SENS ANNOUNCEMENT

(the "Notice" or "Announcement")

ISSUER

ZAMBIA SUGAR PLC ["ZSUG"]

[Incorporated in the Republic of Zambia]

Company registration number:	2880
Share Code:	ZSUG
ISIN:	ZM0000000052
Authorised by:	Harriet Kapekele-Katongo – Company Secretary

SPONSOR

Stockbrokers Zambia Limited

[Member of the Lusaka Securities Exchange]

[Regulated and licensed by the Securities and Exchange Commission of Zambia]

Contact Number:	+260-211-232456
Website:	www.sbz.com.zm

APPROVAL

The captioned Notice or Announcement has been approved by:

i. the Lusaka Securities Exchange
ii. the Securities and Exchange Commission
iii. Zambia Sugar Plc

DISCLAIMER AND RISK WARNING

The Notice or Announcement contained herein contains information that may be of a price sensitive nature.

Investors are advised to seek the advice of their investment advisor, stockbroker, or any professional duly licensed by the Securities and Exchange Commission of Zambia to provide securities advice.

ISSUED: 03 November 2025

ZAMBIA SUGAR PLC
(INCORPORATED IN THE REPUBLIC OF ZAMBIA)
COMPANY REGISTRATION NUMBER: 2880
SHARE CODE: ZSUG
ISIN:-ZM0000000052

FULL YEAR RESULTS

In accordance with the requirements of the Securities Act No. 41 of 2016, Zambia Sugar PLC announces its results for the financial year ended 31st August 2025.

SUMMARISED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Group		Company	
	Audited financial year ended		Audited financial year ended	
	August 2025	August 2024	August 2025	August 2024
	K '000	K '000	K '000	K '000
Revenue	**8 896 755**	7 529 545	**8 896 755**	7 529 545
Operating profit	**1 986 783**	2 566 629	**1 716 358**	2 348 514
Dividend Income	-	-	**99 864**	46 833
Exchange movements on leases	**(3 543)**	(18,932)	**(3 543)**	(18,932)
Net finance costs	**(116 621)**	(38 692)	**(168 870)**	(65 122)
Profit before taxation	**1 866 619**	2 509 005	**1 643 809**	2 311 293
Taxation	**(232 890)**	(451 415)	**(183 673)**	(422 094)
Profit for the period	**1 633 729**	2 057 590	**1 460 136**	1 889 199
Profit attributable to:				
Shareholders of Zambia Sugar PLC	**1 633 729**	2 057 590	**1 460 136**	1 889 199
	1 633 729	2 057 590	**1 460 136**	1 889 199
Determination of headline earnings				
Profit attributable to shareholders of Zambia Sugar PLC	**1 633 729**	2 057 590	**1 460 136**	1 889 199
Headline earnings for the period	**1 633 729**	2 057 590	**1 460 136**	1 889 199
Number of shares in issue ('000)	**316 571**	316 571	**316 571**	316 571
Weighted average number of shares in issue ('000)	**316 571**	316 571	**316 571**	316 571
Basic and diluted earnings per share (ngwee)	**516.1**	650.0	**461.2**	596.8
Dividend per share (ngwee)	**109.6**	161.0		

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Group		Company	
	Audited financial year ended		Audited financial year ended	
	August 2025	August 2024	August 2025	August 2024
	K '000	K '000	K '000	K '000
Assets				
Property, plant and equipment	**3 801 004**	2 718 258	**3 581 565**	2 514 443
Intangible asset	**67 902**	67 902	**-**	-
ROU Assets	**147 098**	149,650	**143,754**	149,650
Investment in subsidiary	**-**	-	**177 163**	177 163
Biological assets	**1 260 167**	921 284	**1 050 492**	768 317
Inventories	**1 885 144**	1 996 352	**1 848 639**	1 968 323
Trade and other receivables	**609 127**	628 632	**581 234**	596 556
Other current assets	**224**	496	**224**	496
Cash and bank balances	**1 016 292**	553 831	**1 014 886**	552 170
Total assets	**8 786 958**	7 036 405	**8 397 957**	6 727 118
Equity and liabilities				
Equity attributable to shareholders	**6 029 053**	4 905 004	**5 409 707**	4 459 251
Long-term borrowings	**700 806**	-	**700 806**	-
Lease Liabilities	**127,164**	217,838	**123,532**	217 838
Deferred tax liability	**302 600**	363 694	**258 917**	326,708
Bank overdraft	**406**	50 904	**406**	50 904
Current liabilities	**1 626 929**	1 498 965	**1 904 589**	1 672 417
Total equity and liabilities	**8 786 958**	7 036 405	**8 397 957**	6 727 118

SUMMARISED CONSOLIDATED SEGMENTAL ANALYSIS

	Group		Company	
	Audited financial year ended		Audited financial year ended	
	August 2025	August 2024	August 2025	August 2024
	K '000	K '000	K '000	K '000
Revenue				
Sugar production	**6 124 139**	5 039 124	**6 692 244**	5 039 124
Cane growing	**2 772 616**	2 490 421	**2 204 511**	2 490 421
	8 896 755	7 529 545	**8 896 755**	7 529 545
Operating profit				
Sugar production	**1 272 810**	1 782 770	**1 272 807**	1 782 774
Cane growing	**713 973**	783 859	**443 551**	565 740
	1 986 783	2 566 629	**1 716 358**	2 348 514

