

SENS ANNOUNCEMENT
(the “Announcement”)

ISSUER



Zambeef Products Plc.

Incorporated in the Republic of Zambia]

Company Registration Number: 31824

SHARE CODE: ZAMBEEF

ISIN: ZM0000000201

BROKER



Pangaea Securities Limited

[a member of the Lusaka Securities Exchange]

Regulated and Licensed by the Securities and Exchange Commission Zambia

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AUTHORISATION

Approval for this Announcement has been granted by:

- The Lusaka Securities Exchange
- The Securities and Exchange Commission Zambia
- Zambeef Products Plc.

DISCLAIMER AND RISK WARNING

The announcement contained herein contains information that may be of a price sensitive nature.

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ISSUE DATE: 6 APRIL 2018



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("Zambeef" or the "Group")

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Zampalm Transaction

Zambeef the fully integrated cold chain foods business with operations in Zambia, Nigeria and Ghana, is pleased to provide an update on the Zampalm transaction.

As was announced on 6 September 2017, Zambeef entered into a Share Sale Agreement, a Shareholders' Agreement and a Management Agreement (together, the "Agreements") with the Industrial Development Corporation of Zambia Limited ("IDC") for the sale of 90 per cent. of Zambeef's shareholding in its wholly owned subsidiary, Zampalm Limited ("Zampalm") to IDC for a cash consideration of USD16 million (the "Consideration") (the "Transaction").

We are pleased to advise that all the conditions precedent to the Transaction were completed on 6 April 2018 and Zambeef has received the cash consideration of USD16 million. Zambeef is entitled to up to a further USD2 million in cash consideration, subject to certain performance milestones being achieved by Zampalm over the three years from 2018 to 2020. The Transaction is expected to result in the Group reporting a loss on disposal of a discontinued activity of circa USD 2.3 million.

The Transaction is aligned with the Group's strategy of focusing on its core business of the production and retailing of cold chain meat and dairy products, cropping and stock feed. The sale proceeds will be used to further pay down the Group's debt and thus reduce gearing and interest costs.

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Notes to the editors

Information on Zambeef

The Zambeef Group is one of the largest integrated cold chain food producers in Zambia, involved in the production, processing, distribution and retailing of beef, chicken, pork, milk, eggs, dairy products, fish, flour and stock feed. The Group also has large cereal row cropping operations (principally maize, soya beans and wheat), with approximately 7,971 hectares of row crops under irrigation, which are planted twice a year and a further 8,623 hectares of rain-fed/dry-land crops available for planting each year. Further information can be found on www.zambeefplc.com

Sponsoring Broker:



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