



TRADING UPDATE - QUARTER 3 2021

Overview Financial Performance

Despite a challenging trading environment, the Group has managed to maintain its course and was able to exceed budget both in revenue and volumes during Q3- 2021.

Total tonnage volumes are up 3.8% on budget and 28% on prior year with historical Zimbabwean dollar (ZW\$) Sales up 47% on prior year and 5% ahead of budget.

Despite an increase in historical ZW\$ sales, United States Dollar (USD) inflation has been on the increase resulting in reduced margins. However, the Company remains profitable as profit margins are above industry norms.

Fuel availability challenges

Fuel is the most critical requirement for Unifreight's core operation which involves delivering customers' freight parcels countrywide within 48 hours. Its promise to customers is premised on availability of fuel on a consistent basis without vehicles spending productive time in fuel queues. The availability of fuel priced in ZW\$ has diminished and has become a scarce commodity with most suppliers selling their product in USD. The company continues to engage various stakeholders in an effort to find a lasting solution to this challenge.

Outlook

The Group's Key Performance Indicators are moving in the appropriate direction through improving yields and improved fuel consumption levels attributed to investment in new fleet. Careful management of labour cost per tonne and overall improvement in cost controls gives the Board confidence that the business is on a sustainable trajectory. The Board, Executive and Management are focusing on what can be controlled and continue to search for pockets of opportunity that have been created whilst being extremely cognisant of protecting Shareholder Value.

Appreciation

The Board is grateful that Unifreight's robust yet flexible business model with a diverse Customer base has kept the Group going through very difficult times.

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read "Moreblessing T Mukamba", is written over a light grey rectangular background.

Moreblessing T Mukamba
COMPANY SECRETARY

26th November 2021

