of Group management and applying analytical procedures to the financial information and underlying financial data and based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as test of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with International Standards on Auditing and therefore provides a lower level of assurance than an audit. Accordingly, we do not express an audit opinion on the financial information. However, the comparatives for the audited financial statements for the year ended 30 September 2012 included an emphasis of matter with regard to the functional currency of Mpongwe Farm branch as indicated in note 2(c) to the financial statements.

Review conclusion
On basis of our review we are not aware of any material modifications that should be made to the consolidated financial information as presented for the six months period ended 31 March 2013.

Chartered Accountants

Wesley M Beene
Partner

Lusaka

Date 10 June 2013

ZAMBEEF PRODUCTS PLC AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS PERIOD ENDED 31 MARCH 2013

		Unaudited		Audited
		Mar 2013	**Mar 2012**	**Sept 2012**
Group	Notes	*ZMW'000s*	*ZMW'000s*	*ZMW'000s*
Revenue	5	809,296	651,739	1,296,339
Net gain arising from price changes in fair value of biological assets	8	4,866	298	9,873
Cost of sales		(520,726)	(457,789)	(860,396)
Gross profit	5	293,436	194,248	445,816
Administrative expenses		(226,364)	(178,014)	(388,067)
Other income		75	1,032	3,506
Operating profit		67,147	17,266	61,255
Exchange losses on translating foreign currency transactions and balances		(15,240)	(10,610)	(18,887)
Finance costs		(18,100)	(14,639)	(26,810)
Profit/(loss) before taxation	5	33,807	(7,983)	15,558
Taxation credit/(charge)	6(a)	973	(4,928)	(2,129)
Group profit/(loss) for the period		34,780	(12,911)	13,429
Group profit/(loss) attributable to:				
Equity holders of the parent		34,968	(12,934)	14,583
Non-controlling interest		(188)	23	(1,154)
		34,780	(12,911)	13,429
Other comprehensive income				
Exchange losses on translating presentational currency		(6,006)	(150)	(696)
Total comprehensive income/(loss) for the period		28,774	(13,061)	12,733
Total comprehensive income/(loss) for the period attributable to:				
Equity holders of the parent		28,858	(13,084)	13,993
Non-controlling interest		(84)	23	(1,260)
		28,774	(13,061)	12,733
Earnings/(loss) per share		Ngwee	Ngwee	Ngwee
Basic and diluted earnings/(loss) per share	7	14.10	(5.22)	5.88

The accompanying notes form part of the financial statements.

ZAMBEEF PRODUCTS PLC AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS PERIOD ENDED 31 MARCH 2013

		Unaudited		Audited
		Mar 2013	**Mar 2012**	**Sept 2012**
Group	Notes	*USD'000s*	*USD'000s*	*USD'000s*
Revenue	5	153,351	127,625	255,059
Net gain arising from price changes in fair value of biological assets	8	900	57	1,936
Cost of sales		(98,649)	(89,644)	(169,279)
Gross profit	5	55,602	38,038	87,716
Administrative expenses		(42,892)	(34,859)	(76,354)
Other income		14	202	690
Operating profit		12,724	3,381	12,052
Exchange losses on translating foreign currency transactions and balances		(2,888)	(2,077)	(3,717)
Finance costs		(3,430)	(2,867)	(5,275)
Profit/(loss) before taxation	5	6,406	(1,563)	3,060
Taxation credit/(charge)	6(f)	184	(965)	(419)
Group profit/(loss) for the period		6,590	(2,528)	2,641
Group profit/(loss) attributable to:				
Equity holders of the parent		6,626	(2,533)	2,868
Non-controlling interest		(36)	5	(227)
		6,590	(2,528)	2,641
Other comprehensive income				
Exchange losses on translating presentational currency		(10,041)	(13,752)	(9,265)
Total comprehensive loss for the period		(3,451)	(16,280)	(6,624)
Total comprehensive loss for the period attributable to:				
Equity holders of the parent		(3,445)	(16,277)	(6,372)
Non-controlling interest		(6)	(3)	(252)
		(3,451)	(16,280)	(6,624)
Earnings/(loss) per share		Cents	Cents	Cents
Basic and diluted earnings/(loss) per share	7	2.67	(1.02)	1.16

The accompanying notes form part of the financial statements.

ZAMBEEF PRODUCTS PLC AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF MOVEMENTS IN EQUITY
FOR THE SIX MONTHS PERIOD ENDED 31 MARCH 2013

	Share capital	Share premium	Revaluation reserve	Foreign exchange reserve	Retained earnings	Total attributable to owners of the parent	Non-controlling interest	Total equity
	ZMW'000s	*ZMW'000s*	*ZMW'000s*	*ZMW'000s*	*ZMW'000s*	*ZMW'000s*	*ZMW'000s*	*ZMW'000s*
At 1 October 2011	248	506,277	64,768	(1,262)	174,123	744,154	439	744,593
(Loss)/profit for the period	-	-	-	-	(12,934)	(12,934)	23	(12,911)
Transfer of surplus depreciation	-	-	(1,271)	-	1,271	-	-	-
Other comprehensive income								
Exchange losses on translating presentational currency	-	-	-	(150)	-	(150)	-	(150)
Total comprehensive income for the period	-	-	(1,271)	(150)	(11,663)	(13,084)	23	(13,061)
Transactions with owners								
Dividends paid	-	-	-	-	(5,306)	(5,306)	-	(5,306)
	-	-	-	-	(5,306)	(5,306)	-	(5,306)
At 31 March 2012	248	506,277	63,497	(1,412)	157,154	725,764	462	726,226
Profit/(loss) for the period	-	-	-	-	27,517	27,517	(1,177)	26,340
Transfer of surplus depreciation	-	-	(1,271)		1,271	-	-	-
Other comprehensive income:								
Exchange losses on translating presentational currency	-	-	-	(440)	-	(440)	(106)	(546)
Total comprehensive income for the period	-	-	(1,271)	(440)	28,788	27,077	(1,283)	25,794
At 30 September 2012	248	506,277	62,226	(1,852)	185,942	752,841	(821)	752,020
Profit/(loss) for the period	-	-	-	-	34,968	34,968	(188)	34,780
Arising during the period (i)	-	-	25,270	-	-	25,270	8,052	33,322
Transfer of surplus depreciation	-	-	(1,271)	-	1,271	-	-	-
Other comprehensive income								
Exchange (losses)/gains on translating presentational currency	-	-	-	(6,110)	-	(6,110)	104	(6,006)
Total comprehensive income for the period	-	-	23,999	(6,110)	36,239	54,128	7,968	62,096
Transactions with owners								
Gain on disposal of non controlling interest (ii)	-	-	-	-	69,040	69,040	-	69,040
	-	-	-	-	69,040	69,040	-	69,040
At 31 March 2013	248	506,277	86,225	(7,962)	291,221	876,009	7,147	883,156

(i) An independent valuation of the Zam Chick's property, plant and equipment was performed by Messrs. R.M. Fumbeshi & Co., a firm of registered valuation surveyors, to determine their market value. The effective date of the valuation was 31 December 2012. The surplus on valuation totalling ZMW25.3 million (USD4.7 million) was transferred to a revaluation reserve.

(ii) During the period, Zambeef Products PLC disposed of 49 per cent. of its shareholding in Zam Chick to Rainbow for a sum of USD14.25 million. At 30 September 2012, the book value of Zam Chick's assets was ZMW14.3 million (USD2.8 million). The assets were revalued in Zam Chick during the period to ZMW39.6 million (USD7.5 million) resulting in a revaluation reserve of ZMW25.3 million (USD4.7 million). The profit on the sale of 49 per cent. recognised in the Statement of movements in equity during the period is ZMW69 million (USD13.1 million).

