

# Results Presentation

for the year ended 30 September 2025



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# Zambeef at a glance



A robust business model of vertical integration

## Cropping

One of the largest row cropping operations in Zambia; Double cropping of irrigated land means Zambeef plants 22,399 ha p.a

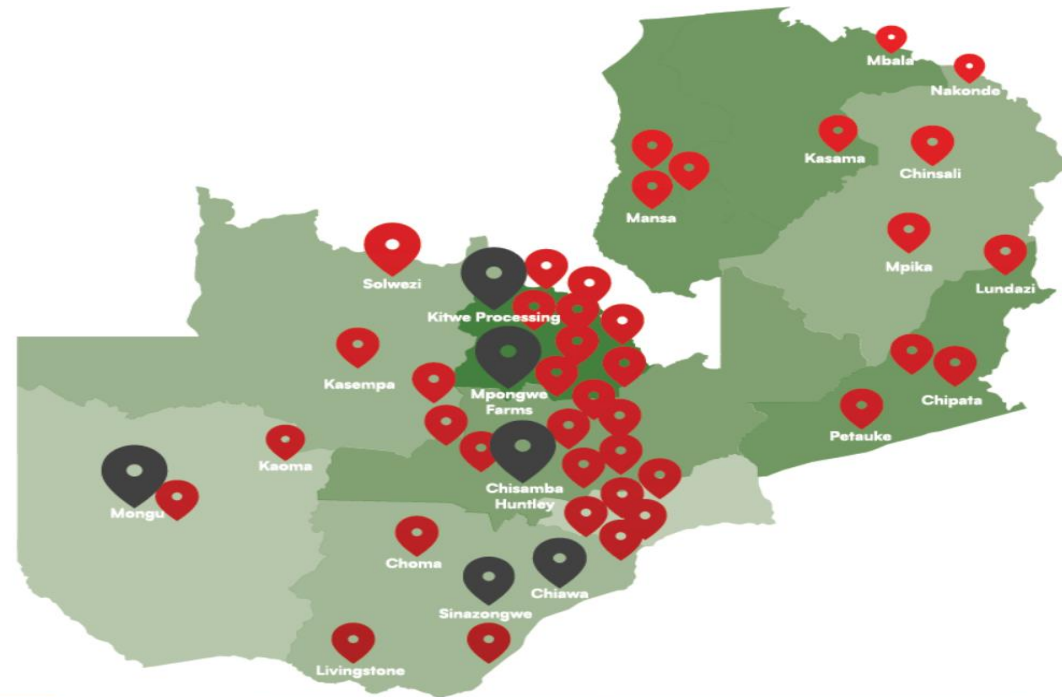
## Stockfeed

The leading stockfeed producer in Zambia, operating two feed mills, in Lusaka and Mpongwe, with a capacity of 360,000 tons p.a

## Cold Chain Food Products

The largest processor of beef In Zambia, One of the largest chicken processors producing fresh and frozen products, One of the largest piggeries and pork processing plants In Zambia

## Zambeef Brands



Zambeef Retail Network	2025	2024	2023
Zambeef Outlets	54	54	59
Zambeef Macros	55	54	50
Novatek	46	46	42
Bakery	3	3	3
Zamshu Outlets	45	45	42
<b>Total Zambeef Outlets</b>	<b>203</b>	<b>202</b>	<b>196</b>
Shoprites	45	42	41
<b>Total Retail Network</b>	<b>248</b>	<b>244</b>	<b>237</b>

# Key Highlights and milestones during the year

<b>Mpongwe Wheat Flour Mill(Oct 24)</b>	<ul style="list-style-type: none"> <li>▪ Established to bridge upstream wheat farming and downstream food processing, strengthening Zambia's food security.</li> <li>▪ Fully integrated into Zambeef's farm-to-table value chain, linking Mpongwe wheat farms, bakeries, and customers nationwide.</li> <li>▪ Reduced logistics and distribution costs by milling wheat at source, lowering reliance on imported flour.</li> </ul>
<b>Cheese Plant Commissioning</b>	<ul style="list-style-type: none"> <li>▪ New cheese plant commissioned at Huntley Farm, Chisamba.</li> <li>▪ Strengthens the local dairy value chain, supports farmers with reliable market access and reduces imports.</li> <li>▪ Enhances product range, consistency and long-term growth potential.</li> </ul>
<b>Environmentally Controlled Broiler Houses</b>	<ul style="list-style-type: none"> <li>▪ Advanced poultry housing delivering higher productivity, improved animal welfare and sustainability.</li> <li>▪ Positions Zambeef as a sector leader in climate-resilient and efficient protein production.</li> </ul>
<b>Operational Excellence and Technology</b>	<ul style="list-style-type: none"> <li>▪ Automated milling operations using PLC systems for consistent quality and throughput.</li> <li>▪ Energy optimization via Variable Frequency Drives (VFDs) and regular energy audits.</li> <li>▪ Real-time SCADA monitoring to minimize downtime and product loss.</li> <li>▪ Advanced quality assurance using Near Infrared (NIR) analyzers, fully compliant with ZABS standards.</li> <li>▪ Waste recovery systems (bran and dust filtration) ensuring maximum by-product utilization.</li> <li>▪ Water conservation initiatives embedded in laboratory and processing design.</li> </ul>
<b>Sustainability &amp; Safety</b>	<ul style="list-style-type: none"> <li>▪ Sustainability framework anchored on Operational Efficiency, Safety, Environmental Stewardship, Social Responsibility and Innovation.</li> <li>▪ Zero Lost-Time Injuries (LTI) recorded since commissioning, supported by robust safety systems and regular drills.</li> <li>▪ Energy-efficient and environmentally responsible operations position Zamflour as a benchmark for sustainable food manufacturing</li> </ul>
<b>Walk a Mile in My Shoes Campaign</b>	<ul style="list-style-type: none"> <li>▪ Over 2,000 pairs of locally manufactured school shoes donated nationwide.</li> <li>▪ Supporting education, dignity and opportunity across all 10 provinces.</li> </ul>
<b>Contribution to Country Food Security</b>	<ul style="list-style-type: none"> <li>▪ Zambeef supplied 26,500 metric tonnes of both Winter and Early-planted maize to the Government through the Food Reserve Agency, accounting for nearly 25% of the total tonnes contracted from commercial farmers.</li> <li>▪ This reinforces our commitment to supporting the broader agricultural value chain, benefiting the livelihoods of small-scale producers by contributing to a more resilient and well-supplied market.</li> </ul>

