



SEED CO LIMITED

TRADING UPDATE FOR THE THIRD QUARTER ENDED 31 DECEMBER 2024

Trading environment update

Zimbabwe's economy remains moderately subdued, against a backdrop of a delayed and patchy rainfall pattern that continues to disrupt the sector performance. Authorities are actively working to mitigate these issues. Across our African markets a mix of external headwinds: inflation, currency volatility, and climate related shocks continue to weigh heavily on the region. However, growth in agriculture sector, along with strong demand for climate smart seed varieties, presents opportunities for the Company

Functional and reporting currency

The Company adopted the United States Dollar ("USD") as both the functional and reporting currency, effective 1 April 2024.

Performance highlights

Third quarter ended 31 -December-2024	USD' Millions		Change %
	FY25-Q3	FY24-Q3	
Revenue	62.7	42.5	+48%
Operating profit	25.8	20.7	+25%

**31 December 2023 prior year comparative were prepared using best estimate of USD exchange rates.*

Disclaimer

It is important to note that exchange rate distortions and the Group's transition to reporting in USD in this financial year significantly impact the comparability of financial performance.

	FY25-Q3	FY24-Q3	Change %
Volume sold (MT)	26,919	18,520	+45%

The business delivered a strong Q3, with revenue up 48%, driven by higher volumes and record exports amid drought-induced stockouts across the regions. The performance was largely driven by a strong stock carry-over position from the previous season. Operating profit increased significantly, fuelled by sales expansion and cost optimization. Margins remained robust due to enhanced productivity and effective resource management.

Outlook

The Company remains resilient, leveraging on domestic demand and regional opportunities to close the year strong. As we prepare for the winter cereal season, we are seizing opportunities through market expansion initiatives and operational excellence.

By Order of the Board,

31 January 2025

F. Sithole
Group Secretary

