Delta Corporation
LIMITED

ANNUAL REPORT 2025

Our People Our Culture Our Future

Our Vision

To be the most admired Beverage Company in the Region.

Our Mission

We bring enjoyment and refreshment to our consumers by nurturing our brands and growing our business sustainably for the betterment of our employees and communities.

Brighter together

Our Strategic Priorities

- Creating a balanced portfolio of businesses
- Building and nurturing strong brand portfolios that earn the support and affection of our customers and consumers
- Growing the profitability of the business on a sustainable basis
- Building and sustaining alliances with business partners

Our Values

- People are our enduring advantage
- Accountability is clear and personal
- We work and win in teams
- We are customer and consumer focused
- We do our best for local communities
- Our reputation is indivisible

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Shareholder Information

To view the Online Annual Report, please visit our website at

www.delta.co.zw

Our Mission is to bring enjoyment and refreshment to our consumers by nurturing our brands and growing our business sustainably for the betterment of our employees and communities.

We value the accountability of our people, teamwork, our local communities, our customers and our reputation.

And this means that together we can prosper, creating a thriving, sociable, resilient, cleaner, and productive world.

We Are Delta Corporation.

Brighter together

Brighter Together In Three Ways:

- People get more from life when they come together – our products make those moments shine **BRIGHTER**
- Our people shine brighter when they work **TOGETHER** in teams
- Our involvement in communities helps to create a **BRIGHTER** future

Employee Declaration

As an employee of Delta Corporation....

I VALUE	..........BECAUSE.....
MYSELF	I am accountable for the things I do every day. Personally and professionally, my reputation is what defines me.
OTHERS	What I do matters to those I work with and what they do matters to me. As colleagues we can achieve higher goals.
MY COMMUNITY	I want the best for the people I love. I do work safely and with passion, so we can enjoy health and fun.
OUR CUSTOMERS	I know that happy customers mean security and prosperity for my future.

Values Statements

OUR PEOPLE ARE OUR ENDURING ADVANTAGE

- The calibre and commitment of our people set us apart.
- We are a diverse and dynamic team.
- We select and develop people for the long term.
- Performance is what counts.
- Health and Safety issues receive priority attention.

WE WORK AND WIN IN TEAMS

- We actively develop and share knowledge within the Group.
- We foster trust and integrity in internal relationships.
- We encourage camaraderie and a sense of fun.

OUR REPUTATION IS INDIVISIBLE

- Our reputation relies on the actions and statements of every employee.
- We build our reputation for the long term.
- We are fair and ethical in all our dealings.

ACCOUNTABILITY IS CLEAR AND PERSONAL

- We favour decentralised management and a practical maximum of local autonomy.
- Goals and objectives are aligned and clearly articulated.
- We prize both intellectual rigour and passion for our work.
- We are honest about performance.
- We require and enable self-management.

WE UNDERSTAND AND RESPECT OUR CUSTOMERS AND CONSUMERS

- We are endlessly concerned with our customers' needs and perceptions.
- We build lasting relationships, based on trust.
- We aspire to offer the preferred choices of product and service.
- We innovate and lead in a changing world.

WE DO OUR BEST FOR LOCAL COMMUNITIES

- We consciously balance local and group interests.
- We benefit the local communities in which we operate.
- We endeavour to conduct our business in an environmentally sustainable manner.

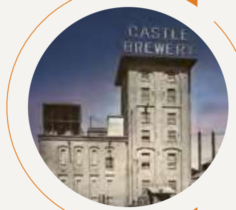
Our History

August 1898

Salisbury Mayor Ernest Fairbridge lays the foundation stone at the Salisbury Lager & Beer Company on August 30

May – 1910

South African Breweries (SAB) acquires Breweries Ltd, reconstructed after 1905 liquidation



December – 1911

Rebuilt six storey Salisbury brewery officially opened

September – 1931

Maltings plant at Salisbury Brewery officially opened

September – 1946

Company listed on ZSE as Rhodesian Breweries Limited

December – 1948

First Coca-Cola produced in Salisbury

October – 1950

Sable Brewery opened in Bulawayo on October 30

May – 1951

SAB brewery opened in Ndola, Northern Rhodesia

January – 1952

Rhodesian Breweries shareholders agree on merger scheme with SAB

December – 1954

Launch of Castle Pilsener

June – 1955

Sparletta launched with Orange flavour

February – 1956

Schweppes acquires majority share in Spa Food Products

June – 1956

Beer merger in SA sees interests consolidated in Federation of Rhodesia & Nyasaland

November – 1956

Bulawayo Bottlers produces first Fanta in Southern Africa

May – 1958

Canned beer launched in Salisbury

July – 1958

Acquisition of stake in Afdis holding company

April – 1960

Inaugural Castle Tankard run at Borrowdale Racecourse

February – 1962

Official opening of Southerton Brewery by PM Roy Welensky on February 2

March – 1962

Chibuku was launched at Masvingo brewery

November – 1962

Formation of Northern Breweries in soon to be independent Zambia

February – 1967

Rhobrew acquires one third stake in Heinrich's Chibuku

August – 1968

Major label relaunch of Castle and Lion Lager

December – 1969

Rhobrew announces major investment to create nationwide hotel chain

June – 1970

Carling Black Label launched

August – 1971

Demolition of Cameron Street Brewery

July – 1976

Que Que Maltings commissioned

March – 1978

Acquires OK Bazaars and Springmaster

April – 1978

Name changed to Delta Corporation Limited

January – 1980

Acquires RIH - Coca-Cola Co bottling franchises of Mashonaland and Victoria (United Bottlers)

June – 1980

Zimbabwe Lager introduced

January – 1983

Bulawayo Mayor Councillor Naison Ndlovu officially opens the new Huppmann Brewhouse at Belmont

July – 1984

Sprite introduced

July – 1989

Rationalisation of the soft drinks industry

May – 1990

- Launch of Zambezi Export Lager
- Announces plans for Elephant Hills rebuild and Zimsun listing

June – 1990

Second phase extension at Maltings officially opened

February – 1993

New $200m brewhouse and bottling hall at Southerton officially opened

August – 1993

Bohlingers Lager launched

July – 1994

Bulawayo Bottlers bought for $171m

February – 1995

10 for 1 share split to stimulate activity on ZSE

September – 1995

Relaunch of Castle Pilsener to Golden Pilsener

February – 1997

3 for 1 share split

April – 1997

Third phase extension at Maltings officially opened

March – 1998

Beer canning line commissioned

May – 1999

Centenary Lager launched for 100-year anniversary

October – 2001

OK Zimbabwe demerged and listed

January – 2002

Zimsun demerged

April – 2002

Pelhams demerged and listed

July – 2003

Milk Stout reintroduced

November – 2004

Invests in Headend glass furnace venture

November – 2005

Acquires 39% stake in Ariston

September – 2005

Launches Eagle Lager

April – 2006

Coca-Cola Light comes to market

November – 2009

Concludes sale of 41% Ariston stake

January – 2010

Purchases 49% stake in Schweppes

June – 2012

Launch of carbonated Chibuku - Chibuku Super Original

August – 2014

Delta acquires 21.4% stake of Nampak Zimbabwe after packaging industry merger

January – 2018

Purchases 70% stake in Natbrew Zambia

November – 2018

Afdis becomes subsidiary after acquiring majority 50.4% stake

April – 2020

Purchases 100% of United National Breweries South Africa

March – 2021

Buys the Mutare Bottling Company

March – 2022

Launch of Sable Lager

June – 2022

Launch of Chibuku Super Banana Flavour

February – 2024

Launch of Chibuku Super Ginger and Chibuku Super Pineapple flavours

November – 2024

Relaunch of Shumba Maheu

Company Profile

Delta Corporation is a dynamic Zimbabwean company poised for growth in all facets of its business by innovation.

It is principally a beverages company with a diverse portfolio of local and international brands in lager beer, traditional beer, Coca-Cola franchised sparkling and alternative non-alcoholic beverages. The Coca-Cola franchise covers the activities of associate entity Schweppes Holdings Africa Limited which focuses on cordials, juice drinks, water and agricultural value chain activities under Beitbridge Juice Company.

The sparkling beverages franchise now covers the whole country following consolidation of the Manicaland Province in March 2021. In addition, the wines and spirits portfolio are under subsidiary company, African Distillers Limited, which manufactures branded wines, spirits and ciders.

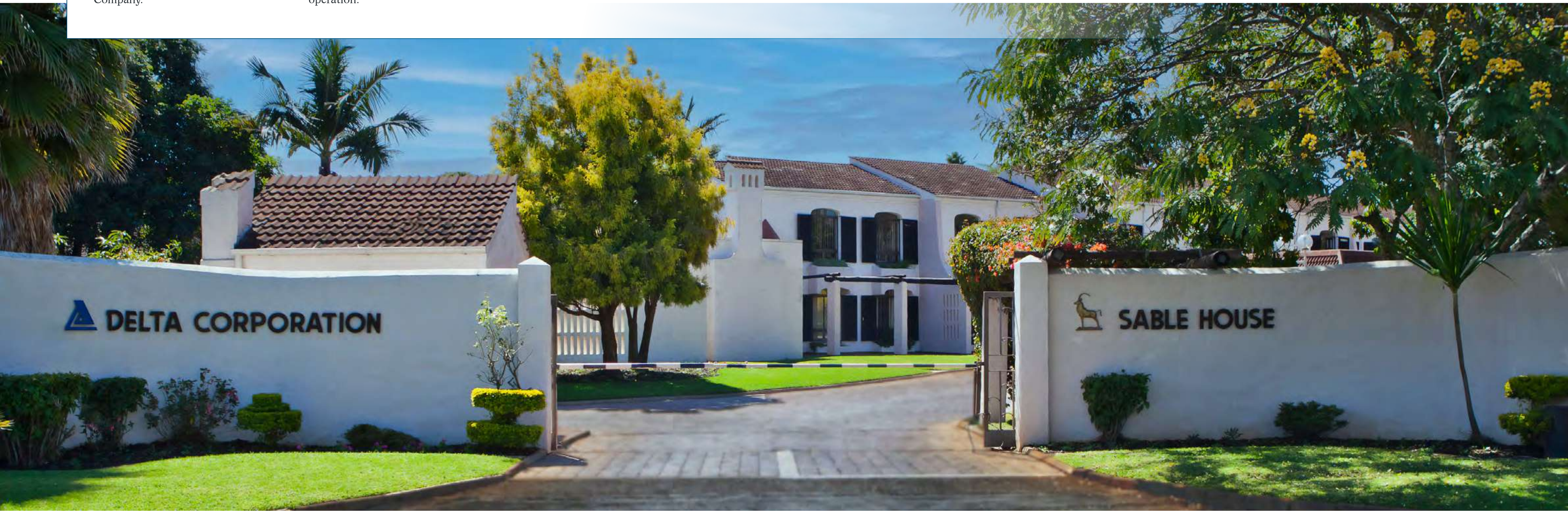
The Company is listed on the Zimbabwe Stock Exchange and was first listed in 1946 as Rhodesia Breweries Limited. Its origins, however, date back to 1898 when the country's first brewery was established in Cameron Street, (Salisbury) Harare, from where the brewing industry developed into a major industrial and commercial operation.

By 1950, the Company had built the Sable Brewery in Bulawayo, producing pale ale, milk stout and Sable Lager. Over the years the Company continued to expand its portfolio of businesses and diversified its brewing base. In 1978 the name was changed to Delta Corporation Limited, and the Company assumed the mantle of a holding company for a broad range of interests serving the mass consumer market. These included lager and sorghum beer brewing, bottling of carbonated and non-carbonated soft drinks, supermarket and furniture retailing, tourism and hotels and various agro-industrial operations.

The hotel, supermarket and furniture retailing businesses were demerged from the Group in 2001 to 2002 resulting in the Group focusing on the core beverages sectors. The Company acquired the 49% equity stake in Schweppes Zimbabwe in 2009. Some supply chain-related investments remained part of the Group until 2014 when the plastic packaging entity, MegaPak, was demerged. The Company retains a minority shareholding in the packaging group, Nampak Zimbabwe.

On 1 January 2018, the Company acquired a majority stake in National Breweries Plc, a Zambian traditional beer entity listed on the Lusaka Stock Exchange.

This is part of the journey to consolidate the traditional beer franchises and businesses in the region, a sector in which the Company boasts of significant competencies. The Company acquired United National Breweries Pty Limited, the leading traditional beer business in South Africa with effect from 1 April 2020. On 01 April2025 the Company increased its shareholding in Schweppes Holdings Africa Limited (SHAL) to 69%, rendering it a subsidiary of Delta, while Delta becomes the sole Coca-Cola bottler in the Country.



Financial Highlights

For the year ended 31 March 2025

	2025 US$	2024 US$
GROUP SUMMARY (US$'000)		
Revenue	**807 470**	767 871
Earnings before interest, tax depreciation and ammortisation	**171 519**	166 921
Profit after tax	**116 145**	100 538
Attributable earnings	**118 223**	100 994
Net Funds	**13 099**	8 157
Total Assets	**447 909**	403 457
Market capitalisation	**670 692**	911 735
SHARE PERFORMANCE (US$ cents)		
Earnings per share		
Attributable earnings basis	**8.79**	7.71
Cash equivalent earnings basis	**11.22**	11.04
Cash flow per share	**9.43**	9.42
Dividends per share (US$ cents)	**3.30**	3.00
Net asset value per share	**22.41**	17.27
Market price per share	**50.81**	69.39
FINANCIAL STATISTICS (%)		
Return on equity (%)	**40.40**	45.25
Operating margin (operating income to net sales) %	**21.48**	22.07

* Dividend per share refers to the Interim Dividend per share US$1 cent declared in November 2024 and the Final Dividend per share US$2.3 cents declared in May 2025

Chairman's Letter to Shareholders

Dear Shareholder

Operating Environment And Overview

The operating environment prevailing during the year under review reflected the challenging route to market policies, constrained market access arising from poor road infrastructure and rehabilitation programs, high inflation and an unstable currency in the first half of the year.

This is contrasted with the relatively stable local currency, tight liquidity and softer consumer spending in the second half of the year. Overall, the economy remains fragile and presents significant operational challenges.

The introduction and performance of Zimbabwe Gold Currency (ZWG)

The ZIG has had mixed fortunes since its introduction in April 2024, suffering rapid depreciation, culminating in a significant devaluation at the end of September 2024. The premiums between the official and parallel market rates have sustained despite the relative stability witnessed in the second half of the year. The exchange rate disparities contribute to pricing misalignments in the formal sectors. The tight liquidity conditions prevailing during the traditional holiday season in the quarter to December 2024, resulted in sub-optimal stocking patterns in key retail channels. The company has maintained its focus on affordable pricing although there were unavoidable price adjustments in local currency in line with exchange rate developments.

Impact of Sugar Tax:

The introduction of the sugar content surtax in January 2024 necessitated significant increases in the prices of sparkling soft drinks and cordials. The sector has witnessed significant volume losses despite most players absorbing significant portions of the tax. The surtax has impacted the Group's price competitiveness, which fuelled the influx of imports of similar products from the region, which is further compounded by rampant smuggling. There was a slowdown in imports in the fourth quarter in response to the blitz by authorities against illicit trade and smuggling. We remain engaged with government on the need to moderate this tax to reduce its negative impact on economic growth.

Chairman's Letter to Shareholders (continued)

Route To Market Policies

The tax measures introduced to control the flow of goods to the informal sector resulted in unintended disruptions to trading in the formal sector. This was compounded by the pricing disparities arising from the prescribed use of the formal exchange rates for multi-currency pricing and the various other factors impacting the retail sector. The varied applications of the regulations created an uneven playing field for operators in the FMCG sector. The relaxation of pricing exchange rates is a welcome relief for our value chain partners.

Constrained market access

There were significant challenges in accessing certain markets, particularly in Harare, due to traffic congestion during the road upgrades undertaken ahead of the SADC summit held in August 2024. The ongoing infrastructure projects are expected to spur economic growth in the long-term. There road infrastructure is in dire need of rehabilitation which results in increased traffic accidents, leading to loss of property, high running costs and compromises the safety of road users.

Pressure on disposable incomes

Consumer spending remains resilient, benefitting from mining activities, the expansionary effect of the government infrastructure projects and the steady flow of diaspora remittances. Aggregate demand was however affected by the lower mineral prices and the reduced agricultural output due to the drought. The country is mainly relying on imported maize. In 2024 tobacco output was reported to have declined by over 20% in volume and value terms. The drought has also resulted in low water inflows into Kariba Dam, limiting the amount of water available to the hydro-electric power station.

In South Africa, the Rand responded favourably to the formation of a Government of National Unity after the general elections held in May 2024. Consumer spending in the target sectors remains mixed, with increased reliance on social grants. Electricity supply has been stable although there were water supply disruptions in Gauteng and Western Cape.

The Zambian economy has been severely impacted by the disruptions to supply goods and services due to reduced hydro-electricity generation, which also affected water supply. There were further impacts from fuel shortages and a weaker Kwacha. The cost of the staple maize remains high due to the reliance on imports and the removal of subsidies.

Trading Performance

Lager Beer

The Lager beer business achieved a volume of 2.66 million hectolitres for the year, growing 8% over prior year. The growth is attributed to improved supply of brands and packs and relatively competitive pricing. There were some disruptions to production arising from prolonged outages of utilities. The focus remains on leveraging on the capacity investments and improving glass circulation to minimise supply gaps.

Our brands remain active in the market, through sponsorships of sport and arts such as the Castle Lager Premier Soccer League, the Castle Tankard and other brand properties.

Chairman's Letter to Shareholders (continued)

Trading Performance (continued)

Sorghum Beer

The sorghum beer volume for Zimbabwe, excluding exports, grew by 1% for the year, whilst the overall volume declined by 7% due to the cessation of regional exports. The sorghum beer category has been adversely impacted by the drought, reduced disposable incomes in rural markets, changes in route to market and the inconsistent performance by retail and wholesale partners. The sector has attracted new entrants and revival of established players.

The focus remains on defending market share with a focus on customer service and increased consumer engagement through the Chibuku flagship brand properties such as the Chibuku Road to Fame, Neshamwari Traditional Dance Festival and the Chibuku Super Cup soccer tournament among others. The Chibuku Super brand was recognised as the FMCG Sorghum Beer Sector winner for 2024 and granted the Quality Silver Award at the 63rd Monde Selection of Beers 2024 International Quality Awards.

United National Breweries (South Africa) registered a volume decline of 10% compared to prior year primarily due to supply disruptions at the main brewery caused by an illegal job action and inconsistent market execution. The new Chibuku Super Plant at Phelindaba brewery was commissioned in May 2024 which allowed the business to transition to self-reliance on Chibuku Super variants. The focus remains on increasing the penetration of Chibuku Super into new trade channels and the recruiting new consumers whilst retaining the traditional consumer base.

At Natbrew Zambia the volume declined sharply by 30% for the year, due to the disruptive power load shedding and delays in commissioning diesel generators. The focus remains on reviving the market and stabilising the supply chain. It is apparent that the consumer migrated to alternative alcohols during the height of the supply challenges. Operating margins remain under pressure from the high cost of maize, the depreciation of the Kwacha and the cost of running diesel generators.

Sparkling Beverages

The Sparkling Beverages volume declined by 4% compared to prior year, with the loss coming in the second half of the year. Whilst there has been a recovery in market shares, the overall performance was affected by pricing distortions in the formal channels arising from exchange rate disparities and the tax advantages accessed by some competitors. The sector is contracting due to the sugar tax-induced price increases, the surge in imports from the region and consumers shifting to emerging beverage alternatives. The sector's competitiveness has been affected by the relatively high sugar tax and cost differentials, leading to an increase in imports of similar offerings from neighbouring countries.

There are ongoing strategic interventions to support low and zero sugar offerings and availing packs at more accessible price points with the business absorbing part of the sugar tax.

The Shumba Maheu brand was relaunched in November 2024 with an expanded and improved flavour range. The category grew by 15% for the year, with a significant volume and market share growth since the relaunch.

Wines and Spirits

African Distillers (Afdis) recorded a volume growth of 15% over prior year, with notable growth in wines (29%), spirits (7%) and ready-to-drink (RTD) up 21%. The ongoing shift of the route to market to the independent trade played a pivotal role in driving volume in view of the challenges faced by the formal retail chains. Consumer demand was further strengthened by persistent Recommended Retail Price compliance initiatives, the impact of the reduction in informal imports in response to the anti-smuggling campaign and the expansion of the RTD portfolio through the launch of NightSky Gin and Tonic and Hunters 660ml pack.

Schweppes Holdings Africa

Schweppes Holdings Africa Limited recorded a volume decline of 15% for the year, primarily due to significant price increases, driven by the sugar tax. This resulted in a surge in imports of the flagship Mazoe Orange Crush from regional markets in the first half of the year. Volume was also impacted by disruptions in the route to market arising from the fiscal regulations.

The sugar tax was reduced from January 2025 which has provided some moderation in pricing. There are significant cost pressures affecting the category such as the rising prices of juicing fruit and sugar which limit the opportunity to moderate retail prices.

Chairman's Letter to Shareholders (continued)

The Group has increased its shareholding in the company from 49% to 69% with effect from 1 April 2025 which result in the unit being accounted for as a subsidiary from that date. We note the departure of the Managing Director, Mr. Charles Msipa on normal retirement. We thank him for his stewardship of the business over the last 20 years. He has been replaced by Mr. Stanley Muchenje who was redeployed from within the Group.

Nampak Zimbabwe Limited

At Nampak Zimbabwe, overall volume for the 12 months period is below prior year impacted by the lower 2024 tobacco crop and the production stoppages arising from power cuts, plant breakdowns and increased competitions in some segments mainly through customers insourcing their packaging. The entity is trading under a cautionary relating to the pending sale of the Nampak International shareholding to TSL Limited.

Financial Performance

The financial results are presented in the US Dollar currency, following the change of reporting currency with effect from 1 October 2023. The prior year financial information included inflation adjusted figures that were converted to US Dollars and therefore may reflect distortions arising from exchange rates, inflationary holding gains and losses and hyper-inflation. These figures may not reflect the underlying financial performance. Whilst the conversion process was mathematically accurate, users of these financial statements are advised to exercise caution when making comparisons with prior year figures.

Revenue
US$807 million

Operating Income
US$153 million

Profit Before Tax
US$140 million

Group revenue for the year at US$807 million increased by 5% to compared to the restated prior year figures. This reflects the volume growth in Lager Beer and the sugar tax induced price increases in sparkling beverages. The proportion of domestic sales undertaken in foreign currency was around 80% for most of the year although there were periodic shifts in response to the performance of the formal retail sector which was affected by exchange rate disparities and the level of enforcement of the dual pricing regulations.

Operating Income (Earnings before interest and tax) is indicated at US$153 million which is in line with prior year. Profit before tax is indicated at US$139.9 million compared to US$104.4 million for the prior year. It is noted that the prior year comparative figures included currency related distortions. The trading margins in the current period were partly affected by the under recovery on the sugar tax and the higher cost of imported maize. It is highlighted that an equivalent of US$20.7 million was paid as sugar tax by Delta Beverages and Schweppes Zimbabwe during the current year.

The new currency, Zimbabwe Gold (ZWG), which was introduced in April 2024 suffered from inflationary and widening disparity of market exchange rates leading to the 43% devaluation at the end of September 2024 as it became apparent that the official rates no longer fully reflected prevailing market conditions. The currency was relatively stable during the second half of the year although the market premiums remained high. As adopted in prior years and in line with IFRS IAS 21, the Group continued to estimate the adjusted exchange rate that better captured the economic realities. There were significant exchange losses arising from the devaluation of monetary assets, particularly cash holdings and debtor balances on 27 September 2024. The rates used at the reporting date were within the ranges allowed by the monetary regulations.

Both UNB South Africa and Natbrew Zambia recorded losses for the period due to a poor volume performance and market exigencies.

African Distillers (Afdis) recorded a volume growth of 15% over prior year, with notable growth in wines (29%), spirits (7%) and ready-to-drink (RTD) up 21%.

Chairman's Letter to Shareholders (continued)

Financial Performance (continued)

The Board reminds users to take cognisance of the distortion of the comparative financial figures which were derived to comply with IFRS (IAS 21 & 29). The conversion process also resulted in the undervaluation of property, plant and equipment.

The focus is on protecting the balance sheet, optimum resource allocation, generating positive cashflows to fund the ongoing capital projects, strategies to revive the regional operations and aligning the SHAL operational strategies to the rest of the Group.

Functional Currency

The Directors have considered the current operating environment and the requirements of the International Financial Reporting Standards and have concluded that it is appropriate to present the financial statements in US Dollars. The change in functional currency was with effect from 1 October 2023. This position has been maintained despite the introduction of the ZiG currency in April 2024.

In accordance with IFRS, the hyperinflation numbers reported in prior year have been converted from the Zimbabwe Dollar (ZWD) using the exchange rates on 31 March 2023 of 1:1000 (ZWG equivalent of 1:0.44) whilst the transactions and balances for the first half of prior year were inflation adjusted then converted to USD using a rate of 1:5500 (ZWG – 1:2.20).

While the conversion process was mathematically accurate, users of these financial statements are strongly advised to exercise caution when relying on the balances, as they were significantly influenced by exchange rate distortions and challenges in accurately determining the inflation indices applied for hyperinflation accounting.

Update On Tax Matters

The Company is contesting the tax assessments issued by the Zimbabwe Revenue Authority (ZIMRA) for amounts that they consider were payable exclusively in foreign currency. The disputed additional assessments amount to US$74.8 million.

Management continues to engage with ZIMRA while appealing some legal and factual issues of the assessments and the judgments, with guidance from tax experts and legal counsel. These assessments have a material impact on the Group's operations, if they materialise as per the extant assessments. The ambiguities in the tax legislation are pervasive, thereby creating risks of further disagreements in interpretations and application to current taxes.

At this stage, the Board cannot estimate the likely outcome or timing of the resolution of these matters. The current accounting treatment and disclosures of the assessments and the amounts paid so far are considered to be appropriate.

Outlook

The operating environment in Zimbabwe remains complex, influenced by policy changes and currency instability. The beverages sector faces further challenges relating to uncompetitive retail prices arising from high input costs and taxes which attract lower priced imports from the region and policy driven changes to the route to market. We continue to urge the authorities to implement policies that would ensure the stability of the local currency and access to foreign currency through the banking channels or through trading.

The full effects of lower mineral prices, improved gold price, international currencies movements and disruptions to global trading arising from tariff disputes between the United States of America and its key trading partners have not fully manifested. The pricing and supply of agricultural commodities is affected by changing climatic conditions and prevalence of natural disasters. There will be some benefit from the improved cereals and tobacco outputs in 2025.
Despite these challenges, the business remains well-positioned to seize any opportunities from increased consumer spending. Our focus remains on capitalizing on activities that generate aggregate demand and positioning the business for future growth.

Advancing Our Sustainability Priorities

The Group remains focused on its sustainability agenda, with increased activities in the areas of responsible alcohol consumption, reduction in waste and pollution, community involvement and optimising resource utilisation. In the current year we have amplified our communication on underage drinking under the Pledge 18 campaign, Make A Difference-Recycle executions and uprated the brand activations supporting sports and culture. The full Sustainability Report will be included in the annual report.

Board Changes

The Board welcomes Messrs George Gapu and Cherian Kurien who have joined the Board. Mr Cherian Kurien is a representative of AB InBev and replaces Ms B Makhura who resigned from the Board. We wish to thank Ms B Makhura for her service to the Group during the past year.

Final Dividend

The Board declared a final dividend (number 136) of US2.3 cents per share to be paid on 18 June 2025. This brings the total dividend for the year to US3.3 cents per share.

Delta Corporation

Chairman's Letter to Shareholders (continued)

Appreciation

I wish to record my appreciation to management and staff for their great efforts in sustaining the business in the challenging operating environment. I also thank my fellow directors for their wise counsel and our customers, consumers, suppliers, regulators and stakeholders for their ongoing support.

For and on behalf of the Board

Todd Moyo
Chairman
15 May 2025

Review of Operations

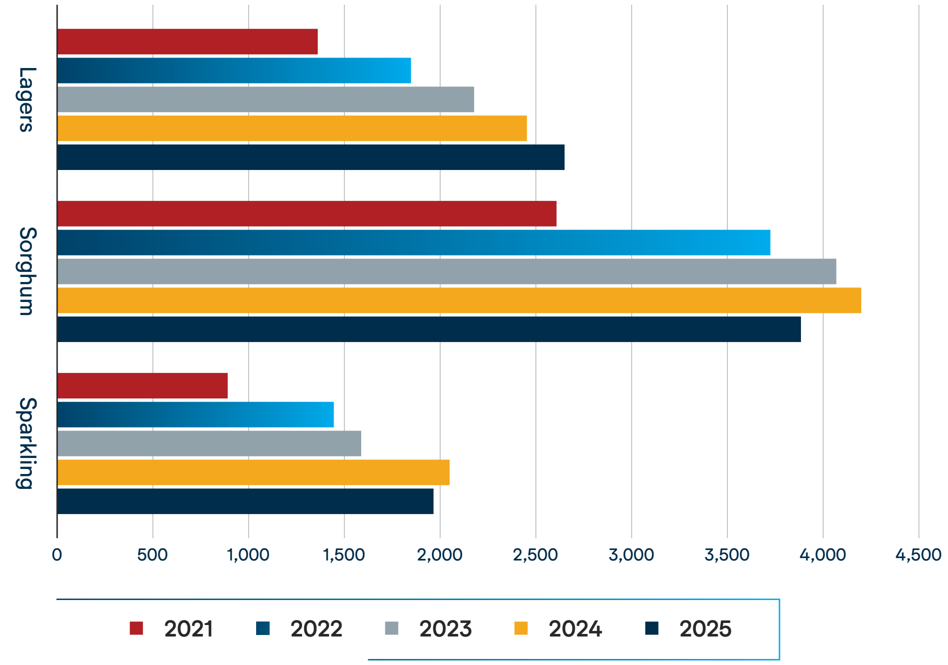
BEVERAGES BUSINESS OVERVIEW

The beverages business delivered a mixed set of results in a year characterised by significant headwinds in the operating environment such as currency volatility, shifting policy positions, and persistent liquidity constraints.