# Operating Environment – Change to FY

## ECONOMY

<b>11%</b>	<b>ZMW / USD</b>
	Q4-25: 23.4
	Q4-24: 26.2
<b>290 Bps</b>	<b>Inflation</b>
	Q4-25: 12.6%
	Q4-24: 15.5%
<b>7%</b>	<b>Copper (Ton)</b>
	Q4-25: \$9,197
	Q4-24: \$9,812
<b>328%</b>	<b>Electricity Tariffs</b>
	Q4-25: 2.30 Kwh
	Q4-24: 0.70 Kwh
<b>20%</b>	<b>Diesel Pump Price</b>
	Q4-25: 23.76 /Litre
	Q4-24: 29.81 /Litre

## INPUTS

<b>57%</b>	<b>Standard Beef (K)</b>
	Q4-25: 60.86 /Kg
	Q4-24: 38.83 /Kg
<b>9%</b>	<b>Poultry Outgrower (K)</b>
	Q4-25: 40.4 /Kg
	Q4-24: 37.2 /Kg
<b>28%</b>	<b>&gt;70kg Baconer (K)</b>
	Q4-25: 71.0 /Kg
	Q4-24: 55.3 /Kg
<b>6%</b>	<b>Soya Beans(\$)</b>
	Q4-25: 780 /ton
	Q4-24: 833 /ton
<b>5%</b>	<b>Maize Bran (K)</b>
	Q4-25: 4,232 /Ton
	Q4-24: 3,985 /Ton

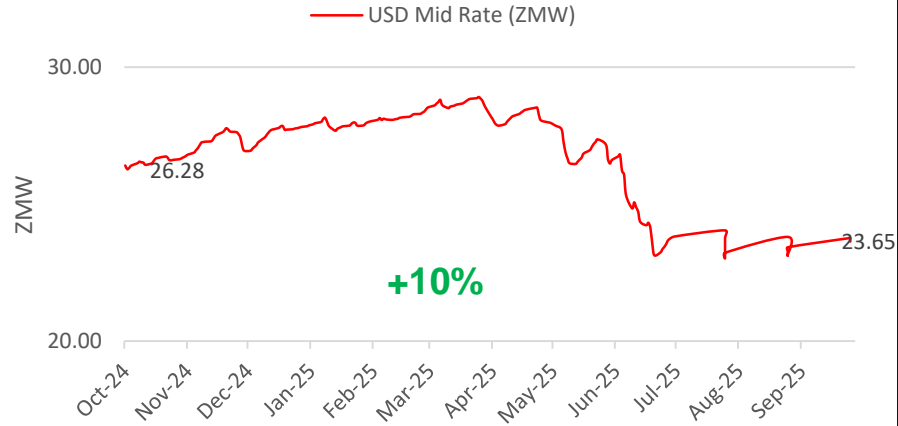
## PRODUCTS

<b>28%</b>	<b>Beef (All)</b>
	Q4-25: K80.7/Kg
	Q4-24: K63.2 /Kg
<b>22%</b>	<b>Whole Chicken (K)</b>
	Q4-25: K61.2 /Kg
	Q4-24: K50.2 /Kg
<b>8%</b>	<b>Hungarian(K)</b>
	Q4-25: 71.85 /Kg
	Q4-24: 66.25 /Kg
<b>6%</b>	<b>Broiler Grower (K)</b>
	Q4-25: 704 /50kg
	Q4-24: 665 /50kg
<b>5%</b>	<b>Day Old Chicks (K)</b>
	Q4-25: 16.3 /LSU
	Q4-24: 15.5 /LSU

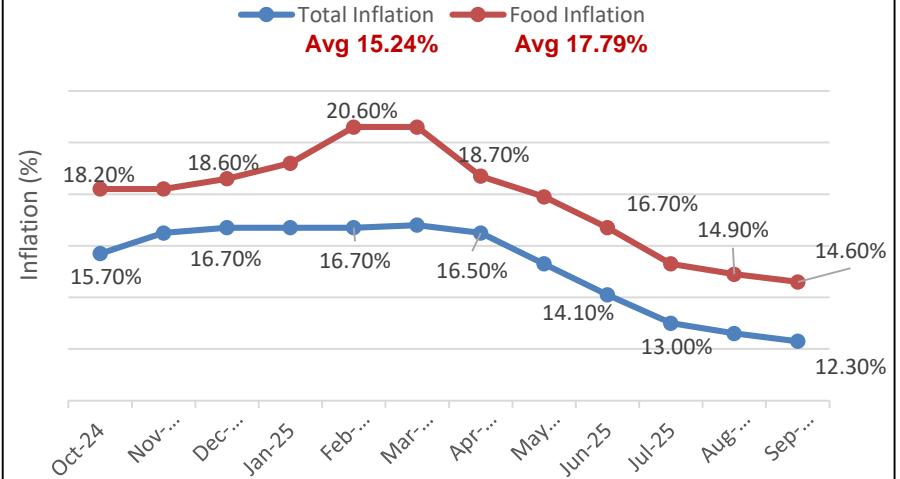
# Macro-Economic Highlights

Fluctuating Currency, Rapid Inflation and Load shedding woes

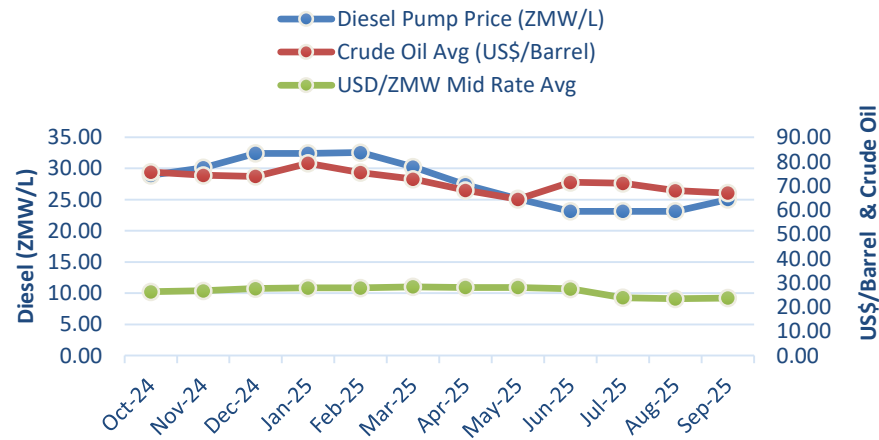
## USD Mid Rate (ZMW)



