

**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**

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**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 30 November 2022**



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Company registration number: 31824  
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ISIN: ZM0000000201

## TRADING STATEMENT

In accordance with the Lusaka Securities Exchange (“LuSE”) Listings Requirements, the Board of Directors of Zambeef Products Plc (the “Company” or the “Group”) hereby advises the Shareholders of the Company that the Total Basic Earnings per Share for the Financial year ended 30 September 2022 is expected to be 83% lower (In Kwacha terms) than that of the financial year ended 30 September 2021.

The Group stated on 10 November 2022, that for the year ended 30 September 2022 (“FY22”) (all in USD), revenue, adjusted\* EBITDA, and reported profit before tax were expected to be in line with current market expectations. Adjusted\* profit before tax was expected to be c.10% ahead of then current market expectations. The Group is pleased to confirm no change to expectations in relation to revenue, adjusted\* EBITDA and adjusted\* profit before tax. However, reported profit before tax is now expected to be affected by an impairment loss.

As part of the ongoing year end audit work, following a cash-generating unit impairment review, goodwill on Zamchick Limited (“Zamchick”) is now expected to be impaired in full in the Company’s FY22 full year results. The impairment loss is expected to be K142 million (USD8.3 million) (2021: nil). Zamchick was profitable and cash generative in FY22 and is expected to remain so in FY23. Whilst Zamchick is expected to remain profitable in future, the expected impairment reflects a reduction in the Board’s expectations of Zamchick’s future economic performance, and further details of the impairment review would be provided in the Company’s Annual Report.

As previously announced in the Company’s Full-Year Trading Update on 10 November 2022, the year ended 30 September 2022 saw macroeconomic fundamentals stabilise. The exchange rate remained largely stable and the inflation rate steadily reduced. However, constrained consumer spending negatively impacted volume growth in our Retail and Cold Chain Food Products, particularly in the first half of the financial year. The period saw an escalation in key input prices such as fuel, chemicals, and fertiliser which impacted margins. In addition, the Group saw outbreaks of contagious bovine pleuropneumonia and African swine fever, both of which were successfully managed, in line with government guidelines. Despite these headwinds, performance in Cropping, Milling, and Stockfeed enabled the Group to achieve adjusted\* EBITDA in line with market expectations owing to high grain prices, market share gains, and cost containment.

Shareholders are advised that the information contained in this Trading Statement has not been reviewed nor reported on by the external auditors.

\* Adjusted to exclude loss of approximately USD1.4m on disposal of fixed assets, and goodwill impairment loss of USD8.3m, in FY22.

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

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**By order of the Board**

Mwansa M Mutimushi  
**Company Secretary**

**Issued in Lusaka, Zambia on 30 November 2021**

**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, 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 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.

**SPONSORING BROKER**



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

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**First Issued on 30 November 2022**