

INNSCOR AFRICA LIMITED

TRADING UPDATE

Third Quarter ended 31 March 2026

INNSCOR
Africa Limited

Our passion for value creation

Innscor Africa Limited hereby issues the following trading update for the Third Quarter of the 2026 Financial Year, which ended 31 March 2026.

TRADING ENVIRONMENT AND GROUP SUMMARY

The operating environment remained relatively stable during the Third Quarter, with many of the trading conditions outlined in the Group's F2026 Interim Results Release remaining largely unchanged, from a local operating environment perspective.

The ongoing relative stability of the local currency continued to support improved pricing discipline, business confidence, and forward planning across the market. This has been further complemented by the continued availability of foreign currency through the Willing Buyer Willing Seller ("WBWS") foreign exchange platform, thereby creating a seamless, consistent business trading cycle; progress continues as regards reducing the cost of the Group's debt facilities, and this has assisted in enhancing transactional certainty, further supporting the efficient procurement of key raw materials and inputs.

As previously reported in the Group's F2026 Interim Results Release, Statutory Instrument ("SI") 87 of 2025 ("Agricultural Marketing Authority (Grain, Oilseed and Products) (Amendment) Regulations (No 2)") was gazetted on 5 September 2025. This SI seeks to promote the development of local grain and oilseed production by encouraging increased local sourcing by processors. There have, however, been conflicting pronouncements and interpretations regarding the implementation of SI 87 which have created inflationary pressures and pricing uncertainty for maize and soya-based products. Engagements with the Authorities continue in respect of this matter, and the Group remains hopeful that the SI will be clarified to ensure a practical outcome that results in the elimination of the current inflationary pressures being faced by consumers, whilst achieving the desired, and important, objective of promoting local agricultural production.

Notwithstanding the domestic operating environment being more conducive to trading, global geopolitical developments, particularly the conflict in the Middle East, have introduced a high degree of uncertainty into international commodity markets. These dynamics have contributed to acute volatility in input costs, including fuel, raw materials, and freight, necessitating a continued focus on ensuring the Group secures sufficient physical stocks of key raw materials, whilst minimising the inflationary pressures at both the producer and consumer level.

The Group continued to register encouraging volume momentum across its core manufacturing operations during the Third Quarter of the F2026 Financial Year. The Mill-Bake segment maintained its positive growth trajectory, supported by expanded manufacturing capacity, improved operational efficiencies, and enhanced distribution reach. Volume performance in the Protein segment continued to exceed expectations, reflecting a pleasing recovery across the segment. The Beverage and Light Manufacturing segment delivered moderate aggregate volume growth during the period under review, with positive momentum across a number of the Group's core beverage, dairy, packaging, and light manufacturing categories.

Management remains focused on sustaining volume momentum across the Group's diversified portfolio, while maintaining disciplined pricing strategies that preserve product affordability and market relevance. Continued emphasis is being placed on driving operational efficiencies, optimising procurement and route-to-market models, and driving margin improvement. At the same time, the Group's management team remains highly cognisant of the evolving domestic policy environment and increasing uncertainty across international commodity markets; focus will therefore continue to be prioritised to disciplined working capital management, strong free cash generation, and prudent capital allocation, ensuring that the operation remains appropriately positioned to navigate prevailing market dynamics.

As also previously advised in its F2026 Interim Results Release, the Group, through its beverage holding entity, Rutanhi Beverages Limited, recently underwrote a USD 8m rights offer that was being undertaken by Tanganda Tea Company Limited ("Tanganda"). Following this transaction, the Group now holds c29% of the ordinary shares in Tanganda. The Tanganda business is currently being on-boarded into the Group's operating and financial systems and processes, and the results of the business will be included within the Group's financial statements with effect from 1 April 2026.

BAKERIES

The Bakery division recorded a strong 28% increase in current period loaf volumes against the comparative nine-month period, underpinned by the successful commissioning of a new, fully automated production line at the Harare facility in May 2025. Uptake of the additional capacity has been excellent, with the investment delivering notable improvements in product quality, consistency, and operational efficiency.

As previously reported, the business is currently commissioning a sixth bakery line at its Harare site. This new, state-of-the-art production line is on schedule for commissioning before the end of the current financial year.

NATIONAL FOODS

At National Foods, aggregate volumes for the current nine-month period under review closed marginally behind the comparative nine-month period. Performance reflected continued strong growth across the higher-margin FMCG categories, offset by softer volumes in the larger, lower-margin, Maize and Stockfeed units, following the normalisation of demand dynamics experienced in the comparative period.