Review of Operations

Beverages Business Overview (continued)

Beverage Volume Performance '000hls



The El Niño-induced drought placed considerable strain on rural disposable incomes, while production and product supply were disrupted by frequent utility outages across the region, most notably in Zambia. Despite these challenges, clear beer achieved record-breaking volumes, driven by increasing consumer spending mainly in the informal sectors which benefit from steady diaspora remittances, and the growing artisanal and formal mining sector.

The introduction of the new Zimbabwe Gold (ZiG) currency in April 2024 posed considerable challenges to the formal fast moving consumer goods sector. The currency experienced rapid depreciation which led to a significant devaluation by September 2024. The market was characterised by pricing gaps between official and parallel exchange rates, leading to disparities in the formal retail pricing structures in circumstances of poor adherence to policy mandated pricing exchange rates and enforced use of the new currency. This volatility, compounded by tight liquidity during the critical December trading window, resulted in understocking across key retail channels. There were further constraints to trading arising from the mixed adherence to the route to market regulations which limited formal businesses to trade through tax compliant customers, otherwise apply a surtax of 5% on the selling price. This is in addition to the requirement to only sell alcoholic products to licensed operators. The business had to adapt the route-to-market strategies to respond to the growing informalisation, the constrained trade in the formal retail and wholesale chains and for regulatory compliance.

Review of Operations

Beverages Business Overview (continued)

Whilst there were episodes of significant variability, the Zimbabwe business recorded over 85% of value traded in foreign currency. The sales in local currency were largely through the formal trade customers whose pricing in foreign currency remained distorted and unattractive. The foreign currency was sufficient to meet import requirements, tax payments and domestic market foreign currency requirements.

The impact of the sugar surtax on sugar sweetened beverages took effect during the current year, which weighed down volumes and profitability. Whilst the business absorbed part of the tax through delayed and moderated price increases, the loss of volume was inevitable. The resultant uncompetitive pricing attracted lower priced formal and informal imports of our Coca-Cola branded PET and can packs mainly from Zambia and Mozambique. There is a notable proliferation of non-descript ready to drink offerings from unlicensed and informal producers whose ingredients include undeclared sugar levels or artificial sweeteners.

The utility supply challenges continued to impact operational performance across the business, with our Zambian operations facing the most acute disruptions due to the country's reliance on hydroelectric power. Daily power outages of up to 18 hours severely affected production continuity and broader economic activity. While backup generators were deployed to maintain output, the higher cost of alternative energy sources exerted pressure on operating margins. In the immediate term, our efforts are focused on ensuring supply reliability through improved logistical planning and contingency infrastructure. We are evaluating long-term investments in cost-effective, renewable energy solutions to enhance sustainability and reduce reliance on grid power.

The major capacity investments during the year included the Chibuku Super plant commissioned in May 2024 at Phelindaba in South Africa, marking a critical step toward full production self-sufficiency in carbonated Chibuku Super offerings for UNB. The longer shelf-life offerings unlock new opportunities for growth in formal retail channels. The other investments were in returnable glass, delivery and freight vehicles and projects that unlocked manufacturing bottlenecks and enhanced product quality.

Brand innovation remained a cornerstone of our growth strategy. The successful relaunch of the Shumba Maheu brand, featuring an expanded and improved flavour range, leveraged its deep cultural relevance and delivered strong volume growth. In the Sparkling Beverages category, we introduced a 440ml PET pack to access and maintain the highly popular "$1 for 2" price proposition.

We continued the implementation of our Culture Change programme – an initiative designed to reinforce our organisational values, improve employee engagement, and foster a unified mindset across teams. We believe this cultural transformation will drive long-term performance improvements and enhance overall productivity across the business.

Sustaining Business Growth

We remain steadfast in the pursuit of an ambitious growth strategy, anchored on operational excellence, disciplined execution, and a strong customer-centric ethos. Our commitment to improving efficiency, embedding best-in-class practices across all facets of the business, and delivering consistent value to our consumers continues to guide our decisions.

Creating a cost competitive and profitable business:

Our core strategy of operating as a low-cost, high-volume business remains a foundational pillar in delivering affordable, high-quality beverages to our consumers. This model has been consistently applied, with recent momentum boosted by the success of our Dollar Deals campaigns. The reintroduction of compelling offers such as "$1 for 3" (300ml Coke) and "$1 for 2" (440ml PET) has driven strong volume growth, recovered market share, and resonated powerfully with value-conscious consumers. We continue to refine our product mix and overall portfolio to support profitability, while pursuing cost containment opportunities across the value chain. In parallel, we are accelerating the growth of our low and zero-sugar offerings to reduce our exposure to the sugar tax and consequently meet evolving consumer health preferences.

The Lager and Sorghum Beer businesses maintained stable retail prices in foreign currency despite the cost pressures from the higher cost of imported cereals, utilities and international currency movements and inflation developments. Local currency prices largely tracked exchange rate and inflation movements.

Investing in Market Development

We continue to prioritise investments in market development and route-to-market optimisation as key drivers of sustainable growth. We engage continuously with our retail partners and consumers in order to gather insights that inform our channel strategies and enhance responsiveness to market needs. We take note of the emergence of new settlements and the repurposing of traditional marketplaces – which presents valuable opportunities to expand retail presence and deepen consumer access to our offerings.

Review of Operations

Beverages Business Overview (continued)

We are cognisant of the policy thrust to curtail the increase in informalisation and the challenges facing our formal partners. We continue to deploy vending trolleys and assist with coolers and outlet enhancements.

Building Brilliant Brands

We remain confident in the future, anchored by the strength and relevance of our brands. Brand innovation is central to our strategy, and we continuously evolve our offerings to align with customer and consumer preferences in both brand choice and packaging formats. Each brand in our portfolio is purposefully crafted to serve specific consumption moments and usage occasions – a segmentation approach that underpins our execution across channels. A key highlight this year was the successful relaunch of the Shumba Maheu brand, featuring new flavours and an enhanced liquid proposition, which reignited consumer interest and delivered encouraging volume growth.

We continue to nurture our Chibuku Super flavours and renovate our brands with the recent facelift of brands such as Zambezi and Bohlingers Lager.

Collaborating with customers

Strong customer partnerships remain central to our execution strategy. We engage in joint business planning with key customers to align on consumer needs, drive category growth, and deliver shared value. These collaborations also serve as platforms to advance our ESG priorities, particularly in promoting responsible alcohol consumption and enhancing waste management practices. Daily engagement with a wide base of retail customers is critical, as they serve as the primary link between our brands and consumers. To support this network, we continue to enhance our distribution capabilities by investing in fit-for-purpose delivery vehicles, mechanised product handling, and route-to-market optimisation.

In addition, we have revitalised our Retailer Development Programme, which now includes training in financial and business management, hygiene, and customer care – reinforcing our support for small retail enterprises that play a vital role in sustaining local livelihoods.

Growing the CORE and Premiumisation:

Our portfolio strategy strikes a deliberate balance between driving premiumisation and maintaining broad consumer accessibility. While our Mainstream and Affordable categories ensure that high-quality beverages remain within reach for everyday consumers, our Premium range creates incremental revenue opportunities and strengthens brand equity. Innovation remains at the heart of this approach, with new introductions designed to meet evolving consumer tastes. In the Clear Beer segment, we expanded our offering with regional premium brands such as Brutal Fruit and Castle Double Malt. To support this, we scaled up local production of one-way premium packs, complemented by refreshed label designs that reinforce the premium positioning of our brands. We hope to improve availability of global brands such as Stella Artois and Corona Extra.

Developing Motivated and Capable Teams

Our people remain our greatest asset, and we are committed to building motivated, capable teams that can thrive in a dynamic operating environment. We recognise the ongoing challenges of attracting and retaining skilled talent in Zimbabwe's constrained economic context. In response, we are actively expanding our apprenticeship and graduate learnership programmes to strengthen our internal skills pipeline and ensure continuity in leadership and technical capability. These initiatives are central to fostering a high-performance culture and securing the long-term success of our business.

Review of Operations

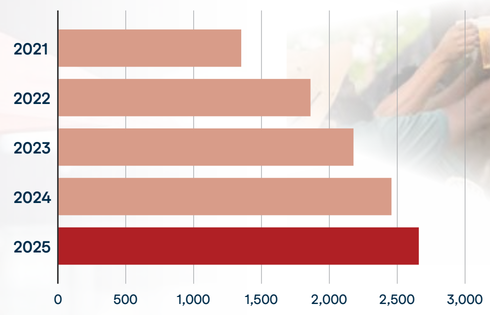
LAGER BEER BUSINESS

The lager beer volume grew 8% above prior year, reaching a new record of 2.66 million hectolitres with the volume having doubled since FY21. The volume growth was primarily driven by consistent product supply across a well-segmented brand and pack portfolio.

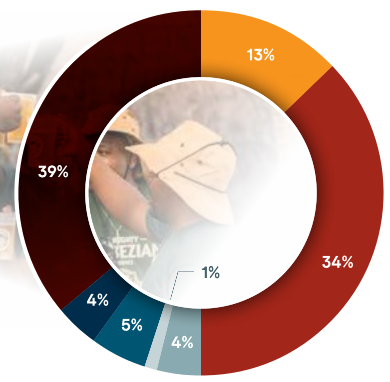
Review of Operations

Lager Beer Business (continued)

Lager Beer Volume Performance – '000hls



Lager Beer Trade Channel % Sales Contribution



- Bar
- Bottle Store
- General Dealer
- Hotels
- Restaurants
- Supermarkets
- Other
- Wholesale

Strategic investments in returnable containers, and uprated plant performance benefiting from improved asset care programs have supported the volume push. This has been complimented by the accelerated cooler injection which ensure cold product availability at point-of-sale. The sector has benefitted from the increased consumer spending driven by artisanal mining, the marketing of commercial crops, diaspora remittances and the ongoing public and private infrastructure development projects and social events that create conducive beverage consumption conditions throughout the year.

Our brands remained highly visible, accessible, and responsive to evolving consumption moments, reinforced by the various brand-led campaigns, which ensured deep consumer engagement across multiple channels. These include the activations around our sponsored properties such as the Castle Tankard, the Castle Lager Premier Soccer League and other brand properties.

The volume momentum was slowed down by the challenges in the retail sector relating to use of multiple exchange rates, tight liquidity conditions which impeded optimum stocking of brands and packs and the frequent price reviews occasioned by high inflation in the first half of the year. The harsh economic conditions impacted on the viability of smaller traders particularly the high cost and laborious process of renewing liquor licences and the need for these small traders to register as Value Added Tax Operators to avoid being levied a route to market surtax. This pushed the small traders to buy from wholesalers, which impacts on the efficiency of our direct store delivery models. The increased informalisation of trade fuelled by the influx of lower-priced imports continues to undermine the competitiveness of formal business. It is noted that the anti-smuggling campaign and increased enforcement against smuggling has curtailed the prevalence of grey imports of our common brands from regional markets.

Beyond sport, Castle Lager celebrated culture and community through its signature Braai Day — the largest national braai event — held at Old Hararians in October 2024.

Review of Operations
Lager Beer Business (continued)

The disruption to the supply electricity and water was more pronounced during the Christmas holiday period, adversely affecting product availability and reducing operating hours for on-premises consumption outlets.

We are prioritising investments in capacity and unlocking the identified bottlenecks to support the volume growth momentum, with a particular focus on upgrading the Belmont brewhouse, increasing fermentation and storage vessels and the full beer warehousing facilities.

Smart Partnerships in Barley Farming

Our barley out-grower contracting scheme remains a cornerstone of our commitment to local sourcing and agricultural value chain development. This programme ensures that our beer brands are produced using the highest quality locally grown barley, which is malted at our Kwekwe Maltings Plant for both domestic use and regional export. In 2024, we successfully procured 42,000 tonnes of barley from local farmers, which is sufficient to meet all local and export requirements through to February 2026.

Our Kwekwe Maltings plant is on a phased rehabilitation, noting that the plant was commissioned in 1976 hence the need to ensure it produces the best quality of malted barley enough for the growing domestic beer volume and exploit any export opportunities. We are also scaling up technical and financial support to our contracted farmers, with the goal of improving yields, enhancing resilience, and advancing the long-term sustainability of local barley farming. These efforts not only support our raw material security but also contribute to rural livelihoods and national food system resilience. We collaborate with the agricultural research centres and seed houses in breeding barley varieties that reflect the changing agronomic parameters, disease tolerance, farming yields to match and adapt to the new brewing profiles of emerging brands and consumer tastes.

Connecting With Consumers

Our Lager beer brands maintained their strong consumer engagement throughout the year, which contributed to the record-breaking volume outturn. We activated our brands across key consumer touchpoints, employing a good mix of on-the-ground activations, digital platforms, and culturally relevant campaigns. We appreciate our strategic collaborations with trade partners, sports associations and the music and arts communities who we partner for the sponsorships that amplify brand visibility, drive consumer excitement, and deepen emotional connection with our brands. These partnerships not only enhanced brand equity but also reinforced our role in supporting vibrant community experiences across the markets we serve.

Castle Lager

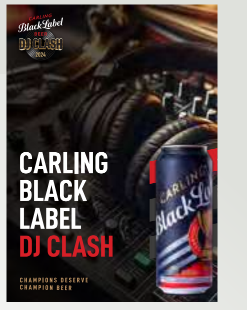
Castle Lager's deep-rooted association with sport remained at the heart of its consumer and trade engagement throughout the year. The brand's long-standing sponsorship of the 64th edition of the Castle Tankard at Borrowdale Park, a well-attended family event was filled with thrilling musical performances by leading musicians such as Alick Macheso. On the football pitch, Castle Lager sustained its presence as a key sponsor of the Premier Soccer League and the Castle Challenge Cup – platforms that continue to reinforce our connection with loyal soccer fans. The "Backup Squad" campaign was an addition to the sponsorship package, which was brought to life through interactive, multi-platform activations that amplified enthusiastic team support. The 2024 season concluded with Simba Bhora FC's historic league title and Walter Musona being crowned Soccer Star of the Year – further deepening the brand's association with sporting excellence.

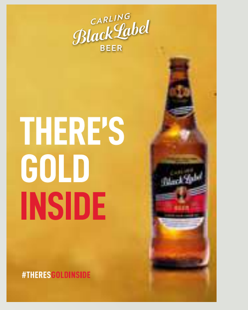
Beyond sport, Castle Lager celebrated culture and community through its signature **Braai Day** – the largest national braai event – held at Old Hararians in October 2024. The event attracted a record crowd which was supported by a powerful mix of in-trade activations, regional micro-events, compelling trade displays, and wide-reaching radio and digital campaigns. These engagements underscored Castle Lager's role in creating memorable, unifying moments for its consumers with the accompanying dancehall music from an enthusing line up featuring Winky D.

Review of Operations
Lager Beer Business (continued)

Carling Black Label

Carling Black Label maintained its growth momentum, achieving another record volume in F25 and a contribution of 47%, driven by its appeal as a champion beer, celebrating the resilience and daily efforts of hardworking men. The brand's connection with its consumer base was reinforced through a diverse range of sponsorships and music-led activations such as the National Pool Championships, the Zimbabwe Tertiary Institution Student Games, and the Carling Black Label National DJ Clash. These platforms assist in embedding Carling Black Label into the cultural and social lives of our consumers.





Sable Lager

Sable Lager continued its journey of building brand awareness and consumer trial to solidify itself as a smooth, easy-drinking beer crafted for younger consumers and everyday social occasions. The "It's Your Time" campaign resonated with aspirational youth. The brand maintained the sponsorship of the Zimbabwe Men's 15s rugby team and celebrated the team's triumph in the Africa Rugby Cup, reinforcing Sable Lager as a symbol of youthful ambition and possibility.

Eagle Lager

Eagle Lager's nationwide activations served as vibrant platforms for consumers to unwind, connect, and enjoy their favourite beer in an engaging and entertaining environment with the theme of rewarding the everyday hustle of our consumers. The brand enhances its community credentials by promoting the local sourcing of sorghum grain and smart agriculture and food resilience.

The brand's connection with its consumer base was reinforced through a diverse range of sponsorships and music–led activations such as the National Pool Championships, the Zimbabwe Tertiary Institution Student Games, and the Carling Black Label National DJ Clash.

Review of Operations

Lager Beer Business (continued)

Zambezi Lager

Zambezi Lager, our flagship premium brand, delivered a vibrant year of campaigns and sponsorships that brought to life its core promise of quality, relaxation, and uniquely Zimbabwean experiences. Our community of "Zambezians" remained alive through a dynamic mix of activations, including the winter edition of *Ignite Nights*, the *Limited Edition Zambezian Can* promotion, and the immersive *Zambezian Experience* hosted at Spurwing Island.

Zambezi Lager also deepened its connection to national pride and adventure through its sponsorship of the Zimbabwe Men's 7s Rugby team and the Kariba Invitational Tiger Fishing Tournament – both events aligning with the brand's spirit of excellence and the great outdoors.

Pushing the boundaries of innovation, the brand unveiled a modern television commercial, *"Zimbabwe in a Bottle."* This pioneering advert took consumers on a virtual journey through the country's most iconic landscapes and cultural touchstones, evoking the essence of what it means to be proudly Zimbabwean – just like the Mighty Zambezi itself. The 660ml Pack, **the Magnum** was updated and reinforced the **"Refreshed" Campaign, Zambezi Lager pioneered the transition of our well-loved Magnums 660ml bottles away from full coverage foil to a reduced size metalized neck label which offers consumers a more premium and convenient drinking experience.**

Bohlingers Lager

The **Hit Refresh** thematic campaign remained a cornerstone of our consumer engagement strategy throughout the year. This was delivered through an integrated mix of media platforms and in-trade activations, which reinforced Bohlingers' positioning as a premium refreshment experience.

Bohlingers also marked a major milestone by becoming the first locally produced brand to adopt full PSL (Pressure Sensitive Labelling) on the 340ml one-way pack, which introduced a new sleek design. This packaging transition supports our premiumisation agenda, aligning with global trends in look and feel.

The popular **Bohlingers Island Getaway Promotion** returned for its second year, anchoring the brand's promise of unique refreshment and adventure.

Golden Pilsener

Golden Pilsener unveiled its new brand positioning through the launch of the **"Trusted for Golden Moments"** campaign – an emotive platform celebrating the essence of life's most meaningful experiences. The campaign is designed to appeal to consumers who value stability, authenticity, and the quality of connections shared among close friends. It reflects a brand that stands not just for premium beer, but for creating and enhancing moments that matter.

The repositioning also introduced a refreshed **Visual Brand Identity (VBI)**, rolled out across all advertising platforms to unify brand messaging and visual expression. The brand activated the Golden Moments concept targeting its core audience with visibility on the golf course through sponsorship of the Zimbabwe Open and regional tournaments and the **Golden Xcape Jazz Nights** – that blends sophistication, music, and social connection in celebration of premium enjoyment.

Castle Lite

Castle Lite focused its strategic blend of lifestyle sponsorships, curated micro-events, and high-energy social events such as the **"Friday Night Lights"** series hosted at premium outlets across the country. The brand also sponsored the **Munch & Sip Festival**, recognised as the largest music and lifestyle festival in Bulawayo.

The brand's sponsorship of the **Victoria Falls Marathon** and the Harare Athletics Club' Jog and Grog event enabled it to effectively position itself as a smart choice for consumers seeking refreshment without compromising their active lifestyles.

Recognition And Awards:

Our portfolio of Lager beer brands gained recognition across different platforms in the Alcoholic Beverages category of consumer goods awards. The Zambezi Lager *Zambezian Experience* was awarded Gold Winner for the Best 360 Degree Campaign at the Marketers Association of Zimbabwe (MAZ) Annual Exceptional Marketing Awards 2024. Both Carling Black Label and Castle Lager received gold and silver awards at the Annual Super Brand Awards, in the FMCG Alcoholic Beverage Clear Beer Sector, and earning 13th and 14th place respectively in the Top 20 Business to Consumer (B2C) Brands for 2024.

Zambezi Lager, our flagship premium brand, delivered a vibrant year of campaigns and sponsorships that brought to life its core promise of quality, relaxation, and uniquely Zimbabwean experiences.

Review of Operations

SORGHUM BEER BUSINESS – ZIMBABWE

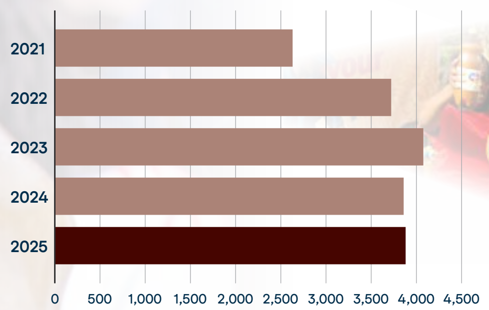
Sustaining Growth While Deepening Consumer Connection

The Zimbabwe Sorghum Beer Business recorded domestic volumes of 3.9 million hectolitres, reflecting a 1% growth compared to the prior year. Overall volume declined by 7%, due to the cession of exports to regional markets that have since achieved production self-sufficiency.

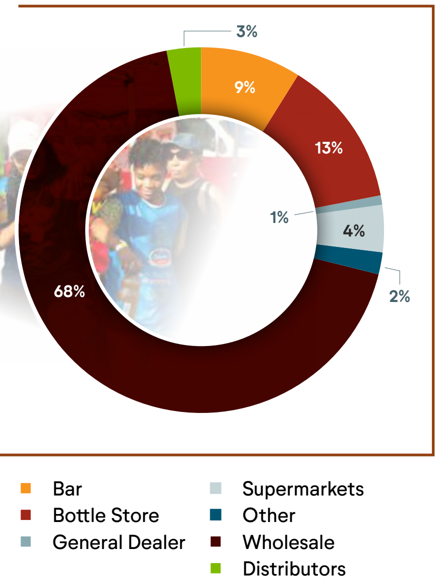
Review of Operations

Sorghum Beer Business – Zimbabwe (continued)

Sorghum Volume Performance – '000hls



Sorghum Beer Trade Channel % Sales Contribution



The first half of the year proved especially difficult as the El Niño-induced drought severely affected agricultural output, eroding disposable incomes in key rural and peri-urban markets. The sector has become more competitive with new entrants and revitalised old players in addition to the down and up trading pressures across alcohol formats.

We continue to reinvigorate the Chibuku Scud pack to drive affordability and maintain the live beer style. The portfolio of flavoured Chibuku Super continues to offer varied taste options to the consumer. The Ginger variant is showing great potential, responding to changing taste preferences.

Our national sponsorship properties, such as the Chibuku Super Soccer Cup, the Chibuku Neshamwari Traditional Festival and Chibuku Road to Fame, continue to provide heightened consumer interaction and brand affinity.

The business continued to support retail partners through the deployment of outlet cooling infrastructure across key urban and provincial hubs including Harare, Chitungwiza, Bulawayo, Mashonaland Central, Masvingo, and Midlands

Consumer Connections: Culture, Community, and the True Taste of Home

Our consumer engagement remained rooted in celebrating community, friendship, and cultural authenticity. The launch of "The True Taste of Home" campaign invoked the power of storytelling to highlight the locally sourced, high-quality ingredients of Chibuku Super to connect the product to identity, heritage, and place and its key attributes of authenticity and trust.

Chibuku remains deeply committed to the promotion of arts, culture, and community identity, continuing its long-standing partnerships with the National Arts Council of Zimbabwe (NACZ) and the Zimbabwe National Traditional Dance Association (ZNTDA).

Review of Operations

Sorghum Beer Business – Zimbabwe (continued)

Consumer Connections: Culture, Community, and the True Taste of Home (continued)

The "Kutambidzana Scud Kutambidzana Mafaro, Mshaye NgeScud, Mshaye Ngenjabulo" campaigns celebrated brotherhood and joyful moments of togetherness, while reinforcing the "Chakanaka Chakadaro / Simnandi Sinjalo" theme – honouring the inherent richness and quality of Chibuku.

Promotions and Strategic Initiatives: Driving Consumption and Trade Value

Our Consumer promotions such as the Chibuku Double-Double and the Chibuku Super Surprise ran again during the year, generating excitement in the market and reinforcing the spirit of camaraderie and brotherhood at the heart of the Chibuku brand. Importantly, our key trade partners also benefited, receiving business-boosting rewards that enhanced their participation and deepened retail relationships.

Chibuku in Arts & Culture: Uplifting Talent and Celebrating Heritage

Chibuku remains deeply committed to the promotion of arts, culture, and community identity, continuing its long-standing partnerships with the National Arts Council of Zimbabwe (NACZ) and the Zimbabwe National Traditional Dance Association (ZNTDA). These collaborations have enabled impactful programmes that honour and uplift local talent while preserving Zimbabwe's rich cultural traditions.

The Chibuku Neshamwari Traditional Dance Festival, held under the theme *"Tamba Tione, Gida Sibone"*, focused on supporting emerging traditional dance groups across the country. The provincial finals culminated in a vibrant national finale held on 27 July 2024 at Mucheke Stadium in Masvingo, where Nyaungwe Arts from Mashonaland East were crowned national champions.

Similarly, the 2024 edition of Chibuku Road to Fame – Zimbabwe's premier grassroots music talent search – ran under the banner *"Bvirarira, Tshay'iNgoma"*. The programme began in September and concluded with the National Finals at Glamis Arena on 9 November 2024, with Kweseka from Matabeleland North winning top honours. These initiatives continue to underscore Chibuku's dedication to cultural preservation, community upliftment, and the discovery of new artistic voices.

Chibuku in Sports: Deepening Passion Through Football

Our long-standing partnership with the Premier Soccer League (PSL) continues to strengthen Chibuku's brand equity by tapping into one of the most powerful consumer passion points – sport. The Chibuku Super Cup has become a highly anticipated fixture on the national football calendar, providing an emotionally resonant platform for fan engagement. The 2024 final, held at Rufaro Stadium, saw a dramatic rematch between Ngezi Platinum Stars FC and Dynamos FC, with Dynamos once again emerging victorious. This historic win marked Dynamos FC as the first team to defend their Chibuku Super Cup title.

Review of Operations

Sorghum Beer Business – Zimbabwe (continued)

Innovation and Awards: Raising the Standard in Traditional Beer

Chibuku Super continues to lead through product excellence and innovation, earning prestigious recognition on both local and international stages. In 2024, Chibuku Super was awarded a silver medal at the Monde Selection Quality Awards in Brussels – the first-ever submission of a traditional African beer to the globally renowned quality institute. This accolade affirms the brand's commitment to delivering a consistently superior product experience that meets international standards.

Further solidifying its leadership position, Chibuku Super was honoured with the FMCG Alcoholic Beverage Sorghum Beer Sector Award for 2024 by the Marketers Association of Zimbabwe, acknowledging its outstanding brand performance in the category. Additionally, the brand was named first runner-up for Product of the Year at the National Annual Quality Awards (NAQA), reflecting the brand's momentum and continued innovation within the sorghum beer space.

Our long-standing partnership with the Premier Soccer League (PSL) continues to strengthen Chibuku's brand equity by tapping into one of the most powerful consumer passion points — sport.

Review of Operations

SORGHUM BEER BUSINESS – SOUTH AFRICA

Building Momentum Through Localisation and Premiumisation

The United National Breweries (UNB) business recorded total volumes of 1.34 million hectolitres of sorghum beer and 14.6 thousand hectolitres of Mageu for the year under review.

Review of Operations

Sorghum Beer Business – South Africa (continued)

This represents a 10% decline in the beer category and a 41% decline in Mageu volume compared to the prior year. The contraction in beer volumes was primarily driven by reduced performance in the Traditional African Beer (TAB) category, some varied dynamics in our route to the consumer, particularly the poor execution by our key resellers and distributors. The performance was also impacted by the disruptions to product supply arising from the prolonged illegal job action at Phelindaba Brewery.

Despite the overall decline, the premium segment delivered encouraging growth, with volumes surging by 75% year-on-year. A standout performer was the Chibuku Super Banana flavour variant, which continues to gain traction by effectively recruiting a younger adult consumer base and positioning the brand as a modern alternative within the sorghum category.

Operating Environment and Strategic Milestone

The post-election period in South Africa ushered in a relatively stable political climate following the formation of a government of national unity. However, the economic environment remained fragile, with the closure and downsizing of key mining operations dampening overall consumer demand in some key regions.

The year also saw supply chain pressure, with a significant increase in maize prices resulting from the 2023/2024 drought, placing upward pressure on input costs. Operationally, the business faced disruption due to an illegal job action at the Phelindaba Brewery, which lasted three months and temporarily impacted production capacity.

Commissioning of the Chibuku Super Plant: A Strategic Turning Point

A major milestone for the business was the successful commissioning of the Chibuku Super plant at Phelindaba Brewery, marking the start of local manufacturing of a brand previously imported from Zimbabwe. This investment represents a strategic pivot, significantly reshaping the traditional beer landscape in South Africa.

The localisation of Chibuku Super production has delivered multiple benefits:

- Improved supply reliability and reduced lead times
- Enhanced customer service and responsiveness
- A pathway to profitable growth, as local manufacturing offers better margin control and operational flexibility

This investment sets the foundation for future category leadership and unlocks new growth opportunities across both the premium flavoured beer and traditional sorghum segments.

Market Development

The business continued to make strong strides in new market development, with a strategic emphasis on growing the premium segment. Significant progress was made in expanding our presence across national retail chains and modern liquor trade channels, positioning the business for broader brand visibility and consumer reach.

A key achievement during the year was the successful attainment of 100% listing in key retailers such as Makro and Pick n Pay. These developments mark a major step forward in our premiumisation agenda and strengthen our foundation for future volume and value growth.

Significant progress was made in expanding our presence across national retail chains and modern liquor trade channels, positioning the business for broader brand visibility and consumer reach.

Review of Operations

Sorghum Beer Business – South Africa (continued)

Brand Building and Digital Engagement

The business continued to build strong brand equity through a focused **digital marketing strategy**, leveraging platforms such as **Facebook, Instagram, and WhatsApp** to amplify visibility, share brand success stories, and deepen consumer engagement. These platforms served as effective tools for real-time interaction and storytelling, reinforcing Chibuku Super's position as a relevant and culturally resonant brand.

Key digital campaigns during the year included the **Easter online promotion** and **festive season activations**, both of which were delivered through targeted social media engagement strategies. In addition, the brand made strategic use of cultural observances – such as **African Month (May)** and **Youth Month (June)** – to reinforce its identity as a **modern, proudly African brand** that connects authentically with today's consumers.