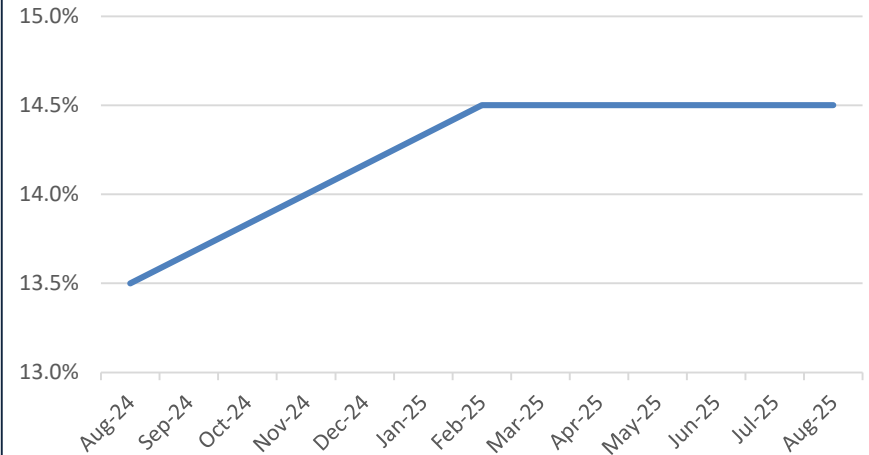
## Total vs Food Inflation (Oct 2024 - Sep 2025)



## Crude Oil / (US \$/ Barrel)



## Monetary Policy Rate

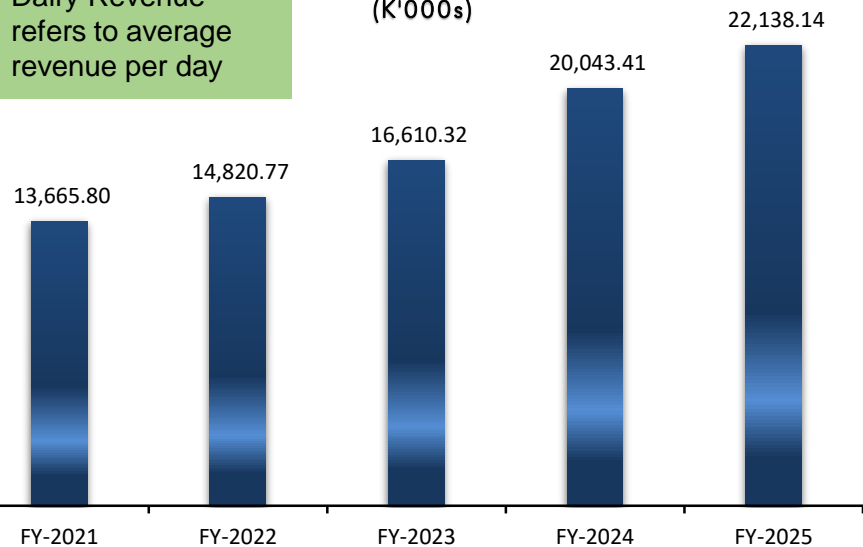


# Key Measures of Performance

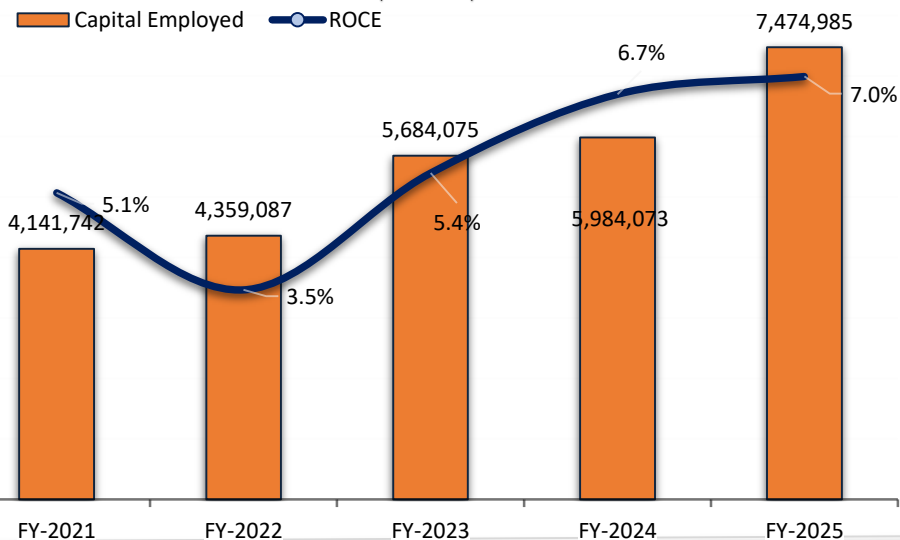
## Sustaining growth metrics and potential

