

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 unaudited results for the six months ended 31 March 2016.

Mari-16	ABRIDGED GROUP STATEMENT OF COMPREHENSIVE INCOME	Total Group Unaudited	Unaudited	ABRIDGED GROUP STATEMENT OF FINANCIAL POSITION AS AT 31 March	Unaudited 2016	Unaudited 2015
Revenue ZMW000 ZMW000 Goodwill G,500 15,609 15,509 15,509 15,509 15,509 15,500 20,200 15,500 28,323 Plantation development expenditure 15,000 27,000 2			Mar-15			
Revenue 1.12.16.05 55.58.11 Property, plantation deeulgement expenditure 1,820.05 7.82.25 Gross Profit 457.44 28,238 Property, plantation deeulgement expenditure 87.35 7.22.25 Exchage Gains/(Ioss) on translating foreign currency transation 15,50.0 40,162.2 40,162.2 Biological serse 40,40.0 21,33.0 22,33.0 Finance costs 15,50.0 40,152.2 40,40.1 Assest held for disposal 13,00.0 23,0.0 23,00.0 23,00.0 23,00.0						
Gross Profit 467,46 28,219 Plantation development expenditure 47,306 75,326 Operating profit 155,01 51,307 51,308 Before class assets 24,509 42,509 28,343 schange Gains/[loss) on translating foreign currency transaction 15,600 (49,162) Assests held for disposal 24,509 28,343 inlance costs (60,357) (26,171) Inventories 277,809 243,402 Profit fly(bas) before a sax costs (8,827) (3,841) Amounts use from related companies 5,509 2,458 Toxaction charge (8,827) (3,841) Amounts use from related companies 5,509 2,458 Frofit for the year from assets held for disposal 2 6,620 EQUITY ADI LIBRITION 2,775,971 24,858 Total Profit/loss for the Period 10,1719 12,172 Colligation sunder finance leases 1,549,513 1,348,513 Equity holders of the parent 90,285 (24,429) Assest held for disposal 2,182 2,282 2,283 2,184 2,182 2,282 2,283 2,283 <td>Revenue</td> <td></td> <td></td> <td></td> <td>· ·</td> <td>•</td>	Revenue				· ·	•
Poperating profit 155,001 51,308 151,002 151,0			<u> </u>			
Deferred tax assets Deferred tax assets Deferred tax assets California Ca				·	•	,
Section Sect		155,301	51,388			·
Printance costs 1,0,0,0,0 1,0,0,0,0 1,0,0,0,0 1,0,0,0,0 1,0,0,0,0 1,0,0,0,0 1,0,0,0,0 1,0,0,0,0 1,0,0,0,0 1,0,0,0,0 1,0,0,0,0 1,0,0,0,0 1,0,0,0,0 1,0,0,0,0 1,0,0,0,0 1,0,0,0,0 1,0,0,0,0,0 1,0,0,0,0,0 1,0,0,0,0,0,0,0,0,0,0,0,0,0,0,0,0,0,0,0	,	15 602	(40.163)	Assets held for disposal	-	
Profit/(Ioss) before taxation 110,546 (8,827) (24,491) (8,827) Trade and other receivables 138,048 (7,628) 77,629 Taxation charge (8,827) (3,841) Amounts due from related companies 5,659 1,467 4,848 Forup profit/(Ioss) for the year from continued operations 101,719 (28,332) Total assets COUNT AND LIABILITIES 2,775,971 2,445,383 Profit for the year from assets held for disposal 101,719 (21,712) Obligations under finance leases 1,549,613 1,569,693 4,268,893 Total Profit/(loss for the Period 101,719 (21,712) Obligations under finance leases 1,549,613 1,368,993 1,368,993 Total Profit/(loss for the Period 101,719 (21,712) Obligations under finance leases 1,549,613 1,368,993 1,368,993 Equity holders of the parent 90,285 (24,429) Assets held for disposal 7,243 1,274 Non-controlling interest 11,434 2,717 Total exerce disabilities 29,991 15,949 Schange losses (5,198) 22,587 Total comprehensive income/(loss):				·	277.809	
Taxation charge 8,827 6,827 6,827 6,828 1					,	•
Income tax recoverable 1,467 4,804 5,000 5,0	,, ,	-			,	
Profit for the year from assets held for disposal		(8,827)	(3,841)	·	· ·	4.804
Profit for the year from assets held for disposal 2	Group profit/(loss) for the year from continued operations	101 710	(28 332)			
Capital and reserves Capital Capita	Profit for the year from accets held for disposal	101,713	(28,332)	FOURTY AND HADILITIES		
Interest bearing liabilities	Profit for the year from assets field for disposal		6,620		1 540 613	1 200 002
Total Profit/loss for the Period 101,719 (21,712) Obligations under finance leases 26,804 26,908 20,908 20,908 7,842 7,843 7,842 7,843 7,842 7,843 8,843 8,843 8,843 8,84				•		
Group profit/[loss] attributable to: Deferred liability 9,366 7,842 Equity holders of the parent (loss) in t	Total Drofit /loss for the Davied	101 710	(21.712)	•	· ·	
Deferred taxtion	Total Profit/1088 for the Period	101,719	(21,/12)			·
Captair priority pr				,	•	,
Non-controlling interest			(0.4.400)		7,243	·
Trade and other liabilities 292,930 157,947 Amounts due to related companies 64,187 17,471	• •	,		•	75 788	
Manualis due to related companies 64,187 17,471 1	Non-controlling interest					·