ZAMBEEF PRODUCTS PLC AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF MOVEMENTS IN EQUITY
FOR THE SIX MONTHS PERIOD ENDED 31 MARCH 2013

	Share capital	Share premium	Revaluation reserve	Foreign exchange reserve	Retained earnings	Total attributable to owners of the parent	Non-controlling Interest	Total equity
	USD'000s	*USD'000s*	*USD'000s*	*USD'000s*	*USD'000s*	*USD'000s*	*USD'000s*	*USD'000s*
At 1 October 2011	61	123,283	17,155	(27,515)	42,048	155,032	91	155,123
(Loss)/profit for the period	-	-	-	-	(2,533)	(2,533)	5	(2,528)
Transfer of surplus depreciation	-	-	(241)	-	241	-	-	-
Other comprehensive income								
Exchange losses on translating presentational currency	-	-	-	(13,739)	-	(13,739)	(8)	(13,747)
Total comprehensive income for the period	-	-	(241)	(13,739)	(2,292)	(16,272)	(3)	(16,275)
Transactions with owners								
Dividends paid	-	-	-	-	(1,044)	(1,044)	-	(1,044)
	-	-	-	-	(1,044)	(1,044)	-	(1,044)
At 31 March 2012	61	123,283	16,914	(41,254)	38,712	137,716	88	137,804
Profit/(loss) for the period	-	-	-	-	5,401	5,401	(232)	5,169
Transfer of surplus depreciation	-	-	(257)		257	-	-	-
Other comprehensive income:								
Exchange gains/(losses) on translating presentational currency	-	-	-	4,499	-	4,499	(17)	4,482
Total comprehensive income for the period	-	-	(257)	4,499	5,658	9,900	(249)	9,651
At 30 September 2012	61	123,283	16,657	(36,755)	44,370	147,616	(161)	147,455
Profit/(loss) for the period	-	-	-	-	6,626	6,626	(36)	6,590
Arising during the period (i)	-	-	4,671	-	-	4,671	1,488	6,159
Transfer of surplus depreciation	-	-	(235)	-	235	-	-	-
Other comprehensive income								
Exchange (losses)/gains on translating presentational currency	-	-	-	(10,071)	-	(10,071)	30	(10,041)
Total comprehensive income for the period	-	-	4,436	(10,071)	6,861	1,226	1,482	2,708
Transactions with owners								
Gain on disposal of non controlling interest (ii)	-	-	-	-	13,082	13,082	-	13,082
	-	-	-	-	13,082	13,082	-	13,082
At 31 March 2013	61	123,283	21,093	(46,826)	64,313	161,924	1,321	163,245

(i) An independent valuation of the Zam Chick's property, plant and equipment was performed by Messrs. R.M. Fumbeshi & Co., a firm of registered valuation surveyors, to determine their market value. The effective date of the valuation was 31 December 2012. The surplus on valuation totalling ZMW25.3 million (USD4.7 million) was transferred to a revaluation reserve.

(ii) During the period, Zambeef Products PLC disposed of 49 per cent. of its shareholding in Zam Chick to Rainbow for a sum of USD14.25 million. At 30 September 2012, the book value of Zam Chick's assets was ZMW14.3 million (USD2.8 million). The assets were revalued in Zam Chick during the period to ZMW39.6 million (USD7.5 million) resulting in a revaluation reserve of ZMW25.3 million (USD4.7 million). The profit on the sale of 49 per cent. recognised in the Statement of movements in equity during the period is ZMW69 million (USD13.1 million).

ZAMBEEF PRODUCTS PLC AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - 31 MARCH 2013

	Notes	Unaudited 31 Mar 2013 ZMW'000s	Unaudited 31 Mar 2012 ZMW'000s	Audited 30 Sept 2012 ZMW'000s
ASSETS				
Non – current assets				
Goodwill		15,699	15,699	15,699
Property, plant and equipment		916,636	851,449	862,015
Plantation development expenditure		44,993	29,974	36,459
Biological assets	8	11,008	5,485	6,528
Deferred tax assets	6(e)	5,562	291	4,960
		993,898	902,898	925,661
Current assets				
Biological assets	8	198,295	157,466	119,584
Inventories		371,345	198,951	505,256
Trade and other receivables		219,838	89,978	63,432
Amounts due from related companies		8,442	3,154	2,337
Income tax recoverable	6(c)	1,232	220	220
		799,152	449,769	690,829
Total assets		**1,793,050**	**1,352,667**	**1,616,490**
EQUITY AND LIABILITIES				
Capital and reserves				
Share capital		248	248	248
Share premium		506,277	506,277	506,277
Reserves		369,484	219,239	246,316
		876,009	725,764	752,841
Non-controlling interest		7,147	462	(821)
		883,156	726,226	752,020
Non – current liabilities				
Interest bearing liabilities	10	337,514	196,168	342,120
Obligations under finance leases		13,815	17,497	17,025
Deferred liability		7,180	5,447	7,737
Deferred taxation	6(e)	4,832	7,354	7,347
		363,341	226,466	374,229
Current liabilities				
Interest bearing liabilities	10	205,893	160,737	190,118
Obligations under finance leases		8,564	5,676	6,839
Trade and other payables		170,507	124,813	192,190
Amounts due to related companies		1,578	980	409
Taxation payable	6(c)	3,566	1,601	2,133
Cash and cash equivalents	9	156,445	106,168	98,552
		546,553	399,975	490,241
Total equity and liabilities		**1,793,050**	**1,352,667**	**1,616,490**

The accompanying notes form part of the financial statements. The interim financial statements on pages 16 to 47 were approved by the Board of Directors on 10 June 2013 and were signed on its behalf by:

)
)
) **DIRECTORS**
)
)

ZAMBEEF PRODUCTS PLC AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - 31 MARCH 2013

		Unaudited		Audited
		31 Mar 2013	**31 Mar 2012**	**30 Sept 2012**
	Notes	*USD '000s*	*USD '000s*	*USD '000s*
ASSETS				
Non – current assets				
Goodwill		2,901	2,979	3,078
Property, plant and equipment		169,433	161,565	169,023
Plantation development expenditure		8,317	5,688	7,149
Biological assets	8	2,035	1,041	1,280
Deferred tax asset	6(j)	1,028	55	972
		183,714	171,328	181,502
Current assets				
Biological assets	8	36,653	29,880	23,448
Inventories		68,641	37,752	99,070
Trade and other receivables		40,636	17,074	12,438
Amounts due from related companies		1,560	598	458
Income tax recoverable	6(h)	228	42	43
		147,718	85,346	135,457
Total assets		**331,432**	**256,674**	**316,959**
EQUITY AND LIABILITIES				
Capital and reserves				
Share capital		61	61	61
Share premium		123,283	123,283	123,283
Reserves		38,580	14,372	24,272
		161,924	137,716	147,616
Non-controlling interest		1,321	88	(161)
		163,245	137,804	147,455
Non – current liabilities				
Interest bearing liabilities	10	62,387	37,224	67,082
Obligations under finance leases		2,554	3,320	3,338
Deferred liability		1,327	1,034	1,518
Deferred tax liability	6(j)	893	1,395	1,440
		67,161	42,973	73,378
Current liabilities				
Interest bearing liabilities	10	38,058	30,500	37,278
Obligations under finance leases		1,583	1,077	1,341
Trade and other payables		31,516	23,684	37,685
Amounts due to related companies		292	186	80
Taxation payable	6(h)	659	304	418
Cash and cash equivalents	9	28,918	20,146	19,324
		101,026	75,897	96,126
Total equity and liabilities		**331,432**	**256,674**	**316,959**

The accompanying notes form part of the financial statements. The interim financial statements on pages 16 to 47 were approved by the Board of Directors on 10 June 2013 and were signed on its behalf by:

)
)
) **DIRECTORS**
)
)

