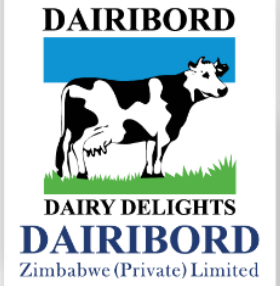




Dairibord Holdings

More Than Just Milk



AGM TRADE UPDATE

July 2025

OPERATING ENVIRONMENT



OPERATING ENVIRONMENT

OVERVIEW

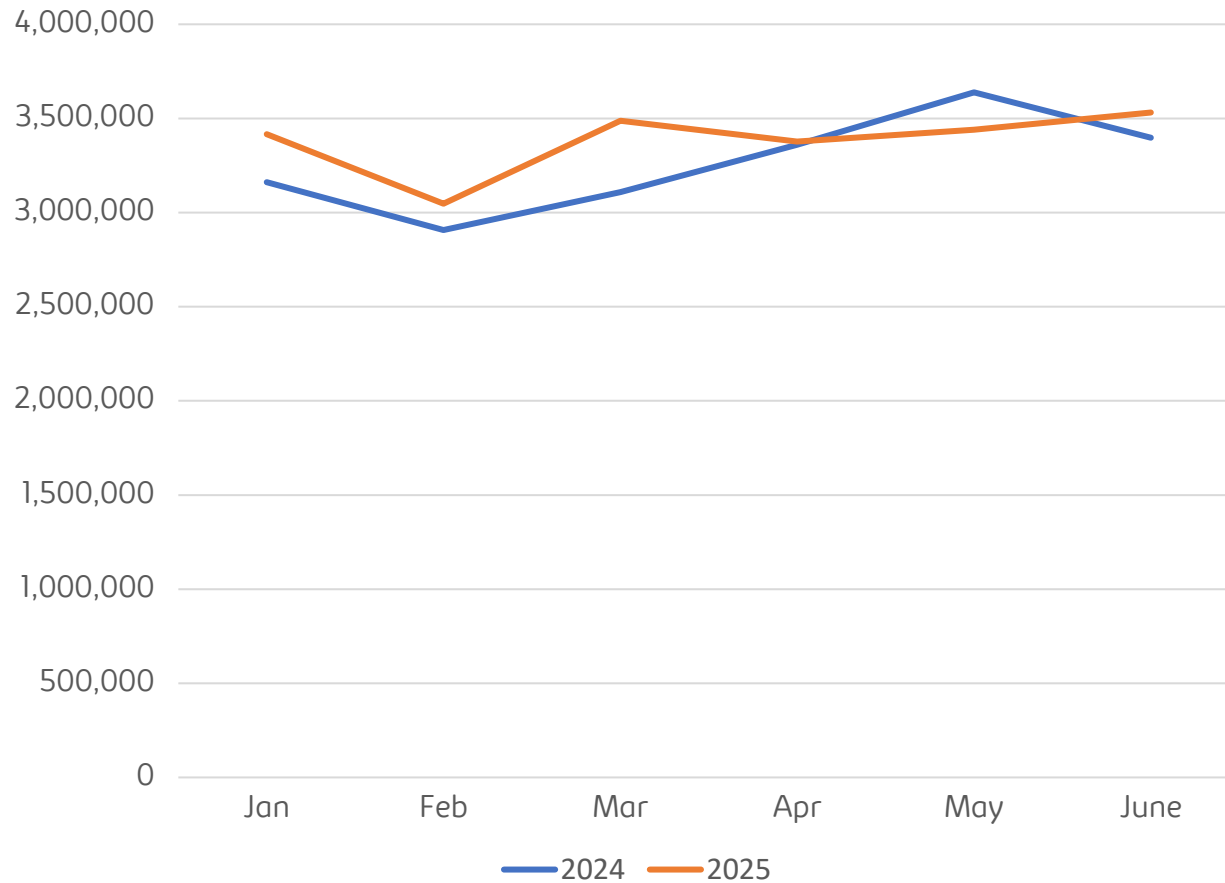
The operating environment was characterised by:

- Tight liquidity;
 - Limited access to long- term financing for CAPEX and high cost of borrowing;
 - High cost of doing business;
 - High cost of compliance; and
 - Increased competition.
-
- The liberalization of the exchange rate through the promulgation of Statutory Instrument 34 of 2025.
 - Relative currency stability prevailed, boosting market confidence.