Dairy Revenue refers to average revenue per day

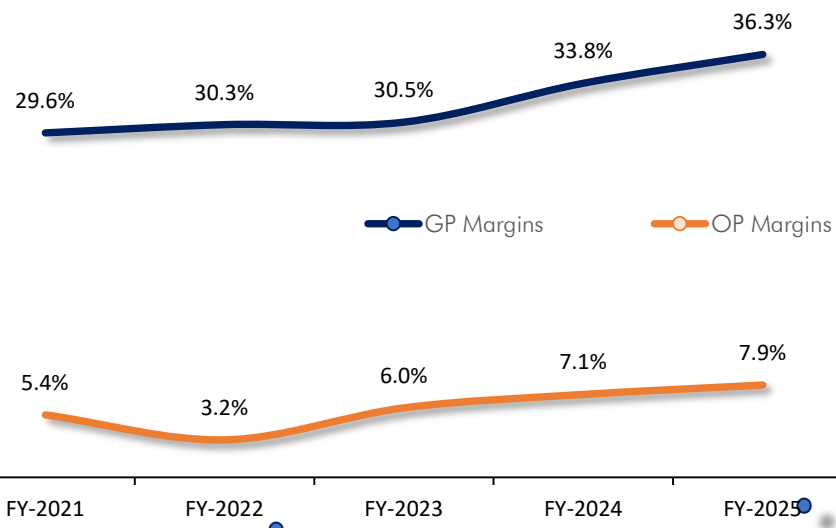
Daily Revenue (K'000s)



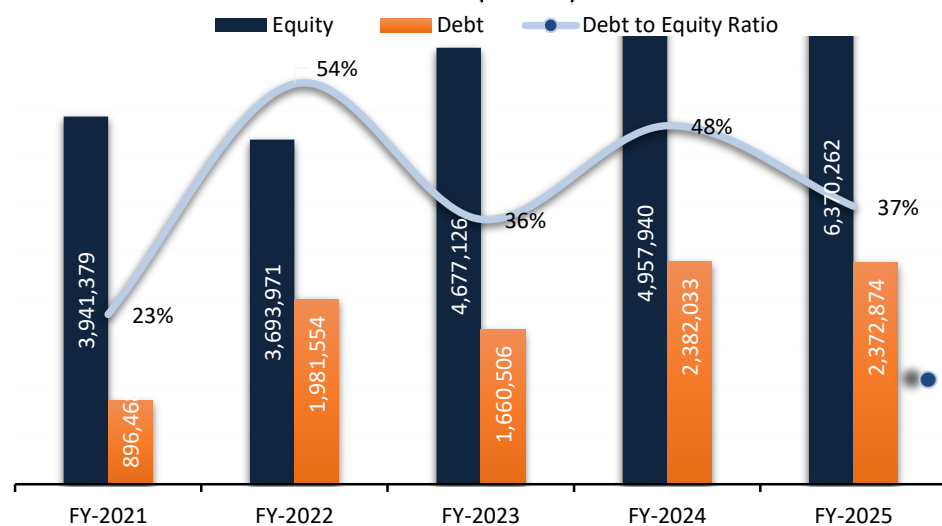
Capital Employed (K'000s)



Margins

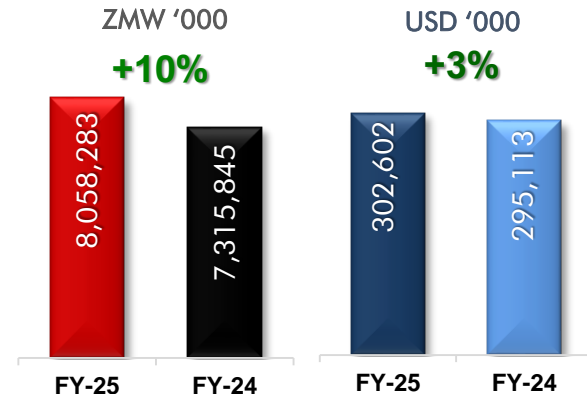


Interest Bearing Debt and Equity (K'000s)



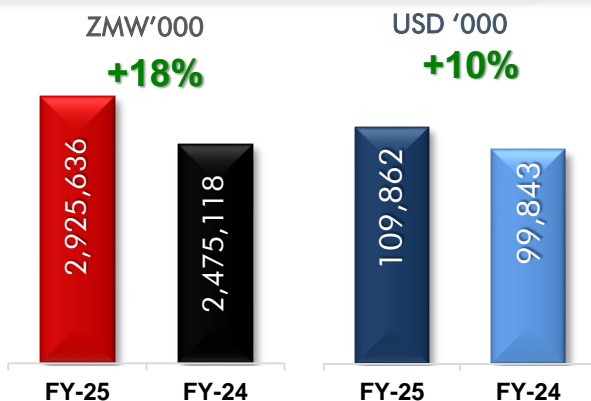
# Financial Highlights

## Resilience during macro-economic headwinds



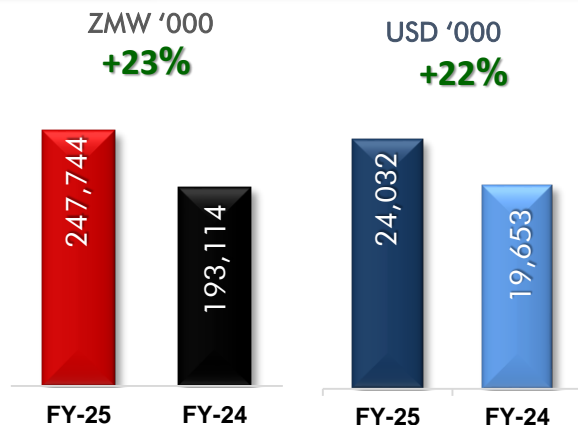
### Revenue

- Revenue grew 10%, driven by both higher volumes and improved pricing across Beef, Dairy, Retail, Cropping, and Stockfeed segments.
- Growth was supported by strong demand, improved supply, operational efficiencies, and favorable market conditions, despite operational and environmental challenges
- (FY - 2025 USD Average – 26.63, FY - 2024 USD Average – 24.79)



### Gross Profit

- Despite the rise in input costs, the overall revenue performance cushioned this impact.
- Key Operational challenges included
  - Higher Energy costs stemming from higher imported power costs, higher genset fuel costs and increased electricity tariffs.
  - Higher Repair and Maintenance costs due to impact of load shedding and aged equipment.