- The **Flour** division delivered solid volume growth of 15% over the comparative period. Demand remained firm across both the bulk bakers' category, together with a stable contribution from the "Gloria" prepack flour category.
- Volumes in the **Stockfeed** division closed 10% behind the comparative period, largely a result of elevated ruminant (beef) stockfeed volumes during the comparative period, which had been driven by the drought conditions prevailing at that time. Notwithstanding this marginal decline, demand remained firm across both the poultry and beef categories. The previously reported expansion and optimisation programme at the Aspindale complex is at an advanced stage of development, and is scheduled for completion by the end of the current financial year.

- The **Maize** division recorded a significant, 56% contraction in volumes against the comparative period, primarily due to the drought-induced market dynamics arising from the El Niño conditions experienced in the previous agricultural season. Efforts to augment the sustainability of the unit continue, with healthy impetus being achieved in the premium "Pearlenta" refined maize meal category during the current period under review.

- The **Downpacked** division, comprising mainly Rice and Salt, registered a 34% growth in volumes over the comparative period, supported by ongoing initiatives to expand distribution reach and enhance operational capacity.

- The **Snacks** division maintained the strong growth momentum reported previously, with current period sales volumes closing 60% ahead of the comparative period. This performance reflects the benefits of prior investments in expanding manufacturing capacity across both the hard and soft snack categories, under the "Zapnax" and "King Kurls" brands, respectively. Consumer demand in the category has remained robust during the period under review.

- The **Pasta** division, operating under the "Primo" and "Better Buy" brands, delivered a 41% increase in volumes over the comparative period, supported by the continued scaling up of production at the new short-cut pasta facility. Emphasis remains on broadening distribution reach and extending product formats and variants.

- The **Biscuits** division recorded significant volume growth over the comparative period, with consumer demand for the "Gloria Munchies" offering remaining extremely firm. The new, Harare-based, biscuit plant is now operating near capacity, and the business is currently assessing options to expand production capacity and product offering into both existing and adjacent biscuit categories.

- The **Cereals** division, operating under the "Nutri Active" portfolio range, saw volumes close at similar levels to those reported in the comparative period. A number of new and exciting cereal product launches are planned for the coming period, with these products augmenting the current range.

COLCOM

The Colcom division, comprising Triple C Pigs and Colcom Foods, delivered a very strong 29% increase in aggregate volumes over the comparative nine-month period. This performance was driven by a firm recovery in the fresh pork category, which recorded a 35% uplift relative to the comparative period. The division also achieved pleasing volume growth across its processed pork range, with the Polony and the iconic "Colcom Pie" categories increasing by 48% and 38%, respectively. Ongoing route-to-market initiatives continue to support broader market reach and improved product availability.

At Triple C Pigs, volumes in the current nine-month period under review, increased by 25% over the comparative period, following the successful commissioning of a new production unit in July 2025. During the recently-ended Third Quarter, the business also commissioned its new sow breeder unit, which will contribute to a further increase in weekly pig supply to Colcom Foods.

The investment programme to upgrade the Colcom Foods processing plant has commenced, and is likely to take place on a progressive basis over the next four years to ensure no disruption to production. Further expansion at the Triple C piggery operations is under investigation to cater for the continued volume increase which will occur in the period ahead, as a result of the outstanding animal performance and farming efficiencies being achieved.

IRVINE'S

Irvine's has continued to deliver pleasing volume growth across its poultry operations during the current Third Quarter, with the core poultry categories tracking ahead of the comparative nine-month period.

Day-old-chick volumes increased by 17% relative to the comparative period, accompanied by a 16% rise in Frozen Poultry volumes over the same period. Volume growth in the Table Egg category was subdued relative to the comparative period, reflecting the impact of a temporary and routine layer-replacement programme earlier in the period. Production levels have since normalised in the Table Egg category, and overall, the business has delivered an improved financial performance.

ASSOCIATED MEAT PACKERS GROUP ("AMP")

At AMP, overall protein volumes increased by 14% over the comparative nine-month period. The Chicken category recorded a 16% increase in volumes, complemented by solid growth across the Pork, Dairy, and other protein lines. The Beef category registered a 14% increase across both processed and fresh beef volumes relative to the comparative period. Whilst the business has delivered commendable growth in the category, the Beef sector, as a whole, continues to contend with significant challenges, mainly emanating from the continued impact of Foot and Mouth Disease.

Across the "Texas Meats" retail network, focus remains on in-store innovation, product diversification, and an accessible protein offering aligned to prevailing consumer preferences. The retail portfolio will be strengthened by the introduction of additional "Texas Meat Markets" in the Harare area in the period ahead.