Looking ahead, the digital agenda will prioritise:

- Expanding audience reach
- Driving deeper consumer engagement
- Growing follower communities
- Supporting new store penetration through geo-targeted awareness campaigns

Chibuku Super Receives Industry Recognition

In **November 2024, Chibuku Super** was officially recognised for its **superior product quality** and growing influence within the South African beer market at the prestigious **Beer Association of South Africa (BASA) Annual Awards**. The brand received a **notable quality award**, affirming its standing as a **category leader in the premium traditional beer segment**.

This accolade represents a **defining milestone** in the brand's growth journey and serves as a powerful endorsement of its brewing excellence, innovation, and consumer relevance. The award will be strategically leveraged in upcoming marketing and trade campaigns to:

- Reinforce **consumer confidence** in the product's quality
- Elevate **brand equity and perceived value**
- Further **differentiate Chibuku Super** in a dynamic and increasingly competitive market landscape

Consumer and Community Connections

The festive season promotions for Ijuba were digitally driven and significantly boosted both the brand's social media followership and consumer participation from across the country. A key below-the-line initiative, the **Ijuba 2L Scratch & Win activation**, was rolled out in KwaZulu-Natal (KZN) to enhance brand visibility, engage consumers, and reinforce Ijuba's competitive positioning.

This promotion was instrumental in rebuilding consumer trust, increasing interaction, and safeguarding market share in a key region. It was well received by both consumers and tavern owners, creating excitement and driving renewed engagement. Complementing these efforts, activation teams executed a series of in-person brand experiences at cultural and community events such as the Local Township Festivals, Kota Festival, Tembisa Jazz Festival, and Midway Soweto Games. These engagements allowed the brand to connect with over 8,000 attendees and directly sample the product to an estimated 4,000 consumers, reinforcing Ijuba's image as a modern, refreshing beverage that resonates with today's socially active and culturally rooted consumers.

Review of Operations

SORGHUM BEER BUSINESS – ZAMBIA

Sorghum Beer volumes in Zambia declined by 30% year-on-year, reflecting the severe macroeconomic and operational headwinds that characterised the F25 financial year.

Review of Operations

Sorghum Beer Business – Zambia (continued)

The most significant contributor to this downturn was the prolonged drought, which disrupted summer cropping and curtailed consumer incomes, particularly in rural areas where sorghum beer demand is typically strongest. With household budgets redirected toward essential food staples due to harvest failures, discretionary spending on beverages declined sharply.

Simultaneously, the country experienced disruptive daily electricity load-shedding of up to 18 hours, which constrained production capacity and affected cold chain availability. In response, the business had to invest in diesel generators at production sites, an essential but cost-intensive solution that contributed to a sharp rise in operational expenditure.

The business also contended with several broader economic pressures:

- The continued depreciation of the Zambian Kwacha, which increased the cost of imported packaging and other inputs.
- Escalating fuel prices, which significantly increased distribution and logistics costs.
- Inflationary pressures on overheads, compounded by energy and import-related cost drivers.

In this challenging context, the business remains focused on cost containment, supply chain resilience, and targeted route-to-market interventions to protect market presence and sustain core customer engagement.

Efforts to stabilise operations and regain momentum will continue to be a priority in the new financial year.

Collaborating With Customers

The business maintained a strong focus on the Direct Store Delivery (DSD) model, which enhances the overall customer experience by ensuring timely, reliable delivery of Chibuku products directly to retail outlets. This approach not only improves service consistency but also supports product affordability.

In parallel, our deliberate engagements and promotional activity within Key Account Supermarket chains across the country has yielded encouraging results. For the second consecutive year, this channel recorded reasonable volume growth, reflecting improved in-store availability, focused merchandising efforts, and strengthened partnerships with major retail players. These outcomes re-affirm the effectiveness of our route-to-market strategy in expanding and deepening market penetration across both traditional and modern trade environments.

The business continued to prioritise people development through the ongoing skills exchange programme with Delta Beverages which provides valuable exposure and learning opportunities, strengthening the technical and leadership capabilities of participating employees.

To build a strong pipeline of future talent, the business expanded its Graduate Development Programme, welcoming 12 new candidates in FY25, achieving a balanced gender split. In addition, a second intake of apprentices was recruited to bolster trade and technical skills across operations. Notably, all graduates and apprentices from the previous intake who completed their training were successfully absorbed into the business, reinforcing our commitment to retaining and nurturing home-grown talent.

Review of Operations

SPARKLING BEVERAGES

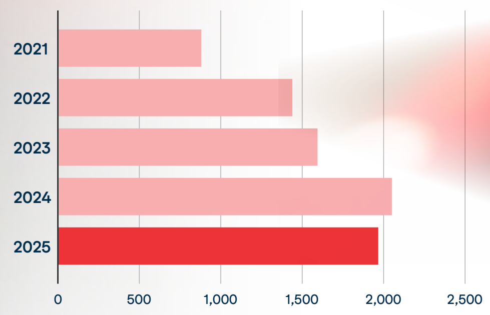
Driving Affordability and Reigniting Brand Magic

Sparkling Beverages recorded a total volume of 1.97 million hectolitres, declining by 4% compared to prior year. The decline was primarily driven by price increases necessitated by the introduction of an above benchmark surtax on sugar content in beverages.

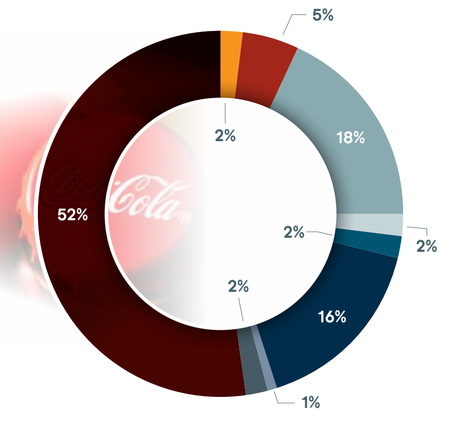
Review of Operations

Sparkling Beverages (continued)

Sparkling Beverages Volume Performance – '000hls



Sparkling Beverages Trade Channel % Sales Contribution



- Bar
- Bottle Store
- General Dealer
- HORECA
- QSR
- Supermarkets
- Petroleum Food Mart
- Other
- Wholesale

This was compounded by the restricted market access accessioned by route to market regulations, the viability challenges faced by the key formal retail and wholesale channel and influx of low-priced grey imports of our brands. The formal retail partners contracted due to the growth of the informal sector stemming from the exchange rate induced pricing distortions, and preference of channels that availed foreign currency to manufacturers.

The business implemented several initiatives aimed at protecting volume, enhancing affordability, and sustaining consumer connection. These included the launch of a 440ml PET pack, priced competitively under the refreshed **Dollar Deals** platform, and general price moderation with the business absorbing part of the sugar tax. There is a drive to promote low and zero sugar offerings to consumers, to align with the national health goals of reducing sugar consumption.

The Real Magic of Coke

Brand Coca-Cola continued to engage consumers through its **"Real Magic"** campaign, which emphasises the connection between shared moments, meals, and refreshment. The central proposition – *Moment + Meal + Coke = Recipe for Magic* – was activated across key foodservice outlets and retail spaces nationwide. Signature campaigns such as the **Coca-Cola Foodfest at Unplugged** and **Munch & Sip Festival** which build the brand's association with food and music culture, whilst the festive **"Inner Santa"** campaign rekindled the joy of giving during the Christmas holiday season.

Innovation and Awards

The Coca-Cola brand continues to demonstrate its market leadership and was recognised as the 2024 Super Brand in the Non-Alcoholic Beverages Sector and secured the second runner-up position in the Non-Alcoholic Beverages Sector.

The "Wanta Fanta" campaign re-energised the Fanta brand by targeting Gen Z consumers through an engaging and playful platform designed to rekindle brand relevance and drive trial.

Review of Operations
Sparkling Beverages (continued)

Wanta Fanta & Snacking

The **"Wanta Fanta"** campaign re-energised the Fanta brand by targeting Gen Z consumers through an engaging and playful platform designed to rekindle brand relevance and drive trial. The campaign tapped into the unique desires of this generation – referred to as their "want spaces" – by inviting them to fulfil their cravings with the bold, lip-smacking deliciousness that Fanta delivers. The campaign's interactive touchpoints boosted visibility, strengthened engagement, and positioned Fanta as the ultimate flavourful refreshment for spontaneous, snack-filled occasions.

Sprite

The Brand Sprite continued with the **"HEAT Happens 2.0"** campaign reinforcing Sprite as the ultimate drink to cool down during life's heated moments – particularly for on-the-go consumers navigating daily hustle and high temperatures, highlighting its signature ice-cold lemon-lime flavour.

Innovation and Awards (continued)

A highlight of the year was the introduction of the **440ml PET pack**, which was targeted to achieve the market accessible price point of "**$1 for 2**" and moderate the single serve pack size for the health conscious.

Zero Sugar Drive

We intensified our efforts to grow the Zero Sugar and low sugar variants through extensive **sampling campaigns** aimed at stimulating trial and driving brand awareness across both teen and adult segments. These campaigns were designed to reinforce the Zero range's core proposition – great taste with no sugar – while deepening recognition of the brand's relevance in health-conscious consumption occasions with over **40,000 consumers being** directly engaged.

Review of Operations
Sparkling Beverages (continued)

Consumer Engagement and Live Experiences

Through brand Coke we have demonstrated a strong commitment to community engagement through vibrant live experiences that celebrate local culture, talent, and development. Key initiatives include the Coca-Cola **Food Fest, Unplugged**, a premier event in Harare that merges Zimbabwean cuisine, music, and community spirit. The Coca-Cola **Four-Minute Mile Challenge**, run during the Zimbabwe International Trade Fair in Bulawayo, is a prestigious athletics event aimed at promoting sports and identifying emerging talent across the country. This is complemented by the Coca-Cola **Drum Majorettes Competition**, an annual showcase of school teams' performance art at the Zimbabwe International Trade Fair. These events reflect the company's broader dedication to social responsibility, youth empowerment, and cultural celebration.

Coca-Cola's festive initiatives also encompass the Christmas Lighting Ceremony, Clean-Up Campaign, and Christmas Caravan, all designed to foster community spirit and brand engagement. The Christmas Lighting Ceremony at Africa Unity Square, conducted in partnership with the City of Harare, marked the commencement of the 2024 Christmas holiday season, featuring vibrant lights, music, and communal celebrations. The Christmas Caravan traversed various cities, including Harare, Bulawayo, Gweru, Masvingo, and Mutare, distributing Coca-Cola products and gifts, and visiting children's homes to spread festive cheer. These activations not only enhanced Coca-Cola's brand presence but also contributed positively to community well-being during the holiday season.

We intensified our efforts to grow the Zero Sugar and low sugar variants through extensive sampling campaigns aimed at stimulating trial and driving brand awareness across both teen and adult segments.

Review of Operations

MAHEU BUSINESS

Shumba Maheu Re-launch

Shumba Maheu was proudly reintroduced to the market under the tagline **"Made For You"**, a powerful expression of our renewed commitment to creating a product that aligns deeply with the values, traditions, and lifestyles of our consumers.

Review of Operations

Maheu Business (continued)

This refreshed positioning reinforces the brand's cultural relevance, ensuring that every sip resonates as a meaningful part of our consumers' personal journeys.

The re-launch included the introduction of a **new Buttermilk flavour**, which broadened the range and offered a fresh, indulgent twist to a beloved classic.

In addition, the original flavour variants were enhanced to deliver a richer and more satisfying liquid experience. These product improvements, coupled with focused brand communication and availability efforts, have led to **an encouraging volume recovery and growth** – demonstrating strong consumer response and renewed loyalty towards one of Zimbabwe's most iconic nutritional beverages.

Review of Operations

TRANSPORT AND LOGISTICS

The Transport Services Division provides suitably designed and adequately maintained company owned vehicles to the Beverages Divisions for both primary and secondary product distribution and complementary raw materials logistics.

Review of Operations

Transport and Logistics (continued)

The Zimbabwean operation boasts a company-owned fleet, comprising over 300 prime movers, 500 trailers, and 140 forklifts. This fleet supports our route-to-market strategy, servicing over 60% of our primary freighting to the depots and 90% of secondary distribution to customers. The fleet travelled over 12.5 million kilometers in F25, a 5% increase from the prior year, which reflects improvements in fleet utilisation and the benefits of the higher volume throughput and better product availability.

The fleet is serviced at our network of 26 strategically located workshops countrywide, which keep the fleet well maintained and in conformity with our high safety standards. The company has continued to inject new vehicles to renew and expand fleet to cover the growing business requirements.

United National Breweries in South Africa operates a company owned fleet of 126 trucks for secondary distribution. The entity largely outsources primary distribution and is assessing the owned fleet model with the recent purchase of two prime movers. The fleet maintenance is currently outsourced.

In Zambia, the National Breweries operation has up to 75 company-owned trucks, catering for all secondary distribution requirements including the maintenance of the fleet at three workshops. The primary freighting function is mainly outsourced to third parties.

The Afdis operation uses 21 company-owned trucks, which cover most of the freight and all the secondary distribution requirements. The fleet is maintained internally and well supported by either the Afdis or Delta workshops.

The business advocates the presold delivery model, which allows for focused delivery scheduling based on customer orders. The dynamic routing platform utilises the Telesales Centres and sales representative customer contacts to collect orders and prioritise deliveries.

We promote efficient door-to-door delivery for convenience and assured product supply to our customers and consumers, emphasizing a good sales day across the country. Collaborating and benchmarking are key for the business to ensure the best service provision.

There is an emphasis on continuous training of drivers to enhance defensive driving skills and reduce road accident risks, aided by the Delta driver training school. A state-of-the-art driver training simulator was acquired during the year.

An enhanced vehicle telematics system that promotes real time tracking and monitoring of the fleet and the drivers is in use.

Review of Operations

AFRICAN DISTILLERS LIMITED

African Distillers Limited (Afdis) is a listed company whose primary business is the manufacture, distribution and marketing of branded wines, spirits, liqueurs and ciders for the Zimbabwean market.

Review of Operations
African Distillers Limited (continued)

Business Overview

The Company achieved a 15% growth in total volume over the prior year, driven by strong performance in the wines and ready-to-drink (RTD) categories. The business benefited from the general increase in consumer spending and the higher proportion of transactions conducted in foreign currency coupled with improved adherence to recommended retail price levels. The anti-smuggling enforcement by the authorities during the second half of year assisted in curbing informal imports of our key brands.

Spirit Business Performance

The spirit segment grew by 7% compared to the prior year, primarily driven by the strong performance of brown spirits, which recorded a 12% growth, buoyed by demand for affordable packs. In contrast, white spirits declined by 11%, under pressure from the proliferation of lower-cost products in the informal market, which continue to dominate the value segment. While the segment saw a shift toward independent trade, limited activity in key formal retail and wholesale chains constrained further volume expansion. Nonetheless, targeted consumer promotions in Gin and Brandy revitalised category visibility, and enhanced brand equity.

Ready-to-Drink (RTD) Business

The RTD category remained the standout performer, contributing 53% of total sales and registering an impressive 21% growth over the previous year. This success was underpinned by improved product availability, strategic in-store activations, and consumer promotions. A key highlight was the successful launch of NightSky Gin & Tonic, a new spirit cooler range that expanded the RTD portfolio and brought excitement to the category. The introduction of the locally manufactured 660ml returnable Hunters pack supported volume growth, allowing the business to target broader consumption occasions and compete effectively against informal imports and competing offerings.

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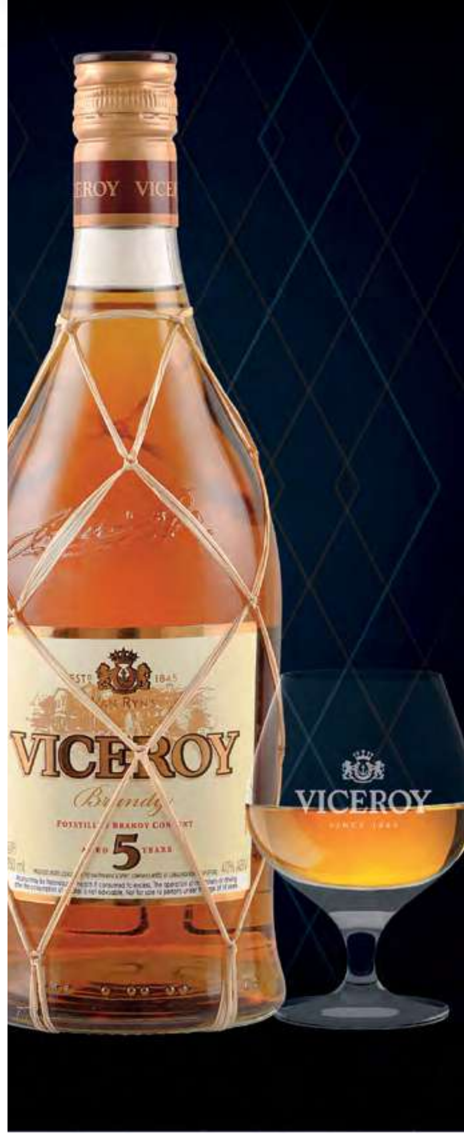


Review of Operations

African Distillers Limited (continued)

Wine Business Performance

The wine segment posted a 29% year-on-year growth, bolstered by competitive pricing and improved stock availability. The segment benefitted from increasing consumer confidence in local offerings and consistent trade execution across key channels.

Innovation and Product Engineering

Innovation remained at the forefront of the business strategy, with a strong emphasis on new product development, process engineering, and packaging upgrades. The successful introduction of NightSky Gin & Tonic was aimed at appealing to evolving consumer preferences across generational segments. The expansion of the cider portfolio to include locally produced Hunters 660ml packs will assist in reclaiming market share from grey imports and broadening brand relevance.

Capital Investments in FY25

To ensure operational resilience and maintain business continuity, the Company continued to invest in plant and infrastructure upgrades. Key capital investments during FY25 included:

- Water Storage tanks to mitigate supply disruptions
- Spirits Packaging Line Upgrades to increase capacity and efficiency
- Refrigeration Capacity Expansion to support growing volumes and route-to-market execution
- Laboratory equipment upgrades to strengthen quality assurance and innovation initiatives

These initiatives reflect the business's commitment to maintaining competitive advantage through improved efficiency, reliability, and product quality.

Review of Operations
African Distillers Limited (continued)

Review of Operations

SCHWEPPES HOLDINGS AFRICA LIMITED

Schweppes Holdings Africa Limited, through its principal operating entity Schweppes Zimbabwe Limited, manufactures and distributes non-carbonated still beverages under license from The Coca-Cola Company.

Review of Operations

Schweppes Holdings Africa Limited (continued)

During the year under review, beverage volumes declined by 15%, primarily due to price increases implemented in response to the introduction of the sugar tax, which negatively impacted demand across key product categories. The local market experienced a surge in cheaper grey imports, including low sugar variants offered in regional markets. This highlighted the significant cost differentials in the region, particularly on sugar and juice concentrates. Although the sugar tax on cordials was later reduced, cost pressures remain elevated, driven by increased fruit input costs and higher utility tariffs. Additionally, the imposition of a 5% route-to-market surcharge on non-tax compliant traders, created further pricing and distribution complexities, making it more difficult to reach the targeted customers and constrain the value proposition to the consumer.

The business continues to focus on product innovation such as the introduction of low-calorie variants towards the end of the year aimed at broadening consumer choice and responding to health-conscious consumption trends. These innovations are expected to play a growing role in volume recovery and brand rejuvenation going forward.

Beitbridge Juicing Company: Raw Material Supply and Market Dynamics

The Beitbridge Juicing Company, which supplies fruit juice bases – particularly orange juice concentrate – to the Schweppes beverages division, also experienced a challenging year. Volumes for the year reached 2 738 tons, a 28% decline from the 3 789 tons recorded in the prior year. This reduction mirrored the beverage division's volume contraction, which was impacted by the sugar tax and the resultant price-driven consumer migration from the product range.

Global market dynamics also played a role, witnessing firm citrus concentrate prices driven by the impact of Asian greening disease on citrus plantations in Florida and severe weather events affecting global supply. These conditions translated into higher pack-out ratios for export markets while simultaneously pushing up local juicing fruit prices.

Despite the tough operating conditions, Schweppes remains focused on value chain resilience, product quality, and strategic innovation to adapt to changing market realities and position the business for sustainable recovery.

The business continues to focus on product innovation such as the introduction of low-calorie variants towards the end of the year aimed at broadening consumer choice and responding to health-conscious consumption trends.

Review of Operations

NAMPAK ZIMBABWE

Nampak Zimbabwe was created by the merging of the packaging-related entities MegaPak, Hunyani and CarnaudMetalbox (CMB) in 2014 with the new entity taking over Hunyani Holdings Limited's Zimbabwe Stock Exchange listing.

Review of Operations

Nampak Zimbabwe (continued)

Nampak's activities are summarised below:

Entity	Line of Business
Mega Pak	Manufacture of injection, stretch blow, rotational moulding of primary and secondary plastic and PET packaging products for food and beverages sectors.
Hunyani	Manufacture of paper, printing, and packaging products.
CarnaudMetalbox	Manufacture of metal aerosol cans, crowns, and plastic bottles

The 2024 depressed tobacco season impacted the Hunyani Paper and Packaging business. Most of Nampak's market segments experienced a decline in volume due to weak demand as economic activity in the formal retail sector slowed down, with some outlets closing branches. Entry of local competitors in certain business segments also put pressure on volume output.

The main shareholder, Nampak International has entered an agreement to dispose of its entire stake to TSL Limited. This is expected to be completed in the coming year.

Report of the Directors

The Directors present their 78th Annual Report together with the Audited Financial Statements of the Group for the year ended 31 March 2025.

Year's Results

The year's results are presented in US Dollars, which has been the reporting currency since 01 October 2023.

		2025 US$'000
Revenue		807 470
Operating Income		152 607
Net Finance Charges, Exchange losses and Monetary loss		(14 032)
Share of Associates Income		1 374
Profit Before Tax		139 949
Profit attributable to Owners		118 223
Less	**Dividends**	
	Dividends Declared and Paid (US3.0 cents per share)	(39 498)
Add	Distributable Reserves at the beginning of the year	177 271
	Transfers from reserves	139
	Forfeture of shares	3
	Share buyback	(1 667)
	Distributable Reserves at the end of the year	254 471

Property, Plant And Equipment

Capital expenditure (inclusive of returnable containers) for the year to 31 March 2025 totalled US$39,8 million. The planned capital expenditure for the year ending 31 March 2026 is US$70,3 million.

Associates

The Company's effective shareholding in Schweppes Holdings Africa Limited at 49% and 21.46% in Nampak Zimbabwe. The shareholding in Schweppes has increased to 69% effective 1 April 2025.

Share Capital

The authorised share capital of the Company comprises of 2 000 000 000 ordinary shares of US$0,01 each. A total of 8 834 000 shares were allotted in accordance with the share option schemes. The ordinary shares in issue are 1,333,852,435.

The issued share capital is now US$7,8 million comprising nominal capital of US$993 873 and share premium of US$6,8 million. The number of shares currently under the Share Appreciation Rights Schemes is 26,424,000.

The Company now maintains both a materialised certificate register and an electronic de-materialised one maintained by Chengetedzai Security Depository. Shareholders can opt to maintain their shares either in paper certificates or in electronic/dematerialised form through a nominated Custodian.

Dividends

The Board declared interim of US1.0 cent per share and a final dividend of US2.3 cents per share. This brings the total dividend declared in respect of the year ended 31 March 2025 to US3.3 cents.

Reserves

The movements in the Reserves of the Group and the Company are shown in the Consolidated Statement of Comprehensive Income, Group and Company Statements of Changes in Equity and in the Notes to the Financial Statements.

Purchase of Own Shares

At the last annual general meeting, authority was granted for the company to purchase its own shares up to a maximum of 10% of the number of shares in issue as at 31 July 2024. The authority is due to expire at the conclusion of the next annual general meeting in July 2025. The notice of the annual general meeting proposes that shareholders approve a resolution renewing the authority for the share buyback.

The authority was utilised to purchase 2 729 816 shares during the reporting period. The Company held a total of 12,995,512 of its own shares as at 31 March 2025.

Going Concern

The directors have reviewed the Group's performance for the year and the principal risks it faces, together with the budget and cash flow forecasts for the next twelve months, and the application of reasonable sensitivities associated with such forecasts.

Report of the Directors (continued)

Going Concern (continued)

The directors note that the operating environment makes it difficult to plan for the future. Reference is made to the analysis of principal risks and uncertainties included in the annual report. Based on this review, and considering the current financial position, the directors have continued to adopt the going concern basis in preparing the consolidated financial statements.

Directors

The names and summarised resumes of the directors are set out on pages 182 to 185. Mr Sternford Moyo passed away on 05 July 2024. Ms Bridget Makhura resigned from the Board on 31 March 2025.

Mr T Moyo and Mrs E Fundira retire by rotation. Messrs G Gapu and C Kurien were appointed to the Board on 01 April 2025 and 10 April 2025 respectively and retire at the end of their interim appointment on 25 July 2025. All being eligible, will offer themselves for re-election. The election of directors will be by individual motions.

No Director had, during or at the end of the year, any material interest in any contract of significance in relation to the Group's businesses. Mr G Gapu is and the late Mr S Moyo was a senior partner at Scanlen & Holderness Legal Practitioners, a firm that provides legal services to the Group. The beneficial interests of the directors in the shares of the Company are shown in note 20 of the financial statements.

Auditors

Members will be asked to re-appoint Ernst & Young as Auditors for the Company for the ensuing year.

Corporate Governance Compliance

In line with the Zimbabwe Stock Exchange Listing Rules (SI134/19) the Board has adopted The Zimbabwe Code on Corporate Governance as guiding framework and also draws guidance and best practices from the Belgian Code on Corporate Governance. The reference to the Belgian Code relates to the alignment with key shareholders. There is an on-going process to evaluate the Company's practices against the governance principles to identify any areas of divergence or possible improvement.

Annual General Meeting

The 78th Annual General Meeting of the Company will be held at 12:30 hours on Friday 25 July 2025 as a virtual meeting and partial physical attendance at the Registered Office of the Company at Sable House, Borrowdale, Harare.

By Order Of The Board

T Moyo
Chairman

M M Valela
Chief Executive

F N Musinga
Company Secretary
15 May 2025

Certificate Of Compliance By The Company Secretary

I, the undersigned, in my capacity as the Company Secretary of Delta Corporation Limited, hereby confirm that, to the best of my knowledge, the Company has complied with the Zimbabwe Stock Exchange Listing regulations, lodged all returns with the Registrar of Companies required of a public company in terms of the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31) and that such returns are true and up to date.

I also confirm that the articles of Memorandum and Articles of Association of the Company have been aligned to the provisions of the new COBE Act.

F N Musinga
Company Secretary
15 May 2025

Corporate Governance

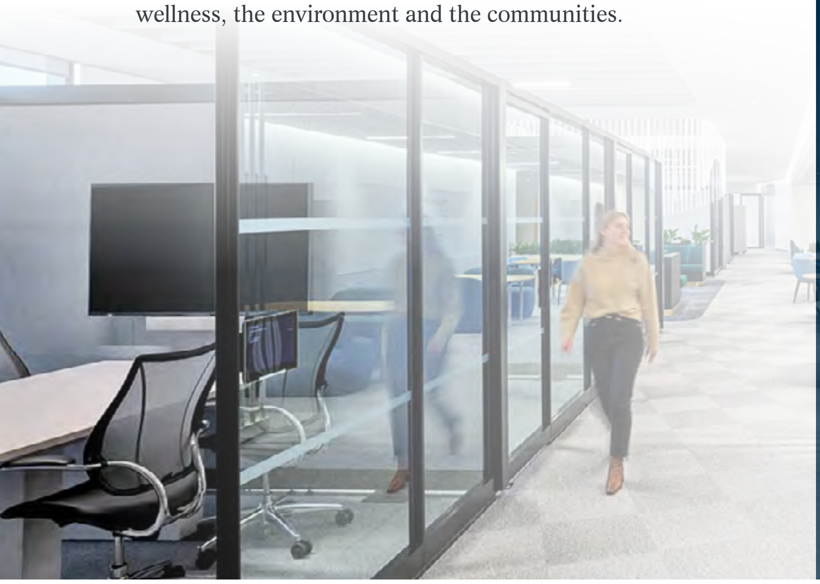
Introduction

The corporate governance practices of Delta are based on the code of business conduct which sets out the ethical standards to which all employees are expected to adhere.

The code incorporates and covers the Company's operating, financial and behavioural policies and endeavours to foster responsible business conduct by all employees particularly as this relates to compliance with all laws, disclosure of any conflicts of interests, confidentiality of information, to act at all times in the best interests of the Company and to conduct all their dealings in an honest and ethical manner. The ethics code defines the employees' responsibilities and expected behaviour and covers the limits on acceptance of gifts from suppliers or stakeholders, the appropriate use of the Company's property and the anti-corruption policy. There are detailed policies and procedures in place across the Group covering the regulation and reporting of transactions in securities of Group companies by directors and officers. The Code is applicable to the Company and its subsidiaries.

Stakeholders

Delta strives to strike a balance between generating great business results and managing its environmental and social responsibilities through the various sustainable development initiatives as detailed in a separate report. This outlines the programs in the areas of responsible drinking, safety and wellness, the environment and the communities.



The corporate governance framework accords with the Zimbabwe Code on Corporate Governance, and borrows from the Cadbury and King reports, the national codes or listing regulations applicable in the countries of primary listing of the Company's major shareholders such as those of United Kingdom, Belgium and the United States. Delta has in place throughout the Company, responsive systems of governance and practice which the Board and management regard as entirely appropriate and in accordance with the said codes.

Delta applies various participative practices in its relationships with non-management employees, primarily in respect of operating matters and plans, based on mutual information sharing.

The Board Of Directors

The Board of Directors of Delta is constituted with an equitable ratio of executive to non-executive and independent directors noting that some directors represent certain shareholders. The composition and structure of the Board is reviewed periodically to align with best practice, respective skills, experience, background, age and gender. The Board is chaired by a non-executive director and meets at least quarterly. The Board governs through clearly mandated board committees, which have specific written terms of reference. Committee chairman report orally on the proceedings of their committees at the next meeting of the Board.

The directors rotate and are re-appointed at least once every three years and are expected to retire at 70 years of age. Any director that has served for more than three terms (nine years) or is beyond 70 years of age is rotated and re-appointed annually thereafter. The Board has adopted transitional arrangements to close any gaps and departures from the governance codes.

Short biographies of each of the directors are on pages 186 to 191.