Other comprehensive income/(loss): Taxation payable (ash and cash equivalents) 5,037 (ash and cash equivalents) 3,764 (ash and cash equivalents) Exchange losses (52,198) 22,587 Total equity and liabilities 2,775,971 2,445,383 Total comprehensive income/(loss) to: Total equity and liabilities Unaudited Unaudited Equity holders of the parent Non-controlling interest 36,692 (1,801) Net cash inflow/(outflow) from operating activities 87,858 168,175 Non-controlling interest 49,521 875 Net cash (outflow)/inflow (on)/from investing activities 87,858 168,175 Net cash outflow on financing (125,613) 97,828 Net cash outflow on financing (125,613) 97,828 Earnings Per Share (Ngwee) Ngwee (Decrease)/increase in cash and cash equivalents (121,177) (36,815) Basic and diluted earnings/(loss) per share 36.41 (12.51) Cash and cash equivalents at beginning of period 119,0648 (147,868)	<u> </u>	101,719	(21,712)			·
Cash and cash equivalents Exchange losses (52,198) (147,668) (147				·		
Total comprehensive income 49,521 875 ABRIDGED GROUP STATEMENT OF CASH FLOW 10 audited 10 audited	· · · · · · · · · · · · · · · · · · ·			• •		,
Total comprehensive income 49,521 875 Total comprehensive income/(loss) to: Equity holders of the parent Non-controlling interest 49,521 875 Non-controlling interest 29,521 875 Non-controlling interest 29,521 875 Ngwee Ngwee Ngwee Earnings Per Share (Ngwee) Basic and diluted earnings/(loss) per share 19,521 875 Net cash inflow/(outflow) from operating activities 87,858 168,175 Net cash inflow/(outflow) from investing activities (83,422) (107,162) Net cash outflow on financing (125,613) 97,828 (Decrease)/increase in cash and cash equivalents (121,177) (36,815) Effects of exchange gains on balances held foreign currencies 41,706 (6,606)	Exchange losses	(52,198)	22,587	Total equity and liabilities	2.775.971	2,445,383
Total comprehensive income/(loss) to: Equity holders of the parent Non-controlling interest A9,521 Ngwee Ngwee Ngwee Cash and cash equivalents at beginning of period Basic and diluted earnings/(loss) per share A8RIDGED GROUP STATEMENT OF CASH FLOW 2016 XMar - 2015 ZMW'000 2MW'000 2MW'000	Total comprehensive income	49,521	875	,,		
Total comprehensive income/(loss) to: ZMW'000 ZMW'000 Equity holders of the parent Non-controlling interest 36,692 (1,801) Net cash inflow/(outflow) from operating activities 87,858 168,175 49,521 875 Net cash (outflow)/inflow (on)/from investing activities (83,422) (107,162) Net cash outflow on financing (125,613) 97,828 Net cash outflow on financing (121,177) (36,815) Earnings Per Share (Ngwee) Cash and cash equivalents at beginning of period (190,648) (147,868) Basic and diluted earnings/(loss) per share 36.41 (12.51) Effects of exchange gains on balances held foreign currencies 41,706 (6,606)				ABRIDGED GROUP STATEMENT OF CASH FLOW		
Equity holders of the parent Non-controlling interest 12,829 2,676 49,521 875 Ngwee Ngwee Ngwee Ngwee Ngwee Ngwee Sasic and diluted earnings/(loss) per share 136,692 11,801 12,829 2,676 Net cash inflow/(outflow) from operating activities Net cash (outflow)/inflow (on)/from investing activities (83,422) (107,162) Net cash outflow on financing (125,613) 97,828 (Decrease)/increase in cash and cash equivalents (121,177) (36,815) Effects of exchange gains on balances held foreign currencies 41,706 (6,606)	Total comprehensive income/(loss) to:					
Non-controlling interest 12,829 2,676 A 9,521 875 A 97,521 875 A 97,822 A 97,521 875 A 97,822	Equity holders of the parent	36,692	(1,801)	Not each inflow//outflow) from apprating activities		
Karnings Per Share (Ngwee)MgweeNgwee </td <td>Non-controlling interest</td> <td>12,829</td> <td>2,676</td> <td>· · · · · ·</td> <td>· ·</td> <td>·</td>	Non-controlling interest	12,829	2,676	· · · · · ·	· ·	·
NgweeNgwee(Decrease)/increase in cash and cash equivalents(121,177)(36,815)Earnings Per Share (Ngwee)Cash and cash equivalents at beginning of period(190,648)(147,868)Basic and diluted earnings/(loss) per share36.41(12.51)Effects of exchange gains on balances held foreign currencies41,706(6,606)		49,521	875	, , , , , , , , , , , , , , , , , , , ,		
Earnings Per Share (Ngwee) Basic and diluted earnings/(loss) per share 36.41 (12.51) Cash and cash equivalents at beginning of period Effects of exchange gains on balances held foreign currencies 41,706 (6,606)		Ngwee	Ngwee	<u> </u>		
Basic and diluted earnings/(loss) per share 36.41 (12.51) Effects of exchange gains on balances held foreign currencies 41,706 (6,606)	Farnings Per Share (Ngwee)	<u> </u>		•		
Effects of exchange gains on parameters field foreign currencies 41,706 (0,000)		36.41	(12 51)			
Cash and cash equivalents at end of period (270,119) (191,289)	basic and anated curnings/(1033) per share	50.41	(12.51)	5 5		
				Cash and cash equivalents at end of period	(270,119)	(191,289)

