

SENS ANNOUNCEMENT
("the notice" or "the announcement")

THE ISSUER



Zambeef Products Plc.

Incorporated in the Republic of Zambia Company

Registration Number: 31824 Share code:

ZAMBEEF

ISIN: ZM0000000201

THE SPONSORING BROKER



AUTUS SECURITIES LIMITED

Contact: Mataka Nkhoma |Tel: +260 840 513, +260 761 008 008

info@autussecurities.com

APPROVALS

The captioned Notice or Announcement has been approved by:

- The Lusaka Securities Exchange Plc.
- The Securities and Exchange Commission
- Zambeef Products Plc

RISK WARNING

The Notice or Announcement contained herein contains information that may be of a price sensitive nature.

Investors are advised to seek the advice of their investment advisor, stockbroker, or any professional duly licensed by the Securities and Exchange Commission of Zambia to provide securities advice.

FIRST ISSUED: 21 OCTOBER 2021



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TRADING UPDATE

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

The Group announces that for the year ended 30 September 2021, revenue (reported in USD) is expected to be between 10% - 15% ahead of current market expectations, with EBITDA and EBIT being ahead by 10% - 12%. Adjusted Profit Before Tax* is expected to be 65 - 75% ahead of current market expectations.

Despite the rising input costs and global food prices, and a difficult operating environment resulting from the 2020 economic and Covid-19 related uncertainties, the positive full year performance has been driven by sustained consumer demand for our products. The macroeconomic fundamentals remained relatively stable during the financial year in the context of the previous comparative year. The local currency depreciated at a much slower rate in the first half and experienced steep appreciation in the second half. Increased consumer spending stemming from the Covid-19 economic stimulus package resulted in increased demand for our products. The good rainfall season helped alleviate load shedding and therefore positively impacted on the financial performance.

The continued focus on cost management across the business has maintained profitability with exchange gains and lower interest costs resulting in a higher Adjusted Profit Before Tax*.

The Group has taken appropriate actions to restructure debt, with an increased percentage of facilities now denominated in Kwacha. Net debt** position as at 30 September 2021 is expected to close at USD42.7 million (2020: USD39 million) and ZMW714.8 million (2020: ZMW790.1 million) in Kwacha terms. The ZMW/USD exchange rate for the period closed at ZMW16.74 (2020:ZMW20.14).

The Group expects its audited results for the year ended 30 September 2021 to be released in December 2021. Shareholders are advised that the information contained in this Trading Statement has not been reviewed nor reported on by the external auditors.

*Adjusted Profit Before Tax (PBT) is defined as being adjusted for any unrealised foreign exchange gains or losses and any losses or gains made from asset disposals.

**Net debt is defined as cash and cash equivalents less bank loans and excludes IFRS16 right of use lease liabilities.

For further information, please contact:

Zambeef Products plc

Walter Roodt, Chief Executive Office
Faith Mukutu, Chief Financial Officer

Tel: +260 (0) 211 369003

finnCap Limited (Nominated Adviser and Broker)

Ed Frisby/Kate Bannatyne/Tim Harper (Corporate Finance)
Tim Redfern/Barney Hayward (ECM)

Tel: +44 (0) 20 7220 0500

Autus Securities Limited

Mataka Nkhoma

Tel: +260 (0) 761 002 002

About Zambeef Products Plc

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

It has 236 retail outlets throughout Zambia and West Africa.

The Company is one of the largest suppliers of beef in Zambia. Five beef abattoirs and three feedlots are located throughout Zambia, with a capacity to slaughter 230,000 cattle a year. It is also one of the largest chicken and egg producers in Zambia, with a capacity of 8.8m broilers and 22.4 million day-old chicks a year. It is one of the largest piggeries, pig abattoirs and pork processing plants in Zambia, with a capacity to slaughter 75,000 pigs a year, while its dairy has a capacity of 120,000 litres per day.

The Group is also one of the largest cereal row cropping operations in Zambia, with approximately 7,787 hectares of row crops under irrigation, which are planted twice a year, and a further 8,694 hectares of rainfed/dry-land crops available for planting each year.

By Order of the Board

Mwansa M Mutimushi
COMPANY SECRETARY

LUSAKA, ZAMBIA 21 OCTOBER 2021

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www.autussecurities.com

Autus Securities Limited is a member of the Lusaka Securities Exchange and is regulated by the Securities and Exchange Commission of Zambia.

21 OCTOBER FEBRUARY 2021