ZAMBEEF PRODUCTS PLC AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS PERIOD ENDED 31 MARCH 2013

	Unaudited		Audited
	6 months to 31 Mar 2013	**6 months to 31 Mar 2012**	**Year to 30 Sept 2012**
	ZMW'000s	*ZMW'000s*	*ZMW'000s*
Cash inflow/(outflow) from operating activities			
Profit/(loss) before taxation	33,807	(7,983)	15,558
Finance costs	18,100	14,639	26,810
Depreciation	23,132	17,408	42,125
Fair value price adjustment	(4,866)	(298)	(9,873)
Net unrealised foreign exchange losses	17,086	5,234	13,934
Earnings before interest, tax, depreciation and amortisation	87,259	29,000	88,554
(Increase)/decrease in biological assets	(83,192)	(43,320)	3,094
Decrease/(increase) in inventory	133,911	(31,429)	(337,734)
(Increase)/decrease in trade and other receivables	(87,366)	(17,232)	9,312
Increase in amount due from related companies	(6,104)	(1,063)	(246)
(Decrease)/increase in trade and other payables	(21,683)	8,695	76,073
Increase in amount due to related companies	1,169	649	78
(Decrease)/increase in deferred liability	(556)	340	2,630
Income tax paid	(1,723)	(353)	(1,700)
Net cash inflow/(outflow) from operating activities	21,715	(54,713)	(159,939)
Investing activities			
Purchase of property, plant and equipment	(37,703)	(76,861)	(119,556)
Expenditure on plantation development	(8,767)	(2,204)	(12,997)
Proceeds from sale of assets	-	521	1,188
Net cash outflow from investing activities	(46,470)	(78,544)	(131,365)
Net cash outflow before financing activities	(24,755)	(133,257)	(291,304)
Financing activities			
Long term loans repaid	(16,471)	(42,439)	(47,892)
Receipt from long term loans	1,979	90,983	225,131
Short term funding	(6,806)	66,739	130,970
Lease finance	(1,485)	12,489	13,179
Finance costs	(18,100)	(14,639)	(26,810)
Dividends paid	-	(5,306)	(5,306)
Net cash (outflow)/inflow from financing activities	(40,883)	107,827	289,272
Decrease in cash and cash equivalents	(65,638)	(25,430)	(2,032)
Cash and cash equivalents at beginning of year	(98,552)	(71,781)	(71,781)
Effects of exchange rate changes on the balance of cash held in foreign currencies	7,745	(8,957)	(24,739)
Cash and cash equivalents at end of year	(156,445)	106,168	(98,552)
Represented by:			
Cash in hand and at bank	48,719	31,813	79,731
Bank overdrafts	(205,164)	(137,981)	(178,283)
	(156,445)	(106,168)	(98,552)

ZAMBEEF PRODUCTS PLC AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS PERIOD ENDED 31 MARCH 2013

	Unaudited		Audited
	6 months to 31 Mar 2013	6 months to 31 Mar 2012	Year to 30 Sept 2012
	USD'000s	*USD'000s*	*USD'000s*
Cash inflow/(outflow) from operating activities			
Profit/(loss) before taxation	6,406	(1,563)	3,060
Finance costs	3,430	2,867	5,275
Depreciation	4,383	3,409	8,288
Fair value price adjustment	(900)	(57)	(1,936)
Net unrealised foreign exchange losses	3,238	1,017	2,742
Earnings before interest, tax, depreciation and amortisation	16,557	5,673	17,429
(Increase)/decrease in biological assets	(13,960)	(6,003)	2,069
Decrease/(increase) in inventory	30,429	(2,852)	(64,170)
(Increase)/decrease in trade and other receivables	(15,116)	(1,919)	2,717
Increase in amount due from related companies	(1,102)	(162)	(22)
(Decrease)/increase in trade and other payables	(6,168)	(507)	13,494
Increase in amount due to related companies	212	117	11
Increase/(decrease) in deferred liability	241	(30)	454
Income tax paid	(326)	(69)	(334)
Net cash inflow/(outflow) from operating activities	10,767	(5,752)	(28,352)
Investing activities			
Purchase of property, plant and equipment	(7,144)	(15,051)	(23,523)
Expenditure on plantation development	(1,661)	(432)	(2,557)
Proceeds from sale of assets	-	102	233
Net cash outflow from investing activities	(8,805)	(15,381)	(25,847)
Net cash outflow before financing activities	1,962	(21,133)	(54,199)
Financing activities			
Long term loans repaid	(3,121)	(8,425)	(11,823)
Receipt from long term loans	375	17,967	44,143
Short term funding	(1,290)	13,069	25,368
Lease finance	(542)	2,171	2,453
Finance costs	(3,430)	(2,867)	(5,275)
Dividends paid	-	(1,044)	(1,044)
Net cash (outflow)/inflow from financing activities	(8,008)	20,871	53,822
Decrease in cash and cash equivalents	(6,046)	(262)	(377)
Cash and cash equivalents at beginning of year	(19,324)	(14,954)	(14,954)
Effects of exchange rate changes on the balance of cash held in foreign currencies	(3,548)	(4,930)	(3,993)
Cash and cash equivalents at end of year	(28,918)	(20,146)	(19,324)
Represented by:			
Cash in hand and at bank	9,005	6,036	15,633
Bank overdrafts	(37,923)	(26,182)	(34,957)
	(28,918)	(20,146)	(19,324)

1. **The Company**

Zambeef Products PLC and its subsidiaries ("Group") is one of the largest agri-businesses in Zambia. The Group is principally involved in the production, processing, distribution and retailing of beef, chicken, pork, milk, dairy products, eggs, edible oils, stock feed, flour and bread. The Group also has large row cropping operations (principally maize, soya beans and wheat), with approximately 8,350 Ha of irrigated row crops and 8,650 Ha of rain-fed/dry-land crops available for planting each year. The Group is also in the process of rolling out its West Africa expansion in Nigeria and Ghana, as well as a palm project within Zambia.

2. **Principal accounting policies**

The principal accounting policies applied by the Group in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(a) **Basis of consolidation**

The consolidated financial statements include the financial statements of the parent Company and its subsidiary companies made up to the end of the financial year. The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date of their acquisition or up to the date of their disposal. Intercompany transactions and profits are eliminated on consolidation and all income and profit figures relate to external transactions only.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests. Losses incurred are allocated to the non-controlling interest in equity until this value is nil, at which point any subsequent losses are allocated against the interests of the parent.

Gains or losses arising on disposal of investment in subsidiaries without loss of control is recognised in the Statement of movements in equity.

(b) **Going Concern**

At the reporting date the current portion of long term loan amounts repayable amount to ZMW214 million (USD39.6 million) [30 September 2012: ZMW197 million (USD38.6 million)]. After reviewing the available information including the Group's strategic plans and continuing support from the Group's working capital funders, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. All current liabilities will be settled from the continued liquidation of stock and expected increase in income from the capital expenditure carried out.

(c) **Basis of presentation**

The alphabetic currency code, ZMK, is no longer in use effective 1 January 2013 and hence the financial statements are presented in the new alphabetic currency code for the Zambian Kwacha (ZMW). The comparatives have been rebased by dividing the nominal value of the existing currency by a multiplicand of 1,000 and are also presented in the new alphabetic currency code for the Zambian Kwacha (ZMW).

The information for the period ended 31 March 2013 and 31 March 2012 do not constitute statutory accounts. The figures for the year ended 30 September 2012 have been extracted from the 2012 statutory financial statements. The auditors' report on those financial statements was unqualified, except that it included an emphasis of matter which drew attention of the User to note 2 (d)(i) of the financial statements for the year ended and stated that "the Group profit for the year would have been ZMW3.4 million (USD0.6 million) if the Mpongwe operation's functional currency was Zambian Kwacha and an unrealised exchange gain of ZMW10 million had not been recognised in the statement of comprehensive income upon translation in the reporting currency of Zambian Kwacha". The financial statements were not qualified on this matter.

The financial statements are prepared in accordance with the provisions of the Companies Act and International Financial Reporting Standards (IFRS). The financial statements are presented in accordance with IAS 1 "Preparation of financial statements" (Revised 2007). The Group has elected to present the "Statement of Comprehensive income" in one statement namely the "Statement of Comprehensive Income".

The financial statements have been prepared under the historic cost convention, as modified by the revaluation of property, plant and equipment, and financial assets and liabilities at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

(d) **Foreign currencies**

(i) *Presentational and functional currency*

Zambeef Products PLC as a company has ten operating branches of which nine have a historical functional currency of Zambian Kwacha (ZMW) and one (the Mpongwe Farm Branch) has a functional currency of United States Dollars (USD) being an operational branch set up during the financial year ended 30 September 2012. Management have chosen a variant on the functional currency of Mpongwe due to the following factors:

- the majority of farm input costs (fertilizer, farming chemicals, agricultural machinery spares, etc.), which are primarily sourced from overseas, are driven by USD to ZMW exchange rate due to origin prices being USD;
- the pricing of Mpongwe's principal outputs (wheat, soya and maize) are significantly influenced by world USD denominated grain prices;
- the capital raised attached to the acquisition of the Mpongwe assets was denominated in foreign currency;
- the Mpongwe assets were purchased in USD;
- upon admission and dual listing on the AIM market of the London Stock Exchange (LSE), Zambeef was required to report in USD in addition to reporting in ZMW for the LuSE listing; and
- majority of financial liabilities associated with working capital funding and capital expenditure are sourced in USD and repayable in USD, with a substantial portion of the Company's term liabilities secured on the assets of Mpongwe.

In light of this, Mpongwe's assets and liabilities are translated to ZMW and consolidated with other branches of the Company for reporting and tax purposes in Zambia, with any differences arising out of translation posted as a capital reserve item and a non-distributable reserve.