Corporate Governance (continued)

Directors' Interests

Each year Directors of the Company are required to submit in writing whether they have any material interest in any contract of significance with the Company or any of its subsidiaries which could have given rise to a related conflict of interest. No such conflicts were reported this year.

The Audit Committee

The Audit Committee of the Board deals, inter alia, with compliance, internal control and risk management. It is regulated by specific terms of reference, is chaired by an independent non-executive director and comprises of non-executive directors. The Chief Executive and the Finance Director attend and present reports to the Committee. It meets at least twice a year to discuss accounting, auditing, internal control, financial reporting and risk management matters. The Committee also reviews compliance with ZSE listing requirements, corporate governance codes and applicable laws. The external and internal auditors meet regularly with and have unrestricted access to the Audit Committee.

The Remuneration Committee

Delta's Remuneration Committee is constituted and chaired by non-executive board members. The Chief Executive Officer attends and presents reports to the Committee. It acts in accordance with the Board's written terms of reference and is responsible for the assessment and approval of the Group's remuneration strategy and to review the short-term and long-term remuneration of executive directors and senior executives. It also acts as the general-purpose committee (in which case it co-opts additional members) to deal with ad-hoc strategic issues that may impact on human resources. The Committee meets at least twice a year.

The Nomination Committee

The Nomination Committee is the committee of the Board whose focus is to consider the composition of the Board and its Committees, the retirement, appointment and replacement of directors, and makes appropriate recommendations to the Board. It comprises the Chairman and a least two non-executive directors.

Risk Management

The focus of risk management in Delta is on identifying, assessing, managing and monitoring all known forms of risk across the Company. An appropriate risk analysis framework is used to identify the major risks which the Company must manage in serving its stakeholders.

The environment in which the Company operates is subject to such levels of change that regular reassessment of risk is necessary to protect the Company. In view of this, each part of the business has developed detailed contingency action plans to minimise the lead-time necessary to adapt to changes in circumstances. These plans are then updated whenever a change is noted or anticipated.

The management of risk and loss control is decentralised, but in compliance with Company policies on risk, the process is reviewed centrally on a quarterly basis and is supervised by the Audit Committee.

The Company has a well-resourced Internal Audit department which houses the loss control function key in the risk management effectiveness. They provide assurance about the effectiveness of governance, risk management and internal controls.

An Independent Auditor appointed also provides assurance in the effectiveness of internal controls over financial reporting in the Annual Financial Statements and Integrated Report.

Corporate Governance (continued)

Directors' Attendance Of Meetings

(From 1 April 2024 to 31 March 2025)

	Main Board/AGM		Audit Committee		Remuneration Committee	
Name of Director	**Attended**	**Possible**	**Attended**	**Possible**	**Attended**	**Possible**
Mrs E Fundira	5	5	—	—	3	3
Dr C C Jinya	5	5	1	2	—	—
Mr A Makamure	5	5	—	—	—	—
Ms B Makhura `	4	5	—	—	3	3
Dr A M P Marufu	5	5	—	—	—	—
Mr B Mbanga	5	5	2	2	—	—
Mr S Moyo	1	1			1	1
Mr T Moyo	5	5	1	1	2	2
Mr J Mushosho	5	5	—	—	4	4
Mr R T Rivett-Carnac	3	5	2	2	—	—
Mr M M Valela	5	5	—	—	—	—

As advised at the last AGM, Mr S Moyo passed away on 05 July 2024. Ms B Makhura resigned from the Board on 31 March 2025.

Principal Business Risks

The principal risks facing the Group and considered by the Board and Group Management Committee are detailed below. These are not the only risks facing the Group.

There may be additional risks not currently known to us or that we currently deem to be of low impact, but which may adversely affect the business, financial condition or results of operations in future periods.

Unfavourable General Economic and Political Conditions in Zimbabwe.

Economic and Political Environment Overview

The economic environment in Zimbabwe presents ongoing challenges, contributing to an increased overall risk for business operations. Although the political landscape remains peaceful, it is characterised by polarization and restlessness driven by difficult living conditions. The Country seems to be in a perpetual state of electoral activity, necessitated by numerous by-elections and factional contestations within political parties. Efforts by the authorities to normalise relations with key Western governments and the broader international community face obstacles. These challenges stem from perceptions that the country has not yet fully implemented necessary reforms to ensure free and fair elections. Reports from various observer missions have identified significant gaps in the conduct of the 2023 harmonised elections when measured against the Southern African Development Community (SADC) election guidelines and the stipulations of Zimbabwe's own constitution.

Our operations in South Africa and Zambia also face challenges in navigating the political and economic conditions.

Economic and Monetary Environment

Zimbabwe has experienced numerous cycles of hyperinflation and currency challenges, leading to the adoption of a multicurrency or dollarised framework in 2009 and again in 2020. The management of the currency and monetary system has resulted in operational challenges for businesses, particularly regarding the difficulties in accessing foreign currency. The distorted values of goods and services arising from varied exchange rates further complicates the economic landscape. Attempts to revert to a mono-currency system have had an adverse impact on the economy. The Zimbabwe Gold Currency (ZWG) which was introduced in April 2024 seems to be following the path of the other failed versions of the local currency relating to high inflation, rapid depreciation, multiple exchanges rates and value losses for those who have to use the prescribed official rates. The use of stringent measures to enforce the acceptance of the local currency by businesses has led to operational challenges for many formal businesses. The multi-currency system has been extended through Finance Act No. 13 of 2023 to continue until December 2030. There is no clear path to de-dollarisation.

There is market scepticism regarding whether the foreign currency balances in the banking sector are fully backed by available foreign currency reserves. Concerns also remain about the authorities' ability to maintain a truly market-determined exchange rate and safeguard the assets and reserves backing the ZWG. This results in players avoiding banking, prioritising cash transactions and avoiding accumulation of bank balances through accelerated foreign payments.

The Group requires ready access to foreign currency, and any scarcity in the economy would constrain the supply of imported materials and services, disrupting production operations and escalating business continuity risks. The extension of the multicurrency framework to 2030 offers some assurance that the business can generate its own foreign currency from domestic transactions.

Principal Business Risks (continued)

Impact of Environmental and Global Factors

The economy is periodically impacted by adverse weather conditions such as droughts, pandemics, climate change induced natural disasters, and global events such as the wars in the Middle East and Ukraine. The 2023/2024 agricultural season was adversely affected by an El-Nino induced drought, raising concerns about food security and increasing reliance on imported cereals. The trade wars between USA, China and the rest of the world results in disruptions to international flow of goods and escalations in import costs, which also affects the movements of international currencies. Additionally, global supply chains have been disrupted by conflicts in Ukraine and the Middle East, further complicating the economic environment.

These factors collectively contribute to the challenging business environment, necessitating adaptive strategies and robust risk management to ensure business continuity and growth.

Regulatory or Policy Risks

a) Indirect and Direct Taxes

Taxation Environment and Legislative Challenges:
Our business is subject to numerous duties and taxes, including import duties, excise taxes, and other levies. These taxes can be adjusted with minimal notice, affecting pricing structures and consequently the demand for our products.

The recent introduction of a sugar surtax on beverages at levels above regional benchmarks, has led to price increases that have undermined business performance.

The transition back to the use of a local currency, followed by the reintroduction of multi-currency trading, was not accompanied by clearly defined transitional tax measures. This lack of clarity, along with complex and inconsistent legislative changes regarding the currency used for the settlement of certain tax obligations, has created significant challenges for businesses.

A growing concern is the tax authorities' practice of creating their own legislative positions through public notices, which may not be supported by enabling legislation. The law currently allows the tax authority to collect disputed amounts while the matter is under appeal through the courts.

a) Indirect and Direct Taxes (continued)

This practice contributes to uncertainties, particularly when the tax positions adopted by the Company with respect to income tax and certain indirect taxes differ from those of the tax authorities.

These taxation and legislative challenges necessitate careful navigation and robust tax planning to mitigate their impact on our business operations and financial performance.

b) Policies

The policy environment remains unpredictable and impacts our ability to plan for the future. To note are issues related to currency management, exchange control and bank use policies which affect the access to foreign currency and local bank notes or digital money transfers, thereby affecting our ability to supply products and the ability of consumers to purchase our products. The policies introduced to regulate the route to market have far-reaching impacts on the distribution strategies, market access and retail pricing.

c) Distorted Currency and Asset Values

There are multiple exchange rates used by market players in setting prices of goods and services which are also based on the manner or form of payment, whether in local bank notes, via an electronic payment platform or foreign currency notes or transfer. This makes it difficult to establish the true value of products in either local or foreign currency. The measurement of financial performance is difficult in an inflationary environment. Some of the regulations for accessing foreign currency result in economic players using intermediaries and currency aggregators to import goods and services, which increases the number of value chain partners and escalates the legal compliance challenges and risks of fraud.

Reliance on Franchise Arrangements and Brands

The business produces a significant portion of brands that are franchised from third parties or are produced under license through bottler agreements that expire at various intervals. These arrangements can be terminated if certain conditions are breached, which could lead to possible underutilisation of certain assets. The Company maintains healthy relations with its franchise partners and continues to support and nurture its own brands.

Principal Business Risks (continued)

Increased Competitor Activity

Both the alcoholic and non-alcoholic beverage sectors are highly competitive. Competition is from local alternative beverages, legal and smuggled imports of own franchise brands by retailers and private label brands and is across beverage categories. The cost, price and import duty disparities in Zimbabwe compared to the region will put pressure on local pricing of certain brands and packs. The use of the strong US Dollar in Zimbabwe under the multicurrency system results in price disparities of imports versus the regional currencies. We continue to strengthen our capabilities in marketing and product supply, and to accelerate innovation together with the ongoing efforts to streamline value chain costs.

Product Safety and Quality Issues and Trademarks

Our success depends largely on our ability to maintain and enhance the image and reputation of our brands/products. We have rigorous product safety and quality standards which we endeavour to meet. Any product that becomes contaminated or adulterated may be subject to product liability claims and negative publicity which impacts on the business. Any failure to protect the company's intellectual property rights, trademarks, patents, trade secrets and knowhow may have adverse effects on the business. Certain trademarks are subject to contractual arrangements with third parties, which could be terminated on notice.

Our businesses have very robust practices on hygiene to safeguard the quality of our products and safety procedures within the work environment. There is disquiet about perceived negative health and social consequences of both alcoholic and non-alcoholic beverages. There is growing global concern and high-profile debate over alcohol consumption, the use of certain ingredients and advocacy for reduced consumption of sugar sweetened beverages. These issues would impact on consumer preferences, hence any restrictions on the permissible advertising style and media messages and the marketing, labelling, packaging or sale of these beverages could impact on business performance.

Default by counterparty financial institutions or customers

The Group normally has significant amounts of cash, cash equivalents and other investments on deposit with banks and financial institutions. We also extend both secured and unsecured credit to our retail customers. The risk of counterparty default or failure may be heightened during economic downturns and periods of uncertainty. Losses could arise from the bankruptcy or insolvency of these counterparties.

Environmental Management Policies

There is increasing concern and changing attitudes about solid waste streams and environmental responsibility, with authorities advocating for certain ecotaxes or fees to be charged in connection with use of certain beverage containers. Changes in such regulations affect the cost of doing business and force changes to our product development options and distribution models.

Information and Cyber Security

The Group relies on information technology systems to process, transmit, and store electronic information. In addition, most payment systems are either online or utilise electronic platforms and technologies. There is increasing cyber-attacks capabilities, which could result in business interruptions. Any un-authorised access to the Company's confidential data or strategic information or its public disclosure could harm the company's reputation or impact on its operations. There are regulations on access to personal data of consumers and customers and the need to adhere to ethical standards for the development of tools to utilise artificial intelligence in business settings.

The ERP systems used in the business require robust and secure communication infrastructure and the growth of cloud computing and data warehouses. Any disruptions to connectivity could disrupt access to critical services in addition to the cyber security risks associated with the connected world.

Instability in the supply of utilities and agricultural raw materials

The business relies on agricultural raw materials such as sugar, fruit juices, maize, barley and sorghum whose supply is impacted by adverse weather patterns and decreased agricultural productivity in the country and the region. The reduced availability of these commodities and escalations in costs affect the viability of the Company and the food security of communities, farmers and consumers. There is need to focus on sustainable water ecosystems and productive land use. The supplies of water, electrical power and other utilities across the region remain unstable, which could disrupt production, cold beverage availability and the sourcing of local materials and services. Recent developments arising from the Russia and Ukraine War have resulted in increased supply chain challenges for agriculture (e.g. prices of fertiliser) and fuel. This has negative impacts on the supply and cost of beverages.

Report of the Remuneration Committee

The Remuneration Committee submits its report to shareholders in line with sections 167 and 183 of the Companies and Other Business Entities Act (Chapter 24:31). This report focuses on setting out the remuneration philosophy and strategies and laying out the components of compensation for directors and senior management.

The Committee comprises non-executive directors, with the Chief Executive and other executive members attending meetings by invitation. The Committee is responsible for overseeing the formulation and implementation of the Group's remuneration policies and recommending to the Board the remuneration of the Chief Executive and members of the Group Management Committee and non-executive directors' fees.

Remuneration Philosophy

The Company's remuneration philosophy is to ensure that all employees are rewarded fairly and appropriately for their contribution. The Remuneration Committee takes into account appropriate market benchmarks whilst emphasising on pay for performance. This helps attract, retain, and motivate individuals while ensuring that employees' behaviors remain consistent with Delta's core values. All executive employees sign formal employment contracts which specify their conditions of service and terms of reference.

Remuneration comprises fixed and variable pay which is further divided into short-term and long-term incentives.

Non-Executive Directors Fees

The Remuneration Committee recommends the level of remuneration for directors, including the Chairperson of the Board, subject to approval by the Board and, subsequently, by the shareholders at the Annual General Meeting when it approves the annual accounts.

The remuneration includes retainers for the main board and committees in addition to attendance fees for the main board meetings. The Committee fees are differentiated between members and Chairpersons of the Committees, it being understood that the amounts of the retainers set out above are cumulative in case of participation of a director in several committees. The fees are regularly benchmarked against peer companies to ensure that they are competitive, taking into account the time required to fulfil the board mandate effectively. Board members do not participate in share option schemes or bonus incentive schemes and receive no other benefits other than a take home beverage allocation. The Company does not provide pensions or medical benefits to non-executive directors.

Compensation for The Chief Executive Officer and Members of The Group Management Committee

The remuneration of the Chief Executive and senior executives comprises the following components:

i) **Fixed Pay:** This includes basic pay, pensions and other cash benefits. The Zimbabwean economy has been affected by high inflation and an unstable exchange rate, and the use of foreign currency for domestic transactions. The Committee periodically reviews salaries to mitigate the effects of both inflation and exchange rate changes and the splits in the currency of payment. Annual reviews are done to take into account individual performance (merit awards). Retirement benefits cover contributions to occupational and statutory pension schemes and related life assurance covers. Other benefits and allowances relate to motoring, schooling, housing, medical aid, club subscriptions and take home drinkage, that are appropriate to the market and to assist the executives in efficiently carrying out their duties.

Report of the Remuneration Committee (continued)

ii) **Short-term Incentives:** This is meant to create a balance between fixed and at risk (variable) pay to incentivise performance. The annual productivity bonus plan is based on achievement of the Company's strategic targets which include both financial, project milestones, sustainability measures and key business metrics, appropriately weighted for each executive. Typical metrics include revenue, volume, market share, cost savings, margin growth, EPS, sustainability (resource usage reductions), health and safety, return on capital and working capital measures.

iii) **Long-term Incentives:** This mainly comprises the share options or share appreciation schemes which link between executive pay and value creation for the shareholders. These are awarded annually and have a minimum vesting period of three years. The grants are made annually at the discretion of the Committee and the Board, with a maximum allocation per individual participant based on multiples of basic pay.

iv) **Other Benefits:** This includes loan advances covered by a pre-existing authority (shareholders special resolution) at set multiples of basic pay. The loans are secured through mortgages or other suitable security.

v) **Termination Policy:** The Remuneration Committee takes into account the individual circumstances on termination which include the contractual and legal obligations, the relevant rules of share plans and pension schemes with the underlying principle that there should be no reward for failure. There are policies relating to voluntary termination, redundancy, normal or ill-health retirement and death in service. The Committee also considers post service restrictions giving rise to payments in lieu of notice and restraint of trade.

Policy on External Appointments

Executives are permitted to accept not more than two non-executive directorships in other companies, subject to prior approval of the Board. Fees received in respect of the external appointments may be retained by the individual.

Key Activities During The Current Year

The key activities of the Committee related to:

i) Executive Remuneration and Board Fees: Zimbabwe introduced a new currency in April 2024. The framework for paying parts of the salary in both local and foreign currency was maintained, with the local currency portion being adjusted regularly to take account of the inflation and exchange rate developments. The focus remained on managing the payroll cost whist maintaining a reasonable reward to employees.

ii) Grants of share options were made from the Delta Corporation Share Appreciation Rights Scheme 2023.

iii) The Committee received and reviewed recommendations from the Chief Executive Officer on the selection and deployments of senior management. The Group focuses on developing talent to fully resource the people balance sheet and for succession planning.

iv) Ongoing review of the remuneration practices and structure of the incentive schemes.

v) Annual review of the Committee's terms of reference to align with the Board Charter.

Committee Membership Changes

The Committee expresses its appreciation and thanks to Ms Bridget Makhura for her service and contributions to the Committee.

The committee expresses its sadness and extends its condolences to the family, friends and colleagues of the late Mr Sternford Moyo who passed away in July 2024. He had been associated with Delta Corporation as its legal counsel for many years and became board chairman in August 2021.

Report of the Remuneration Committee (continued)

Summarised Directors Emoluments for The Year.

The Zimbabwe Stock Exchange Guidelines provide that a summary remuneration report be submitted to shareholders. The detailed remuneration report is reviewed by the auditors and available for inspection at the registered office of the Company, subject to the conditions set in the Companies and Other Businesses Act (Chapter 24:31).

Annual Non-Executive Directors' Fees

	At March 2025 US$ Reference
Base Fee	
Board Chairman	32 000
Other Directors	18 400
Committee Chair	
Audit	18 400
Remuneration	9 200
Nominations	4 600
Committee Membership	
Audit	11 600
Remuneration	4 600
Nominations	4 600

The fees are paid quarterly.

Remuneration of Directors and Other Key Management

The remuneration of directors and members of key management during the year is indicated below, noting that the prior year figures reflect the currency change methodology adopted in F24 and that payments were in varied ratios of local and foreign currency.

	2025 US$'000	2024 US$'000
Short-term benefits	5 443	8 879
Post-employment benefits	562	725
Share based payments	642	172
	6 647	9 776
Included in the above amounts are the following in respect of directors' emoluments:		
For services as directors	213	199
For managerial services	2 316	2 170
	2 529	2 369

The Group advances loans under the Group Housing Scheme and a vehicle ownership scheme to executive directors and members of key management. These loans are secured through mortgage bonds, terminal benefits or the cars purchased under the scheme or other suitable security. The balance at the end of the year was equivalent to US$1,7 million (2024 – US$1.14 million).

Signed on Behalf of The Board

E Fundira
Remuneration Committee Chairman
15 May 2025

Report of the Audit Committee

The Audit Committee submits its report to shareholders in line with sections 183 and 219 of the Companies and Other Business Entities Act (Chapter 24:31).

The Audit Committee assists the Board in fulfilling its oversight responsibilities regarding financial reporting, risk management and internal controls and the independence and effectiveness of the external auditors. It receives reports from the Finance Director, the Internal auditor, Company Secretary, and the external auditors and meets at least twice a year.

Financial Reporting

The Committee reviews the interim and full year financial statements before their submission to the Board for approval. The key issues in the current financial year related to:

i) The F25 financial statements are presented using the US Dollar as the functional and reporting currency following the changeover on 1 October 2023. It is noted that the F24 comparatives are a summation of inflation adjusted figures for first half that were converted from using the IAS 29 and IAS 21 procedures and historical US Dollar numbers for the second half. These comparatives may not fully reflect the underlying business performance.

ii) The new Zimbabwe Gold (ZWG) currency introduced in April 2024 was afflicted by high inflation and hence depreciated significantly during the year. There was also elevated US Dollar inflation and swings in the proportion of revenue and expenditure transacted in either domestic or foreign currency. The premiums between the market and official exchange rates remain wide which distorts the local currency figures when converted to the reporting currency.

iii) The monetary authorities have directed that entities should provide financial statements using the ZWG as the common presentation currency. The Public Accountants and Auditors Board guidance maintains that general purpose financials statements should be prepared in accordance with IFRS accounting standards hence the local currency financials will be provided as special purpose reports for regulatory compliance.

iv) There were challenges in complying with International Accounting Standard 21: Effects of Changes in Foreign Exchange Rates, since 2020 when the country reverted to the use of a dual currency framework which was eventually legalised under Finance Act No 8 of 2022. There were discernible disparities between the official exchange rate and the widely applied market exchange rates despite the existence of legislation prescribing the use of the official rates for pricing purposes. The Auditors' Reports on the financial statements for 2022 to 2024 contained modified or adverse opinions in relation to the use of estimated exchange rates for reporting purposes. These modifications affect the opening and comparative numbers for the 2025 reporting cycle, which gives rise to the except for opinion. It is noted that the IFRS standards permit the use of estimated exchange rates in situations as exist in Zimbabwe.

Report of the Audit Committee (continued)

Financial Reporting (continued)

v) The operating environment in Zimbabwe remains challenging as reflected by high inflation, frequent currency changes, multiple and fast depreciating exchange rates, frequent policy changes, factors that have significant impacts on business performance. Management has remained agile in responding to the multifaceted regulatory policies and the attendant business risks.

vi) There are viability and going concern issues relating to National Breweries Zambia which were exacerbated by the disruptions to production occasioned by prolonged power cuts during F25. The Committee reviewed the business recovery plans and funding arrangements. Similarly, the United National Breweries South Africa was affected by a prolonged illegal job action which disrupted operations and derailed the utilisation of the new plant installed to supply Chibuku Super variants into the market.

vii) The business is generating sufficient foreign currency through domestic sales, noting that the multi-currency framework is expected to run until the legislated date of 2030. There is however risk that the de-dollarisation project maybe implemented earlier and the uncertainty beyond that date.

viii) The Government issued long-dated treasury bills as settlement for the legacy foreign liabilities (foreign currency debts as of 22 February 2019 when Zimbabwe ended the initial phase of multicurrency). The Committee was satisfied with the accounting treatments of the treasury bills.

ix) Some critical accounting judgements and estimations were made in the preparation of the financial statements. These include the valuation of the financial assets and treasury bills, the valuation of share-based payments, estimation of the containers in the market and assessment of the impairment of assets.

x) The Committee noted that the tax legislation in Zimbabwe with respect to currency of settlement of certain taxes and the transitional arrangements to use of ZW$ as the functional currency created some uncertainties in the tax positions. The Company's interpretations of the tax legislation has differed from that of the Zimbabwe Revenue Authority resulting in the significant additional foreign currency tax assessments that are being contested and appealed against. These disputes are at various stages of Zimra appeals or court processes. The disclosures on the tax related matters are considered to be adequate.

Risk Management and Internal Controls

The Committee reviewed a wide range of matters with management, the internal auditors and external auditors with respect to the identified principal risks and management responses thereto. The Group has a structured Enterprise Risk Management framework which is cascaded upwards from operating divisions and service departments under which risk registers are updated and reviewed every quarter. The key risks are tabulated in the Annual Report. In summary the Committee's work included the following:

- Received and reviewed regular reports from the Audit Manager on the internal audit work undertaken against the agreed work plan, management responses, reviews of changes to standard operating procedures and their findings. These included evaluations of the enterprise system (SAP) and computer controls. The internal audit function is adequately resourced to carry out its mandate.

Report of the Audit Committee (continued)

- The Audit Manager reported on their work in verifying system change overs and the implementation of major system upgrades.
- The listed subsidiary entities follow standard corporate governance processes and have audit committees that report to their board of directors. Management is represented in the audit committees of subsidiary and associate entities.
- Received reports from the Audit Manager on identified frauds and losses. Of concern was the heightened risk of thefts and robberies against the prevalent use of foreign currency cash. There is a worrying rate of armed robberies and car-jackings in South Africa. No major occurrences were reported during the year. The work also covered investigations on the reports from the Ethics Line (@axcentium) Tip-Off Anonymous System and those received directly from whistle-blowers.
- Received and discussed regular reports from the Company Secretary on compliance matters under the code of business conduct and ethics, adherence to the code on corporate governance and reports on significant litigations. This also includes the assessment of the adequacy of the Group's insurance programs.
- Received and reviewed the reports from Management on the Information Communication Technology governance and network security. There is increased surveillance on cyber security risks. The Vulnerability Assessment and Protection Reports received from specialists were reviewed. Significant occurrences were highlighted.
- The Committee received representations from Management under the Bi-Annual Letter of Internal Representation which incorporates reportable issues relating to workplace health and safety, political donations, frauds and losses and any non-compliance with laws and regulations. The letter summaries the changes to business risks and mitigation plans adopted by management.
- Received regular reports from the Finance Director on the treasury policies relating to borrowings and banking arrangements, noting the high inflation in Zimbabwe and Zambia and the tight cashflow position of the foreign subsidiaries and changes to the business operating environment.

External Audit Independence and Effectiveness

Delta has a well-established policy on the independence of the external auditor, which covers issues of partner rotation and restrictions on recruitments from the audit firm. The external auditors Ernst & Young (EY) confirmed to the Committee that they have maintained professional independence in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants and the relevant standards from the PAAB. The auditors of the subsidiary entities work collaboratively with EY and as guided by the provisions of International Standards on Auditing.

The Committee follows the Practice Guidelines from the Zimbabwe Stock Exchange on appointment and review of the work of the external auditors.

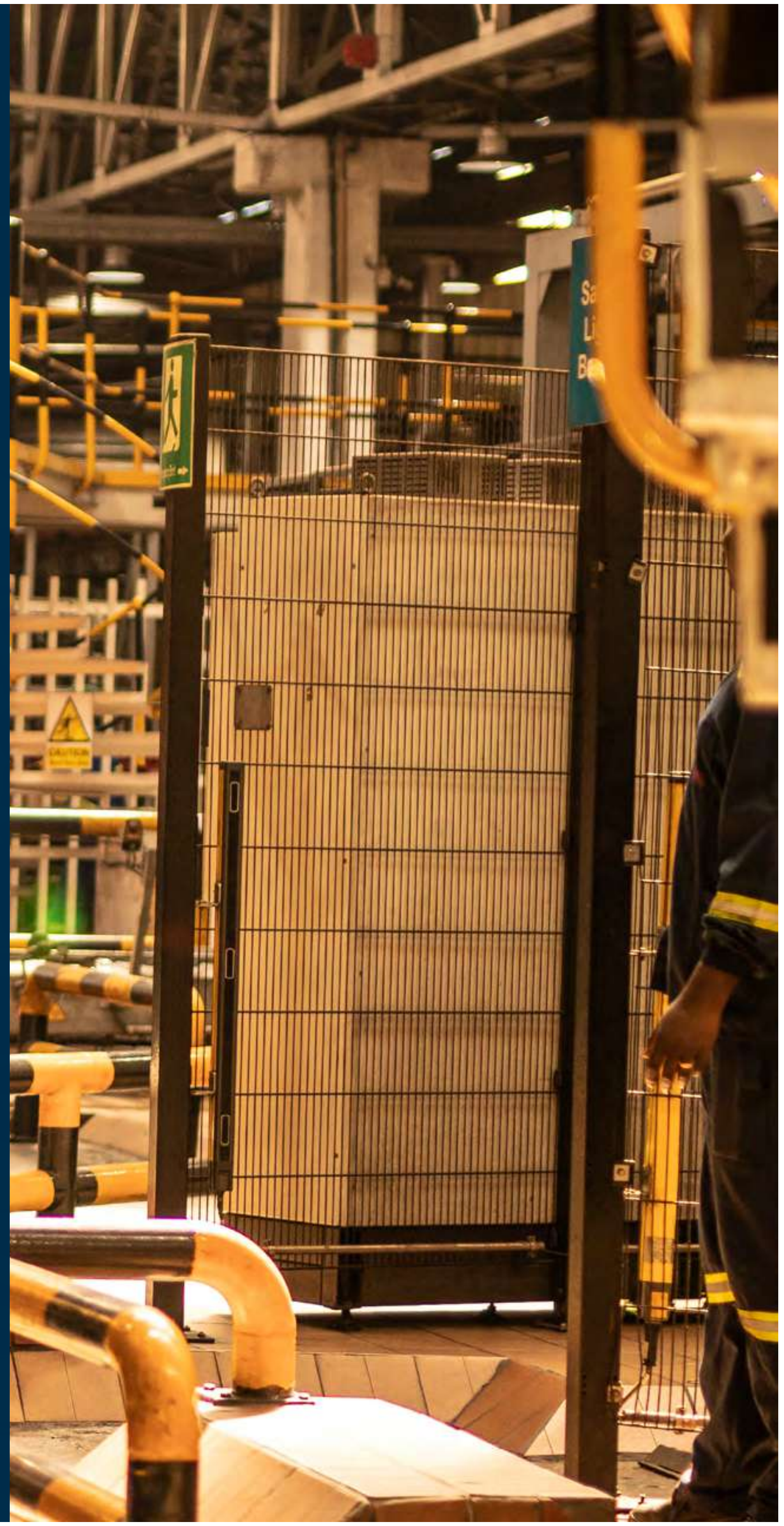
The Committee meets separately with the external auditor and Internal Audit Manager without management.

B Mbanga
Audit Committee Chairman
15 May 2025

Delta Corporation LIMITED

ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2025



Shareholder Information

Directors' Responsibility for Financial Reporting

for the year ended 31 March 2025

Delta Corporation Limited's ("Delta") directors are required by the Companies and Other Business Entities Act to maintain adequate accounting records and to prepare financial statements for each financial year which present a true and fair view of the state of affairs of the Company and the Group at the end of the financial year and of the profit and cash flows for the period. In preparing the accompanying financial statements, generally accepted accounting practices have been followed, suitable accounting policies have been used, and applied consistently, and reasonable, prudent judgements and estimates have been made. The financial statements incorporate full and responsible disclosure in line with the International Financial Reporting Standards and best practice.

The directors have reviewed the Group's budget and cash flow forecast for the year to 31 March 2025. Based on this review, and in light of the current financial position and existing borrowing facilities, the directors are satisfied that Delta is a going concern and have continued to adopt the going concern basis in preparing the financial statements.

