



TRADING UPDATE FOR THE THIRD QUARTER ENDED 30 JUNE 2025

The Company is pleased to present its trading update for the third quarter ended 30 June 2025.

TRADING ENVIRONMENT

The operating environment during the quarter ended 30 June 2025 was generally stable, reflecting the Monetary Authorities' focus on maintaining price and currency stability while supporting economic growth. The agricultural sector witnessed a recovery following a normal to above average 2024/2025 rainfall season. The tobacco marketing season particularly reported a record all-time high, with three hundred million kgs sold, boosting demand of agro-inputs.

Notwithstanding the economic positives, major businesses continued to grapple with the growing influence of informal retailers, who operate outside the compliance with statutory obligation, lowering their costs of doing business. These largely unregulated competitors created additional pressure on margins and customer retention. Management is hopeful the Authorities will continue to intervene in this matter to promote fair competition in the operating environment.

OVERVIEW OF BUSINESS PERFORMANCE

Farm & City Centre (FCC)

FCC sales volumes increased by 9% against comparative period prior year on the back of the agro sectors' rebound following prior year's drought. Notwithstanding increased competition, the entity continued to enjoy the fruits of mutually beneficial relations with its suppliers for key revenue drivers, which has continued to guarantee the business' stability. The entity continues to implement enhanced product diversification strategies.

Agrifoods

Agrifoods' sales volumes increased by 13.9% during the quarter against comparative prior year period. This was driven by improved aggregate demand for its products. Management remains focused on growing Agrifoods' market share notwithstanding increased competition in the feed sector. The business remains responsive to evolving market dynamics and customer needs, with focused engagement and adaptive strategies deployed across operations.

Victoria Foods

During the quarter, Victoria Foods' sales volumes declined by 3% compared to same period prior year. This was influenced by grain shortages caused by the grain shortages from prior year's drought and the late start of the maize harvest. Going into the last quarter of the year, performance is set to improve on the back of improved grain supply and Management's overall turnaround strategies.

Glenara Estates

Glenara Estates successfully commenced its summer crop harvest during the period under review. The Estate also successfully maintained its potato production, achieving improved selling prices 7.4% higher against comparative period prior year due to higher aggregate demand. The Estate's cattle breeding and pen fattening activities also continued during the period under joint operations with reasonable success.

FINANCIAL PERFORMANCE

Overall, the Group's inflation-adjusted revenues for the quarter improved by 9.9% to ZWG 675 million from ZWG 614.15 million achieved in the comparative prior year period.

OUTLOOK

Going forward, the Group anticipates the FY2025 economic outturn to remain challenging, influenced by liquidity constraints and reduced aggregate demand. Ongoing cost containment measures will continue to be implemented.

P. Hare
COMPANY SECRETARY
BY ORDER OF THE BOARD
28 July 2025

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