The Group's reporting currency in Zambia is ZMW and the presentation of financial statements to Non-Zambian shareholders and for the purposes of being listed on the AIM market of the London Stock Exchange also necessitate the presentation of the financial statements in United States Dollars (USD).

(ii) *Basis of translating presentational currency to USD for the purposes of supplementary information*

Statement of comprehensive income items have been translated using the average exchange rate for the period as an approximation to the actual exchange rate. Assets and liabilities have been translated using the closing exchange rate. Any differences arising from this process have been recognised in other comprehensive income and accumulated in the foreign exchange reserve in equity.

Equity items have been translated at the closing exchange rate. Exchange differences arising on retranslating equity items and opening net assets have also been transferred to the foreign exchange reserve within equity.

The following exchange rates have been applied:

ZMW:USD	**Average exchange rate**	**Closing exchange rate**
6 months ended 31 March 2012	5.107	5.270
Year ended 30 September 2012	5.082	5.100
6 months ended 31 March 2013	5.277	5.410

All historical financial information, except where specifically stated, is presented in Zambian Kwacha rounded to the nearest ZMW'000s and United States Dollars rounded to the nearest USD'000s.

(iii) *Basis of translating transactions and balances*

Foreign currency transactions are translated into the functional currency using the rates of exchange prevailing at the date of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in statement of comprehensive income.

Non-operating foreign exchange gains and losses mainly arise on fluctuations of the exchange rate between United States Dollars and Zambian Kwacha. Due to the instability of the exchange rate, which may result in significant variances of foreign exchange related assets and liabilities, these gains and losses have been presented below operating profit in the statement of comprehensive income.

(iv) *Basis of translating foreign operations*
In the consolidated financial statements the financial statements of the foreign subsidiaries originally presented in their local currency have been translated into Zambian Kwacha. Assets and liabilities have been translated into Zambian Kwacha at the exchange rates ruling at the period end. Statement of comprehensive income items have been translated at an average monthly rate for the period. Any differences arising from this procedure are taken to the foreign exchange reserve.

The following exchange rates have been applied:

Ngwee:Nigeria Naira	**Average exchange rate**	**Closing exchange rate**
6 months ended 31 March 2012	3.252	3.335
Year ended 30 September 2012	3.255	3.290
6 months ended 31 March 2013	3.330	3.450

ZMW:Ghana Cedi	**Average exchange rate**	**Closing exchange rate**
6 months ended 31 March 2012	3.058	3.029
Year ended 30 September 2012	2.823	2.642
6 months ended 31 March 2013	2.710	2.803

(e) **General information and basis of preparation**
The condensed interim consolidated financial statements are for the six months ended 31 March 2013 and are presented in Zambian Kwacha and United States Dollars. They have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all of the information required in annual financial statements in accordance with IFRS and should be read in conjunction with the consolidated financial statements of the Group for the year ended 30 September 2012.

(f) **Significant accounting policies**
The interim financial statements have been prepared in accordance with the accounting policies adopted in the Group's last annual financial statements for the year ended 30 September 2012.

3. **Critical accounting estimates and judgements**
The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During the period, Zambeef Products PLC disposed of 49 per cent. of its shareholding in Zam Chick to Rainbow for a sum of USD14.25 million. At 30 September 2012, the book value of Zam Chick's assets was ZMW14.3 million (USD2.8 million), representing approximately 0.9 per cent of the Group's gross assets. The profit on the sale of 49 per cent. recognised during the period in the Statement of movements in equity (IFRS 10, paragraph 23) is ZMW69 million (USD13.1 million), having achieved substantial completion except for inter-alia the authorisation for the transaction from the Competition and Consumer Protection Commission which was granted on 6 April 2013 (interim) and 26 April 2013 (final). The full settlement for the purchase was received on 6 May 2013. Both Rainbow and Zambeef have recognised the effective date of completion of the transaction as 31 March 2013.

In the process of applying the Group's accounting policies, management has made judgements in determining:

(a) the classification of financial assets;
(b) whether assets are impaired;
(c) estimation of provision and accruals;
(d) recoverability of trade and other receivables; and
(e) valuation of biological assets and inventory.

4. **Significant events and transactions**

The Group's management believes that the Group is well positioned in an improving economy. Factors contributing to the Group's strong position are:

(a) Growth in the Zambian economy leading to higher disposable incomes.
(b) High copper prices leading to higher inflow of foreign exchange and trickle-down effect to end consumers.
(c) Increase in the retail footprint of the Group.
(d) Increase in production facilities of the Group leading to higher volumes available for retail.
(e) Improvements in the management team across various areas of the Group leading to positive reinforcement of strong operational synergies.

Overall, the Group is in a strong position and has sufficient capital and liquidity to service its operating activities and debt. The Group's objectives and policies for managing capital credit risk and liquidity risk should be read in conjunction with the consolidated financial statements of the Group for the year ended 30 September 2012.

During the financial year ended 30 September 2012 a provision of ZMW33.96 million (USD6.7 million) within cost of sales and ZMW15.19 million (USD3.0 million) within administrative expenses was made with respect to a tax liability assessment from ZRA issued to Zamanita Limited (for importation of palm oil in prior periods). Zambeef made its final written submission to the Revenue Appeals Tribunal on 11 February 2013, which was within the requisite ten-week period following the conclusion of the hearing. Thereafter, the ZRA submitted its defence on 25 March 2013, to which Zambeef submitted its response on 11 April 2013.

5. **Segmental reporting**

An operating segment is a distinguishable component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Board of Directors ('BoD') to make decisions about the allocation of resources and assessment of performance about which discrete financial information is available. Gross margin information is sufficient for the BoD to use for such purposes. The BoD reviews information regarding the operating divisions which match the main external revenues earned by the Group, and management information regarding the operating assets and liabilities of the main business divisions within the Group.
During the six month period to 31 March 2013, there have been no changes from prior periods in the measurement methods used to determine operating segments and reported segment profit or loss.

The revenues and gross profit generated by each of the Group's operating segments and segment assets are summarised as follows:

Period ended 31 March 2013

(i) in Zambian Kwacha

Segment	**Revenue**	**Gross Profit**
	ZMW'000s	*ZMW'000s*
Beef	180,201	59,321
Chicken	76,606	17,259
Pork	61,088	7,452
Crops - Row Crops	123,321	79,011
Stock feed	126,394	30,819
Eggs	10,665	4,307
Fish	12,986	3,870
Milk	29,105	16,463
Zamchick Inn	5,500	2,945
Edible oils	204,894	48,723
Bakery & Flour	39,353	9,830
Leather	10,876	3,851
Master Meats (Nigeria)	32,538	7,428
Master Meats (Ghana)	7,933	2,157
Total	**921,460**	**293,436**
Less: intra/inter Group Sales	(112,164)	
Group total	**809,296**	**293,436**
Central operating costs		(226,289)
Operating profit		67,147
Foreign exchange losses		(15,240)
Finance costs		(18,100)
Profit before tax		33,807

Operating assets/(liabilities)

	Zambeef	**Retailing**	**Zamanita**	**Master Pork**	**Zampalm**	**Zam Chick**	**Other**	**Total**
	ZMW'000s	*ZMW'000s*	*ZMW'000s*	*ZMW'000s*	*ZMW'000s*	*ZMW'000s*	*ZMW'000s*	*ZMW'000s*
Property plant and equipment	581,360	100,083	116,591	33,305	63,848	38,840	27,602	961,629
Biological assets and inventories	393,287	44,842	97,937	13,812	11,008	9,093	10,669	580,648
Cash, cash equivalents and bank overdrafts	(106,247)	(19,144)	(36,391)	(1,752)	(51)	320	6,820	(156,445)

Period ended 31 March 2013
(ii) in US Dollars

Segment	Revenue	Gross Profit
	USD '000s	*USD '000s*
Beef	34,146	11,240
Chicken	14,516	3,270
Pork	11,575	1,412
Crops - row crops	23,368	14,972
Stock feed	23,950	5,840
Eggs	2,021	816
Fish	2,461	733
Milk	5,515	3,119
Zamchick Inn	1,042	558
Edible oils	38,825	9,232
Bakery & flour	7,457	1,863
Leather/shoe	2,061	730
Master Meats (Nigeria)	6,165	1,408
Master Meats (Ghana)	1,503	409
Total	**174,605**	**55,602**
Less: intra/inter Group sales	(21,254)	
Group total	**153,351**	**55,602**
Central operating costs		(42,878)
Operating profit		12,724
Foreign exchange losses		(2,888)
Finance costs		(3,430)
Profit before tax		6,406