The Company's external auditors, Ernst & Young Chartered Accountants, have audited the financial statements and their report appears on pages 73 to 76.

The Board recognises and acknowledges its responsibility for the system of internal financial control. Delta's policy on business conduct, which covers ethical behaviour, compliance with legislation and sound accounting practice, underpins the Company's internal financial control process. The control system includes written accounting and control policies and procedures, clearly defined lines of accountability and delegation of authority, and comprehensive financial reporting and analysis against approved budgets. The responsibility for operating the system is delegated to the executive directors who confirm that they have reviewed its effectiveness.

They consider that it is appropriately designed to provide reasonable, but not absolute, assurance that assets are safeguarded against material loss or unauthorised use and that transactions are properly authorised and recorded.

The effectiveness of the internal financial control system is monitored through management reviews, representation letters on compliance signed by the senior executive responsible for each major entity and a comprehensive program of internal audits. In addition, the Company's external auditors review and test appropriate aspects of the internal financial control systems during their statutory examinations of the Company and the underlying subsidiaries.

The Company's Audit Committee has met with the external auditors to discuss their report on the results of their work which include assessments of the relative strengths and weaknesses of key control areas. While in a group of the size, complexity and diversity of Delta, it is to be expected that occasional breakdowns in established control procedures may occur, no breakdowns involving material loss have been reported to the directors in respect of the year under review.

Preparer of financial statements

These annual financial statements have been prepared under the supervision of A Makamure FCA (Z), Executive Director Finance, a registered Public Accountant, PAAB Number P0318, and have been audited in terms of the Companies and Other Business Entities Act (Chapter 24:31).

The financial statements for the year ended 31 March 2025, which appear on pages 77 to 141 were approved by the Board of Directors on 15 May 2025 and are signed on its behalf by:

T Moyo
Chairman

M M Valela
Chief Executive Officer

EY
Building a better working world

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Chartered Accountants (Zimbabwe)
Registered Public Auditors
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Independent Auditor's Report

To the Shareholders of Delta Corporation Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the Consolidated and Company Financial Statements of Delta Corporation Limited and its subsidiaries ('the Group' and "the Company") set out on pages 77 to 141, which comprises of the Consolidated and Company Statements of Financial Position as at 31 March 2025, and the Consolidated and Company Statements of Profit or Loss and Other Comprehensive Income, the Consolidated and Company Statements of Changes in Equity and the Consolidated and Company Statements of Cash Flows for the year then ended, and notes to the Consolidated and Company Financial Statements, including material accounting policy information.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying Consolidated and Company Financial Statements present fairly, in all material respects, the Consolidated and Company Statements of Financial Position of the Group and Company as at 31 March 2025 and its Consolidated and Company Financial Performances and its Consolidated and Company Cash Flows for the year then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB®) and the requirements of the Companies and Other Business Entities Act (Chapter 24:31).

Basis for Qualified Opinion

Non-compliance with International Financial Reporting Standards IAS 21- The Effects of Changes in Foreign Exchange Rates and IAS-8 - Accounting Polices, Changes in Accounting Estimates and Errors:

Exchange rate used in the prior year

Management applied a transaction exchange rate to translate foreign denominated transactions and balances to the functional and reporting currency, the United States Dollar (US$). We believe that the use of a transaction rate was inappropriate for financial reporting as it did not meet the definition of a spot rate as the rate was not accessible through a legal exchange mechanism. We believe that Management should have applied the auction exchange rate and/or the Willing-Buyer-Willing-Seller (WBWS) exchange rate as determined by the interbank market, as either one of these two rates met the IFRS Accounting Standards definition of a spot rate.

The errors resultant from the use of incorrect exchange rates impacts prior year numbers and our prior year audit report was modified due to this matter. The prior year errors should have been corrected retrospectively in accordance with IAS 8 – *Accounting Policies, Changes in Accounting Estimates and Errors*. Further impacting the prior year Consolidated and Company Financial Statements was the consequential impact this matter had on application of IAS 29 – *Financial Reporting in Hyperinflationary Economies* in the first half of prior year.

A member firm of Ernst & Young Global Limited

Independent Auditor's Report (continued)

As no retrospective adjustments in terms of IAS 8 have been made, the corresponding amounts for Retained Earnings on the Consolidated and Company Statements of Financial Position, Revenue, Operating Costs, Exchange Loss and Income Tax Expense on the Consolidated Statement of Profit or Loss and Other Comprehensive Income, and Dividend and Other Income on the Company Statement of Profit or Loss and Other Comprehensive Income remain impacted. Our audit report is therefore modified due to possible impact of this matter on comparability of the prior year and current year amounts.

The effects of the above departures from IFRS Accounting Standards are material but not pervasive to the Consolidated and Company Financial Statements.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Company Financial Statements* section of our report. We are independent of the Group and Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) and other independence requirements applicable to performing audits of financial statements in Zimbabwe. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Zimbabwe. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter – Materiality uncertainty relating to a Tax Court Case

We draw attention to Note 11.4 of the Consolidated and Company Financial Statements, which describes the uncertainty relating to the future outcome of ongoing tax disputes between the Group and the Zimbabwe and Zambia Revenue Authorities. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated and Company Financial Statements of the current period. These matters were addressed in the context of the audit of the Consolidated and Company Financial Statements as a whole, and in forming the auditor's opinion thereon, and the auditor does not provide a Company opinion on these matters. Except for the matters described in the Basis for Qualified Opinion section, we have determined that there are no other key audit matters to communicate in our report.

Other Information

The Directors are responsible for the Other Information. The Other Information comprises the information included in the document titled "Delta Corporation Limited Annual Report for the year ended 31 March 2025", other than the Consolidated and Company Financial Statements and our auditor's report thereon. We obtained the Financial Highlights, Group Statistics, Report of the Directors, Directors' Responsibility and Shareholder Information, prior to the date of our auditor's report, and we expect to obtain Value Statements, Our History, Company Profile, Chairman's Letter to Shareholders, Business Overview, Corporate Governance, Principal Business Risks, Report of the Remuneration Committee and Report of the Audit Committee after the date of our auditor's report.
The Other Information does not include the Consolidated and Company Financial Statements and our auditor's report thereon. Our opinion on the Consolidated and Company Financial Statements does not cover the Other Information and we do not express an audit opinion or any form of assurance conclusion thereon.

Independent Auditor's Report (continued)

In connection with our audit of the Consolidated and Company Financial Statements, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the Consolidated and Company Financial Statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. As described in the Basis for Qualified Opinion section above, the Group and Company did not comply with the requirements of IAS 21 – *The Effects of Changes in Foreign Exchange Rates*, IAS 8 – *Accounting Policies, Changes in Accounting Estimates and Errors* and the consequential impact on IAS 29 – *Financial Reporting in Hyperinflationary Economies*. We have concluded that the Other Information is materially misstated for the same reasons.

Responsibilities of the Directors for the Consolidated and Company Financial Statements

The Directors are responsible for the preparation and fair presentation of the Consolidated and Company Financial Statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies and Other Business Entities Act (Chapter 24:31), and for such internal control as the Directors determine is necessary to enable the preparation of Consolidated and Company Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated and Company Financial Statements, the Directors are responsible for assessing the Group's and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group and Company and/or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated and Company Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated and Company Financial Statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated and Company Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

Independent Auditor's Report (continued)

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated and Company Financial Statements or, if such disclosures are inadequate, to qualify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated and Company Financial Statements, including the disclosures, and whether the Consolidated and Company Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the Consolidated and Company Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Mr Walter Mupanguri (PAAB Practicing Certificate Number 367).

Ernst & Young

Ernst & Young
Chartered Accountants (Zimbabwe)
Registered Public Auditors
Harare
15 May 2025

Consolidated Statements of Comprehensive Income

for the year ended 31 March 2025

	Notes	2025 US$'000	2024 US$'000
REVENUE	8	**807 470**	767 871
OPERATING COSTS	9.1	**(654 863)**	(615 533)
NET OPERATING INCOME		**152 607**	152 338
Finance charges	10.1	**(3 354)**	(3 544)
Finance income	10.2	**1 642**	3 667
Exchange loss		**(12 320)**	(41 535)
Net monetary Loss		**—**	(8 995)
Share of profit of associate	14	**1 374**	2 468
Profit before taxation		**139 949**	104 399
Income tax expense	11.1	**(23 804)**	(3 861)
PROFIT FOR THE YEAR		**116 145**	100 538
Profit for the year attributable to:			
Owners of the parent		**118 223**	100 994
Non-controlling interest		**(2 078)**	(456)
TOTAL PROFIT FOR THE YEAR		**116 145**	100 538
Other comprehensive income for the year that will not be reclassified to profit and loss net of tax			
Foreign exchange differences on translation of foreign operations		**(8 999)**	23 522
Foreign exchange impact of translating to presentation currency		**—**	(106 241)
Share of other comprehensive income of associate	14	**(1 237)**	1 918
Total other comprehensive income for the year		**(10 236)**	(80 801)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**105 909**	19 737
Total Other comprehensive income for the year attributable to:			
Owners of the parent company		**110 972**	20 511
Non-controlling interest		**(5 063)**	(774)
		105 909	19 737
Weighted average shares in issue (millions)		**1 320.65**	1 310.40
EARNINGS PER SHARE (CENTS)	5.5		
- Headline earnings		**8.79**	7.72
- Diluted earnings		**8.65**	7.58
- Basic earnings		**8.79**	7.71

Consolidated Statement of Financial Position

As at 31 March 2025

	Notes	2025 US$'000	2024 US$'000
ASSETS			
Non-Current Assets			
Property, plant and equipment	12	**155 689**	134 079
Right of use of asset	13	**4 050**	4 411
Investments in associates	14	**12 463**	12 325
Intangible assets – Trademarks and Goodwill	15.1	**25 246**	24 411
Deferred tax asset	11.3	**4 661**	1 923
Investments and loans	15.2	**4 522**	5 225
Financial assets at armotised cost	18.1	**7 935**	8 830
		214 566	191 204
Current Assets			
Inventories	16	**113 118**	107 591
Trade and other receivables	17	**40 112**	50 236
Other assets	18.2	**52 005**	27 576
Current tax asset	24.3	**—**	440
Financial assets at armotised cost	18.1	**504**	—
Cash and cash equivalents	24.5	**27 604**	26 410
		233 343	212 253
Total Assets		**447 909**	403 457
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital		**994**	994
Share Premium		**6 807**	6 800
Share options reserve		**1 048**	275
Share buyback		**(6 451)**	(4 784)
Foreign currency translation reserve		**33 319**	40 570
Retained earnings		**260 922**	182 055
Adjustment arising from change in non controlling interest		**(704)**	(668)
Equity attributable to equity holders of the parent		**295 935**	225 242
Non-controlling interest		**(8 431)**	(3 060)
Total shareholders' equity		**287 504**	222 182
Non-Current Liabilities			
Long-term borrowings	21.1	**528**	—
Long-term lease liablity	22	**3 667**	4 250
Deferred tax liabilities	11.3	**108**	1 481
		4 303	5 731
Current Liabilities			
Short-term borrowings	21.2	**13 977**	18 253
Short-term Lease liability	22	**1 191**	1 186
Trade and other payables	23.1	**95 278**	119 198
Provisions	23.2	**33 675**	31 811
Current tax liability	24.3	**11 981**	5 096
		156 102	175 544
Total Equity and Liabilities		**447 909**	403 457
Net asset value per share (cents)		**22.41**	17.27

M M Valela
Chief Executive Officer

A Makamure
Executive Director - Finance

Consolidated Statement of Cashflows

for the year ended 31 March 2025

	Notes	2025 US$'000	2024 US$'000
Cash flow from operating activities			
Cash generated from operating activities	24.1	**173 437**	148 733
Decrease in working capital	24.2	**(51 056)**	(25 880)
Cash generated from operations		**122 381**	122 853
Interest received		**979**	154
Interest paid		**(2 798)**	(3 060)
Interest paid on lease liability		**(483)**	(411)
Income tax paid	24.3	**(21 043)**	(16 550)
Net cash flow from operating activities		**99 036**	102 986
Cash flow from investing activities			
Additions in investments and loans		**(9 715)**	(5 062)
Repayments of investments and loans		**9 511**	1 802
Purchase of property, plant and equipment to expand operations		**(31 558)**	(39 659)
Purchase of property, plant and equipment to mantain operations		**(8 255)**	(8 439)
Proceeds on disposal of property, plant and equipment		**26**	6
Net cash utilised in investing activities		**(39 991)**	(51 352)
Cash flow from financing activities			
Dividends paid by company	24.4	**(39 498)**	(33 592)
Dividends paid by subsidiaries	24.4	**(522)**	(544)
Dividends received		**10**	—
Purchase of shares in subsidiary		**(83)**	(52)
Repayment of lease liability	22	**(1 265)**	(1 387)
Loans raised	21	**17 911**	15 958
Repayment of borrowings	21	**(8 645)**	(18 544)
Share Buy back		**(1 667)**	(3 505)
Net cash utilised in financing activities		**(33 759)**	(41 666)
(Decrease)/increase in cash and cash equivalents before effects of currency translation		**25 286**	9 968
Effects of currency translation on cash and cash equivalents		**(11 028)**	(5 606)
Effects of currency translation on cash and cash equivalents - foreign operations		**25**	118
Foreign exchange impact of translating to presentation currency on opening cash and cash equivalents		**—**	(14 085)
Effects of IAS 29 on cash and cash equivalents		**—**	5 177
Net increase in cash and cash equivalents		**14 283**	(4 428)
Cash and cash equivalents at beginning of year		**9 665**	14 093
Cash and cash equivalents at end of year		**23 948**	9 665
Comprising:-			
Bank balances and cash	24.5	**27 604**	26 410
Bank overdraft	24.5	**(3 656)**	(16 745)
Cash and cash equivalents at end of year		**23 948**	9 665

Group Statements of Changes In Total Equity

for the year ended 31 March 2025

	Notes	Share Capital US$'000	Share Premium US$'000	Share Options Reserve US$'000	Share Buy back US$'000	Change in Ownership US$'000	Foreign Currency Translation Reserve US$'000	Retained Earnings US$'000	Attributable to owners of the parent US$'000	Non-controlling Interests US$'000	Total Equity US$'000
At 31 March 2023		1 772	12 088	2 149	(2 281)	(1 186)	25 089	203 607	241 238	(1 694)	239 544
Profit for the year		—	—	—	—	—	—	100 994	100 994	(456)	100 538
Other comprehensive income, net of tax											
Movement in foreign currency translation reserve		—	—	—	—	—	24 584	—	24 584	(1 062)	23 522
Share of other comprehensive income of associate		—	—	—	—	—	1 918	—	1 918	—	1 918
Foreign exchange impact of translating to presentation currency		(778)	(5 310)	(945)	1 002	522	(11 021)	(90 455)	(106 985)	744	(106 241)
Total Comprehensive Income for the period		**(778)**	**(5 310)**	**(945)**	**1 002**	**522**	**15 481**	**10 539**	**20 511**	**(774)**	**19 737**
Transactions with owners:											
Share options excercised	19.6	0.01	22	(22)	—	—	—	—	0.01	—	0.01
Recognition of share based payments		—	—	594	—	—	—	—	594	—	594
Share buy back	19.5	—	—	—	(3 505)	—	—	—	(3 505)	—	(3 505)
Forfeiture of shares	19.4	—	—	(6)	—	—	—	6	—	—	—
Share options adjustment		—	—	(1 458)	—	—	—	1 458	—	—	—
Adjustment arising from change of ownership - AFDIS		—	—	—	—	(4)	—	—	(4)	(48)	(52)
Transfer from share options		—	—	(37)	—	—	—	37	—	—	—
Dividends declared: Current year	24.4 / 24.5	—	—	—	—	—	—	(33 592)	(33 592)	(544)	(34 136)
At 31 March 2024		**994**	**6 800**	**275**	**(4 784)**	**(668)**	**40 570**	**182 055**	**225 242**	**(3 060)**	**222 182**
Profit for the period		—	—	—	—	—	—	118 223	118 223	(2 078)	116 145
Other comprehensive income, net of tax		—	—	—	—	—	—	—	—	—	—
Movement in foreign currency translation reserve		—	—	—	—	—	(6 014)	—	(6 014)	(2 985)	(8 999)
Share of other comprehensive income of associate		—	—	—	—	—	(1 237)	—	(1 237)	—	(1 237)
Total Comprehensive Income for the year		**—**	**—**	**—**	**—**	**—**	**(7 251)**	**118 223**	**110 972**	**(5 063)**	**105 909**
Transactions with owners:											
Share options excercised	19.6/ 19.4	—	7	(7)	—	—	—	—	—	261	261
Recognition of share based payments		—	—	922	—	—	—	—	922	—	922
Share buyback	19.5	—	—	—	(1 667)	—	—	—	(1 667)	—	(1 667)
Forfeiture of shares	19.4	—	—	(3)	—	—	—	3	—	—	—
Transfer from share option reserves - AFDIS		—	—	(139)	—	—	—	139	—	—	—
Adjustment arising from change of ownership - AFDIS		—	—	—	—	(36)	—	—	(36)	(47)	(83)
Dividends declared: Current year	24.4 / 24.5	—	—	—	—	—	—	(39 498)	(39 498)	(522)	(40 020)
At 31 March 2025		**994**	**6 807**	**1 048**	**(6 451)**	**(704)**	**33 319**	**260 922**	**295 935**	**(8 431)**	**287 504**

Notes to the Financial Statements

for the year ended 31 March 2025

1. GENERAL INFORMATION

Delta Corporation Limited (the Company) is a public limited company that is listed on the Zimbabwe Stock Exchange and incorporated and domiciled in Zimbabwe. The principal activities of the Company and its subsidiaries (the Group) include the manufacture and distribution of cold beverages and some value-added activities related thereto. The address of its registered offices and principal place of business are disclosed in the Directors' Report.

2. CURRENCY OF ACCOUNT

The financial statements are presented in the US$ currency that was designated as the functional and reporting currency.

The Government of Zimbabwe promulgated Statutory Instrument 85 of 2020 (SI85/20) which permitted the use of foreign currencies for domestic transactions. The Monetary Authorities introduced the Foreign Exchange Auction Trading System in June 2020. The Zimbabwe businesses have relied mostly on foreign currency obtained through the sale of products on the domestic market in line with the multicurrency framework. There is a significant disparity between the auction exchange rates and the rates reflected by comparing the market prices of goods and services quoted in alternative currencies. International Accounting Standard 21 (IAS 21) requires an entity to determine the functional currency based on the economic environment in which it operates. The entity does not believe that the official exchange rates prevailing during the financial year were, at all times, fairly reflective of the currency exchangeability and as such, has used an estimation process. Therefore, the exchange rate applied in translating the revenues to the reporting currency and the spot rate used in translating other foreign currency-denominated transactions has at times differed from the official rates.

The Directors have concluded that it is appropriate to report in the US$ currency. The Directors would, however, like to advise users to exercise caution in the use of these consolidated and separate financial statements in relation to the reporting currency and conversion to comparative currencies.

3. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

3.1 New and amendments to IFRS that are mandatorily effective for the current year

The Group applied new and several amendments to IFRS® Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2024.

Amendments to IAS 1, Presentation of Financial Statements' on Classification of Liabilities as Current or Non-Current.

Effective for annual periods beginning on or after 1 January 2024.

The intention is to clarify that the classification of liabilities as current or non-current is based solely on a Company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a Company's own equity instruments is regarded as the settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendment requires the disclosure of information about the covenants and the related liabilities when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The application of these amendments has had no impact on the Group's consolidated financial statements as there were no such transactions.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

3. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

3.1 New and amendments to IFRS that are mandatorily effective for the current year (continued)

Amendments to IFRS 16, 'Leases': Lease Liability in a Sale and Leaseback

Effective for annual periods beginning on or after 1 January 2024.

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The application of these amendments has had no impact on the Group's consolidated financial statements as there were no such transactions.

Amendments to IAS 7, and IFRS 7: Disclosures: Supplier Finance Arrangements.

Effective for annual periods beginning on or after 1 January 2024.

The amendments require an entity to provide information about the impact of supplier finance arrangements on liabilities and cash flows, including terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those arrangements. The information on those arrangements is required to be aggregated unless the individual arrangements have dissimilar or unique terms and conditions. In the context of quantitative liquidity risk disclosures required by IFRS 7, supplier finance arrangements are included as an example of other factors that might be relevant to disclose.

The application of these amendments has had no impact on the Group's consolidated financial statements as there were no such transactions.

3.2 New and revised IFRS in issue but not yet effective

The Group has not applied the following new and revised IFRS that have been issued but are not yet effective:

Amendments to IAS 21	Lack of exchangeability
Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments
IFRS 18	Presentation and Disclosure in Financial Statements

The directors of the Group intend to comply with the proposed amendments when they become effective as the changes will have an impact on the financial statements.

Amendments to IAS 21: Lack of exchangeability

Effective for annual periods beginning on or after 1 January 2025.

The amendment to IAS 21 specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. It specifies that a currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations.

The Group is still assessing the impact of the standard to the financial statements.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

3. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

3.2 New and revised IFRS in issue but not yet effective (continued)

Amendments to IFRS 9 and IFRS 7 Classification and Measurement of Financial Instruments

Effective for annual periods beginning on or after 1 January 2026.

Clarifies that a financial liability is derecognised on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met.

Clarifies how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features.

Clarifies the treatment of non-recourse assets and contractually linked instruments.

Requires additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified.

The application of these ammendments will not have an impact on the Group's consolidated financial statements.

IFRS 18 - Presentation and Disclosure in Financial Statements.

Effective for annual periods beginning on or after 1 January 2027.

IFRS 18 introduces new categories and subtotals in the statement of profit or loss. An entity will be required to classify all income and expenses within its statement of profit or loss into 5 categories; operating, investing, financing, income taxes and discontinued operations. In Addition, the standard requires an entity to present sub totals and totals for operating profit or loss; profit or loss before financing and income taxes. IFRS 18 also requires disclosure of the management-defined performance measures and included new requirement for the location, aggregation and disaggregation of financial information.

The impact will affect the presentation and disclosures of the financial statements and the Group will adopt these ammendments when they become effective.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Statement of Compliance

The consolidated financial statements of the Group and the Company have been compiled adopting principles from International (IFRS Accounting Standards) as issued by the IASB, the International Financial Reporting Interpretations Committee (IFRIC® Interpretations) and in the manner required by the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31) and the Zimbabwe Stock Exchange regulations.

The consolidated financial information has been compiled following the accounting policies used in the Group's previous annual financial statements and adheres to applicable amendments to IFRS.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Basis of Preparation and Presentation

The consolidated financial information is presented in United States dollars (US$) and have been prepared based on the statutory records that are maintained under the historical cost basis.

Cautionary note on use of Financial information

The Directors recommend users to exercise caution when analyzing the financial figures due to variations caused by fluctuations in exchange rates and rapid hyperinflation which impacted the prior year consolidated statements of comprehensive income and related equity balances. These disparities do impact the financial information, as the comparative consolidated statements of comprehensive income and related equity balances comprises a mix of inflation-adjusted data and USD transactions, while current year financial performance was derived using US$ as the functional currency. The figures derived from hyperinflationary data were significantly influenced by significant exchange rate movements. The discrepancies in financial performance highlight the instability caused by fluctuations in exchange rates and inflation during the period.

4.3 Basis of Consolidation

The consolidated financial statements consist of the financial statements of Delta Corporation Limited and subsidiaries controlled by the Group, together with an appropriate share of post-acquisition results and reserves of its material associated companies. Control is achieved when the Group:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

All Group companies' financial year ends on 31 March with the exception of Schweppes Holdings Limited and Nampak Zimbabwe. Schweppes Holdings Limited has a 31 December year end and Nampak Zimbabwe Limited has a 30 September year end. The group accounts for financial transactions up to 31 March for the business units. The results and reserves of subsidiaries and associated companies are included from the effective dates of acquisition up to the effective dates of disposal.

On acquisition, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Where the cost of acquisition is below the fair values of the identifiable net assets acquired the gain is credited to profit or loss in the period of acquisition.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. The interests of noncontrolling shareholders are stated at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets.

Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Any losses applicable to the non-controlling interests in excess of the non-controlling interest are allocated against the interest of the parent.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions and balances are eliminated on consolidation.

Notes to the Financial Statements (continued)
for the year ended 31 March 2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.3 Basis of Consolidation (continued)

The incorporation of the results and financial position of a foreign operation with those of the Group follows normal consolidation procedures, such as the elimination of intragroup balances and intragroup transactions of a subsidiary after the foreign operation's results and financial position has been translated to the reporting currency of the Group, US$ and recorded in the foreign currency translation reserve (FCTR).

4.3.1 Investment in subsidiaries (Company)

These comprise investments in shares that the directors intend to hold on a continuing basis in the Company's business. The investments are stated at cost less provisions for impairment. A review for the potential impairment of an investment is carried out if events or changes in circumstances indicate that the carrying amount may not be recoverable.

4.4 Investments in Associates

An associate is an entity in which the Company has a long-term interest and over which the Group has significant influence. At Company, the investment is held at cost. The results, assets and liabilities of associates are incorporated in the Group financial statements using the equity method of accounting except when classified as held for sale, in which case it is accounted for in accordance with IFRS 5 Non-Current Assets Held For Sale and Discontinued Operations. Investments in associates are carried in the statement of financial position at cost as adjusted by post-acquisition changes in the Group's share of the net assets of the associate, less any impairment in the value of individual investments. Losses of the associates in excess of the Group's interest in those associates are not recognised. Any excess of the cost of acquisition over the Group's share of the fair values of the identifiable net assets of the associate at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment. Where the cost of acquisition is below the Group's share of the fair values of the identifiable net assets of the associate at the date of acquisition, the discount on acquisition is credited in profit or loss in the period of acquisition. Where a Group company transacts with an associate of the Group, profits or losses are eliminated to the extent of the Group's interest in the relevant associate. Losses incurred by an associate may provide evidence of an impairment of the asset transferred in which case appropriate provision is made for impairment.

4.5 Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets acquired and liabilities assumed in a business combination. Goodwill is recognised as an asset and reviewed for impairment at least annually. Any impairment is recognised immediately in profit or loss and is not subsequently reversed. On disposal of a cash generating unit to which goodwill was allocated, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

4.6 Foreign Currency Transactions and Balances

The Group's financial statements are presented in United States Dollars (US$), which is the Group's presentation currency. Assets and liabilities denominated in foreign currencies are converted to US$ at the rates of exchange ruling at the end of the reporting date. The spot exchange rate used in converting prior year inflation adjusted financials was US$1: ZWG2.2.

Exchange differences on monetary assets and liabilities are recognised in profit and loss in the period in which they arise except for:

Exchange differences on foreign borrowings relating to assets under construction for future productive use are included in the cost of the assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

The foreign exchange impact of translating to presentation currency is recognised through other comprehensive income and disclosed separately in the respective reserves on the statement of changes in equity.

Notes to the Financial Statements (continued)
for the year ended 31 March 2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.6 Foreign Currency Transactions and Balances (continued)

4.6.1 Foreign Operations

Assets and liabilities of subsidiary companies denominated in foreign currencies are translated into US$ at rates of exchange ruling at the reporting date and their statements of profit or loss and other comprehensive income results are translated at the average rate of exchange for the period. The average rate of exchange is calculated by dividing the summation of the opening rate to the closing rate by two. Where there are drastic movements between the opening and closing rates of exchange, the statement of comprehensive income results is translated on a month on month basis using the average rate of exchange for each month. Differences on exchange arising from translation of assets and liabilities at the rate of exchange ruling at reporting date and translation of statement of comprehensive income items at average rates are recognised in other comprehensive income. Upon divestment from a foreign operation, translation differences related to that entity are taken to profit or loss.

4.7 Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment.

Depreciation is not provided on freehold land and capital projects under development.

The Group reviews the estimated residual values and expected useful lives of assets at least annually.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Other assets are depreciated on such bases as are deemed appropriate to reduce book values to estimated residual values over their useful lives as follows:-

	Method	Period
Buildings:		
Freehold	Straight line	60 years
Leasehold	Straight line	Over-lease
Plant and Equipment:	Reducing balance and straight line	5 - 25 years
Vehicles:	Straight line	4 - 10 years
Returnable Containers:	Straight line	2 - 6 years

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.8 Returnable containers

Returnable containers are bottles and crates sold and repurchased on return at a deposit price. These are classified as property, plant and equipment, and were depreciated on a straight-line basis over the estimated useful life of 2-6 years. Management reassessed the useful life of returnable containers. As a result, a change in this estimate from 1-4 years to 2-6 years occurred to align the useful life to the actual economic life of the returnable containers. The change was applied prospectively from 1 April 2024.

Returnable containers exclude returnable plastic bottles which are considered to have a short useful life. A corresponding liability arises for containers in the market and is presented on the statement of financial position in the Provisions balance. The deposit value reflects the estimated value of the returnable container population in the market and the Group's obligation to re-purchase all bottles and crates suitable for re-use.

4.9 Intangible Assets

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following conditions have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- The intention to complete the intangible asset and use or sell it
- The ability to use or sell the intangible asset
- How the intangible asset will generate probable future economic benefits
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset
- The ability to measure reliably the expenditure attributable to the intangible asset during its development. The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred. Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

4.10 Impairment of property, plant and equipment and intangible assets excluding goodwill

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication at the end of a reporting period that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

4.10.1 Goodwill and intangible assets with indefinite useful lives

Goodwill

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.10 Impairment of property, plant and equipment and intangible assets excluding goodwill (continued)

4.10.1 Goodwill and intangible assets with indefinite useful lives (continued)

Goodwill (continued)

The Group bases its impairment calculation on the most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the statement of profit or loss in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

Goodwill is tested for impairment annually as at 31 March and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods. Intangible assets with indefinite useful lives are also tested for impairment annually as at 31 March at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

For impairment testing goodwill acquired through business combinations and licences with indefinite useful lives are allocated to the Lagers, Chibuku (Includes Sorghum Zimbabwe, Natbrew Zambia and UNB South Africa) and Sparkling CGUs, which are also operating and reportable segments.

The Group performed its annual impairment test as at 31 March 2025. The Group considers the relationship between its market capitalisation and its book value, among other factors, when reviewing for indicators of impairment. As at 31 March 2025, the market capitalisation of the Group was above the book value of its equity, indicating there was no potential impairment of goodwill and impairment of the assets of the operating segments.