NATPAK

Natpak delivered aggregate volume growth of 6% against the comparative period. Performance continued to be driven by the recovery in sugar and bread packaging demand across the Flexibles division, which registered a 15% increase in volumes over the comparative period. The Sacks division also recorded growth over the same period, aided by the introduction of the "FIBC" bulk packaging format.

In the Rigids division, volumes remained subdued relative to the comparative period, as the business continued to navigate complex and challenging demand dynamics across the wider beverage sector. The Corrugated division recorded an encouraging 11% volume growth over the comparative period, across its commercial, tobacco and egg tray categories.

As a result of its nature, this business has been the most affected by current geopolitical events occurring in the Middle East. Management has intensified its planning and procurement processes to mitigate against the potential impact of global raw material stock-outs, and extreme pricing volatility in crude oil-linked input costs, including polymers and shipping-related expenses. Focus will continue to be directed toward prioritising both cost efficiency and supply continuity in an increasingly uncertain global operating environment.

PRODAIRY

At Pro Dairy, overall volumes closed 6% ahead of the comparative period. The "Revive" product portfolio, comprising the Dairy Blend and Maheu categories, delivered a 5% increase in volumes, whilst the "Life" brand portfolio, comprising Milk, Butter, Cream, and Yoghurt, recorded similar growth against the comparative period.

The business is currently undertaking a further expansion investment programme at its Ruwa-based manufacturing operations, not only increasing production capacity, but also enabling enhanced production consistency and flexibility across the range of packaging formats in response to evolving consumer demand.

Mafuro Farming continued to deliver steady raw-milk volume growth, with current period overall volumes closing 5% ahead of the comparative nine-month period. The business continues to benefit from improved yields across a maturing milking herd, and a focus on optimal pasture and working capital management.

PROBOTTLERS

At Probottlers, aggregate volumes for the nine-month period under review closed 13% behind the comparative period, partially reflecting the previously reported strategic shift away from the production of high-volume, lower-margin product categories.

Within the Cordial category, marketed under the "Bally House" brand, pleasing momentum continued, with volumes growing 6% ahead of the comparative period. In contrast, volumes in the Carbonated Soft Drink ("CSD") category, operating under the "Fizzi" brand, closed 13% behind the comparative period, reflecting the ongoing pressures facing the formal, local, beverage manufacturing sector.

The business continues to operate within a complex trading environment, with management maintaining a disciplined focus on operational efficiencies, recipe enhancements, cost containment initiatives, and the ongoing refinement of route-to-market strategies. Whilst challenging trading conditions persist, the business is showing some encouraging signs of stabilisation and recovery.

Ongoing dialogue continues with the Authorities with the hope that appropriate policy refinements will be introduced that will result in the long-term sustainability of the local beverage manufacturing sector, and with the objective of seeing local beverage products dominating local shelves, rather than imported products, as is currently the case.

THE BUFFALO BREWING COMPANY ("TBBC")

At TBBC, the sorghum beer offering, marketed under the "Nyathi" brand, continued to benefit from strong consumer demand, and recorded a 30% increase in volumes over the comparative nine-month period. The business successfully commissioned additional brewing and filling capacity at the onset of the Third Quarter, and initial plant and volume production performance has been very pleasing.

NUTRIMASTER

Nutrimaster recorded a 64% increase in fertiliser volumes over the comparative nine-month period, underpinned by strong demand during the summer row-cropping and tobacco planting seasons. Performance was further bolstered by the continued expansion, and growing contribution, of the business's broader agricultural inputs portfolio, including seed, agrochemicals, and granulation services, all of which delivered solid volume growth during the period under review.

The operation continues to play a strategically important role in supporting the Group's wider agricultural and contract farming initiatives, with encouraging prospects ahead of the imminent winter wheat planting season.

PROFEEDS (ASSOCIATE)

Profeeds delivered stockfeed volume growth of 42% against the comparative nine-month period, primarily driven by improved throughput at both the Harare and Bulawayo manufacturing facilities, together with buoyant demand across the poultry sector.

The "Profarmer" retail network, now operating through 58 stores nationwide, continued with its strong growth trajectory during the Third Quarter. On a cumulative nine-month basis, stockfeed and fertiliser volumes through the channel closed 45% ahead of the comparative period, together with a significant increase in contribution from ancillary farming products, including seed, veterinary products, and poultry volumes, which collectively grew 61% against the comparative period.

PROBRANDS (ASSOCIATE)

Probrands' volumes were broadly in line with the comparative period, with core categories remaining stable. Within the portfolio, the Downpacked range recorded a marginal contraction, while the Specialised Condiments category delivered 22% growth, reflecting continued progress in broadening and strengthening the product offering.

By order of the Board
INNSCOR AFRICA LIMITED



AD Lorimer
Company Secretary
Harare
14 May 2026