Operating assets/(liabilities)

	Zambeef	Retailing	Zamanita	Master Pork	Zampalm	Zam Chick	Other	Total
	USD'000s	*USD'000s*	*USD'000s*	*USD'000s*	*USD'000s*	*USD'000s*	*USD'000s*	*USD'000s*
Property plant and equipment	107,460	18,500	21,551	6,156	11,802	7,179	5,102	177,750
Biological assets and inventories	72,696	8,289	18,103	2,553	2,035	1,681	1,972	107,329
Cash, cash equivalents and bank overdrafts	(19,639)	(3,539)	(6,727)	(324)	(9)	59	1,261	(28,918)

Period ended 31 March 2012

(i) in Zambian Kwacha

Segment	Revenue ZMW'000s	Gross Profit ZMW'000s
Beef	151,690	54,976
Chicken	62,087	18,394
Pork	52,069	16,023
Crops - Row Crops	117,798	43,381
Stock feed	86,633	21,870
Eggs	9,680	3,592
Fish	12,379	2,778
Milk	30,226	18,445
Zamchick Inn	4,817	2,138
Edible oils	145,455	(6,181)
Bakery & Flour	42,822	8,275
Leather	8,501	3,449
Master Meats Nigeria	21,186	5,185
Master Meats Ghana	6,654	1,923
Total	**751,997**	**194,248**
Less: intra/inter Group Sales	(100,258)	
Group total	**651,739**	**194,248**
Central operating costs		(176,982)
Operating profit		17,266
Foreign exchange losses		(10,610)
Finance costs		(14,639)
Loss before taxation		(7,983)

Operating assets/(liabilities)

	Zambeef ZMW'000s	Retailing ZMW'000s	Zamanita ZMW'000s	Master Pork ZMW'000s	Zampalm ZMW'000s	Other ZMW'000s	Total ZMW'000s
Property plant and equipment	586,264	97,079	94,086	31,838	49,438	22,718	881,423
Biological assets and inventories	261,217	42,336	34,096	9,711	5,486	9,056	361,902
Cash, cash equivalents and bank overdrafts	(85,767)	(12,989)	(11,205)	(120)	(60)	3,973	(106,168)

Period ended 31 March 2012
(ii) in US Dollars

Segment	Revenue *USD'000s*	Gross Profit *USD'000s*
Beef	29,704	10,765
Chicken	12,158	3,602
Pork	10,196	3,138
Crops - row crops	23,067	8,495
Stock feed	16,965	4,283
Eggs	1,896	703
Fish	2,424	544
Milk	5,919	3,612
Zamchick Inn	943	419
Edible oils	28,483	(1,210)
Bakery & flour	8,386	1,620
Leather/shoe	1,665	675
Master Meats (Nigeria)	4,149	1,015
Master Meats (Ghana)	1,303	377
Total	**147,258**	**38,038**
Less: intra/inter Group sales	(19,633)	
Group total	**127,625**	**38,038**
Central operating costs		(34,657)
Operating profit		3,381
Foreign exchange losses		(2,077)
Finance costs		(2,867)
Loss before taxation		(1,563)

Operating assets/(liabilities)

	Zambeef	Retailing	Zamanita	Master Pork	Zampalm	Other	Total
	USD'000s	*USD'000s*	*USD'000s*	*USD'000s*	*USD'000s*	*USD'000s*	*USD'000s*
Property plant and equipment	111,246	18,421	17,853	6,041	9,381	4,311	167,253
Biological assets and inventories	49,567	8,033	6,470	1,843	1,041	1,719	68,673
Cash, cash equivalents and bank overdrafts	(16,275)	(2,465)	(2,126)	(23)	(11)	754	(20,146)

Year ended 30 September 2012

(i) in Zambian Kwacha

Segment	**Revenue**	**Gross Profit**
	ZMW'000s	*ZMW'000s*
Beef	327,160	113,342
Chicken	120,265	35,210
Pork	116,534	33,977
Crops	223,489	104,039
Stock feed	187,370	48,850
Eggs	18,235	8,122
Fish	25,518	5,552
Milk	53,531	30,215
Zamchick Inn	10,185	4,544
Edible oils	237,882	15,814
Bakery & Flour	90,563	22,858
Leather	20,134	10,859
Master Meats (Nigeria)	50,404	8,411
Master Meats (Ghana)	13,800	4,023
Total	**1,495,070**	**445,816**
Less: intra/inter Group Sales	(198,731)	
Group total	**1,296,339**	**445,816**
Central operating costs		(384,561)
Operating profit		61,255
Foreign exchange losses		(18,887)
Finance costs		(26,810)
Profit before tax		15,558

Operating assets/(liabilities)

	Zambeef	**Retailing**	**Zamanita**	**Master Pork**	**Zampalm**	**Other**	**Total**
	ZMW'000s	*ZMW'000s*	*ZMW'000s*	*ZMW'000s*	*ZMW'000s*	*ZMW'000s*	*ZMW'000s*
Property plant and equipment	573,073	100,076	112,727	34,344	55,976	22,278	898,474
Biological assets and inventories	343,669	52,842	188,569	31,520	6,528	8,240	631,368
Cash, cash equivalents and bank overdrafts	(51,454)	(17,125)	(34,855)	407	37	4,438	(98,552)

Year ended 30 September 2012

(ii) in US Dollars

Segment	**Revenue**	**Gross Profit**
	USD'000s	*USD'000s*
Beef	64,370	22,300
Chicken	23,663	6,928
Pork	22,928	6,686
Crops	43,972	20,470
Stock feed	36,866	9,611
Eggs	3,588	1,598
Fish	5,021	1,092
Milk	10,532	5,945
Zamchick Inn	2,004	894
Edible oils	46,804	3,111
Bakery & flour	17,819	4,497
Leather/shoe	3,961	2,137
Master Meats (Nigeria)	9,917	1,655
Master Meats (Ghana)	2,715	792
Total	**294,160**	**87,716**
Less: intra/inter Group sales	(39,101)	
Group total	**255,059**	**87,716**
Central operating costs		(75,664)
Operating profit		12,052
Foreign exchange gains		(3,717)
Finance costs		(5,275)
Profit before tax		3,060

Operating assets/(liabilities)

	Zambeef	**Retailing**	**Zamanita**	**Master Pork**	**Zampalm**	**Other**	**Total**
	USD'000s	*USD'000s*	*USD'000s*	*USD'000s*	*USD'000s*	*USD'000s*	*USD'000s*
Property plant and equipment	112,367	19,623	22,103	6,734	10,976	4,369	176,172
Biological assets and inventories	67,386	10,361	36,975	6,180	1,280	1,616	123,798
Cash, cash equivalents and bank overdrafts	(10,089)	(3,358)	(6,834)	80	7	870	(19,324)

The Group's revenue from external customers and its geographic allocation of non-current assets may be summarised as follows:

	31 Mar 2013		**31 Mar 2012**		**30 Sept 2012**	
	Revenues	**Non-current assets**	**Revenues**	**Non-current assets**	**Revenues**	**Non-current assets**
	ZMW'000s	*ZMW'000s*	*ZMW'000s*	*ZMW'000s*	*ZMW'000s*	*ZMW'000s*
Zambia	685,657	971,792	617,800	885,997	1,210,787	909,052
West Africa	40,471	22,106	27,840	16,901	64,204	16,609
Rest of world	83,168	-	6,099	-	21,348	-
	809,296	993,898	651,739	902,898	1,296,339	925,661

	31 Mar 2013		**31 Mar 2012**		**30 Sept 2012**	
	Revenues	**Non-current assets**	**Revenues**	**Non-current assets**	**Revenues**	**Non-current assets**
	USD'000s	*USD'000s*	*USD'000s*	*USD'000s*	*USD'000s*	*USD'000s*
Zambia	129,924	179,629	120,979	168,121	238,227	178,245
West Africa	7,668	4,085	5,452	3,207	12,632	3,257
Rest of world	15,759	-	1,194	-	4,200	-
	153,351	183,714	127,625	171,328	255,059	181,502