The Group considers certain trademarks to have indefinite useful lives. The trademarks with indefinite useful life include the exclusive rights to manufacture and distribute certain brands within the geographical location of the markets in which the Group operates. The useful life of the trademarks have been considered indefinite because there is no legal, regulatory, contractual competitive economic or other factors limiting their useful life.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.11 Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. Categories of financial assets such as loans and trade receivables are assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

4.12 Employee Benefits

Short term benefits and long term benefits

A liability is recognised for benefits accruing to employees in respect of wages, salaries and annual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for the service.

Liabilities in respect of short term benefits are measured at the undiscounted amount of the benefits expected to be in exchange for the related services.

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The expected present value is spread over the period of service.

Other long-term employee benefits

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring.

Long service awards

The Group recognises the liability and an expense for long service awards where cash is paid to employees at certain milestone dates in a career with the Group. Such accruals are appropriately discounted to reflect present values of the future payments.

Share based payment transactions

The Company has a share option plan for employees of the Group. In accordance with the terms of the plan, as approved by shareholders at a previous annual general meeting, employees with more than 3 years' service with the Group may be granted options to purchase ordinary shares.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.12 Employee Benefits (continued)

Other long-term employee benefits (continued)
Share based payment transactions (continued)
The number of options granted is calculated in accordance with the performance-based formula approved by shareholders at the previous annual general meeting and is subject to approval by the remuneration committee. The formula rewards employees to the extent of the Group's and the individual's achievement judged against both qualitative and quantitative criteria from the following financial and customer service measures:

- Improvement in share price
- Improvement in net profit
- Improvement in return to shareholders

The Group issues share options to certain employees. The options are valued at fair value at the date of grant. The fair value determined is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, and is disclosed in a share options reserve which forms part of equity.

At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share options reserve. The fair value is calculated using the Black-Scholes option pricing model, as adjusted for dividends by Robert Merton. The expected life used in the model has been adjusted, based on management's best estimates, for the effects of non-transferability, exercise restrictions as regards closed periods and behavioural considerations. The value transferred to the share options reserve is amortised to retained earnings as the related share options are exercised or forfeited.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the Group obtains the goods or the counterparty renders the service.

Retirement benefits are provided for Group employees through various independently administered defined contribution funds, including the National Social Security Authority or other mandatory statutory schemes. Contributions to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. The Group's pension scheme is a defined contribution scheme and the cost of the retirement benefit is determined by the level of contribution made in terms of the rules. The cost of the retirement benefit applicable to the National Social Security Authority scheme is determined by the systematic recognition of legislated contributions.

4.13 Inventories

Inventories are valued at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Cost is determined on the following basis.

Merchandise, raw materials and consumable stores are valued at cost on a weighted average cost basis. Manufactured finished products and products in process are valued at raw material cost, plus labour and a portion of manufacturing overhead expenses, where appropriate.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.14 Financial Instruments

Financial assets and financial liabilities are recognised when a Group entity becomes party to the contractual provisions of the instrument. Financial instruments are initially recorded at fair value which usually approximates cost. Trade receivables within the scope of IFRS 15 (Revenue from contracts with customers) that do not contain a significant financing component are measured at their transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial Assets
Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss" (FVTPL), financial assets at fair value through other comprehensive income (FVTOCI) and financial assets measured at amortised cost. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade and other receivables, bank balances and cash, and staff loans) are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Cash and Cash Equivalent
Cash and cash equivalents consist of cash held by banks, cash on hand, short-term deposits and bank overdrafts.

Short-term deposits are only shown as cash and cash equivalents if they are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. The credit risk of cash and cash equivalents measured at amortized cost is insignificant due to their short-term maturity, counterparties' investment grade credit ratings and established exposure limits. Therefore, the Group does not recognize any credit impairment losses for these financial assets. The cash and cash equivalents are predominantly denominated in US Dollars (US$), South African Rand (ZAR) and Zimbabwe Gold (ZWG).

Cash and cash equivalents have insignificant interest rate risk and remaining maturities of three months or less at the date of acquisition. There were no restrictions on usage of cash and cash equivalents. The carrying amount of these assets approximates to their fair value.

Other financial instruments
Other financial instruments, including borrowings and payables, are initially measured at fair value, net of transaction costs. Subsequent measurement is at amortised cost using the effective interest method, with the interest expense recognised on an effective yield basis.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.15 Revenue Recognition

The group recognises revenue primarily from the sale of its diverse portfolio of beverages. Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product to a customer.

Revenue comprises sales (net of trade discounts) and excludes value added tax. Intra-group revenue which arises in the normal course of business is excluded from Group revenue.

The Group presents revenue gross of excise duties because unlike value added tax, excise is not directly related to the value of sales. It is not generally recognised as a separate item on invoices. The Group therefore considers excise as a cost to the Group and reflects it as a production cost.

Interest income

Interest income is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Rental income

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Dividend income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Company) and the amount of revenue can be measured reliably.

4.16 Taxation

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.16 Taxation (continued)

Deferred tax (continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax are recognised as income or as an expense in profit or loss, except when they relate to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is included in the accounting for the business combination.

Uncertain tax position

The Group reviews all its tax positions at each period end and determines whether there is any uncertainty over tax treatment.

Where there are any uncertainties over income tax treatments the group discloses judgements and assumptions made in determining taxation information.

4.17 Leases

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as a net opertaing costs on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.17 Leases (continued)

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

A lease contract is modified and the lease modification is not accounted for as a separate lease. The lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies IAS 36 Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the rightof-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Net Operating costs" in profit or loss.

4.18 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event; it is probable that the Group will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.19 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, which are described in note 4, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual outcomes may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4.20 Critical judgements in applying accounting policies

- **Share based payments**
  The assumptions and methodology underlying the valuation of share based payments are fully described in Note 19.

- **Deferred taxation and uncertain tax matters**
  The assumptions and methodology underlying the deferred taxation and uncertain tax matters are fully described in Note 4.16 and Note 11.

- **Goodwill assessment and cash generating units value in use**
  The assumptions and methodology underlying the goodwill assessments and cash generating units value in use are fully described in Note 15.

- **Fair value of share options issued in the current year**
  Options were valued using the Black Scholes model. Expected volatility is based on the Company's historical share price volatility since dollarisation. Refer to Note 19.4.

- **Long service awards**
  Included in provisions (Note 23.2) is a liability for long service awards which are awarded to employees on reaching certain employment period milestones. The amount recognised is the present value of future cash flows adjusted for period of service, life expectancy, salary levels and probability of early contractual terminations. Management uses market and non-market information to come up with these estimates.

- **Impairment of non-financial assets**
  These assets are assessed for indicators of impairment at each reporting date. Irrespective of whether there is any indication of impairment, the subsidiary tests these assets for impairment annually. An impairment loss is recognised in profit or loss, equal to the amount by which the carrying amount of an asset or a cash-generating unit exceeds the higher of its fair value less cost to sell and its value in use.

  When impairments reverse due to change in circumstances, reversals are limited to the initial impairment, that is, what the carrying amount would have been net of depreciation if the impairment was not recognised and the newly calculated recoverable amount.

Notes to the Financial Statements (continued)
for the year ended 31 March 2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.20 Critical judgements in applying accounting policies (continued)

- **Impairment of non-financial assets** (continued)
  Non-financial assets are grouped at subsidiary or divisional level, which is the lowest level for which separately identifiable cash flows are available (cash-generating units).

  Refer to Note 4.10

- **Useful lives and residual values of property, plant and equipment**
  The Group assesses useful lives and residual values of property, plant and equipment each year, taking into account past experience and technology changes. The useful lives are set out in Note 4.7 and no other changes to the useful lives have been considered necessary during the year, except for the change in useful lives of returnable containers detailed in Note 4.8. In the assessment, management considerations included container cycle history, purchase history, environmental and handling conditions, and the impact of the current enhanced container designs on durability. This assessment indicated that a change in estimate of the container useful lives was necessary.

- **Containers in the market**
  In determining the quantity of useable containers in the market the population is determined based on the actual purchases of containers for the past years.

- **Application of IAS 21 - The Effects of Changes in Foreign Exchange Rates**
  The Government of Zimbabwe has since 2020 promulgated legislative changes, which have since been consolidated into the Finance Acts, and which permit the use of foreign currencies for domestic transactions. The Monetary Authorities introduced the Foreign Exchange Auction Trading System in June 2020 and the Willing Buyer Willing Seller framework in 2022. The Zimbabwe businesses have relied on foreign currency obtained through the sale of products on the domestic market in line with the multi-currency framework. There have been significant gaps between the interbank exchange rates and the rates reflected by comparing the market prices of goods and services quoted in alternative currencies. International Accounting Standard 21 (IAS 21) – The effects of Changes in Foreign Exchange Rates require an entity to determine the functional currency based on the economic environment in which it operates. The entity does not believe that the official exchange rates prevailing during the current and prior periods were, at all times, fairly reflective of the currency exchangeability and as such, has used an estimation process. Therefore, the exchange rate applied in translating from the transaction currency to the reporting currency and the spot rate used in translating other balances recorded in different currencies at times differed from the official rates.

  The Institute of Chartered Accountants of Zimbabwe (ICAZ) issued an interpretation guidance titled Lack of Exchangeability – Interpretation of IAS 21, The Effects of Changes in Foreign exchange rates in May 2022. Our interpretation of this guidance confirms that the treatment that the Group has applied in estimating an exchange rate is acceptable.

  The Group tracks the exchange rates implied in the prices of raw materials and services during the financial year based on referenceable arms length transactions which give a fair value of goods or services in either foreign currency or ZiG.

4.21 Segment Reporting
The Group has four reportable segments, as described in note 7. The segments offer different products but are however managed by the one central team as they require similar technology, processes and marketing strategies. For each of the segments, the Group's Chief Executive Officer - CEO (the chief operating decision maker) reviews internal management reports at least monthly. Refer to note 7 for a description of the operations in each of the Group's reportable segments.

Delta Corporation LIMITED

Notes to the Financial Statements (continued)
for the year ended 31 March 2025

5. DEFINITIONS

5.1 Taxed Interest Payable
This is calculated by taxing interest payable at the standard rate of taxation.

5.2 Interest Cover (Times)
This is the ratio which the aggregate of operating income, non-recurring items and equity accounted earnings bears to interest payable (inclusive of capitalised interest).

5.3 Net Assets
These are equivalent to shareholders' equity.

5.4 Pre-tax Return on Total Assets
This is calculated by relating to closing total assets, income before tax inclusive of dividend income and equity accounted earnings.

5.5 Earnings per Share

Headline, fully diluted and attributable earnings bases
The calculations are based on the earnings attributable to owners of the parent. Account is taken of the number of shares in issue for the period during which they have participated in the income of the Group. Dilution arising in respect of share options granted amounts to 1,62% for 2025 and 1,63% in 2024.

The weighted number of shares excluding treasury shares was:

	2025 Number of Shares in millions	2024 Number of Shares in millions
Ordinary shares	**1 320**	1 314
Share options*	**26.42**	27.17
Weighted average number of shares	**1 320.65**	1 310.40

* The share options included in the weighted average number of shares are exercised shares.

	2025 US$ 000	2024 US$ 000
Attributable earnings (used for basic and diluted earnings)	**118 223**	100 994
Loss on disposal of property, plant and equipment	**74**	118
Headline earnings	**118 297**	101 112

5.6 Cash Flow per Share
This focuses on the cash stream actually achieved in the year under review. It is calculated by dividing the cash flow from operations after excluding the proportionate non-controlling interests therein, by the weighted average number of ordinary shares in issue.

5.7 Financial Gearing Ratio
This represents the ratio of interest bearing debt to total shareholders' equity.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

6. COUNTRY OF INCORPORATION AND CURRENCY

All Group companies are incorporated in Zimbabwe with the exception of National Breweries Plc which is incorporated in Zambia, Chibuku Holdings Plc which is incorporated in Mauritius, United National Breweries and Delta Beverages South Africa which are incorporated in South Africa. Refer to Note 26.4. The financial statements are expressed in United States Dollars (US$).

7. SEGMENTAL REPORTING

The distinct operating segments for the Group are shown in the table below:

Reportable Segments	Operations
Lager Beer division	Manufacture and distribution of lager beer (malt and sorghum based clear beers)
Sparkling Beverages division	Manufacture and distribution of carbonated soft drinks and alternative non-alcoholic beverages.
Sorghum Beer division	Manufacture and distribution of sorghum based opaque beer.
Wines and Spirits	Manufacture and distribution of wines and spirits.

Other operations include barley and sorghum malting and provision of transport services, which are functional departments for the above mentioned divisions. None of these segments met the quantitative thresholds for reportable segments in 2025 nor 2024.

There are varying levels of integration between Lagers, Sparkling Beverages and Sorghum segments. This integration includes shared primary and secondary distribution services and facilities. The Group has a centralised treasury function.

Information about reportable segements
Information related to each reportable segment is set out below. Segment operation income is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

7. SEGMENTAL REPORTING (continued)

Reportable segments

2025	Lager Beer US$'000	Sparkling Beverages US$'000	Sorghum Beer US$'000	Wines and Spirits US$'000	Total reportable segments US$'000	All other segments and intersegment eliminations US$'000	Total US$'000
Segment revenue	351 859	165 865	229 106	59 721	**806 551**	31 074	**837 625**
Inter-segment revenue***	-	-	-	—	**—**	(30 155)	**(30 155)**
External revenue	351 859	165 865	229 106	59 721	**806 551**	919	**807 470**
Segment operating income	111 006	13 292	7 403	5 555	**137 256**	15 351	**152 607**
Segment finance costs	(50)	—	(924)	(718)	**(1 692)**	(1 662)	**(3 354)**
Segment net working capital*	4 973	37 629	13 690	11 539	**67 831**	20 887	**88 718**
Segment trade and other payables**	(37 951)	(17 979)	(31 339)	(9 065)	**(96 334)**	(47 787)	**(144 121)**
Segment working capital assets	42 924	55 608	45 029	20 604	**164 165**	68 674	**232 839**
Segment property, plant and equipment	43 567	30 449	59 208	5 329	**138 553**	17 136	**155 689**
Non-current assets additions	14 606	6 323	10 200	2 046	**33 175**	6 638	**39 813**
Segment depreciation	(4 994)	(4 241)	(5 691)	(444)	**(15 370)**	(2 612)	**(17 982)**

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

7. SEGMENTAL REPORTING (continued)

Reportable segments

2024	Lager Beer US$'000	Sparkling Beverages US$'000	Sorghum Beer US$'000	Wines and Spirits US$'000	Total reportable segments US$'000	All other segments and intersegment eliminations US$'000	Total US$'000
External revenue	318 317	146 710	250 811	51 772	**767 610**	28 719	**796 329**
Inter-segment revenue***	—	—	—	—	**—**	(28 458)	**(28 458)**
Segment revenue	318 317	146 710	250 811	51 772	**767 610**	261	**767 871**
Segment operating income	91 991	16 085	16 634	6 623	**131 333**	21 005	**152 338**
Segment finance costs	(78)	(3)	(978)	(605)	**(1 664)**	(1 880)	**(3 544)**
Segment net working capital*	(15 781)	7 826	11 902	9 785	**13 732**	27 633	**41 365**
Segment trade and other payables**	(54 983)	(39 264)	(37 409)	(9 515)	**(141 171)**	(29 277)	**(170 448)**
Segment working capital assets	39 202	47 090	49 311	19 300	**154 903**	56 910	**211 813**
Segment property, plant and equipment	35 444	27 858	54 336	3 737	**121 375**	12 704	**134 079**
Non-current assets additions	18 295	4 280	18 377	1 776	**42 728**	5 370	**48 098**
Segment depreciation	(6 799)	(831)	(3 546)	(371)	**(11 547)**	(1 491)	**(13 038)**

* Net working capital comprises of cash and cash equivalents, receivables, inventories, payables excluding provision for tax.
** Included are trade and other payables, provisions, short term borrowings, overdraft and short term lease liability.
*** Intersegment revenue relates to malt sales from Kwekwe Maltings to Lager Beer. Kwekwe Maltings is included under "All other segments."

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment operating income represents segment income before allocation of central administration costs. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

No single customer contributed 10% or more to the Group's or individual segment's revenue.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

7. SEGMENTAL REPORTING (continued)

Reconciliations of information on reportable segments to IFRS measures (continued)

	2025 US$'000	2024 US$'000
i) Revenue		
Total revenue for reportable segments	**806 551**	767 610
Revenue for other segments	**31 074**	28 719
Elimination of inter-segment revenue	**(30 155)**	(28 458)
Consolidated revenue	**807 470**	767 871
ii) Operating income		
Total operating income for reportable segments	**137 256**	131 333
Operating income for other segments	**15 351**	21 005
- Finance income	**1 642**	3 667
- Finance cost	**(3 354)**	(3 544)
- Share of profit in associates	**1 374**	2 468
- Exchange gains / (losses)	**(12 320)**	(41 535)
- Movement in legacy debt	**—**	—
- Net monetary loss	**—**	(8 995)
Consolidated profit before tax	**139 949**	104 399
iii) Assets		
Total working capital assets for reportable segments	**164 165**	154 903
Working capital assets for other segments	**68 674**	56 910
Total property, plant and equipment for reportable segments	**138 553**	121 375
Property, plant and equipment for other segments	**17 136**	12 704
Intangible assets	**25 246**	24 411
Right-of-use asset	**4 050**	4 411
Equity-accounted investees	**12 463**	12 325
Deferred tax asset	**4 661**	1 923
Investments and loans	**4 522**	5 225
Financial Asset at armotised cost	**8 439**	8 830
Current tax asset	**—**	440
Consolidated total assets	**447 909**	403 457
iv) Liabilities		
Total trade and other payables for reportable segments	**96 334**	141 171
Trade and other payables for other segments	**47 787**	29 277
Total long-term borrowings for reportable segments	**528**	—
Long term lease liability for reportable segments	**2 067**	3 521
Long term lease liability for other segments	**1 600**	729
Total deferred tax liabilities for reportable segments	**108**	1 481
Current tax liability	**11 981**	5 096
Consolidated total liabilities	**160 405**	181 275

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

8. REVENUE DISAGGREGATION BY PRODUCT

2025	Lager Beer US$'000	Sparkling Beverages US$'000	Sorghum Beer US$'000	Wines and Spirits US$'000	Malt Sales US$'000	Total US$'000
Gross Sales	409 245	195 183	280 835	61 208	966	**947 437**
Less VAT and discounts	(57 386)	(29 319)	(51 728)	(1 487)	(47)	**(139 967)**
Revenue	351 859	165 864	229 107	59 721	919	**807 470**
Less excise duties and levies	(63 062)	(14 718)	(6 521)	(12 605)	(2)	**(96 908)**
Net Sales	288 797	151 146	222 586	47 116	917	**710 562**

2024	Lager Beer US$'000	Sparkling Beverages US$'000	Sorghum Beer US$'000	Wines and Spirits US$'000	Malt Sales US$'000	Total US$'000
Gross Sales	369 871	172 281	297 547	53 470	305	**893 474**
Less VAT and discounts	(51 555)	(25 571)	(46 735)	(1 698)	(44)	**(125 603)**
Revenue	318 316	146 710	250 812	51 772	261	**767 871**
Less excise duties and levies	(55 259)	(1 902)	(10 044)	(10 547)	(4)	**(77 756)**
Net Sales	263 057	144 808	240 768	41 225	257	**690 115**

9. OPERATING INCOME

Operating income is arrived at after charging:-

9.1 Net Operating Costs

	2025 US$'000	2024 US$'000
Raw materials and consumables used	**318 217**	293 823
Depreciation expense (note 9.2)	**18 912**	14 583
Staff costs	**125 528**	134 950
Excise and levies	**96 906**	77 756
Share option expenses	**922**	594
Repairs and maintenance	**30 476**	32 586
Container breakages*	**2 835**	7 570
Selling and marketing expenses	**16 327**	16 698
Royalties and technical fees	**6 705**	8 667
Security costs	**8 977**	9 229
Administration and other operating expenses	**29 058**	19 077
	654 863	615 533

* Container breakages relate to containers that have come to the end of their useful life.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

9. OPERATING INCOME (continued)

9.2 Depreciation of Property, Plant and Equipment and right of use asset

	2025 US$'000	2024 US$'000
Buildings	**987**	564
Plant and equipment	**7 463**	4 640
Vehicles	**1 924**	1 624
Containers	**7 608**	6 210
Total	**17 982**	13 038
Right-of-use asset	**930**	1 545
Total	**18 912**	14 583

9.2.1 Change in Accounting Estimate - Useful Life of Containers

During the financial year ended 31 March 2025, the Group conducted a review of the estimated useful lives of its containers. Based on this review, the useful life of containers has been revised from 1-4 years to 2-6 years. The revision was made to better reflect the actual usage patterns and expected economic benefits of the containers.

This change in estimate has been applied prospectively from April 2024 in accordance with IAS 8 – Changes in Accounting Estimates. The impact of this change on the depreciation expense for the current and future financial years is as follows:

Financial Year	Increase/(Decrease) in Depreciation Expense
Current Year 2025	(1 934)
Future Years (Expected Impact)	
2026	(1 529)
2027	(833)
2028	1 312
2029	2008
2030	976

9.3 Auditors' Remuneration

	2025 US$'000	2024 US$'000
Included in administration and operating costs are current year audit fees and expenses as follows:		
Current year audit fees and expenses		
- Group	**531**	**501**
- Company	**49**	49
Total	**580**	550

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

		2025 US$'000	2024 US$'000
10.	**FINANCE COSTS AND FINANCE INCOME**		
10.1	**Finance Costs**		
	Interest on borrowings*	**2 858**	3 120
	Lease finance charges	**496**	424
		3 354	3 544
10.2	**Finance Income**		
	Interest on staff loans	**979**	154
	Treasury bills effective interest	**663**	3 513
		1 642	3 667

* Interest on borrowings include interest on loans US$ 1 million (2024: US$0.8 million) and interest on overdraft US$1.9 million (2024: US$2.3 million)

		2025 US$'000	2024 US$'000
11.	**TAXATION**		
11.1	**Taxation**		
	Income tax:		
	Current tax	**27 928**	22 112
	Deferred tax - relating to origination and reversal of temporary difference	**(4 124)**	(17 848)
	- relating to change in current tax rate	**—**	(403)
		23 804	3 861
11.2	**Reconciliation of Rate of Taxation**		
	Standard rate	**25.75%**	24.72%
	Adjusted for:		
	Net impact of (income)/expenses not deductible for tax*	**(7.95%)**	3.09%
	Net effects IAS 29	**—**	23.55%
	Equity accounted earnings of associates	**(0.26%)**	(0.58%)
	Effects of income taxed at different rates	**(0.54%)**	(0.08%)
	Impact on deferred tax for the tax rate change from 24,72% to 25,75%	**—**	0.10%
	Effective rate	**17.01%**	3.70%

* Included in expenses not deductible for tax are IMTT, share based payment expense, excess pension, subscriptions and entertainment expenses. Included as income not taxable are, exchange differences on statutory payments paid at the applicable bank rates, fair value gains on financial instruments, and finance income on financial instruments at amortised cost.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

		2025 US$'000	2024 US$'000
11.	**TAXATION** (continued)		
11.3	**Deferred Tax (Assets)/Liabilities**		
	Balance at the beginning of year	**(442)**	31 169
	Charge to profit or loss	**(4 124)**	(18 251)
	Restatement and translation to functional currency impact	**—**	(13 715)
	Translation differences on foreign balances	**13**	355
	Balance at end of year	**(4 553)**	(442)
	Comprising of:		
	Deferred tax asset separate entities	**(4 661)**	(1 923)
	Deferred tax liability separate entity	**108**	1 481
	Net Deferred tax asset	**(4 553)**	(442)
	Analysis of balance at end of year		
	Property, plant and equipment	**6 651**	2 888
	Provisions	**(6 777)**	(3 931)
	Other taxable temporary differences	**(4 427)**	601
		(4 553)	(442)

11.4 Contingencies

11.4.1 Uncertain Tax Positions

The Company is contesting the tax assessments issued by the Zimbabwe Revenue Authority (ZIMRA) for amounts that they consider to have been payable exclusively in foreign currency. Additional assessments were received in November 2024 adding to those assessed in 2022, to bring the disputed amount to US$74.8 million (2024: US$ 54.8 million), which covers principal tax, penalties and interest for value added tax and income tax for periods 2019 to 2022. The assessments do not consider the local currency payments made at the relevant time, which have since been debased through inflation and currency depreciation. Adverse judgements have been made by both the High Court and the Supreme Court, although there are appeals and new cases at various stages in the courts including the Constitutional Court and the Zimra appeals processes. The Group had paid a total of US$11.4 million as at 31 March 2025 (2024: US$6 million) in line with the "pay now, argue later" principle and pre-existing payment plans. We believe any revisions to the payment plan will be rational, with due consideration of the financial health of the business and the fact that the principal amounts were fully paid in legal tender at the relevant periods, based on the best available interpretation of the legislation.

The Group holds a significant amount in treasury bills receivable from the Government, which could be considered in the settlement of any tax liabilities that may finally be determined. Management continues to engage with ZIMRA while appealing some legal and factual issues of the assessments and the judgments, with guidance from tax experts and legal counsel. These assessments have a material impact on the Group's operations if they materialise as per the extant assessments. The ambiguities in the tax legislation are pervasive, thereby creating risks of further disagreements in interpretations and application to current taxes. At this stage, the Board cannot estimate the likely outcome or timing of the resolution of these matters. The current accounting treatment and disclosures of the assessments and the amounts paid so far are considered to be appropriate.

Similarly, Natbrew Zambia is challenging an assessment by the Zambia Revenue Authority relating to transfer pricing positions on royalties and group charges for periods prior to the acquisition of the entity.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

	2025 US$'000	2024 US$'000
12. PROPERTY, PLANT AND EQUIPMENT		
FREEHOLD PROPERTIES		
Cost	**41 554**	38 698
Capital work in progress	**—**	2 146
Accumulated depreciation	**(17 293)**	(16 506)
	24 261	24 338
PLANT AND EQUIPMENT		
Cost	**177 687**	154 029
Capital work in progress	**384**	5 173
Accumulated depreciation	**(84 662)**	(79 532)
	93 409	79 670
VEHICLES		
Cost	**30 231**	26 757
Accumulated depreciation	**(17 239)**	(16 228)
	12 992	10 529
CONTAINERS		
Cost	**18 807**	10 146
Containers in the market	**6 220**	9 396
	25 027	19 542
Total property, plant and equipment	**155 689**	134 079
Consolidated Movement in net book amount for the year:		
At the beginning of the year	**134 079**	173 923
Acquisition of subsidiary	**—**	—
Foreign exchange impact of translating to presentation currency	**—**	(66 633)
Capital expenditure	**39 813**	48 098
Disposals	**(100)**	(125)
Translation differences on foreign subsidiaries opening balances	**616**	5 610
Movement in containers in the market and other adjustments	**(737)**	(13 756)
Depreciation	**(17 982)**	(13 038)
At end of the year	**155 689**	134 079

	2025 US$'000	2024 US$'000
12. PROPERTY, PLANT AND EQUIPMENT (continued)		
Capital expenditure comprised:		
Land and buildings	**1 100**	974
Plant and equipment	**20 090**	34 711
Vehicles	**4 881**	4 194
Containers	**13 742**	8 219
	39 813	48 098
Disposals comprised:		
Plant and equipment	**55**	8
Vehicles	**45**	117
	100	125

	Freehold Properties	Plant And Equipment	Vehicles	Containers	Total
Movement in net book amount for the year by class:*					
At the beginning of the year	24 074	80 348	10 097	19 560	**134 079**
Capital expenditure	1 100	20 090	4 881	13 742	**39 813**
Disposals	—	(10)	(36)	(54)	**(100)**
Translation differences on foreign subsidiaries opening balances	68	512	2	34	**616**
Movement in containers in the market and other adjustments	—	—	—	(737)	**(737)**
Depreciation	(981)	(7 531)	(1 952)	(7 518)	**(17 982)**
At end of the year	24 261	93 409	12 992	25 027	**155 689**

* In the prior year, the movement of assets by class was not included. It has been included this year to better present the nature of the underlying transactions.

	2025 US$'000	2024 US$'000
13. RIGHT-OF-USE ASSET		
Balance at beginning of year	**4 411**	525
Foreign exchange impact of translating to presentation currency	**—**	(223)
Translation differences	**45**	62
Additions	**202**	5 592
Lease remeasurement	**322**	—
Depreciation	**(930)**	(1 545)
Right-of-use asset at end of year	**4 050**	4 411

The Group leases buildings in Zimbabwe and South Africa as offices. The average lease is 10 years (2024: 10 years). The corresponding lease liability is disclosed in Note 22.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

	2025 US$'000	2024 US$'000
14. INVESTMENT IN ASSOCIATES		
Shares at cost	**748**	748
Post acquisition reserves	**11 715**	11 577
	12 463	12 325
Included in post-acquisition reserves are current year share of profits of US$1,4 million (2024: US$2,5 million)		
Analysis of results and statement of financial position of associates.		
Schweppes Zimbabwe Limited (49%) (2024: 49%)		
Shares at cost	**41**	41
Gain arising on acquisition	**723**	723
Group share of post acquisition reserves*	**5 823**	6 240
	6 587	7 004
* Included in the share of post acquisition reserves is a decrease amounting to US$ nil (2024: US$3,49 million) due to the foreign exchange impact of translating to presentation currency.		
Total assets	**66 766**	63 169
Total liabilities	**(39 352)**	(34 903)
Net assets**	**27 414**	28 266
Group's share of net assets of associate	**13 433**	13 850
** The difference between the carrying amount and the Group's share of net assets of associate amounting to US$6,8 million (2024: US$6,2 million) is a result of different accounting policies between the Group and the associate.		
Total revenue	**93 902**	93 947
Total profit for the year or period	**259**	1 292
Group's share of profits of associates for the period	**127**	633
Total other comprehensive income	**(1 111)**	3 761
Group's share of other comprehensive income	**(544)**	1 918

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

	2025 US$'000	2024 US$'000
14. INVESTMENT IN ASSOCIATES (continued)		
Nampak Zimbabwe Limited (21.46%) (2024: 21,46%)		
Shares at cost	**707**	707
Group share of post acquisition reserves***	**5 169**	4 614
	5 876	5 321
*** Included in the share of post acquisition reserve is a decrease amounting to US$nil (2024: US$2,73 million) due to the foreign exchange impact of translating to presentation currency.		
Total assets	**45 175**	39 139
Total liabilities	**(13 927)**	(25 997)
Net assets	**31 248**	13 142
Group's share of net assets of associate	**6 707**	2 820
Total revenue	**98 707**	122 123
Total profit for the year or period	**5 814**	8 553
Group's share of profits of associates for the year	**1 247**	1 835
Total other comprehensive income	**(3 228)**	—
Group's share of other comprehensive income	**(693)**	—

The market value of the Group's interest in Nampak Zimbabwe Limited which is listed on the stock exchange in Zimbabwe was US$6,2 million (2024: US$24,2 million).