SUMMARISED STATEMENT OF CHANGES IN EQUITY

	Group		Company	
	Audited financial year ended		Audited financial year ended	
	August 2025	August 2024	August 2025	August 2024
	K '000	K '000	K '000	K '000
Share capital and share premium				
Balance at beginning and end of the year	**247 338**	247 338	**247 338**	247 338
Non-distributable reserves				
Balance at beginning of the year	**40**	40	**40**	40
Balance at end of the year	**40**	40	**40**	40
Dividend reserve				
Dividends declared	**509,680**	1 104 834	**509,680**	1 104 834
Dividends paid	**(509 680)**	(1 104 834)	**(509 680)**	(1 104 834)
Balance at end of the year	**-**	-	**-**	-
Retained earnings				
Balance at beginning of the year	**4 657 626**	3 704 870	**4 211 873**	3 427 508
Profit for the year	**1 633 729**	2 057 590	**1 460 136**	1 889 199
Dividend reserve movement	**(509 680)**	(1 104 834)	**(509 680)**	(1 104 834)
Balance at end of the year	**5 781 675**	4 657 626	**5 162 329**	4 211 873
Total equity	**6 029 053**	4 905 004	**5 409 707**	4 459 251

SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS

	Group		Company	
	Audited financial year ended		Audited financial year ended	
	August 2025	August 2024	August 2025	August 2024
	K '000	K '000	K '000	K '000
Cash operating profit	**1 876 813**	2 478 512	**1 651 616**	2 276 868
Working capital movements	**403 869**	(611 553)	**520 885**	(514 325)
Finance costs, taxation and dividends paid	**(633 565)**	(280 760)	**(659 388)**	(282 444)
Net cash outflows from operating activities	**1 647 117**	1 586 199	**1 513 113**	1 480 099
Net cash outflows from investing activities	**(1 262 394)**	(769 760)	**(1 128 738)**	(663 659)
Net cash outflows before financing activities	**384 723**	816 439	**384 375**	816 440
Net cash outflows from financing activities	**128 236**	(1 152 375)	**128 839**	(1 152 375)
Increase/(Decrease) in cash and cash equivalents	**512 959**	(335 936)	**513 214**	(335 935)
Cash and bank balances				
Opening bank and cash balance	**502 927**	838,863	**501 266**	837,201
Closing bank and cash balance	**1 015 886**	502,927	**1 014 480**	501,266
Movement	**512 959**	(335 936)	**513 214**	(335 935)

LUSAKA STOCK EXCHANGE SPONSORING BROKER

STOCKBROKERS ZAMBIA LIMITED

[MEMBER OF THE LuSE and REGULATED BY THE SECURITIES AND EXCHANGE COMMISSION OF ZAMBIA]

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STOCKBROKERS ZAMBIA LIMITED

COMMENTARY FOR THE YEAR TO 31 AUGUST 2025

Financial Performance Review

The business delivered strong operational and financial performance despite the residual effects of the 2023/24 drought that was widely regarded as the most severe in recent history. This demonstrated the company's resilience under challenging conditions. Cane yield was negatively impacted by the drought which occurred during the peak growth period for the crop. Consequently, both quantity of cane harvested, and sugar production declined accordingly compared to the prior year. This year's results reflect the full impact of the drought on both physical output and financial metrics.

For the financial year ended 31 August 2025, total revenue increased by 18%, rising from K7 530 million to K8 897 million. This growth was driven by a 23% increase in domestic revenue and a 9% improvement in export realisation, reflecting enhanced value capture and sales mix optimisation across both market segments.

Mainly due to the drought induced drop in sugar production and cost escalations, operating profit for the year declined by 23%, from K2 567 million to K1 987 million. Additionally, inflationary pressures on key inputs such as electricity, fertilisers, chemicals, packaging, fuel, and employee costs resulted in a significant increase in operating expenditure. The drought resulted in crippling power shortages in the country with availability reduced to as little as three hours per day. To safeguard agricultural and factory operations, the business secured foreign currency-denominated premium imported power through its Power Supply Agreement (PSA) with ZESCO. While critical to sustaining operations, the premium power rate per kilowatt hour was 67% higher than the pre-drought rate resulting in approximately K100 million of unbudgeted expenditure.

Finance costs rose to K116.6 million from K38.7 million, largely due to increased interest expense associated with working capital facilities, lease arrangements, and statutory obligations. Interest coverage remains sound at 17, albeit lower than the prior year's 66.3. The business expanded its investment in core capital projects and secured a K700 million three-year loan to support working capital and climate resilience initiatives, which is expected to stimulate broader economic activity through enhanced activity across the value chain. Consequently, the year closed with a robust cash position of K1 016 million.

The drought induced decline in profitability led to a 48% reduction in income tax expense, which reduced from K451 million in the prior year to K233 million in the current period. Profit after tax decreased from K2 058 million to K1 634 million. Headline earnings for the year ended 31 August 2025 stood at K1 634 million, down from K2 058 million in the previous year. Earnings per share declined by 21%, from 650.0 ngwee to 516.1 ngwee.

Changes in Directorate

Ms. Susan Mabaleka Mkandawire Mulikita was appointed as an Independent Non-Executive Director of the Board on 26 February 2025, subject to ratification at the next Annual General Meeting.

Mr. Lekani Katandula was appointed as a Non-Executive Director of the Board on 1 April 2025, subject to ratification at the next Annual General Meeting.

Ms. Amanda Venters resigned from the Board as a Non-Executive Director on 31 March 2025.

Mr. Andre Lubbe resigned from the Board as a Non-Executive Director effective 4th August 2025.

Dividend

Due to the reduction in profitability and increase in capital expenditure funded internally, the Board has proposed a dividend of 109.6 ngwee per share compared to 161 ngwee per share in the prior year to be considered for approval by shareholders at the Annual General Meeting scheduled for 27 November 2025.

By order of the Board

Harriet Kapekele – Katongo
Company Secretary

Issued in Lusaka, Zambia on 03 November 2025

Lusaka Securities Exchange Sponsoring Broker	
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First Issued on 03 November 2025