



ARISTON

HOLDINGS LIMITED

(A public company incorporated in the Republic of Zimbabwe under company registration number 254B 104/1947)

AHL 1913

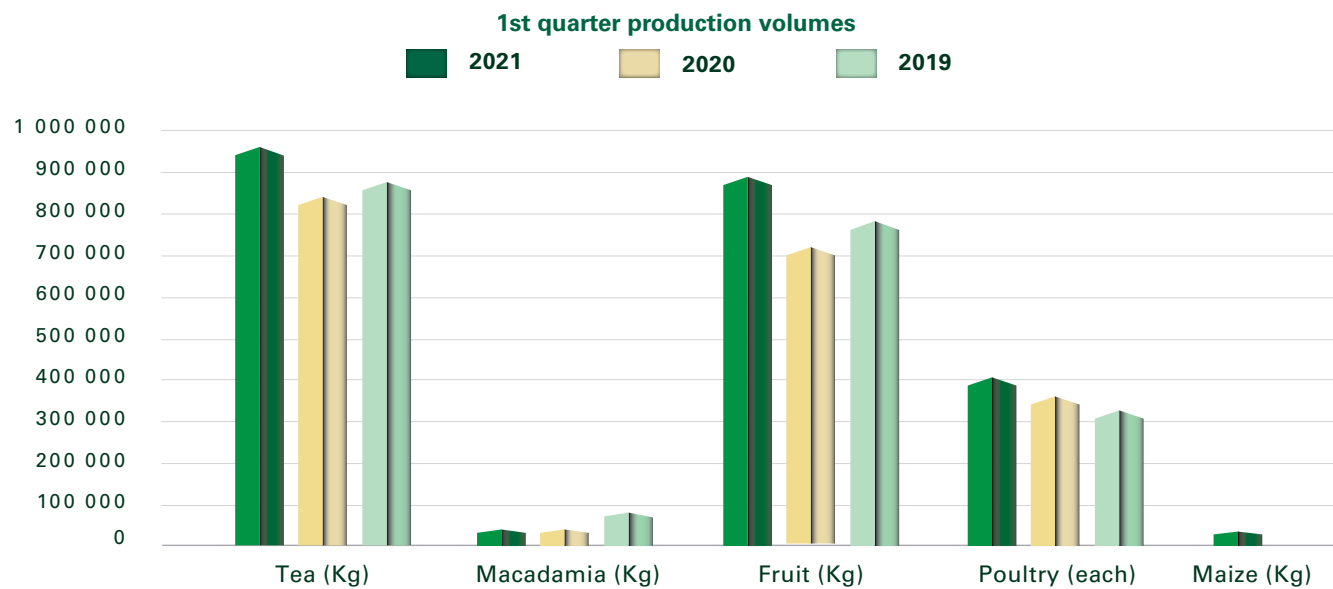
TRADING UPDATE FOR THE 1ST QUARTER ENDED 31 DECEMBER 2020