	2025 US$'000	2024 US$'000
15. TRADEMARKS, GOODWILL, INVESTMENTS AND LOANS		
15.1 Intangible assets - Trademarks and Goodwill		
Trademarks		
At beginning of year	**23 002**	25 637
Foreign exchange impact of translating to presentation currency	**—**	(2 673)
Exchange differences arising from translation of foreign subsidiary	**835**	38
At cost at end of year	**23 837**	23 002
Disagregation by cash generating unit:		
Lager Beer	**211**	211
Sorghum Beer Business*	**23 626**	22 791
Total	**23 837**	23 002
Goodwill - Afdis		
At beginning of year	**1 409**	2 510
Arising from acquisition of subsidiary	**—**	—
Foreign exchange impact of translating to presentation currency	**—**	(1 101)
At cost at end of year	**1 409**	1 409
Total Trademarks and Goodwill	**25 246**	24 411

* The Sorghum Beer Business is made up of Sorghum Beer Zimbabwe Division, Natbrew Zambia and UNB South Africa.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

15. TRADEMARKS, GOODWILL, INVESTMENTS AND LOANS (continued)

15.1 Intangible assets - Trademarks and Goodwill (continued)

Sorghum Beer Business Zimbabwe Trademarks
Included in the trademarks balance is the Chibuku trademark amounting to US$3.4 million (2024: US$$ 3,4 million). The useful life of the trademarks have been considered indefinite because there is no legal, regulatory, contractual competitive economic or other factors limiting the useful life of the Chibuku trademarks. An annual impairment assessment was performed as at 31 March 2025 and management considered the expected future profits and sales volume. Management anticipates improved sales volume and profitability in the year ending 31 March 2026.

Sorghum Business Segment
The UNB SA's Sorghum Business reported a 10% decrease in volume compared to the previous year. The illegal strike at Phelindaba Brewery from June to October disrupted production and product supply into the market. In January, Phelindaba was also affected by a fire incident which destroyed the raw materials warehouse. Despite these adversities, the Premium category grew 75% on prior year indicating an increased demand of this product. The business performance is expected to improve with more stability on the production and distribution platform. The carrying amount of the Intangible assets - trademarks in UNB SA amounts to US$21.4 million (2024: US$19,6 million).

The recoverable amount of UNB SA, a part of the Sorghum CGU is as detailed below:

	Recoverable amount	
	2025 US$'000	**2024 US$'000**
Name of Operations		
UNB South Africa	**26 098**	16 404

This has been determined based on a value-in-use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The projected cash flows have been updated to reflect the strategic turnaround initiatives in each jurisdiction. The weighted average cost of capital (WACC) applied to cash flow projections is as follows:

	2025 WACC	**2024**
Name of Operations		
UNB South Africa	**26.40%**	23.20%

Cash flows beyond the five-year period are extrapolated using a 4.7% growth rate (2024: 4%) for UNB SA.

	2025 Extrapolation Growth rate	**2024**
Name of Operations		
UNB South Africa	**4.70%**	5.00%

This was considered reasonable given current long term GDP growth projections, inflation forecast, the sector in which the business operates, its potential therein and growth prospects.

Notes to the Financial Statements (continued)
for the year ended 31 March 2025

15. TRADEMARKS, GOODWILL, INVESTMENTS AND LOANS (continued)
15.1 Intangible assets - Trademarks and Goodwill (continued)

Key assumptions used in value in use calculations and sensitivity to changes in assumptions.
The calculation of value in use for the Sorghum Business Unit is most sensitive to the following assumptions:
- Gross margins
- Discount rates
- Raw materials price inflation
- Volume forecast period

Growth rates used to extrapolate cash flows beyond the forecast period
Gross margins – Gross margins are based on average values achieved in the three years preceding the beginning of the budget period relative to the jurisdiction in which the Business Unit operates.

The gross margins for UNB South Africa were:

	2025 Gross Margins	**2024**
Name of Operations		
UNB South Africa	**30.00%**	28.70%

These are increased over the budget period for anticipated efficiency improvements. 1.3% (2024: 0.02%) per annum for the South African Sorghum Business Unit.

Discount rates – Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

An increase in WACC to 26.4% (i.e +3.2%) in UNB South Africa would not result in an impairment.

Raw materials price inflation – Estimates are obtained from published indices for the countries from which materials are sourced, as well as data relating to specific commodities. Forecast figures are used if data is publicly available, otherwise past actual raw material price movements are used as an indicator of future price movements.

Market share assumptions – When using industry data for growth rates (as noted below), these assumptions are important because management assesses how the unit's position, relative to its competitors, might change over the forecast period. Management expects the Group's share of the traditional beer market to grow significantly over the forecast period.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

15. TRADEMARKS, GOODWILL, INVESTMENTS AND LOANS (continued)

	Fair value hierarchy	2025 US$'000	2024 US$'000
15.2 Investments and Loans			
Investments			
Medical Investments Limited shares*	3	**243**	691
Old Mutual shares**	1	**165**	186
		408	877
Loans			
Secured - Related Parties	Amortised Cost	**4 114**	4 348
		4 522	5 225

Included in the Group's secured loans of US$3,4 million (2024: US$4,3 million) are loans to employees made in terms of a Group housing scheme and vehicle ownership scheme. This includes loans to Directors and officers of the Group amounting to US$1,7 million (2024: US$1,1 million). During the year, US$9,7 million (2024: US$5,1 million) was advanced and US$9,5 million (2024: US$1,8 million) was repaid. Housing loans are secured through mortgage bonds, share options and terminal benefits whilst the underlying assets under the car loan scheme are pledged as security. The loans are of various tenure and are in line with the employees' contracts of employment and attract variable interest rates of up to 16% per annum depending on the nature of the loan. The interest rates are reviewed periodically by the Remuneration Committee. None of the loans were past due or impaired at the end of the reporting period.

** Level 1 instruments comprise of listed shares.
* Level 3 instruments value is derived through the valuation of shares.

	2025 US$'000	2024 US$'000
16. INVENTORIES		
Consumable stores	**24 097**	23 208
Finished products	**14 631**	17 452
Raw materials	**70 299**	63 124
Work in progress	**4 091**	3 807
	113 118	107 591

The cost of inventories recognised as an expense during the year was US$254,4 million (2024: US$243,8 million).

The Group realised stock losses of US$6.9 million (2024: US$7 million).

	2025 US$'000	2024 US$'000
17. TRADE AND OTHER RECEIVABLES		
Trade receivables	**18 331**	23 702
Other receivables	**24 135**	28 857
Allowances for credit losses	**(2 354)**	(2 323)
	40 112	50 236

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

17. TRADE AND OTHER RECEIVABLES (continued

Other receivables from third parties relate to sundry debtors of US$19,8 million (2024: US$19,5 million) and staff welfare loans. No provisions have been made for other receivables. Staff welfare loans are secured.

The Group holds collateral on some receivable balances. The estimated value of this collateral is US$25,3 million (2024: US$11,6 million). The Group does not hold other credit enhancements over these balances nor does it have a legal right to offset against any amounts owed by the Group to the counterparty. The average debtor days is 7 (2024: 18).

The Group has recognised an allowance for credit losses of US$2,4 million (2024: US$2,3 million) based on the historical past default performance of the counterparty and the analysis of the counterparty's financial position. The Group measures the loss allowance for trade receivables at an amount equal to the lifetime expected credit losses ("ECL"), based on the ECL rates in the Delta group-wide provision matrix. The expected credit losses on trade receivables are estimated using the Delta group-wide provision matrix which makes reference to past default experience of group debtors and an analysis of group debtors' current financial positions, adjusted for factors that are specific to the group debtors', general economic conditions of the industry in which the group debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The current year provision matrix for 90+ days decreased significantly due to the increased collateral which scales down the risk of default.The Group has recognised a loss allowance as indicated in the matrix below.

The Group's current provision matrix is as follows:

Number of Days After Granting of Credit	2025 ECL%	2024 ECL%
0 - 90	**8%**	4%
90+	**22%**	56%

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, whichever occurs earlier.

Before accepting new customer, the Group uses a credit scoring system to assess the potential customer's credit quality and define the credit limits by customer. Limits and customer performance are reviewed regularly. During the year 87% (2024: 87%) of receivables are neither past due nor impaired.

Trade receivables disclosed above include amounts (see below for age analysis) that are past due but at the end of the reporting period for which the Group has not recognised an allowance for credit losses because there has not been a significant change in credit quality and the amounts are still considered recoverable. Included in over 90 days is US$4.6 million (2024: US$2,7 million) that relates to contract farmers input loans that are recoverable at harvest against crop deliveries.

	2025 US$'000	2024 US$'000
0 - 30 days	**6 349**	16 563
31 - 60 days	**2 752**	1 695
61 - 90 days	**1 645**	2 376
Over 90 days	**5 231**	1 136
	15 977	21 770

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

	2025 US$'000	2024 US$'000
17. TRADE AND OTHER RECEIVABLES (continued)		
Movement in allowance of credit losses		
Balance at the beginning of the year	**2 323**	1 868
Foreign exchange impact of translating to presentation currency	**—**	(822)
Increase in allowance for credit losses	**42**	1 208
Effects of IAS 29	**—**	18
Amounts written off during the year as uncollected	**—**	51
Translation differences	**(11)**	—
Balance at end of year	**2 354**	2 323

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date the credit was initially granted up to the end of the reporting period. The concentration risk is limited due to the fact that the customer base is large and unrelated. The Group measures an expected credit loss allowance equal to lifetime expected credit losses for trade receivables held at amortised cost as these receivables do not contain a significant financing component.

	2025 US$'000	2024 US$'000
Ageing of impaired trade receivables		
0 - 90 days	**2 107**	860
Over 90 days	**247**	1 463
Total	**2 354**	2 323

18. FINANCIAL ASSET AND OTHER ASSETS

18.1 Financial Asset - Amortised cost

	2025 US$'000	2024 US$'000
Opening balance	**8 830**	1 435
Foreign exchange impact of translating to presentation currency	**—**	(630)
Additions	**—**	5 056
Interest income	**663**	3 513
Expected Credit Loss	**(1 054)**	—
IAS 29 Impact	**—**	(544)
	8 439	8 830
Maturity analysis		
Short-term - Due within 1 year	**504**	—
Long-term - Due between 2 years and 5 years	**7 935**	8 830
	8 439	8 830

Treasury bills disclosed above represent the treasury bid component received from the Reserve Bank of Zimbabwe in settlement of the legacy debt. These are carried at 0% coupon, and have a tenure of 3 - 20 years. The amortised cost approximates the fair value.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

18. FINANCIAL ASSET-FAIR VALUE AND OTHER ASSETS (continued)

18.1 Financial Asset - Amortised cost (continued)

The Group measures these bills at amortised cost. Management uses the discounted cashflow method to calculate the effective interest rate applicable to the Treasury bills on initial recognition. The treasury bills are discounted using an effective interest rate of 7.5% (2024: 7.5%). The interest rate at initial recognition was adopted from market-quoted prices of other US$-denominated Treasury bills that have not yet matured. All facilities were assumed to be held to maturity. The rate was considered prudent given that the yield on 20-year US Treasury Bonds is 4.51% to determine fair value at recognition.

Refer to Note 29.6 for further details.

	2025 US$'000	2024 US$'000
18.2 Other Assets		
Prepayments*	**52 005**	27 576
	52 005	27 576

* Prepayments include capital expenditure and raw material balances. Also included are Zimra payments towards uncertain tax matters amounting to US$11,4 million (2024: US$6 million).

19. SHARE CAPITAL

Delta Corporation is listed on the Zimbabwe Stock Exchange (ZSE). Share prices are in ZWG and have been translated to US$ for presentation purposes.

19.1 Authorised Share Capital

Authorised share capital comprises 2 000 000 000 ordinary shares of US$0,01 per share.

19.2 Ordinary Shares Issued and Fully Paid

	2025 Number of shares in millions	2024 Number of shares in millions
At beginning of year	**1 314**	1 308
Exercise of share options	**9**	11
Share buy back	**(3)**	(5)
At end of year	**1 320**	1 314

The number of shares above is net of treasury shares (Refer to Note 19.5).

	HISTORIC COST	
	2025 US$	2024 US$
Share Capital	**994**	994
	994	994

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

19. SHARE CAPITAL (continued)

19.3 Unissused Shares

Subject to the limitations imposed by the Companies and Other Business Entities Act (Chapter 24:31), in terms of a special resolution of the Company in the General Meeting, the unissued share capital comprising 66 037 565 (2024: 75 287 485) ordinary shares has been placed at the disposal of the directors for an indefinite period.

19.4 Shares Under Option

The directors are empowered to grant share options to certain employees of the Group. These options vest after three years and are exercisable for a period of ten years. Each employee share option converts into one ordinary share of Delta Corporation Limited on exercise. No amounts are paid or payable by the recipient on receipt of the option. The number of shares subject to option is approved by shareholders in a General Meeting, and the number of options granted is calculated in accordance with the performance-based formula approved by the Remuneration Committee. The numbers of share options are limited in line with the Zimbabwe Stock Exchange (ZSE) regulations.

Details of the number of shares under option outstanding during the year are as follows:

Date of Grant	Date of expiry	Prices ZWG	Prices US$	Number of Shares 2025 '000	Number of Shares 2024 '000
Total options					
10-May-19	10-May-29	0.0005	0.0000	**40**	145
7-May-20	7-May-30	0.0013	0.0001	**—**	30
10-Aug-20	10-Aug-30	0.0092	0.0007	**—**	20
6-May-21	6-May-31	0.0717	0.0053	**—**	8 455
6-May-22	6-May-32	0.2048	0.0151	**7 860**	8 400
5-May-23	5-May-33	0.2048	0.0151	**6 300**	6 680
28-Jul-23	28-Jul-33	0.3649	0.0269	**3 410**	3 440
3-May-24	3-May-34	4.08	0.3009	**8 814**	—
Total Share Incentives				**26 424**	27 170

	2025 '000	2024 '000
Movements in share options during the year:		
Number outstanding at beginning of year	**27 170**	28 272
New options /SARS granted during year	**8 834**	10 120
Forfeited Shares	**(295)**	(72)
Exercised during the year	**(9 285)**	(11 150)
Outstanding at end of year	**26 424**	27 170

The weighted average price of exercise of share options and the weighted average stock exchange price for the year were **ZWG0.04** (2024: Historic ZWG0.005) and **ZWG14.60** (2024: Historic ZWG1.40) respectively. The number of shares forfeited for the year ended 31 March 2025 is 5 000 (2024: 72 500 shares). The average exchange rate for the year was ZWG23.63 (2024: ZWG1.93).

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

19. SHARE CAPITAL (continued)

19.4 Shares Under Option (continued)

Share options granted under the employee share option plan carry no rights to dividends and no voting rights.

In terms of the Company share option scheme, options were granted on 3 May 2024. The estimated fair value of the options granted was US$2,6 Million. The options granted mature after three years and, accordingly, the fair value will be amortised over that period. The Group recognised total expenses of US$934 thousand (2024: US$594 thousand) in respect of share options in issue. Share options excercised in Afdis relating to NCI amounted to US$261 thousand (2024 nil).

The fair value of the options granted in the current year was calculated using the Black-Scholes option pricing model as adjusted for dividends by Robert Merton, and the following weighted average assumptions were made.

Date of Issue	MAY 2024
Grant date share price – ZWG	4.08
Exercise price per share – ZWG	7.1074
Expected volatility	66.75%
Dividend yield	3.38%
Risk-free interest rate	14.30%

In prior years, expected volatility and dividend yield was determined by reference to an entity in a similar industry (AB InBev) and market due to the circumstances that prevailed in the country. Ordinarily the historical volatility of the Company's share over four years and dividend yield realised was the basis of calculation. The expected life was based on experience over a ten-year period, but the life used in the model has been adjusted, based on management's best estimates, for the effects of non-transferability, exercise restrictions as regards closed periods and behavioural considerations. The weighted average value took into account an expected 0% level of forfeiture.

Expected volatility is based on the Company's historical share price volatility since dollarisation.

19.5 Share Buy Back

The effect of the cost of the share buy back (treasury shares) has been debited to reserves. The Company held a total of 12 995 512 (2024: 10 265 696) of its own shares as treasury stock.

19.6 Share premium

The excess of the cash price on exercise of share options and the nominal share price is disclosed as a share premium. The amount disclosed is US$6 807 (2024: US$220 000).

19.7 Change in ownership

The difference between the carrying value and the consideration paid for the purchase of shares of a subsidiary previously owned by non-controlling interest holders are accounted for as a change in ownership and form part of reserves. During the year the Company purchased an additional 412 990 shares in Afdis from non-controlling shareholders for a consideration of US$82 595. The Company's shareholding changed from 50.57% to 51.46%.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

20. DIRECTORS' SHAREHOLDINGS

In both current and prior year, the Directors held directly and indirectly the following number of shares in the Company:

	2025 Number of shares	2024 Number of shares
E Fundira	**169**	169
S Moyo	**—**	6 270
Dr A M P Marufu	**13 610**	13 610
T Moyo	**32 550**	32 550
C C Jinya	**12 490**	12 490
A Makamure	**9 300 193**	7 800 373
M M Valela	**22 271 490**	19 877 110
	31 630 502	27 742 572

No changes in Directors' shareholdings have occurred between the financial year end and 9 May 2025, being the date of the last meeting of the directors.

	2025 US$'000	2024 US$'000
21. BORROWINGS		
21.1 Movements in Long Term Borrowings		
Balance at beginning of year	**—**	468
Foreign exchange impact of translating to presentation currency	**—**	(206)
Transfer (to) / from short-term loan	**—**	(468)
Loans raised	**528**	—
Effects of IAS 29	**—**	206
Balance at end of year	**528**	—
21.2 Movements in Short Term borrowings		
Balance at beginning of year	**1 508**	5163
Foreign exchange impact of translating to presentation currency	**—**	(2 268)
Translation differences on foreign balances	**2**	1 179
Transfer from / (to) long-term loan	**—**	468
Loans raised	**17 383**	15 958
Repayment of capital	**(8 645)**	(18 544)
Repayment of interest	**(1 013)**	(736)
Interest	**1 047**	796
Effects of IAS 29	**—**	(4 749)
Revaluation arising from exchange differences	**39**	4 241
Balance at end of year	**10 321**	1 508
Overdraft	**3 656**	16 745
Total borrowings	**13 977**	18 253

Borrowings, which are unsecured, form part of the core borrowings of the Group and are renewed on maturity in terms of ongoing facilities negotiated with the relevant financial institutions. In terms of a resolution of the Company in a general meeting, borrowings shall not exceed, in aggregate, shareholders' equity, which amounts to US$296 million (2024: US$225 million).

Included in the short term borrowings is a bank overdraft amounting to US$3,7 million (2024: US$16,7 million).

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

	2025 US$'000	2024 US$'000
22. LEASE LIABILITY		
Balance at the beginning of the year	**5 436**	2211
Translation differences	**56**	62
Foreign exchange impact of translating to presentation currency	**—**	(1 074)
Additions	**202**	4 235
Repayments of capital	**(1 265)**	(1 387)
Repayments of interest	**(389)**	(411)
Interest	**496**	424
Effects of IAS 29	**—**	1 376
Lease remeasurement	**322**	—
Lease liability at end of year	**4 858**	5 436
Maturity analysis		
Short-term - Due within 1 year	**1 191**	1 186
Long-term - Due between 2 years and 5 years	**3 573**	3 558
Long-term - Due between 6 years and 10 years	**94**	692
Balance at end of year	**4 858**	5 436

The weighted average interest rate applied was 7.5% (2024: 10%) for leases within Zimbabwe and 22.03% (2024: 13.25%) for UNB South Africa related leases.

	2025 US$'000	2024 US$'000
23. TRADE AND OTHER PAYABLES, AND PROVISIONS		
23.1 Trade and Other Payables		
Trade payables	**30 186**	44 677
Accruals and other payables	**65 092**	74 521
	95 278	119 198

Included in accruals and other payables are statutoty obligations of VAT and excise amounting to US$13.3 million (2025: US$13.5 million).

The carrying amount of trade and other payables is approximately equal to their fair values.

The average credit period on purchases of certain goods is 30 days. No interest is charged on the trade payables. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

	2025 US$'000	2024 US$'000
23. TRADE AND OTHER PAYABLES, AND PROVISIONS (continued)		
23.2 Provisions		
Employee benefits*		
Balance at beginning of year	**22 679**	16 837
Foreign exchange impact of translating to presentation currency	**—**	(3 595)
Net movement	**3 560**	8 668
Effects of IAS 29	**—**	769
Balance at end of year	**26 239**	22 679
Containers in the market **		
Balance at beginning of year	**9 132**	11 223
Foreign exchange impact of translating to presentation currency	**—**	(4 930)
Net container market absorption movement	**(1 696)**	380
Effects of IAS 29	**—**	2 459
Balance at end of year	**7 436**	9 132
Provisions at end of year	**33 675**	31 811

* The provision for employee benefits represents annual leave entitlements and long service awards accrued.

** Containers in the market is the estimated value of the returnable containers population in the market and the Group's obligation to re-purchase these containers for re-use. Refer to Note 4.8 for further details.

	2025 US$'000	2024 US$'000
24. CASHFLOW INFORMATION		
24.1 Cash generated from operating activities		
Profit before tax	**139 949**	104 399
Depreciation of property, plant and equipment, right of use and container amortisation	**18 912**	14 583
Loss on disposal of property, plant and equipment	**74**	118
Share option expense	**922**	594
Finances charges	**3 354**	3 544
Finance Income	**(1 642)**	(3 667)
Unrealised exchange (gains)/losses	**(574)**	4 142
Share of profit of associates	**(1 374)**	(2 468)
Stock losses and breakages	**6 918**	7 042
Container breakages	**2 835**	7 570
Net monetary loss	**—**	8 995
Other non cash items*	**4 063**	3 881
	173 437	148 733

* Included in other non cash items are provisions and notional interest from Treasury bills.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

	2025 US$'000	2024 US$'000
24. CASHFLOW INFORMATION (continued)		
24.2 Movement in working capital		
Increase in inventories	**(12 445)**	(53 634)
Increase in receivables and other assets	**(20 235)**	(41 935)
(Decrease)/Increase in trade and other payables	**(18 376)**	69 689
	(51 056)	(25 880)
24.3 Income Taxation Paid		
Balance at beginning of year	**(5 096)**	(4 880)
Current tax (Ref Note 11.1)	**(27 928)**	(22 112)
Foreign exchange impact of translating to presentation currency	**—**	2 147
Effects of IAS 29	**—**	3 639
Liability at end of year	**11 981**	5 096
Current tax asset	**—**	(440)
	(21 043)	(16 550)
24.4 Dividend Paid		
By the company:		
Balance at beginning of year	**—**	—
Dividend declared (Ref Note 25)	**(39 498)**	(39 283)
Effects of IAS 29	**—**	5 691
Dividend paid by company	**(39 498)**	(33 592)
By subsidiary:		
Balance at the beginning of year	**—**	—
Dividend declared	**(522)**	(566)
Effects of IAS 29	**—**	22
Dividend paid by subsidiary	**(522)**	(544)
Total Dividends Paid	**(40 020)**	(34 136)
24.5 Cash and Cash Equivalents		
Made up as follows:		
Bank balances and cash	**27 604**	26 410
Bank overdraft	**(3 656)**	(16 745)
Cash and cash equivalents	**23 948**	9 665

Cash and cash equivalents is made up of bank balances and cash.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

	2025 US$ Cents	2024 US$ Cents	2025 US$'000	2024 US$'000
25. DIVIDENDS DECLARED BY COMPANY				
Final*	**2.00**	2.00	**26 289**	26 161
Interim*	**1.00**	1.00	**13 209**	13 122
Effects of IAS 29	**—**	—	**—**	(5 691)
	3.00	3.00	**39 498**	33 592

* Final refers to the dividend declared in May 2024 (2024: May 2023) while Interim relates to the dividend declared in November 2024 (2024: November 2023).

26. RELATED PARTY TRANSACTIONS

26.1 Parties with Significant Influence Over The Group

The entities and individuals known to be significant shareholders (owning more than 5% of a class of equity) of Delta Corporation Limited are shown on page 193 of this report.

AB Inbev Group entities are considered to be related parties of the Group by virtue of its 40% equity shareholding in Delta Corporation Limited. Details of the transactions are shown below.

26.2 Related Party Transactions

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between Group companies and other related parties are disclosed below.

	Purchases of goods US$'000	Royalties, Technical & other fees US$'000	Sale of goods US$'000	Rental payments US$'000	Amounts Owed by Related parties US$'000	Amounts Owed to Related parties US$'000
2025						
AB InBev Companies	(1 688)	**(8 544)**	—	—	**—**	(9 493)
Nampak Zimbabwe Limited	(26 871)	**—**	—	—	**—**	(1 133)
Schweppes Zimbabwe Limited	(76)	**—**	13	—	**13**	—
Delta Pension Fund	—	**—**	—	(253)	**—**	—
	(28 635)	**(8 544)**	13	(253)	**13**	(10 626)
2024						
AB InBev Companies	—	**3 686**	9 279	—	**11 198**	—
Nampak Zimbabwe Limited	(18 953)	**—**	—	—	**—**	(2 545)
Schweppes Zimbabwe Limited	2	**—**	—	—	**—**	7
Delta Pension Fund	—	**—**	—	1	**—**	—
	(18 951)	**3 686**	9 279	1	**11 198**	(2 538)

During the course of the year when the former Group Chairman was a partner at Scanlen and Holderness, the law firm, provided legal services to the Group amounting to US$9,804 (2024: US$28,836).

Transactions with related parties are carried out at arm's length. The amounts outstanding are unsecured and will be settled on normal terms. No expense has been recognised in the current or prior periods for bad or doubtful debts in respect of the amounts owed by related parties.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

26. RELATED PARTY TRANSACTIONS (continued)

26.3 Remuneration of Directors and Other Key Management

The remuneration of directors and other members of key management during the year was as follows:

	2025 US$'000	2024 US$'000
Short-term benefits	**5 443**	8 879
Post-employment benefits	**562**	725
Share based payments	**642**	172
	6 647	9 776
Included in the above amounts are the following in respect of directors' emoluments:		
For services as directors	**213**	199
For managerial services	**2 316**	2 170
	2 529	2 369

26.4 Subsidiaries*, Associates** and Joint Ventures***

Name	Country of Incorporation	Principal activity	Effective Interest 2025	Effective Interest 2024
Delta Beverages (Private) Limited*	Zimbabwe	Beverages Manufacture	**100%**	100%
National Breweries Limited*	Zimbabwe	Dormant	**100%**	100%
Chibuku Breweries Limited*	Zimbabwe	Dormant	**100%**	100%
United Bottlers (Private) Limited*	Zimbabwe	Dormant	**100%**	100%
Bevcool (Private) Limited*	Zimbabwe	Dormant	**100%**	100%
Polycon Converters (Private) Limited*	Zimbabwe	Dormant	**100%**	100%
Matchwell Investments (Private) Limited*	Zimbabwe	Dormant	**100%**	100%
Delta Beverages South Africa*	South Africa	Holding	**100%**	100%
Chibuku Holdings Plc*	Mauritius	Holding	**100%**	100%
Newshelf T/A United National Breweries Pty Ltd*	South Africa	Sorghum Beer Manufacture	**100%**	100%
Headend (Private) Limited*	Zimbabwe	Dormant	**92%**	92%
Mandel Training Centre P/L*	Zimbabwe	Dormant	**75%**	75%
National Breweries Plc*	Zambia	Sorghum Beer Manufacture	**70%**	70%
Afdis Holdings Limited / Afdis Limited*	Zimbabwe	Beverages Manufacture	**51%**	51%
Food & Industrial Processors (Private) Limited**	Zimbabwe	Starch Distributor	**49%**	49%
Schweppes Zimbabwe Limited**	Zimbabwe	Beverages Manufacture	**49%**	49%
Nampak Zimbabwe Limited**	Zimbabwe	Plastics & Paper Manufacture	**21%**	21%
PetrecoZim (Private) Limited***	Zimbabwe	Plastics Recycling	**15%**	15%

Food & Industrial Processors is a starch distribution entity and the investment was written off in prior years. The Group does not participate in the policy making process. The investment has been considered immaterial.

PetrecoZim is a PET plastic recycling entity which the Group invested in as part of the post-consumer waste management initiative in line with its sustainable development framework. The Group does not expect to derive any future economic benefits from this investment and does not wield significant influence and as such all contributions towards the investment have been written off and are considered immaterial to the Group.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

	2025 US$'000	2024 US$'000
27. COMMITMENTS FOR CAPITAL EXPENDITURE		
Contracts and orders placed	**9 185**	9 639
Authorised by directors but not contracted for	**61 115**	58 310
	70 300	67 949

The capital expenditure is to be financed out of the Group's own resources and existing borrowing facilities.

28. PENSION FUNDS

Group operating companies and all employees contribute to one or more of the following independently administered pension funds. These include Delta Beverages Pension Fund, African Distillers Pension Fund and National Breweries Pension Trust Scheme.

28.1 Delta Group Pension Fund

The funds are independently administered defined contribution funds and are, accordingly, not subject to actuarial valuations.

28.2 National Social Security Authority Scheme

In Zimbabwe the Group Companies and all employees contribute to the National Pension Scheme whilst in Zambia they contribute to the National Pension Scheme Authority and in South Africa to the United National Breweries SA Provident Fund.

These are defined contribution schemes promulgated as compulsory national schemes. The Group's obligations under the scheme are limited to specific contributions legislated from time to time.