### Operating Profit

- Impact largely driven by savings in manpower costs and impact of a higher Revenue

# Financial Overview – Income Statement

	FY- 2025	FY- 2024		FY- 2025	FY- 2024	
	ZMW'000	ZMW'000	%Δ	USD'000	USD'000	%Δ
<b>Revenue</b>	<b>8,058,283</b>	<b>7,315,845</b>	<b>10%</b>	<b>302,602</b>	<b>295,113</b>	<b>3%</b>
Change in fair value of biological assets	1,102,125	1,005,832	10%	41,387	40,574	2%
Cost of sales	(6,234,772)	(5,846,559)	-7%	(234,126)	(235,844)	1%
<b>Gross profit</b>	<b>2,925,636</b>	<b>2,475,118</b>	<b>18%</b>	<b>109,863</b>	<b>99,843</b>	<b>10%</b>
Administrative expenses	(1,971,054)	(1,675,751)	-18%	(74,016)	(67,598)	-9%
Distribution Expenses	(341,998)	(208,395)	-64%	(12,843)	(8,406)	-53%
Net impairment losses on financial assets	(736)	(1,264)	42%	(28)	(51)	46%
Other net gains	4,759	(96,072)	105%	179	(3,875)	105%
Other income/(expenses)	23,380	27,926	-16%	878	1,127	-22%
<b>Operating profit</b>	<b>639,987</b>	<b>521,562</b>	<b>23%</b>	<b>24,033</b>	<b>21,039</b>	<b>14%</b>
Share of loss equity accounted investment	-	(34,370)	100%	-	(1,386)	100%
Finance costs	(387,004)	(294,531)	-31%	(14,533)	(11,881)	-22%
<b>Profit/(loss) before taxation</b>	<b>252,983</b>	<b>192,661</b>	<b>31%</b>	<b>9,500</b>	<b>7,772</b>	<b>22%</b>
Taxation charge	(27,865)	(12,565)	-122%	(1,046)	(507)	-106%
<b>Total profit/(loss) for the period</b>	<b>225,118</b>	<b>180,096</b>	<b>25%</b>	<b>8,454</b>	<b>7,265</b>	<b>16%</b>

Gross Profit Margin	36%	34%	7%	36%	34%	7%
Cost to Income Ratio	29%	26%	-11%	29%	26%	-11%
Operating Profit Margin	8%	7%	11%	8%	7%	11%

## Comments

- Higher overhead costs due to the impact of high energy costs(Imported Power, Increased tariffs and higher genset fuel costs), repair and maintenance costs
- Finance costs rose by 31.4%, largely due to increased borrowings and the impact of interest rate rises stemming from the Bank of Zambia tightening Monetary Policy.
- Taxation costs saw a sharp increase due to timing differences in how some costs are accounted for tax purposes; these timing differences increased the deferred tax expense.

# Abridged Balance Sheet

	FY-2025 ZMW'000s	FY-2024 ZMW'000s	FY-2025 USD '000s	FY-2024 USD '000s
Non – current assets	7,204,442	5,746,252	301,315	216,514
Current assets	3,039,239	3,066,246	127,112	115,533
<b>Total assets</b>	<b>10,243,681</b>	<b>8,812,498</b>	<b>428,427</b>	<b>332,047</b>
Capital and reserves	6,383,410	4,957,940	266,977	186,810
Non – current liabilities	1,091,575	1,026,133	45,653	38,664
Current liabilities	2,768,696	2,828,425	115,797	106,573
<b>Total equity and liabilities</b>	<b>10,243,681</b>	<b>8,812,498</b>	<b>428,427</b>	<b>332,047</b>
<b>Net Debt</b>	<b>2,372,874</b>	<b>2,382,033</b>	<b>99,242</b>	<b>89,753</b>
<b>Gearing Ratio</b>	<b>37%</b>	<b>48%</b>	<b>37%</b>	<b>48%</b>
<b>Current Ratio</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>	<b>1.1</b>



# Cashflow statement

Cash generated from operations
Interest paid on borrowings
Interest paid on bank overdrafts
Interest paid on leases
Benefits paid
Income tax paid
Net cash inflow/(outflow) from operating activities
<b>Cash flows from investing activities</b>
Purchase of property, plant and equipment
Proceeds from disposal assets
Net cash outflow from investing activities
<b>Cash flows from financing activities</b>
Proceeds from borrowings
Principal repayments of borrowings
Principal elements of lease payments
Net cash (outflow)/inflow from financing activities
<b>Net decrease for the year</b>

2025 K'000	2024 K'000
731,693	556,222
(258,691)	(211,132)
(173,093)	(118,669)
(4,079)	(3,437)
(560)	(2,597)
(26,332)	(49,036)
268,938	171,351
(373,677)	(815,281)
1,943	9,309
(371,734)	(805,972)
1,402,558	1,369,057
(1,404,646)	(739,519)
(11,568)	(7,441)
(13,656)	622,097
(116,452)	(12,524)

2025 \$'000	2024 \$'000
27,476	22,437
(9,714)	(8,517)
(6,500)	(4,787)
(153)	(139)
(21)	(105)
(989)	(1,978)
10,099	6,912
(14,032)	(32,887)
73	376
(13,959)	(32,512)
52,668	55,226
(52,747)	(29,831)
(434)	(300)
(513)	25,095
(4,373)	(505)

# Debt Analysis

	FY-2025 ZMW'000	FY-2024 ZMW'000	%
Borrowings - Short term	1,583,870	1,525,671	3.81%
Finance lease - Short term	11,698	8,578	36.37%
Borrowings - Long term	789,004	856,362	-7.87%
Finance Lease - Long term	15,191	13,350	13.79%
<b>Debt</b>	<b>2,399,763</b>	<b>2,403,961</b>	<b>-0.17%</b>

## Highlights

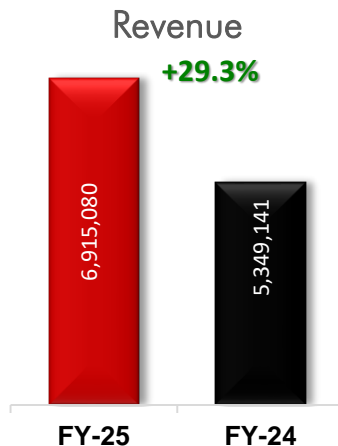
- ❑ Debt levels remained flat in Kwacha terms.
- ❑ The increase in dollar debt levels is primarily due to the translational effects of a lower exchange rate