[illegible]

H1 PERFORMANCE SUMMARY

Dairibord Milk Intake H1 2024 vs H1 2025



- National raw milk production stood at 57.2 million litres, a **3.9%** growth over the same period last year (Dairy Services Unit in the Ministry of Lands, Agriculture, Fisheries, Water and Rural Development).
- Raw milk intake sustained its growth trajectory. Dairibord's total raw milk intake rose to 20.8 million litres, representing a **4.1%** increase over the corresponding period last year. This performance reinforces the company's market leadership, with a 36.3% market share.
- The ongoing efforts of the Milk Supply Development Unit are yielding positive results, as evidenced by the sustained growth in raw milk intake.

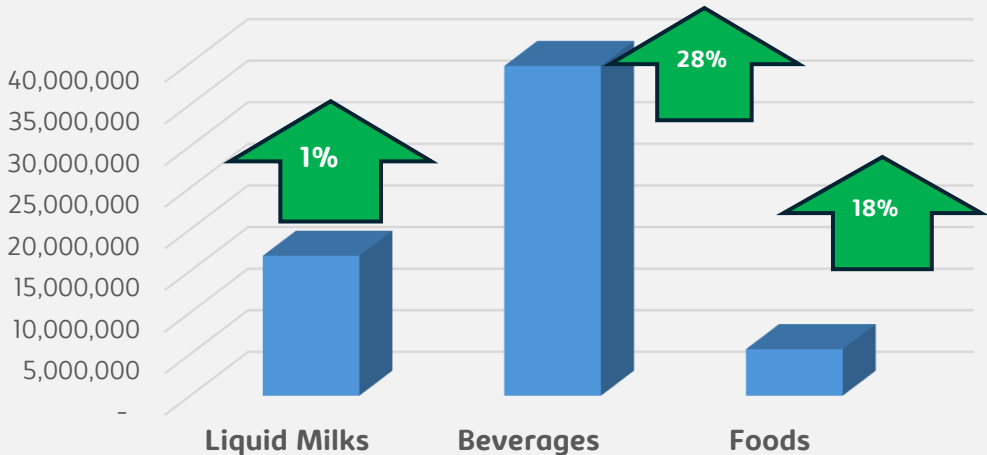
H1 PERFORMANCE SUMMARY continued

Sales Volume

- Sales volume was **18%** ahead of prior year, driven by growth across all categories.
- Beverages grew by **28%**, as the portfolio maintains its positive volume trajectory, driven by Pfuko, Natural Joy and Cascade.
- Foods grew by **18%**, a result of strong performances from Yummy yoghurt and Rabroy tomato sauce.
- Liquid Milks experienced a modest volume growth of **1%**. Lacto demonstrated a significant increase of **23%**, while UHT and Steri milk recorded declines of **7%** and **9%**, respectively.
- Exports accounted for **8%** of total sales compared to 9%. This was due to prioritization of the domestic market.





Volume growth in litres



Volume Contribution

PORTFOLIO	CONTRIBUTION H1 2025	CONTRIBUTION H1 2024
Liquid Milks	27%	32%
Beverages	64%	59%
Foods	9%	9%

H1 PERFORMANCE SUMMARY continued

Revenue	<ul style="list-style-type: none">18% increase in revenue compared to same period last year, directly driven by the growth in sales volume.	
Profitability	<ul style="list-style-type: none">While overall margins remained under pressure due to high cost of doing business, the Profit Before Tax (PBT) margin marginally improved to 3%.	

Revenue Contribution

PORTFOLIO	CONTRIBUTION H1 2025	CONTRIBUTION H1 2024
Liquid Milks	30%	34%
Beverages	53%	48%
Foods	17%	18%

OUTLOOK



The business is still well-positioned for growth with the volume trajectory supported by:

- Capacity enhancement, ongoing investments in technology (2025 capital expenditure projects progressing as planned with commissioning of new equipment by Q4), and continuous product innovations;
- Cost optimization and working capital management;
- Exports growth;
- Digital transformation to enhance efficiency across the value chain, primarily through the implementation of a new Enterprise Resource Planning (ERP) system. This will manage and integrate the essential functions of the business, and provide a platform for the adoption of Artificial Intelligence (AI); and
- Leveraging on strong brand equity.

Thank You