

**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](mailto: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.

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Issued on 16 June 2022



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## NOTICE OF USD100M EXPANSION PROGRAM

Zambeef (AIM: ZAM), the fully integrated cold chain foods and retail business with operations in Zambia, Nigeria and Ghana, is pleased to announce that the Board has agreed on a USD100m expansion strategy across its core operating divisions over the next three to five years. Funding is expected to come from cashflow generated from operations, subject to future financial performance over the investment period, together with new debt facilities to be agreed in due course.

This investment strategy is expected to increase Zambeef's various value chain capacities, and deliver developmental impact to the Zambian economy through job creation, increased tax revenue and supporting ancillary businesses such as small-scale farmers and small to medium-sized businesses.

The strategy is expected to double the Zambeef Mpongwe Farm row cropping capacity, and also to deliver significantly improved production efficiency and capacity through the downstream food value chains. This investment is proof of the Company's commitment and belief in the country's ambition of becoming the regional food basket. The investment strategy could not have come at a better time, as the world is grappling with significant food price inflation and the risk of an imminent food crisis. The first crop from the expanded cropping operations is expected to be planted in the winter of 2023 with capacity upgrades to milling and processing facilities being run in parallel.

This announced investment will also see the strengthening of the Company's environmental and sustainability agenda through upgrading and optimisation of existing facilities. This will see the improvement in the Company's carbon footprint and livestock health and welfare.

First investment under the new strategy is intended to commence imminently, with up to USD10m of spending in the remainder of the current financial year to 30 September 2022, funded from FY22 cashflow.

**The Chairman of the Board, Mr Michael Mundashi SC, commented:** "I am excited to be announcing an investment strategy of this magnitude, doubling the cropping capacity at a time when Zambia, Africa and the world need investments of this nature. The intended investment over the coming years entrenches our position as the number one vertically integrated cold chain food products and agribusiness company in Zambia and the region."

"The last two decades have seen the Group significantly grow in the scale of our operations and I am excited at the next phase of growth. The management team is elated, and I am confident in their capacity to deliver the projects quickly and effectively."

At this time there is no certainty in relation to the availability of debt funding for this investment strategy, and the Company will make further announcements in relation to funding and execution of the investment strategy in due course.

**For further information, please visit [www.zambeefplc.com](http://www.zambeefplc.com) or contact:**

**Zambeef Products plc**

Tel: +260 (0) 211 369003

Walter Roodt, Chief Executive Office

Faith Mukutu, Chief Financial Officer

Tel: +44 (0) 20 7220 0500

**finnCap (Nominated Adviser and Broker)**

Ed Frisby/Tim Harper (Corporate Finance)

Tim Redfern/Barney Hayward (ECM)

**Autus Securities Limited**

Tel: +260 (0) 761 002 002

Mataka Nkhoma

**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 chickens 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.

More information is available at [www.zambeefplc.com](http://www.zambeefplc.com)

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