	FY-2025 USD'000	FY-2024 USD'000	%
Borrowings - Short term	66,243	57,486	15.23%
Finance lease - Short term	489	323	51.39%
Borrowings - Long term	32,999	32,267	2.27%
Finance Lease - Long term	635	503	26.24%
<b>Debt</b>	<b>100,366</b>	<b>90,579</b>	<b>10.80%</b>



# Divisional Highlights (ZMW'000)

## Retailing and Cold Chain Food Products



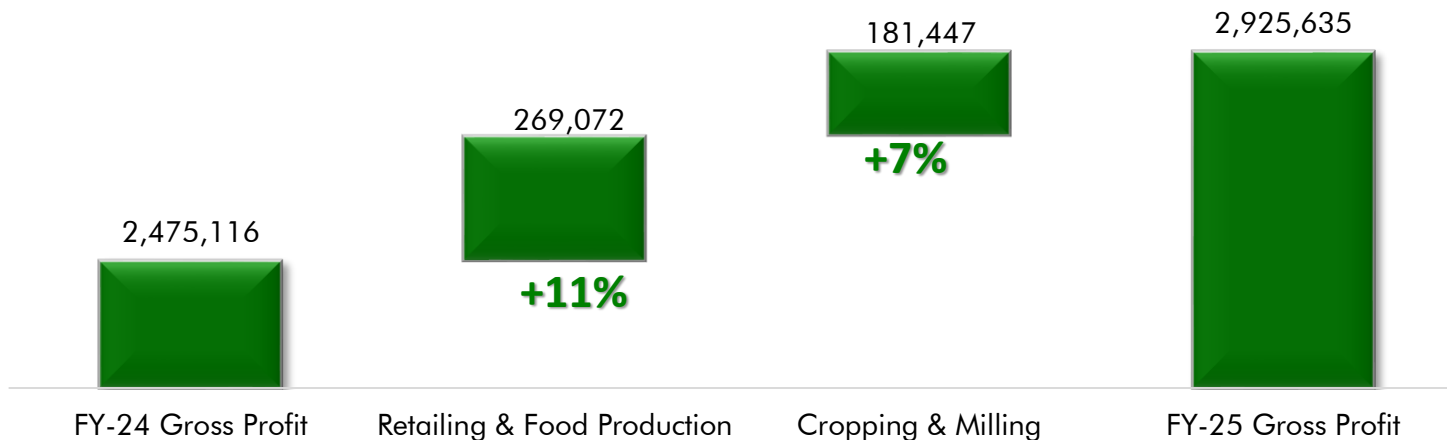
## Cropping & Milling



### Comments

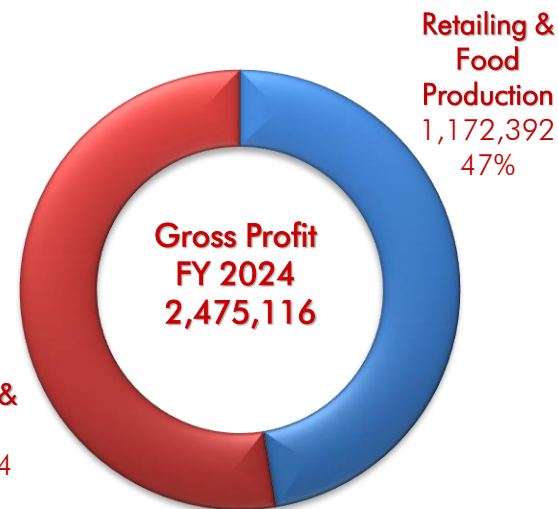
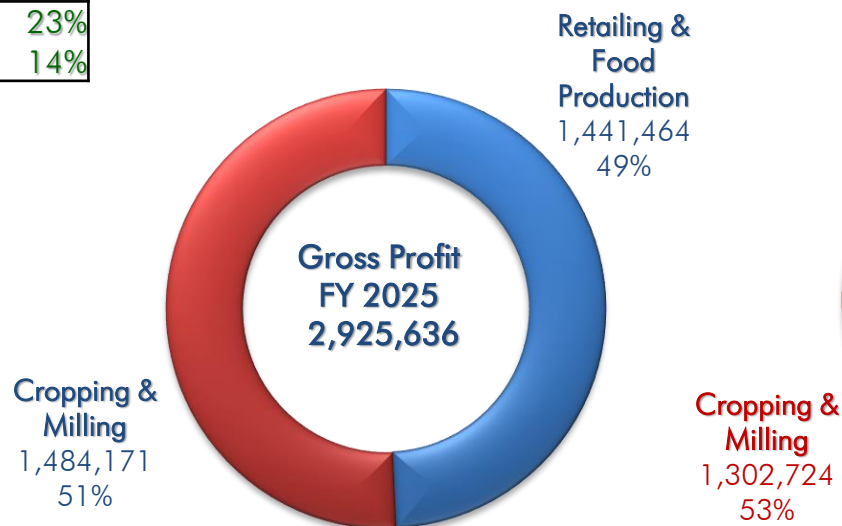
- Retail and Cold Chain Food Products: The division recorded solid profit growth for the year, supported by increased volumes across major categories such as Beef, Dairy and Poultry.
- Cropping division outperformance: Strong pricing, efficiencies, and favourable markets drove results, with resilient yields despite weather, water, and cost challenges.

