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(Incorporated in Zimbabwe under Company Registration Number 742/1930) ZSE Code: TANG.zw ISIN ZW 000 901 2411

TRADING UPDATE

FOR THE THIRD QUARTER ENDED 30 JUNE 2025

OPERATING ENVIRONMENT OVERVIEW

The operating environment for the period under review was relatively stable, primarily due to the sustained stability of the local currency exchange rate. The tight liquidity in the market resulted in low aggregate demand especially in the formal retail sector. Intermittent power outages persisted during the quarter, adversely affecting the efficiency of business operations.

BUSINESS PERFORMANCE

Bulk tea production of 6 826 tonnes was 6% below prior year of 7 293 tonnes. The shortfall relative to the previous year was attributable to the late onset of rainfall in the early part of the financial year. The deficit was reduced in the second quarter and has been maintained to date. Bulk tea export volumes declined by 19% to 3 646 tonnes from 4 504 tonnes achieved in the previous year.

Packed tea and coffee sales volumes of 1 200 tonnes were 8% below 1 310 tonnes achieved in the previous year. The sales volumes in the third quarter improved by 11% compared to the prior year reflecting the easing of pricing distortions caused by exchange rate disparities. The adjustments in exchange control policies led to a corresponding increase in trade volumes.

Harvesting of avocados commenced in earnest at the beginning of the third quarter and was completed in July 2025. Production volumes declined by 47% to 2 121 tonnes from 3 976 tonnes in the previous year due to the impact of a hailstorm which affected fruit in November 2024 compounded with the biennial bearing phenomenon. The fruit affected by the hailstorm was channelled to the newly established avocado oil processing factory at Tingamira Estate, which is a joint venture with Trade Link Global BV of Netherlands. Exports of the avocado oil to established markets are currently underway. Revenues from the export of avocado fruit will be recognized in the final quarter of the financial year.

Macadamia nuts harvest and processing was completed in the fourth quarter. Volumes harvested to June 2025 declined by 43% to 849 tonnes from prior year volume of 1 487 tonnes due to extreme hot conditions that prevailed during the nut set period. Exports of 520 tonnes were 5% ahead of 494 tonnes in prior year.

FINANCIAL PERFORMANCE

Revenue for the quarter under review of USD5.6million was 65% higher than prior year of USD3.4 million, while revenue for the nine months ended 30 June 2025 of USD13.7 million registered a 6% decline against USD14.5 million achieved prior year. The Company recorded a loss after tax to 30 June 2025 of USD774 762 from a profit after tax of USD1.2m achieved same period in the previous year.

OUTLOOK

The Company has benefitted from the liberalization of the exchange rate for pricing purposes. While short term inflationary dynamics are easing, the monetary authorities projection of achieving sub-30% inflation by the end of the year depends largely on the maintenance of exchange rate stability, increased policy coordination, and a reduction in external costs.

The Company is actively pursuing capital raising initiatives through a Rights offer to raise USD8 million. Shareholders and the investing public will receive ongoing updates on progress.

By order of the Board

Sharon N Kodzanai
Company Secretary
15 September 2025