6. **Taxation**

Income tax expense	March 2013 ZMW'000s	March 2012 ZMW'000s	September 2012 ZMW'000s
(a) **Tax charge**			
Current tax:			
Tax charge	2,143	1,019	2,895
Deferred tax:			
Deferred taxation (note 6(e))	(3,116)	3,909	(766)
Tax (credit)/charge for the period	(973)	4,928	2,129

	March 2013	March 2012	September 2012
(b) **Reconciliation of tax charge**			
Profit/(loss) before taxation	33,807	(7,983)	15,558
Taxation on accounting profit	6,330	5,880	693
Effects of:			
Permanent differences:			
Disallowable expenses	1,593	1,485	4,928
Timing differences:			
Capital allowances and depreciation	(13,877)	(3,587)	(16,703)
Livestock and crop valuations adjustment	(2,497)	(4,939)	(841)
Other income	(1,938)	-	(46)
Unrealised exchange gains	(615)	572	1,817
Unrealised tax loss	13,147	1,608	13,047
Tax charge for the period	2,143	1,019	2,895

	March 2013	March 2012	September 2012
(c) **Movement in taxation account**			
Taxation payable at 1 October	1,913	716	716
Charge for the year	2,143	1,019	2,895
Arising on consolidation	1	(1)	2
Taxation paid	(1,723)	(353)	(1,700)
Taxation payable as at:	2,334	1,381	1,913
Taxation payable	3,566	1,601	2,133
Taxation recoverable	(1,232)	(220)	(220)
Taxation payable as at:	2,334	1,381	1,913

(d) Income tax assessments have been agreed with the Zambia Revenue Authority (ZRA) up to and including the year ended 30 September 2006. Income tax returns have been filed with the ZRA for the years ended 30 September 2012. Quarterly tax returns for the year ending 30 September 2013 were made on the due dates during the period.

(e) **Deferred taxation**	March 2013 ZMW'000s	March 2012 ZMW'000s	September 2012 ZMW'000s
Represented by:			
Biological valuation	2,011	744	239
Accelerated tax allowances	3,231	16,643	2,953
Tax loss	(5,972)	(10,324)	(805)
	(730)	7,063	2,387
Analysis of movement:			
Liability as at 1 October	2,387	3,153	3,153
Charge to profit and loss account (note 6(a))	(3,116)	3,909	(766)
Arising on consolidation	(1)	1	-
(Asset)/liability as at:	(730)	7,063	2,387
Deferred tax asset	(5,562)	(291)	(4,960)
Deferred tax liability	4,832	7,354	7,347
	(730)	7,063	2,387

Income tax expense		March 2013 *USD'000s*	March 2012 *USD'000s*	September 2012 *USD'000s*
(f)	**Tax charge**			
	Current tax:			
	Tax charge	407	200	570
	Deferred tax:			
	Deferred taxation (note 6(j))	(591)	765	(151)
	Tax (credit)/charge for the period	(184)	965	419
(g)	**Reconciliation of tax charge**			
	Profit/(loss) before taxation	6,406	(1,563)	3,060
	Taxation on accounting profit	1,171	1,116	136
	Effects of:			
	Permanent differences:			
	Disallowable expenses	294	282	964
	Timing differences:			
	Capital allowances and depreciation	(2,565)	(681)	(3,275)
	Livestock and crop valuations adjustment	(461)	(937)	(165)
	Other income	(358)	-	(9)
	Unrealised exchange gains	(114)	109	355
	Unrealised tax loss	2,440	311	2,564
	Tax charge for the period	407	200	570
(h)	**Movement in taxation account**			
	Taxation payable at 1 October	375	149	149
	Charge for the year	407	200	570
	Taxation paid	(326)	(69)	(334)
	Foreign exchange	(25)	(18)	(10)
	Taxation payable as at:	431	262	375
	Taxation payable	659	304	418
	Taxation recoverable	(228)	(42)	(43)
	Taxation payable as at:	431	262	375

(i) Income tax assessments have been agreed with the Zambia Revenue Authority (ZRA) up to and including the year ended 30 September 2006. Income tax returns have been filed with the ZRA for the years ended 30 September 2012. Quarterly tax returns for the year ending 30 September 2013 were made on the due dates during the period.

		March 2013 *USD'000s*	March 2012 *USD'000s*	September 2012 *USD'000s*
(j)	**Deferred taxation**			
	Represented by:			
	Biological valuation	372	141	47
	Accelerated tax allowances	597	3,158	579
	Tax loss	(1,104)	(1,959)	(158)
		(135)	1,340	468
	Analysis of movement:			
	Liability as at 1 October	468	656	656
	Charge to profit and loss account (note 6(f))	(591)	765	(151)
	Foreign exchange	(12)	(81)	(37)
	(Asset)/liability as at:	(135)	1,340	468
	Deferred tax asset	(1,028)	(55)	(972)
	Deferred tax liability	893	1,395	1,440
		(135)	1,340	468

7. **Earnings/(loss) per share**

Basic and diluted earnings/(loss) per share have been calculated in accordance with IAS 33 which requires that earnings should be based on the net profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares in issue during the period.

The calculation of the basic and diluted earnings/(loss) per share is based on the earnings attributable to ordinary shareholders divided by the weighted average number of shares in issue during the period.

The calculation of the basic and diluted earnings/(loss) per share is shown below:

	Mar 2013		**Mar 2012**		**Sept 2012**	
	ZMW'000s	*USD'000s*	*ZMW'000s*	*USD'000s*	*ZMW'000s*	*USD '000s*
Basic earnings per share						
Profit/(loss) for the period	34,968	6,626	(12,934)	(2,533)	14,583	2,868
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	247,978,195	247,978,195	247,978,195	247,978,195	247,978,195	247,978,195
Basic and diluted earnings/(loss) per share (Ngwee & US Cents)	14.10	2.67	(5.22)	(1.02)	5.88	1.16

There are no dilutive share options in issue.

8. **Biological assets**

(a) **31 March 2013**

Biological assets comprise standing crops, feedlot and standing cattle, dairy cattle, pigs, chickens and palm oil plantation. At 31 March 2013 there were 7,186 cattle (3,765 feedlot cattle, 1,449 standing cattle and 1,972 dairy cattle) and 322,603 chickens (161,352 layers and 161,251 broilers), and 3,271 pigs. A total of 9,609 feedlot cattle, 273 dairy cattle, 3,252 pigs and 1,088,898 chickens were culled during the period. The palm plantation is in developmental stage with current plantation size of 1,938 hectares.

	As at 1 October 2012	**Increase due to purchases**	**Gains arising from fair value attributable to physical changes**	**Gains arising from fair value attributable to price changes**	**Decrease due to harvest/ transferred to inventory**	**As at 31 Mar 2013**
	ZMW'000s	*ZMW'000s*	*ZMW'000s*	*ZMW'000s*	*ZMW'000s*	*ZMW'000s*
Standing Crops	53,271	57,730	92,462	3,671	(65,524)	141,610
Feedlot cattle	38,963	34,021	9,869	943	(57,810)	25,986
Dairy Cattle	18,843	7,202	3,552	-	(9,405)	20,192
Pigs	2,150	2,247	816	252	(3,405)	2,060
Chickens	6,357	49,948	9,209	-	(57,067)	8,447
Palm Plantation	6,528	4,480	-	-	-	11,008
Total	126,112	155,628	115,908	4,866	(193,211)	209,303
Less: non-current biological assets	(6,528)	(4,480)	-	-	-	(11,008)
Total	119,584	151,148	115,908	4,866	(193,211)	198,295

	As at 1 October 2012 USD'000s	Foreign exchange USD'000s	Increase due to purchases USD'000s	Gains arising from fair value attributable to physical changes USD'000s	Gains arising from fair value attributable to price changes USD'000s	Decrease due to harvest/ transferred to inventory USD'000s	As at 31 Mar 2013 USD'000s
Standing Crops	10,445	(562)	10,939	17,091	679	(12,416)	26,176
Feedlot cattle	7,640	(328)	6,447	1,824	174	(10,954)	4,803
Dairy Cattle	3,695	(203)	1,365	657	-	(1,782)	3,732
Pigs	422	(20)	426	151	47	(645)	381
Chickens	1,246	(38)	9,464	1,702	-	(10,813)	1,561
Palm Plantation	1,280	(94)	849	-	-	-	2,035
Total	24,728	(1,245)	29,490	21,425	900	(36,610)	38,688
Less: non-current biological assets	(1,280)	94	(849)	-	-	-	(2,035)
Total	23,448	(1,151)	28,641	21,425	900	(36,610)	36,653

(b) **31 March 2012**

Biological assets comprise standing crops, feedlot and standing cattle, dairy cattle, pigs, chickens and palm oil plantation. At 31 March 2012 there were 7,974 cattle (5,490 feedlot cattle, 821 standing cattle and 1,663 dairy cattle) and 339,821 chickens (108,397 layers and 231,424 broilers), and 3,453 pigs. A total of 10,838 feedlot cattle, 505 dairy cattle, 3,631 pigs and 1,006,152 chickens were culled during the period. The palm plantation is in developmental stage with current plantation size of 1,840 hectares.