## Gross Profit Waterfall (ZMW'000)

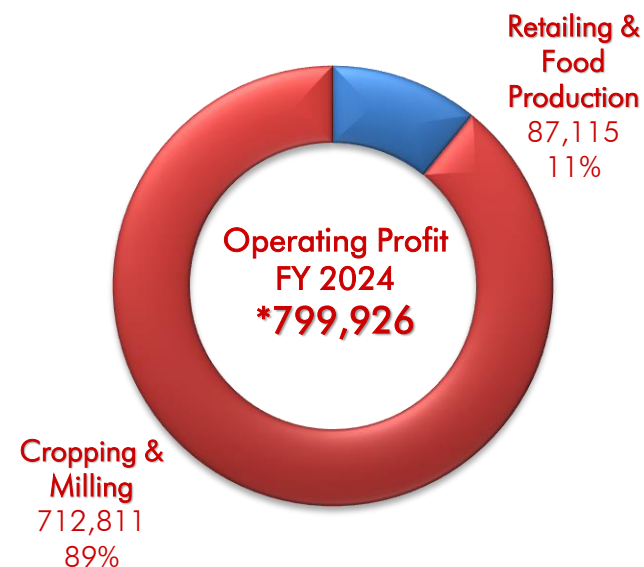
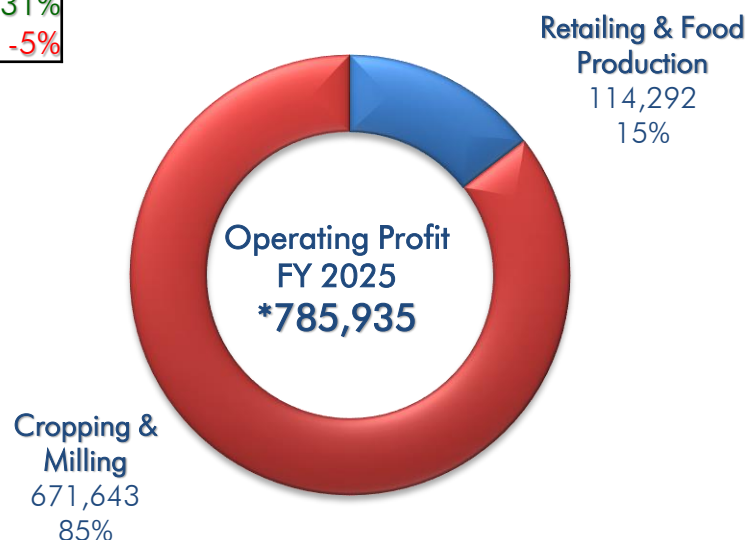


# Group Gross Profit Analysis (ZMW'000)

GP Growth	
Retailing & Food Production	23%
Cropping & Milling	14%



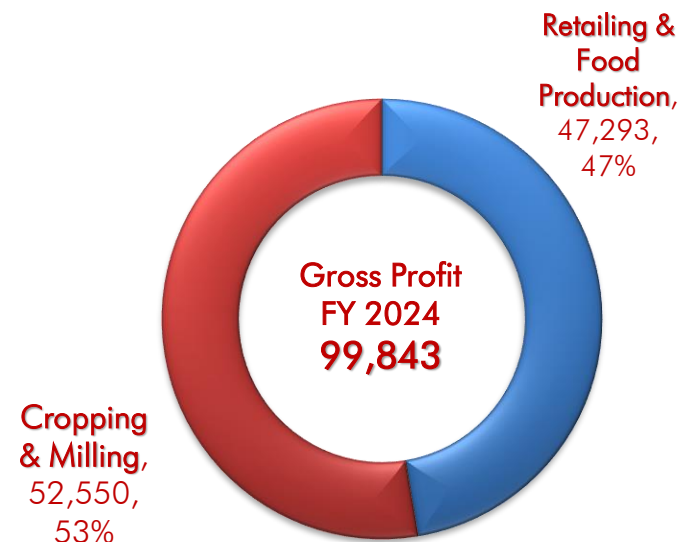
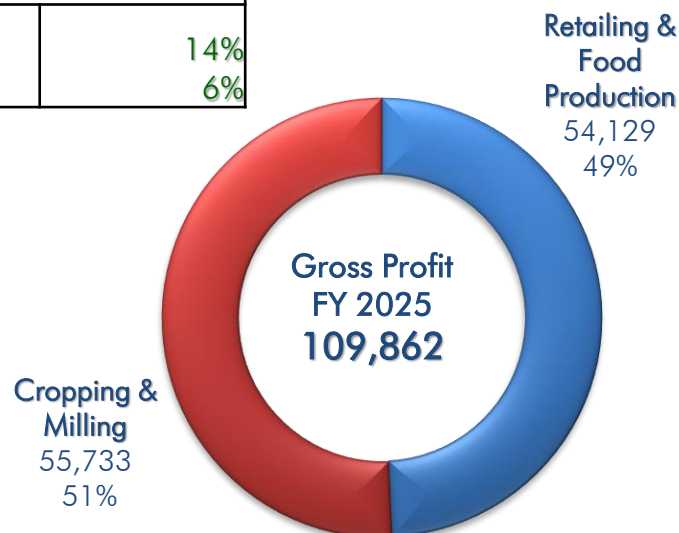
OP Growth	
Retailing & Food Production	31%
Cropping & Milling	-5%



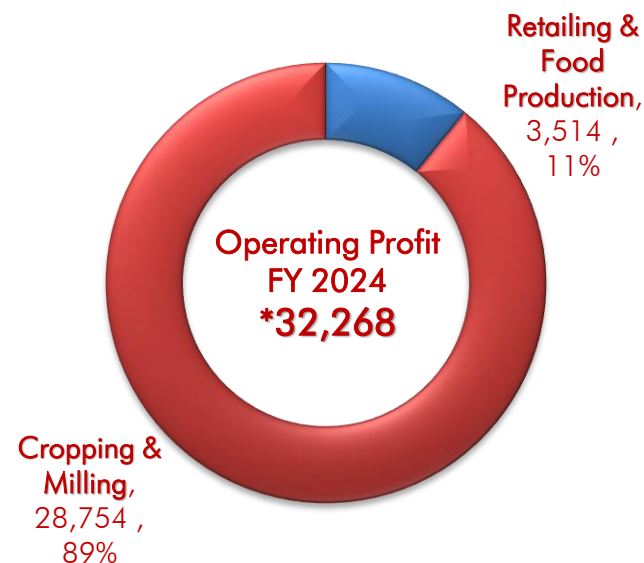
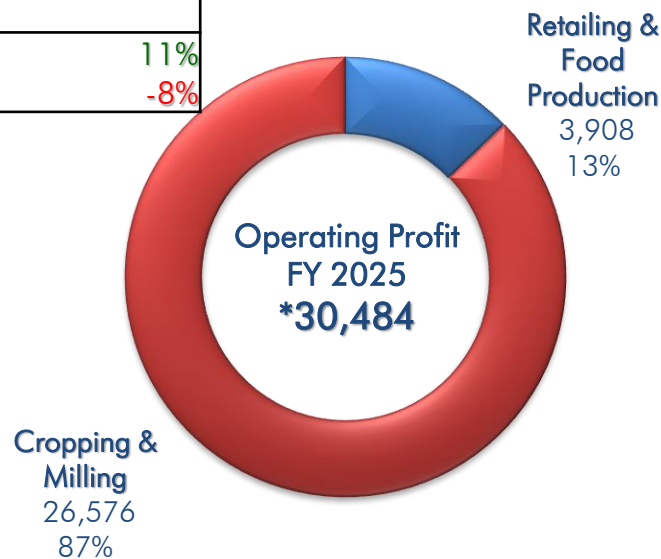
\* Operating profit is the total before Central Overhead and FX loss deductions