ECONOMIC ENVIRONMENT

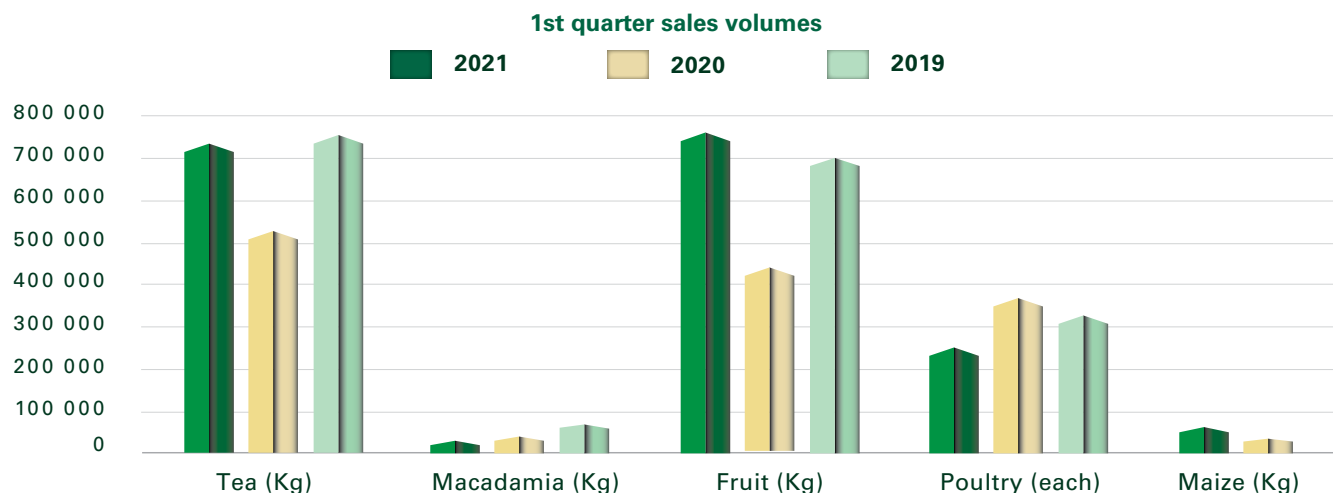
The operating environment continues to be adversely affected by local currency inflationary pressures, the decline in disposable income and the disruption in both domestic and international travel as a result of lockdown in response to the COVID-19 pandemic.

BUSINESS PERFORMANCE

Volume performance



- Tea production volumes increased from 821 tonnes to 941 tonnes due to more favourable weather patterns compared to prior years.
- The harvesting of mature macadamia begins in March. The lower production that was obtained in the first quarter is a good indicator allowing greater production at maturity.
- The fruit category comprises of stone fruit and bananas. The wetter season experienced in 2021 than in prior year has resulted in a 65% increase in banana production.
- Poultry is grown on an out-grower model for the largest poultry producer in Zimbabwe. There has been an increase in poultry production in the first quarter.
- Maize relates to Commercial Maize and Seed Maize. There was no maize production in comparative periods. In 2021, the favourable weather patterns allowed for the production of 32 tonnes of Commercial Maize in the first quarter.



- The Group closed the 4th quarter of 2020 with substantial tea stocks. In the 1st quarter of 2021 demand for export tea improved resulting in the Group's stockholdings being depleted. There was marginal improvement in selling prices. Local tea sales also increased compared to prior year.
- Sales of macadamia, fruit, poultry and maize are in line with both the prior period and the production volumes.

FINANCIAL PERFORMANCE

The Group's revenue remains predominantly foreign currency denominated. Revenue for the 3 months ended 31 December 2020 increased by 98% in inflation adjusted terms, owing to the sharp increase in sales of tea, fruit and maize.

IMPACT OF COVID-19 PANDEMIC ON THE GROUP

The lockdown measures introduced by Government in January 2021 have had a very negative impact on sale of fresh fruit. Accordingly, a disproportionately larger volume of stone fruit has had to be sent to processors at reduced selling prices.

All the Estates are operational during the lockdown period as they are classified as essential services. Harvesting and production is progressing well, with volumes predicted to be ahead of prior year. Measures implemented to protect staff have continued to be strictly monitored and adhered to.

OUTLOOK

Normal to above normal rainfall is predicted for the rest of the year. Cost containment continues to be an area of key focus. The impact of the COVID-19 pandemic is expected to continue having minimal effect on the Group's performance. The Board and management therefore believe that the Group's financial results for the year ending 30 September 2021 will be more favourable than those achieved for the year ended 30 September 2020.

By Order of the Board

R.A. Chinamo
Company Secretary

30 January 2020



YOUR WELL-BEING AND SAFETY SHOULD BE YOUR MAIN PRIORITY.
Stay healthy and protected from COVID-19



SOCIAL DISTANCING



WASH HANDS



COVER A COUGH OR SNEEZE



STAY AT HOME

DIRECTORS: Mr. A.C. Jongwe (Chairman), Mr. P.T. Spear* (Chief Executive Officer), Mr. I. Chagonda, Mr. C.P. Conradie, Mrs.T.C. Mazingi, Mr. J.W. Riekert. * Executive