	As at 1 Oct 2011 *ZMW'000s*	Increase due to purchases *ZMW'000s*	Gains/(losses) arising from fair value attributable to physical changes *ZMW'000s*	Gains arising from fair value attributable to price changes *ZMW'000s*	Decrease due to harvest/ transferred to inventory *ZMW'000s*	As at 31 March 2012 *ZMW'000s*
Standing Crops	58,917	83,814	82,833	135	(119,190)	106,509
Feedlot cattle	33,699	32,640	10,999	-	(49,592)	27,746
Dairy Cattle	15,065	5,890	(93)	-	(6,618)	14,244
Pigs	2,254	2,365	1,576	163	(3,953)	2,405
Chickens	6,825	38,056	1,565	-	(39,884)	6,562
Palm Plantation	2,573	2,912	-	-	-	5,485
Total	119,333	165,677	96,880	298	(219,237)	162,951
Less: non-current biological assets	(2,573)	(2,912)	-	-	-	(5,485)
Total	116,760	162,765	96,880	298	(219,237)	157,466

	As at 1 Oct 2011	Foreign exchange	Increase due to purchases	Gains/(losses) arising from fair value attributable to physical changes	Gains arising from fair value attributable to price changes	Decrease due to harvest/ transferred to inventory	As at 31 March 2012
	USD'000s	*USD'000s*	*USD'000s*	*USD'000s*	*USD'000s*	*USD'000s*	*USD'000s*
Standing Crops	12,275	(881)	16,413	15,718	26	(23,340)	20,211
Feedlot cattle	7,021	(524)	6,392	2,087	-	(9,710)	5,266
Dairy Cattle	3,138	(275)	1,153	(18)	-	(1,296)	2,702
Pigs	469	(32)	463	299	31	(774)	456
Chickens	1,422	(116)	7,452	297	-	(7,810)	1,245
Palm Plantation	536	(65)	570	-	-	-	1,041
Total	24,861	(1,893)	32,443	18,383	57	(42,930)	30,921
Less: non-current biological assets	(536)	65	(570)	-	-	-	(1,041)
Total	24,325	(1,828)	31,873	18,383	57	(42,930)	29,880

(c) **30 September 2012**

Biological assets comprise standing crops, feedlot and standing cattle, dairy cattle, pigs, chickens and palm oil plantation. At 30 September 2012 there were 9,979 cattle (6,653 feedlot cattle, 1,415 standing cattle and 1,911 dairy cattle) and 322,698 chickens (156,014 layers and 166,684 broilers), and 3,628 pigs. A total of 19,290 feedlot cattle, 829 dairy cattle, 6,873 pigs and 1,676,520 chickens were culled during the year. The palm plantation is in developmental stage with current plantation size of 1,840 hectares.

	As at 1 October 2011	Increase due to purchases	Gains/(losses) arising from fair value attributable to physical changes	Gains arising from fair value attributable to price changes	Decrease due to harvest/ transferred to inventory	As at 30 Sept 2012
	ZMW'000s	*ZMW'000s*	*ZMW'000s*	*ZMW'000s*	*ZMW'000s*	*ZMW'000s*
Standing Crops	58,917	161,726	46,980	4,081	(218,433)	53,271
Feedlot Cattle	33,699	98,955	(4,882)	2,795	(91,604)	38,963
Dairy Cattle	15,065	20,810	(6,266)	2,742	(13,508)	18,843
Pigs	2,254	9,169	3,307	165	(12,745)	2,150
Chickens	6,825	106,038	6,226	90	(112,822)	6,357
Palm oil plantation	2,573	3,955	-	-	-	6,528
Total	119,333	400,653	45,365	9,873	(449,112)	126,112
Less: Non-current biological assets	(2,573)	(3,955)	-	-	-	(6,528)
Total	116,760	396,698	45,365	9,873	(449,112)	119,584

	As at 1 October 2012	Foreign exchange	Increase due to purchases	Gains/(losses) arising from fair value attributable to physical changes	Gains arising from fair value attributable to price changes	Decrease due to harvest/ transferred to inventory	As at 30 Sept 2012
	USD'000s	*USD'000s*	*USD'000s*	*USD'000s*	*USD'000s*	*USD'000s*	*USD'000s*
Standing Crops	12,275	(685)	31,820	9,212	800	(42,977)	10,445
Feedlot Cattle	7,021	(419)	19,470	(957)	548	(18,023)	7,640
Dairy Cattle	3,138	(189)	4,094	(1,228)	538	(2,658)	3,695
Pigs	469	(23)	1,804	648	32	(2,508)	422
Chickens	1,422	(80)	20,863	1,221	18	(22,198)	1,246
Palm oil plantation	536	(34)	778	-	-	-	1,280
Total	24,861	(1,430)	78,829	8,896	1,936	(88,364)	24,728
Less: Non-current biological assets	(536)	34	(778)	-	-	-	(1,280)
Total	24,325	(1,396)	78,051	8,896	1,936	(88,364)	23,448

9. **Cash and cash equivalents**

	March 2013		March 2012		September 2012	
	ZMW'000s	*USD'000s*	*ZMW'000s*	*USD'000s*	*ZMW'000s*	*USD'000s*
Cash in hand and at bank	48,719	9,005	31,813	6,036	79,731	15,633
Bank overdrafts	(205,164)	(37,923)	(137,981)	(26,182)	(178,283)	(34,957)
	(156,445)	(28,918)	(106,168)	(20,146)	(98,552)	(19,324)

(a) **Banking facilities**

(i) **Zanaco Bank PLC**
The Group has overdraft facilities totalling ZMW22.5 million (March 2012 – ZMW6 million, September 2012 – ZMW22.5 million) and USD4 million (March 2012 – USD1.3 million, September 2012 – USD4 million) with Zanaco Bank PLC. The Zanaco Bank overdrafts bear interest rate of Bank of Zambia policy rate plus 3 per cent. on the Kwacha facility and 3 month LIBOR plus 4.25 per cent. on the USD facility.

(ii) **Citibank Zambia Limited**
The Group has overdraft facilities totalling ZMW8.137 million (March 2012 – ZMW8.137 million, September 2012 – ZMW8.137 million) and USD10.1 million (March 2012 – USD7.1 million, September 2012 – USD10.1 million) with Citibank Zambia Limited. The Citibank overdrafts bear interest rates of Bank of Zambia policy rate plus 5.75 per cent. for the Kwacha facility and 12 month LIBOR plus 4 per cent. for the USD facility.

(iii) **Stanbic Bank Zambia Limited**
The Group has overdraft facilities totalling ZMW42 million (March 2012 – ZMW5 million, September 2012 – ZMW42 million) and USD1 million (March 2012 – USD8 million, September 2012 – USD1 million) with Stanbic Bank Zambia Limited. The Stanbic Bank overdrafts bear interest rate of Bank of Zambia policy rate plus 2.25 per cent. on the Kwacha facility and 3 month LIBOR plus 4 per cent. on the USD facility.

(iv) **Standard Chartered Bank Zambia PLC**
The Group has overdraft facilities totalling ZMW4.5 million (March 2012 – ZMW4.5 million, September 2012 – ZMW4.5 million) and USD10.5 million (March 2012 – USD8 million, September 2012 – USD10.5 million) with Standard Chartered Bank Zambia PLC. The Standard Chartered Bank overdrafts bear interest of Bank of Zambia policy rate plus 5 per cent. on the Kwacha facility and 1 month LIBOR plus 4.25 per cent. (USD3 million for Zambeef Products PLC) and 3 month LIBOR plus 4.5 per cent. (USD7.5 million for Zamanita Limited) on the USD facilities.