# Group Gross Profit Analysis (USD'000)

GP Growth	
Retailing & Cold chain Food Products	14%
Cropping & Milling	6%



OP Growth	
Retailing & Cold Chain Food Products	11%
Cropping & Milling	-8%



\* Operating profit is the total after Central Overheads and FX loss deductions

# Divisional Review - Retailing & Food Production

	FY-25 ZMW'000	FY-24 ZMW'000		FY-25 USD'000	FY-24 USD'000	
Revenue	5,570,332	4,790,959	16.27%	209,175	193,262	8.23%
Gross Profit	1,441,464	1,172,392	22.95%	54,129	47,293	14.46%
Overheads	(1,337,396)	(1,085,276)	-23.23%	(50,221)	(43,779)	-14.72%
Operating Profit	104,068	87,115	19.46%	3,908	3,514	11.21%
GP %	25.9%	24.5%				
Operating Profit %	1.9%	1.8%				
Cost to Income	24.0%	22.7%				

## Highlights

- ❑ Volume growth across all protein categories except pork, despite operating within a competitive and financially constrained environment
- ❑ Effective pricing strategies, new sales channel development, and operational efficiency improvements led to elevated increase in gross profit

## Challenges

- ❑ Energy challenges; Persistent electricity shortages resulted in increased reliance on diesel-powered generators, higher fuel costs, and the use of more expensive imported power
- ❑ Rising input costs, particularly increased feeding costs, exerted pressure on profitability.



# Divisional Review - Cropping & Milling

	FY-25 ZMW'000	FY-24 ZMW'000		FY-25 USD'000	FY-24 USD'000	
Revenue	2,487,951	2,524,886	-1.46%	93,427	101,851	-8.27%
Gross Profit	1,484,171	1,302,724	13.93%	55,733	52,550	6.06%
Overheads	-922,397	-868,278	6.23%	-34,638	-35,025	1.11%
Operating Profit	561,774	434,447	29.31%	21,096	17,525	20.37%
GP %	59.7%	51.6%				
Operating Profit %	22.6%	17.2%				
Cost to Income	37.1%	34.4%				

## Highlights

- ❑ The Stockfeed segment experienced a downward trend in volumes driven by the cost of inputs which impacted selling prices. Additional impact driven by production challenges due to the increased loadshedding and dependance on gensets.

## Challenges

- ❑ Escalating costs of vital inputs and commodities, such as fuel, imported inputs, and grain, resulted in increased production costs.



# Strategic and Operational Highlights

## Focus and strengthen our core business by investing in capacity and grow market share

Our strategic focus remains to optimise our existing asset utilisation, maximise return and drive profitability. We remain committed to our strategy of focussing on our core businesses, in which we strive to be the best in class. The continued investment in key strategic assets and divestiture of non-core assets will enable us to increase cash generation and profitability and therefore continue to deliver shareholder value. I am pleased to report that our \$100 million medium-term expansion plans are proceeding as scheduled. We have maintained our dedication to enhancing capacity and efficiency in Cropping, Milling, Stockfeed, and Poultry

Our strategic focus in optimising costs and rationalising the Group's operations continued throughout the period

## Expansionary activities



## Divestiture of non-core assets to free up resources

- Chiawa farm and other non-core assets remain on the market.

## Strengthen our strategic partnerships

- We refreshed our long-standing relationships.
- Timeous improvement in genetics supply in the breeder farm resulting in production benefits with added long-term strategic synergies.

## Develop a human capital strategy that aligns with business objectives

- We are currently exploring MOU's with learning institutions to ensure a pipeline of effectively trained and skilled potential staff.

## Enhancement of shareholder value

- Cost optimization initiatives have been implemented across the group.

# Expansion Capex Spend FY2022 - FY2025

Division	Description	Spend ZMW	Spend USD
Stockfeed	Novatek Lusaka Efficiency Upgrade	10,207,367	434,163
Beef	Beef processing Upgrade	14,566,335	619,569
Beef	Feedlot upgrade and biosecurity controls	29,387,201	1,249,964
Masterpork	Pork Processing Upgrade	30,705,719	1,306,047
Dairy	Cheese Plant	53,494,981	2,275,372
Dairy	Kalundu Dairy Housing and Biosecurity Controls	54,468,312	2,316,772
Stockfeed	Novatek Mpongwe Pellet Line	65,743,748	2,796,365
Retail	Retail Expansion and Refurbishment	71,461,840	3,039,580
Logistics	Logistics/Fleet	187,767,124	8,076,012
Zamhatch	Hatchery Expansion	213,082,701	9,063,325
Zamchick	Poultry Housing and Processing Upgrades	219,485,181	9,335,650
Milling	Mpongwe Flour Mill	291,983,135	12,419,301
Cropping	Chambatata Dry Land Conversion	297,302,971	12,645,576
	<b>Total</b>	<b>1,539,656,614</b>	<b>65,577,697</b>



In 2016 British International Investment plc ("BII"), formally CDC Group Plc, acquired **52.6 million** ordinary shares and **100,057,658** convertible redeemable preference shares ("Preference Shares") in Zambeef Products plc. The details of the transaction are as set out in the Company's announcement of 4 August 2016, and in the Investment Agreement which can be found on the Company's website.

The 16th of September 2024 was the eighth anniversary of BII's investment in the Company. After this date BII's conversion rights on their Preference Shares increased from a **one-for-one** new ordinary share, to a **one for 3.0833** (recurring) new ordinary shares. A conversion of BII's preference shares into ordinary shares may have a material effect on the price of the Company's securities.