



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

[INCORPORATED IN THE REPUBLIC OF ZAMBIA]
 COMPANY REGISTRATION NUMBER: 31824
 SHARE CODE: ZAMBEEF
 ISIN: ZM0000000201

In accordance with the requirements of the Securities and Exchange Act No. 38, Zambeef Products PLC announces its results for the year ended 30 September 2013

	Audited 2013 K'000	Audited 2012 K'000	ABRIDGED GROUP STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER	Audited 2013 K'000	Audited 2012 K'000
ABRIDGED GROUP STATEMENT OF COMPREHENSIVE INCOME			ASSETS		
Revenue	<u>1,595,062</u>	<u>1,296,339</u>	Goodwill	15,699	15,699
Gross Profit	<u>552,781</u>	<u>445,816</u>	Property, plant and equipment	1,395,815	862,015
Operating profit	<u>79,116</u>	<u>61,255</u>	Plantation development expenditure	51,357	36,459
Finance costs	(40,884)	(26,810)	Biological assets	125,686	126,112
Profit before taxation	<u>21,829</u>	<u>15,558</u>	Deferred tax assets	16,385	4,960
Taxation (charge)/credit	(5,794)	(2,129)	Inventories	473,093	505,256
Group profit for the year	<u>16,035</u>	<u>13,429</u>	Trading and other receivables	61,787	63,432
Other comprehensive income	(7,993)	(696)	Amounts due from related companies	1,810	2,337
Total comprehensive income for the year	<u>8,042</u>	<u>12,733</u>	Income tax recoverable	1,535	220
			Total assets	<u>2,143,167</u>	<u>1,616,490</u>
Group profit attributable to:			EQUITY AND LIABILITIES		
Equity holders of the parent	13,766	14,583	Capital and reserves	1,353,130	752,020
Non-controlling interest	2,269	(1,154)	Interest bearing liabilities	545,488	532,238
	<u>16,035</u>	<u>13,429</u>	Obligation under financial lease	17,636	23,864
Other comprehensive income:			Deferred liability	6,793	7,737
Exchange losses on translating presentational currency	(7,993)	(696)	Deferred tax liability	15,257	7,347
Total comprehensive income for the year	<u>8,042</u>	<u>12,733</u>	Trade and other payables	155,398	192,190
			Amounts to from related companies	1,573	409
Total comprehensive income attributable to:			Taxation payable	3,676	2,133
Equity holders of the parent	8,262	13,993	Cash and cash equivalents	44,216	98,552
Non-controlling interest	(220)	(1,260)	Total equity and liabilities	<u>2,143,167</u>	<u>1,616,490</u>
	<u>8,042</u>	<u>12,733</u>			
Number of shares in issue (million)	247.98	247.98	ABRIDGED GROUP STATEMENT OF CASH FLOW		
Earnings Per Share				Audited 2013 K'000	Audited 2012 K'000
Basic and diluted Earnings Per Share	0.0555	0.0588	Net cash inflow/(outflow) from/on operating activities	108,707	(159,939)
			Net cash inflow/(outflow) on investing activities	3,132	(131,365)
			Net Cash (outflow)/inflow from financing activities	(33,862)	289,272
			Increase/(decrease) in cash and cash equivalents	<u>77,977</u>	<u>(2,032)</u>
			Cash and cash equivalents at the beginning of the year	(98,553)	(71,781)
			Effects of exchange gains on balances held foreign currencies	(23,640)	(24,739)
			Cash and cash equivalents at the end of the year	<u>(44,216)</u>	<u>(98,552)</u>

Operational Highlights

- Both sales and profitability impacted by the concerns surrounding imported beef products (which resulted in sales being approximately ZMW41.4 million lower than expected, and one-off cost of ZMW7.4 million relating to the beef stock write off); ZMW12.7 million relating to the increase in finance costs, ZMW21.2 million due to lower wheat prices and ZMW15.9 million of currency costs
- Increase in the Group's overhead expenditure, impacted by the removal of the Zambian fuel subsidy together with higher labour costs due to an increase in the statutory minimum wage
- Despite the above challenges, it was encouraging to see the business return to cash generation
- In our key divisions, strongest gross profit growth seen in cropping (up 49 per cent.), edible oils (up 105 per cent.) and stock feed (up 21 per cent.)
- Continuation of the upgrading of Zambeef's retail outlets, with 20 being refurbished during FY 2013
- Crushing resumed at Zamanita's refurbished plant, with an increased annual capacity of 100,000 M.T.
- Crop yields continued to improve across Zambeef's farms, led by Mpongwe
- Joint venture arrangements put in place with Rainbow to facilitate future expansion of the Group's poultry operations.

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

"2013 was a challenging year for Zambeef as the Group sought to respond to, and address the consequences arising from concerns surrounding imported beef products together with upward pressure on general overhead expenditure. Notwithstanding these challenges, it is heartening to see revenues continue to increase at the same time as the directors prepare the business for future growth across a number of divisions. A key financial highlight this year has been to return the business to positive cash generation, which is in line with the strategy set out when Zambeef listed on the AIM Market of the London Stock Exchange in June 2011. The focus on managing controllable costs continues to drive efficiency savings where possible, leaving the business well positioned to target future bottom line growth."

For further information, please contact:

Zambeef Products plc

Francis Grogan, Chief Executive Officer
Yusuf Koya, Executive Director

Tel: +260 (0) 211 369003

Pangaea Securities Limited

Cesar Siwale, Chief Executive Officer
Wendy Tembo, Head Brokerage and Trading

Tel: +260 (211) 220707 or
238709/10

Accordingly, investors in Zambeef Products PLC are advised to exercise caution when trading in the Company's shares and should seek the professional advice of a broker or investment advisor for guidance.

Further information can be found on www.zambeefplc.com