(b) **Bank overdrafts**

	March 2013		March 2012		September 2012	
	ZMW'000s	*USD'000s*	*ZMW'000s*	*USD'000s*	*ZMW'000s*	*USD'000s*
Bank overdrafts represented by:						
Zanaco Bank PLC	(42,519)	(7,859)	(11,070)	(2,101)	(34,868)	(6,837)
Citibank Zambia Limited	(61,481)	(11,365)	(41,331)	(7,842)	(55,471)	(10,877)
Stanbic Bank Zambia Limited	(47,712)	(8,819)	(46,966)	(8,912)	(45,350)	(8,892)
Standard Chartered Bank Zambia PLC	(53,452)	(9,880)	(38,614)	(7,327)	(42,594)	(8,351)
	(205,164)	(37,923)	(137,981)	(26,182)	(178,283)	(34,957)

(i) The Zambeef Products PLC bank overdrafts are secured by a first floating charge over all the assets of the Company. The floating charge ranks pari passu between Standard Chartered Bank Zambia PLC (USD5.2 million), Citibank Zambia Limited (USD12.5 million), Zanaco Bank PLC (USD4 million and ZMW22.5 million), Stanbic Bank Zambia Limited (USD9 million) and DEG (USD5 million).

(ii) The Zamanita facility is secured by a first legal mortgage over the Zamanita premises at stands 5960 and 5001 Mumbwa Road, Lusaka and a floating charge over all other assets.

All overdrafts are annual revolving facilities.

10. **Interest bearing liabilities**

	31 Mar 2013		31 Mar 2012		30 September 2012	
	ZMW'000s	*USD'000s*	*ZMW'000s*	*USD'000s*	*ZMW'000s*	*USD'000s*
DEG – Deutsche Investitions und Entwicklungsgesellschift mbH (note (a))	96,011	17,747	116,725	22,149	101,735	19,948
Zanaco Bank PLC (note (b))	46,500	8,595	46,500	8,824	46,500	9,118
International Finance Corporation (note (c))	202,596	37,449	46,376	8,800	192,400	37,725
Standard Chartered Bank Zambia PLC (note (d))	198,300	36,654	110,414	20,951	191,603	37,569
Standard Bank South Africa (note (e))	-	-	36,890	7,000	-	-
	543,407	100,445	356,905	67,724	532,238	104,360
Less: short term portion of long term funding (repayable within next 12 months)	(205,893)	(38,058)	(160,737)	(30,500)	(190,118)	(37,278)
	337,514	62,387	196,168	37,224	342,120	67,082

(a) (i) **DEG Term Loan 1**

The Group has a loan facility of USD1.672 million (31 March 2012 – USD2.5 million, 30 September 2012 – USD2.088 million and original amount USD5 million) from DEG. Interest on the loan is 2.75 per cent. above the 6 month USD LIBOR rate per annum payable six-monthly in arrears. The principal is repayable in 12 equal bi-annual instalments commencing April 2009 and expiring in October 2014.

The DEG loan is secured by a floating charge/debenture of USD5 million ranking pari passu with Citibank Zambia Limited (USD12.5 million), Standard Chartered Bank Zambia PLC (USD5.2 million), Stanbic Bank Zambia Limited (USD9 million) and Zanaco Bank PLC (USD4 million and ZMW22.5 million).

(ii) **DEG Term Loan 2**

The Group has a loan facility of USD16.075 million (31 March 2012 – USD19.6 million, 30 September 2012 – USD17.86 million and original amount USD25 million) from DEG. Interest on the loan is 4.55 per cent. above the six-month USD LIBOR rate per annum payable six-monthly in arrears. The principal is repayable in 14 bi-annual instalments commencing November 2010 and expiring in May 2017.

The USD25 million DEG term loan is secured by:

- First legal mortgage over Farm No. 4906, Lot No. 18835/M and Lot No. 18836/M (Sinazongwe Farm); and
- First legal mortgage over Farm No. 10097, Farm No. 5063 and Lot No. 8409/M (Chiawa Farm).

(b) **Zanaco Bank PLC**

The Group received a loan facility of ZMW46.5 million with Zanaco Bank PLC in December 2011. Interest on the medium term loan is 5 per cent. above the Bank of Zambia policy rate. The principal is repayable on an annual basis commencing December 2013 and expiring in December 2019.

The loan is secured by a first legal mortgage over the Group's head office premises at stand No. 4970, Industrial Area, Lusaka.

(c) (i) **International Finance Corporation 1**

The Group has a loan facility of USD8.28 million (USD5.727 million in Zambia and USD2.553 million in Nigeria) (31 March 2012 – USD8.8 million, 30 September 2012 – USD8 million) [USD8.8 million drawn in financial year ended 30 September 2011 (USD7 million for Zambia and USD1.8 million for Nigeria), and USD1.2 million drawn in the current period for Nigeria, with total limit of USD10 million] from IFC. Interest on the loan is 4.75 per cent. above the six-month USD LIBOR rate per annum payable six-monthly in arrears. The principal is repayable in 11 equal biannual instalments commencing June 2012 and expiring in June 2017.

The portion of the loan attributable to Zambia is secured through a first legal mortgage over the Group's stock feed premises at Plot 9070, 9071 and 9074, off Mumbwa Road, Lusaka, and the portion of the loan attributable to the Nigerian operations is secured by a floating charge over all assets of Master Meat and Agro Production Co of Nigeria Limited and a parental guarantee from Zambeef Products PLC.

(ii) **International Finance Corporation 2**

In June 2012, the Group formally accepted funding, subject to meeting funding condition precedents, for its upgrade, rehabilitation, and expansion of capital assets through a facility of USD30 million from the IFC. This loan was drawn down in August 2012 as USD20 million in USD and USD10 million in ZMW at ZMW4.96 per USD.

Interest on the USD portion of the loan is 4.75 per cent. above the three-month USD LIBOR rate per annum payable quarterly in arrears. Interest on the ZMW portion of the loan is 4.45 per cent. above the 91 day Treasury Bill rate plus a variable swap margin.

The principal is repayable in 29 equal quarterly instalments commencing June 2015 and expiring in June 2022.

The loan is secured through a first legal mortgage over Farm No. 4450, 4451 & 5388 (Mpongwe Farm).

(d) **Standard Chartered Bank Zambia PLC**

Zamanita Limited, a subsidiary of the Group, has a loan facility of USD7.268 million (31 March 2012 – USD3.5 million, 30 September 2012 – USD6.893 million) with Standard Chartered Bank Zambia PLC. Interest on the loan is 5 per cent. above 3 month LIBOR rate per annum, payable monthly in arrears and is secured by a first legal mortgage over the Zamanita premises at stands 5960 and 5001 Mumbwa Road, Lusaka, and floating debenture over all assets of the company. The original limit of the loan was USD3.5 million which was increased to a facility size of USD8 million (with total drawings at USD7.268 million at 31 March 2013) during the financial year ended 30 September 2012 in order to fund the expansion of production capacity and facilities at Zamanita.

The principal is repayable in amounts of USD0.3 million on a quarterly basis commencing April 2013 to January 2014 and thereafter 12 quarterly payments of USD0.57 million commencing April 2014 and expiring in January 2017.

The Group has structured agricultural facilities totalling USD59 million by limits (31 March 2012 – USD49 million, 30 September 2012 – USD59 million) with Standard Chartered Bank Zambia PLC. The purpose of the facility is the financing of wheat, soya beans, and maize under collateral management agreements and is for a maximum of 365 days. Interest on this facility is 3 month LIBOR plus 4 per cent. per annum calculated on the daily overdrawn balances.

(e) **Standard Bank South Africa Limited**

The Group obtained during the period to 31 March 2012 funding for capital expenditure through a facility of USD7 million from Standard Bank South Africa Limited. Interest on the facility was 4 per cent. above 3 month LIBOR and the facility was secured through a first legal mortgage over assets at Mpongwe farm. This facility was provided as a bridging finance to fund capital projects with the aim to be restructured into long-term developmental finance provided by IFC. The facility was repaid in July 2012.

11. **Events subsequent to reporting date**

No item, transaction or event of a material and unusual nature has arisen since 31 March 2013, which in the opinion of the directors would substantially affect the operations of the economic entity, the results of those operations or the state of affairs of the economic entity in the subsequent financial years except that Zambeef has announced that the Group has entered into an agreement with Rainbow Farms Investments (Pty) Limited to establish a broiler parent stock rearing, laying and hatching operation for the supply of day old chicks, called Zamhatch Limited, which is expected to be operational in two to three years hereof.