Key Financial Highlights

Revenue	(ZMW '000)	H1 2016	(ZMW '000) 1,121,605	H1 2015 659,811
Gross Profit			467,446	288,239
EBITDA			175,365	75,220
Adjusted Pre Tax Profit / loss*			95,808	(2,024)
Pre Tax Profit / Loss			110,546	(24,492)

^{*} adjusted to exclude unrealised foreign exchange differences

Highlights:

- Significant improvement in operational performance, driven by:
 - Continued focus on the core business: production, processing, distribution and retailing of cold chain food products
 - Aggressive expansion of the retail network
 - o Effective cost control
- Operating profit increased over 200% to ZMW 155.3m (2015: ZMW 51.4m), an increase of 72% in USD terms to USD 13.7m (2015: USD 8.0m)
- Final settlement reached with the Zambian Revenue Authority (ZRA) over the historical disputed Zamanita tax liability, leading to a write-back to the Profit and Loss Account of approximately ZMW 34 million (USD3.5 million)
- Investment of ZMW 84 Million (USD7.4million) in the Zamhatch breeder farm and new stock feed facility, eliminating supply bottlenecks in the egg, pork, beef and chicken divisions and expanding the retail store network
- Two new macro outlet stores opened during the period and a further two stores have been upgraded and renovated to Zambeef macro outlet standards. A further five sites are currently under construction and are expected to be operational in this calendar year. Another five sites have been acquired and are awaiting planning permission
- The Group continued to benefit from its concession agreement with Shoprite for in-store Meat Market butcheries in Zambia and West Africa. Shoprite has expanded with seven new stores in Zambia and West Africa. A further seven Shoprite stores are due to open before the end of the year

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

"The excellent interim operating performance, achieved within a challenging macro-economic environment, is a tribute to the hard work, skill, dedication and professionalism of all management and staff. I would like to register our gratitude. Their efforts, driven by the Board's clear strategic focus, will enable Zambeef to achieve its vision of becoming a major provider of cold chain food products to Zambia and the region.

"With the strong focus on the retailing operations, Zambeef is confident that this robust performance will continue, demonstrating the resilience of the Group's business model. As a consequence of this strong operational performance, the Board is confident of meeting full year expectations."

For further information, please contact:

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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

Sponsoring Broker



Pangaea Securities Limited

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