	2025 US$'000	2024 US$'000
28.3 Pension costs recognised as an expense		
Group Pension Funds	**6 008**	6 675
National Social Security Authority Scheme	**1 896**	1 689
National Pension Scheme Authority – Zambia	**76**	114
United National Breweries SA (Pty) Ltd Provident Fund	**79**	75
	8 059	8 553

29. FINANCIAL RISK MANAGEMENT

29.1 Treasury Risk Management

The Group Management Committee, consisting of senior executives of the Group, meets on a regular basis to analyse, amongst other matters, currency and interest rate exposures and re-evaluate treasury management strategies against revised economic forecasts. Compliance with Group policies and exposure limits is reviewed at quarterly Board meetings.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

29. FINANCIAL RISK MANAGEMENT (continued)

29.2 Foreign Currency Management

Exposure to exchange rate fluctuations and foreign loans is limited to the Group treasury policy and is monitored by the Group Management Committee. Operating subsidiaries manage short-term currency exposures relating to trade imports and exports within approved parameters.

The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities at the end of the reporting period were as follows:

	Liabilities		Assets		Net exposure	
	2025 US$'000	2024 US$'000	2025 US$'000	2024 US$'000	2025 US$'000	2024 US$'000
ZW$	**(1 679)**	(48 809)	**4 169**	5 449	**2 490**	(43 360)
Euro	**(7 891)**	(3 703)	**5 341**	1 850	**(2 550)**	(1 853)
GBP	**—**	(13)	**219**	—	**219**	(13)
Rand	**(1 323)**	(5 032)	**198 022**	10 336	**196 699**	5 304

The following table details the Group's sensitivity to a 10% increase or decrease in the US$ against the ZW$, Euro and South African Rand. The 10% represent management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency-denominated monetary items and adjusts their translation at the period end for a percentage change in foreign currency rates. A positive amount below indicates an increase in profit and equity where the US$ strengthens or weakens in a favorable manner against the net exposure. A negative amount indicates a decrease in profit and equity where the US$ strengthens or weakens in an unfavorable manner against the net exposure.

	Euro Impact		Rand Impact		ZWG Impact		GBP Impact	
	2025 US$'000	2024 US$'000	2025 US$'000	2024 US$'000	2025 US$'000	2024 US$'000	2025 US$'000	2024 US$'000
Impact on profit and equity (+/-)	**(255)**	(185)	**19 670**	530	**249**	(4 336)	**22**	(1)

29.3 Interest Risk Management

Group policy is to adopt a non-speculative approach to managing interest rate risk. Approved funding instruments include bankers' acceptances, call loans, overdrafts, commercial paper, foreign loans and where appropriate, long-term loans. Approved investment instruments include fixed and call deposits. The risk is limited as there are no variable/ floating rate instruments held.

The following table details the Group's sensitivity to a 10% increase or decrease in the market interest rate. The 10% represent management's assessment of the possible change in the market interest rates. A positive amount below indicates an increase in profit and equity where the interest rate decreases for liabilities and increases for assets. A negative amount indicates a decrease in profit and equity where the interest rate increases for liabilities and decreases for assets.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

29. FINANCIAL RISK MANAGEMENT (continued)

29.3 Interest Risk Management (continued)

	2025 US$'000	2024 US$'000
Effect on profit before tax		
Long term borrowings	**528**	—
Short term borrowings	**13 977**	18 253
Treasury Bills	**8 439**	8 830
Total	**22 944**	27 083
Impact on profit and equity (+/-) 10%	**2 294**	2 708
Imapct of Fair valuing Treasury Bills		
Treasury Bills at Amortised cost	**8 439**	8 830
Treasury Bills at Fair Value	**9 492**	8 753
Increase on profit and equity	**1 053**	(77)

29.4 Liquidity Risk Management

The Group has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Liquidity tables

The following tables detail the Group's remaining contractual maturity for its financial liabilities with agreed repayment periods and fixed interest rates. There are no financial liabilities with floating rates. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. All interest rate cash flows are fixed in nature. The contractual maturity is based on the earliest date on which the Group may be required to pay.

	Weighted average effective interest rate %	0-2 months US$'000	2-12 months US$'000	12-36 months US$'000	36-120 months US$'000	Total US$'000
31 March 2025						
Borrowings**	9.64	3 656	10 321	—	—	**13 977**
Trade and other payables*		81 956	—	—	—	**81 956**
		85 612	10 321	—	—	**95 933**
31 March 2024						
Borrowings	7,5	—	1 621	—	—	**1 621**
Lease liabilities	10	188	833	2 745	2 258	**6 024**
Trade payables		44 677	—	—	—	**44 677**
		44 865	2 454	2 745	2 258	**52 322**

The maturity analysis for lease liability is provided on Note 22.

* Trade and other payables include accruals that had previously not been included. This is to better reflect the nature of the underlying transactions.

** Current year borrowings include bank overdraft balance that had previously not been included. This is to reflect the nature of the underlying transactions.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

29. FINANCIAL RISK MANAGEMENT (continued)

29.4 Liquidity Risk Management (continued)

	2025 US$'000	2024 US$'000
FINANCING FACILITIES		
Unsecured bank loan facility with various maturity dates through to March 2025 and of which:		
Amount used	**6 000**	10 288
Amount unused	**7 000**	16 120
Total available	**13 000**	26 408

The directors consider that the carrying amounts of financial assets and financial liabilities in the financial statements approximate their fair values.

29.5 Credit Risk Management

Potential concentration of credit risk consists principally of short-term, cash and cash equivalent and trade debtors. The Group deposits short-term cash surpluses only with major banks of high credit standing. Trade debtors comprise a large, widespread customer base and Group companies perform on-going credit evaluations of the financial condition of their customers. The Group uses publicly available financial information and its own trading records to rate its major customers. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually. The Group does not have significant credit risk exposure to any single trade debtor. Concentration of credit risk did not exceed 10% (2024: 10%) for any counter-party. The credit risk on liquid funds is limited because the counter parties are banks with high credit ratings assigned by international credit-rating agencies.

29.6 Fair Value of Financial Instruments

The estimated net fair values of all financial instruments approximate the carrying amounts shown in the financial statements.

The Group uses the following hierarchy for determining and disclosing the fair value of financial assets.

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value and are not based on observable market data.

The Group did not have any financial assets under Level 2 in the current and prior financial years, in addition, the Group did not have any transfers between levels.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

	Notes	2025 US$'000	2024 US$'000
29. FINANCIAL RISK MANAGEMENT (continued)			
29.7 Categories of Financial Instruments			
Financial assets			
Amortised cost:			
Cash and bank balances		**27 604**	26 410
Trade and other receivables	17	**40 112**	50 236
Loans	15.3	**4 114**	4 348
Financial asset at armotised costs	18.1	**8 439**	8 830
Fair value through profit/loss:			
Investments	15.2	**408**	877
Financial liabilities			
Amortised cost:			
Borrowings	21	**14 505**	18 253
Trade payables	23.1	**81 956**	44 677

29.8 Capital Risk Management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders. The capital structure of the Group consists of net cash (comprising borrowings as offset by cash and bank balances) and equity of the Group (comprising issued capital, reserves and retained earnings). The Group is not subject to any externally imposed capital requirements. The gearing ratio is 56% in current year (2024: 82%).

29.9 Financial Risk Management Objectives

The Group's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

Notes to the Financial Statements (continued)

for the year ended 31 March 2025

30. GOING CONCERN

The Directors have assessed the ability of the Group to continue as a going concern and believe that the preparation of these financial statements on a going concern basis is appropriate. The Zimbabwe business is witnessing a significant recovery despite operating in an unstable macroeconomic environment. The key factors related to an unstable currency, high inflation, a turbid political environment, fluid policy framework, and the impacts of global conflicts.

Consumer spending continues to be strongly driven by mining and infrastructure development projects. Management constantly reviews the business risks and the business continuity plans in order to maintain operations at sustainable levels; competitive product pricing, cost reduction initiatives, and adapting sourcing strategies as necessary. The foreign subsidiaries still face operating challenges. Management supported the subsidiaries through capital investments and will continue to realign the marketing, route to market, and business operations in general, for sustainability.

31. IMPAIRMENT

Management undertakes the requisite assessments for possible impairment of individual assets or clusters of assets at each reporting period. There were no significant asset impairments in the current year and comparative periods.

32. SUBSEQUENT EVENTS

The Group has increased its shareholding in Schweppes Holding Africa Limited from 49% to 69% with effect from 1 April 2025 which will result in the unit being accounted for as a subsidiary effective from that date.

Company Statements of Comprehensive Income

for the year ended 31 March 2025

	Notes	2025 US$'000	2024 US$'000
REVENUE			
Dividend and other income	B	**41 217**	41 395
Administrative expenses	C	**(742)**	(672)
Monetary loss		**—**	(674)
Profit before tax		**40 475**	40 049
PROFIT FOR THE YEAR		**40 475**	40 049
OTHER COMPREHENSIVE INCOME FOR THE YEAR			
Foreign exchange impact of translating to presentation currency		**—**	(5 880)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**40 475**	34 169

Company Statement of Financial Position

At 31 March 2025

	Notes	2025 US$'000	2024 US$'000
ASSETS			
Non-Current Assets			
Interest in subsidiaries	D	**20 216**	19 228
Investments in associates	G	**707**	707
Trademarks	H	**2 845**	2 845
Other investments	I	**747**	399
		24 515	23 179
Current Assets			
Trade and other receivables	E	**1 403**	974
		1 403	974
Total Assets		**25 918**	24 153
EQUITY AND LIABILITIES			
Capital and Reserves			
Share Capital	19.2	**994**	994
Share Premium		**6 807**	6 800
Share Buy Back*		**(1 667)**	—
Share options reserve		**964**	121
Retained earnings		**7 979**	6 998
Total shareholders' equity		**15 077**	14 913
Current Liabilities			
Trade and Other payables	F	**1 403**	974
Loans from Subsidiaries**	K	**9 438**	8 266
		10 841	9 240
Total Equity and Liabilities		**25 918**	24 153

* Share buy-back balance which was previously accounted within retained earnings has been presented separately in the current year. Refer to statement of changes in equity.

** Share-based payment expenses for Delta Beverages Employees were reclassified from Loans from Subsidiaries to Investment in Subsidiaries. Refer to Note D.

The financial statements were approved by the Board and authorised for issue on 15 May 2025.

M M Valela
Chief Executive Officer

A Makamure
Executive Director - Finance

Company Statement of Cashflow

for the year ended 31 March 2025

	Notes	2025 US$'000	2024 US$'000
Cashflow from operating activities			
Profit before tax		**40 475**	40 049
Adjustments			
Dividends received	B	**(40 073)**	(39 821)
		402	228
Non-cash Items:-			
Fair value loss/(gain) on financial asset		**(348)**	(192)
Net Monetary loss		**—**	674
		54	710
Increase in trade and other receivables		**(429)**	(626)
Increase in trade and other payables		**429**	626
Incease in Loans from subsidiaries*		**1 171**	—
Cash generated from operations		**1 225**	710
Items shown separately			
Dividend received		**40 073**	39 821
Dividend Paid		**(39 497)**	(39 282)
Net cash flow from operating activities		**1 801**	1 249
Cash flow from investing activities			
Investments in Subsidiaries		—	(6 643)
Purchase of equity instruments**		(83)	(52)
Net cash from investing activities		**(83)**	(6 695)
Cash flow from financing activities			
Share buyback		**(1 667)**	(3 505)
Net cash utilised in financing activities		**(1 667)**	(3 505)
(Decrease) / increase in cash and cash equivalents before effects of currency translation		**51**	(8 951)
Effects of IAS 29 on cash and cash equivalents		**—**	(26)
Effects of currency translation on cash and cash equivalents		**(51)**	8 977
Cash and cash equivalents at beginning of the year		**—**	—
Cash and cash equivalents at end of the year		**—**	—

All cash payments are made through Delta Beverages (Private) Limited a wholly owned subsidiary.

* In the prior year, intercompany cash movements were not presented separately in the cash flow statement. In the current year, these have been included for improved reflection of cash flow activities.

** Purchase of equity instruments relates to purchase of additional shares in AFDIS (US$82 595).

Company Statements of Changes in Total Equity

for the year ended 31 March 2025

	Notes	Share Capital US$'000	Share Premium US$'000	Share Options Reserve US$'000	Retained Earnings US$'000	Share Buy Back US$'000	Total Equity US$'000
At 1 April 2023		1 772	12 088	1 919	7 221	—	**23 000**
Profit for the year		—	—	—	40 049	—	**40 049**
Other Comprehensive income for the year		(778)	(5 310)	(2 301)	2 509	—	**(5 880)**
Total Comprehensive Income for the year		(778)	(5 310)	(2 301)	42 558	—	**34 169**
Transactions with owners:							
Share options exercised		0.01	22	(22)	—	—	**0.01**
Forfeited shares adjustment		—	—	(6)	6	—	**—**
Share buyback		—	—	—	(3 505)	—	**(3 505)**
Share based payment recognition		—	—	531	—	—	**531**
Dividends Declared	24.4	—	—	—	(39 282)	—	**(39 282)**
At 1 April 2024		994	6 800	121	6 998	—	**14 913**
Profit for the year		—	—	—	40 475	—	**40 475**
Total Comprehensive Income for the year		—	—	—	—	—	**40 475**
Transactions with owners:							
Share options exercised		—	7	(7)	—	—	**—**
Forfeited shares adjustment		—	—	(3)	3	—	**—**
Share buyback*		—	—	—	—	(1 667)	**(1 667)**
Share based payments recognition		—	—	853	—	—	**853**
Dividends Declared	24.4	—	—	—	(39 497)	—	**(39 497)**
At 31 March 2025		**994**	**6 807**	**964**	**7 979**	**(1 667)**	**15 077**

* Share buy-back balance was previously accounted for within retained earnings. In the current year, share buy back has been presented separately from Retained Earnings to ensure consistency with the Group's financial statements.

Notes to the Company Financial Statements

for the year ended 31 March 2025

A. NOTES TO THE FINANCIAL STATEMENTS

Investments in subsidiaries includes loans given to subsidiaries.

B. DIVIDEND AND OTHER INCOME

	2025 US$'000	2024 US$'000
Dividend received		
Delta Beverages (Private) Limited	**39 498**	39 282
Afdis Limited	**565**	499
Old Mutual	**6**	40
Nampak	**4**	—
Other Income		
Sundry Income	**402**	902
Management fees	**742**	672
Total Income	**41 217**	41 395

Dividend income from investments is recognised when the Company's rights to receive payments have been established and the amount of revenue can be reliably measured.

Other income refers to sundry income and management fees, these are recognised when obligations of the company are settled by the subsidiary, Delta Beverages (Private) Limited.

C. ADMINISTRATIVE EXPENSES

	2025 US$'000	2024 US$'000
Administrative expenses		
Directors Fees	**(213)**	(199)
Legal Fees - Statutory Reporting	**(420)**	(396)
Board Expenses	**(4)**	(2)
Stock Exchange Costs - Transfer Secretaries	**(105)**	(75)
Total Expenses	**(742)**	(672)

Administrative expenses relate to expenditure paid for by Delta Beverages (Private) Limited and charged to the Company as management fees.

Notes to the Company Financial Statements (continued)

for the year ended 31 March 2025

D. INTEREST IN SUBSIDIARIES

	2025 US$'000	2024 US$'000
Interest in subsidiaries		
Delta Beverages (Private) Limited*	**981**	128
National Breweries Limited	**1**	1
United National Breweries	**8 932**	8 932
United Bottlers (Private) Limited**	**1**	1
Chibuku Breweries Limited	**11**	11
National Breweries Plc	**2 192**	2 192
Delta Beverages Pty Limited South Africa***	**—**	—
African Distillers Limited	**8 098**	7 963
	20 216	19 228

* Share-based payment expenses for Delta Beverages Employees were reclassified from Loans from Subsidiaries to Investment in Subsidiary (Delta Beverages (Private) Limited) to reflect their nature.

** In the prior year, the investment in United Bottlers (Private) Limited included an amount relating to United National Breweries. These investments have been presented separately in the current year.

*** Details of all subsidiaries are provided on Note 26.4 of the Consolidated AFS. These interests in subsidiaries are recognised at cost and includes Delta Beverages Pty Limited South Africa, a wholly owned subsidiary of the Company acquired at a cost of US$ 0.0000295.

E. TRADE AND OTHER RECEIVABLES

	2025 US$'000	2024 US$'000
Trade and other receivables		
At beginning of year	**974**	484
IAS 29 Impact	**—**	77
Foreign exchange impact of translating to presentation currency	**—**	(213)
Movement during the year	**429**	626
At end of year	**1 403**	974

Trade and Other receivables refers to unclaimed dividends from the share transfer secretaries.

Notes to the Company Financial Statements (continued)

for the year ended 31 March 2025

	2025 US$'000	2024 US$'000
F. TRADE AND OTHER PAYABLES		
Trade and other payables		
At beginning of year	**974**	484
IAS 29 Impact	**—**	77
Foreign exchange impact of translating to presentation currency	**—**	(213)
Movement during the year	**429**	626
At end of year	**1 403**	974

These relate to outstanding dividends which have been declared but not collected by the shareholders from the share transfer secretaries.

	2025 US$'000	2024 US$'000
G. INVESTMENT IN ASSOCIATED COMPANIES		
Investments in associates		
At beginning of year	**707**	1 260
Foreign exchange impact of translating to presentation currency	**—**	(553)
At end of year	**707**	707

The investment in associate company relate to the Company's interest in Nampak Zimbabwe Limited. This is recognised at cost. Refer to Note 14 of the Consolidated Group Financial Statements.

	2025 US$'000	2024 US$'000
H. TRADEMARKS		
Trademarks		
At beginning of year	**2 845**	5 073
Foreign exchange impact of translating to presentation currency	**—**	(2 228)
At end of year	**2 845**	2 845

Trademarks include exclusive rights to manufacture and distribute certain brands within the geographical location of the markets in which the company operates, which in this case relates to Natbrew Zambia. These are considered to have indefinite useful lives and are not amortised. As at 31 March 2025, the carrying amount of the trademark was US$ 2.8 million (2024: US$ 2.8 million).

Notes to the Company Financial Statements (continued)

for the year ended 31 March 2025

		2025 US$'000	2024 US$'000
I. OTHER INVESTMENTS			
Medical Investments Limited shares**			
At beginning of year		**243**	434
Fair value adjustment		**334**	—
Foreign exchange impact of translating to presentation currency		**—**	(191)
At end of year		**577**	243
Old Mutual Shares*			
At beginning of year		**156**	145
Fair value adjustment		**14**	192
Foreign exchange impact of translating to presentation currency		**—**	(181)
At end of year		**170**	156
Loans to National Breweries			
At beginning of year		**—**	2 034
Transfer to investment in subsdiaries		**—**	(2 034)
At end of year		**—**	—
Loans to United National Breweries South Africa			
At beginning of year		**—**	4 410
Transfer to investment in subsdiaries		**—**	(4 410)
At end of year		**—**	—
Categories of Financial Instruments			
Financial assets			
Amortised cost:			
Trade & other receivables	E	**1 403**	974
Fair value through profit / loss			
Old Mutual Investment	I	**170**	156
Medical Aid Investment	I	**577**	243
Financial Liabilities			
Amortised cost:			
Trade & other payables	F	**(1 403)**	974
Fair Value Hierachy			
Assets measured at fair value through profit or loss are categorised in terms of the fair value hierachy as follows			
Level 1: Quoted Prices In An Active Market *		**170**	156
Level 2: Observable Inputs		**—**	—
Level 3: Unobservable Inputs **		**577**	243
Fair Value		**747**	399

* *Old Mutual Shares - The shares are listed on Johannesburg Stock Exchange.*

** *Medical Investments Limited shares are not publicly traded hence the price per share for the recent right issue was used to determine fair value.*

Notes to the Company Financial Statements (continued)
for the year ended 31 March 2025

J. FINANCIAL RISK MANAGEMENT

The company has the following risks which are managed as follows:

Treasury Risk Management
The Group Management Committee, consisting of senior executives of the Group, meets on a regular basis to analyse, amongst other matters, currency and interest rate exposures and re-evaluate treasury management strategies against revised economic forecasts. Compliance with Company policies and exposure limits is reviewed at quarterly Board meetings.

Liquidity Risk Management
All payables relate to dividends which have already been paid out to the transfer secretaries and the money is held by them on behalf of shareholders who are yet to claim their dividends. The dividends are payable on demand and the same balance has been recognised as a receivable as well.

Capital Risk Management
The Company manages its capital to ensure that it will be able to continue as going concerns while maximising the return to stakeholders. The capital structure of the Company consists of equity (comprising issued capital, reserves and retained earnings). The Company is not subject to any externally imposed capital requirements.

K. LOANS FROM SUBSIDIARIES

Loans from subsidiaries relate to obligations settled by Delta Beverages (Pvt) Limited net of management fees and share options. The loans do not have a fixed repayment dates and have nil interest.

	2025 US$'000	2024 US$'000
Delta Beverages (Pvt) Limited	**(9 438)**	(8 145)
Reclassification to interest in subsidiaries	**—**	(121)
	(9 438)	(8 266)

Share-based payment expenses for Delta Beverages Employees was reclassified to Investment in Subsidiaries to. This is disclosed in **Note D**.

Notes to the Company Financial Statements (continued)
for the year ended 31 March 2025

L. TAXATION

The Company did not recognise any income tax expense during the year, as total income was fully offset by allowable deductible expenses, which comprise management fees. In addition, dividend income received is exempt from income tax in terms of the Income Tax Act.

	2025 US$'000	2024 US$'000
1.1. Reconciliation		
Taxable Income		
Total Income	**41 217**	41 395
Exempt Income:		
Investment Revaluations	**(402)**	(902)
Dividends received	**(40 073)**	(39 821)
Deductions	**(742)**	(672)
Taxable Income for the year	**—**	—

Group Statistics
for the year ended 31 March 2025

	2025	2024
SHARE PERFORMANCE		
Per Share (US$ Cents)		
Attributable earnings	**8.79**	7.71
Diluted earnings	**8.65**	7.58
Cash equivalent earnings	**11.22**	11.04
Dividends(US$)	**3.30**	3.00
Cash flow	**9.43**	9.42
Net asset value	**22.41**	17.27
Closing market price (US$ cents)	**50.81**	69.39
ZSE industrial index	**203.89**	116.10
SHARE INFORMATION		
In issue (m's)	**1 320**	1 314
Market capitalisation (US$ 000's)	**670 692**	911 735
Trading volume (m's)	**83.1**	96.0
Trading percentage (%)	**0.02**	0.01
RATIOS AND RETURNS		
Profitability		
Return on equity (%)	**40.40**	45.25
Income after taxation to total capital employed (%)	**39.80**	44.11
Pretax return on total assets (%)	**31.24**	25.88
Solvency		
Long term debt to total Shareholders' funds	**1**	2
Interest cover (times)	**43**	30
Total liabilities to total Shareholders' funds (%)	**56**	82
Liquidity		
Current assets to interest free liabilities & short-term borrowings	**1.51**	1.22
Productivity		
Turnover per employee (US$ 000's)	**108**	55
Turnover to payroll (times)	**6.43**	5.69
Other		
Number of shareholders	**8 771**	8 564
Total number of employees (excluding contracts)	**5 191**	5 311
Total number of contract employees	**2 267**	2 281

Delta Corporation LIMITED

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) AND SUSTAINABILITY REPORT 2024 – 2025

Our Ambition

To enable a sustainable and inclusive future for a **BRIGHTER** and **BETTER WORLD** by **DELIVERING ON OUR SUSTAINABILITY PRIORITIES**

Our Purpose *"We bring enjoyment and refreshment to our consumers by nurturing our brands and growing our business sustainably for the betterment of our employees and communities".*

The Company has been operating for over 127 years, signifying a journey with many significant achievements; of growing brilliant brands, of providing for livelihoods, contributing to the development of our country and indeed a demonstration of resilience and adaptation. This growth and sustenance reflect our core values and commitment to social and environmental responsibility.

Our Group is a multi-beverage business with a focus on both alcoholic and non-alcoholic beverages and has expanded its footprint into the region. We do business in a way that improves livelihoods and helps build communities. We do this by delivering to our consumers refreshing and enjoyable high-quality products. In doing so, we create jobs, pay taxes, build skills, which demonstrates that business growth and sustainable development can be mutually reinforcing rather than be in conflict. The multiplier effect of our investments and business operations through the value chains is a catalyst for national development.

	2025 US$'000
Direct Taxes	48 367
Excise Taxes	72 688
Other Indirect Taxes	117 575
Total Taxes	**238 630**

Bottling and brewing our great beverages depend on a healthy natural environment and thriving communities. We depend on water and other natural ingredients to bottle and brew our beverages. We hope to create a **BETTER WORLD** for everyone, including the communities and ecosystems where we operate and where our colleagues and consumers live.

Environmental, Social and Governance Report (continued)

Our business strategy is centred around people – our customers and employees as we strive for sustainable solutions that build resilience into the business to respond to current and future challenges while we **MAKE A DIFFERENCE** to the environment we live in. To do that, we have developed ambitious goals to drive positive environmental impact and inclusive growth, because when our communities thrive, we also thrive.

Our initiatives align with the UN Sustainable Development Goals (SDGs) and support our commitment to build a company that will last the next 100+ years and beyond.

To us, a future with more cheers is shared prosperity for our communities, the planet and our company. It is growth that is inclusive, value that is shared, and is worth celebrating **TOGETHER**. Sustainability is good business and is a foundational part of our company. We believe in our Brands and Our Future.

Our **Environmental, Social and Governance (ESG) initiatives** are critical to the delivery of our company strategy and purpose. We believe that a strong ESG agenda is vital for our future. We endeavour to build a resilient and agile value chain which will solidify our role as a trusted partner in our ongoing efforts to identify and capture new sources of business value.

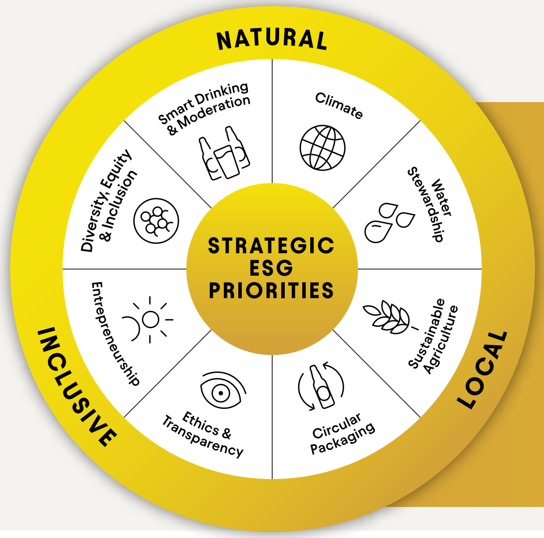
To enable a sustainable, equitable future for all, we have developed goals and ambitious programs that build environmental resilience, reduce the harmful consumption of alcohol, and promote inclusive growth and sustainable livelihoods across our varied activities.

We believe that the future of business and of the planet is inclusive. We must do our part to tackle shared global and local environmental and social challenges. Our commitment to improving the communities we are a part of remains unwavering. In doing this we collaborate with governments, value chain partners and other stakeholders. We look ahead to the coming year and beyond with a renewed vision and focus to create a future with more cheers through greater shared prosperity.

Our Strategic ESG Prorities

We have grouped the United Nations Sustainable Development Goals (UN-SDGs) into eight strategic priorities that help us embed ESG into the fabric of our organisation. We believe these priorities are where we can deliver on the greatest shared value for local communities and the planet. These priorities are organised across three cross cutting themes that succinctly capture our quest for a shared prosperity - natural, local and inclusive.

SMART AGRICULTURE
WATER STEWARDSHIP
CIRCULAR PACKAGING
CLIMATE ACTION
SMART DRINKING



Environmental, Social and Governance Report (continued)

UN Sustainable Development Goals

Our Strategic ESG Priorities

Smart Drinking & Moderation

- Influencing behaviour change with social norms through the power of our brands and their marketing.
- Expanding consumer access to low alcohol beer alternatives.
- Amplifying our Smart Drinking messages through digital and technology.
- Advocacy efforts to reduce harmful consumption: promoting differentiation.

Water Stewardship

- Tailored solutions are needed to address the complex water challenges in our local environment.
- Innovation can help unlock higher water efficiency and improved water security.
- Partnerships and multi-stakeholder collaboration are critical for scaling impact.

Climate

- Working towards a shared long-term ambition pushes us forward.
- Short-term goals to reduce energy consumption.
- Collaborating with others to reduce carbon emissions.

Sustainable Agriculture

- Farmers are at the centre of sustainable agriculture.
- Building resilience with regenerative practices is critical to the future of farming and nature.
- Technology is a key enabler of sustainable agriculture.

Circular Packaging

- Innovation is key in developing circular packaging.
- Investing in local recycling systems is a critical enabler to scale up circular packaging.
- Brands can build awareness and engage consumers to think about their own packaging choices and recycling habits.

Entrepreneurship

- The digital transformation of small- and medium-sized businesses extends the impact of our efforts.
- Empowering women entrepreneurs is good for communities and for business.
- Capacity building and market linkages help sustain growth.

Ethics & Transparency

- Ethical behaviour is the foundation for building a company that lasts.
- Ethics is key to building trust with customers.
- Respecting human rights is fundamental to creating healthy, thriving communities.
- Prioritising health and safety is critical for creating shared prosperity with our colleagues.

Diversity & Inclusion

- We strive to be an inclusive workplace with equal opportunity for all.
- We use the power of our brands to inspire change.

Environmental, Social and Governance Report (continued)

Our Sustainability Goals

We are doing our part to tackle shared global environmental and social challenges.

Our Sustainability Goals aim to deliver a measurable, positive impact on the environment and our communities across the identified key priorities which we have summarised under the following headings: **SMART AGRICULTURE, WATER STEWARDSHIP, CIRCULAR PACKAGING, CLIMATE ACTION, DIVERSITY, EQUITY & INCLUSION, SMART DRINKING & MODERATION, WELL-BEING and WORKPLACE SAFETY, and ENTREPRENEURSHIP.**

Beverages are inclusive, natural and local

Our value chains cut across many sectors, from small scale and commercial farmers, through our conversion processes, to thousands of small retailers, colleagues and consumers.

Inclusive

We are committed to fostering inclusive growth across our value chain – from suppliers and retailers to colleagues and consumers. Our mission is to improve livelihoods, promote equitable participation, and expand access to opportunity in every community we serve.

This commitment is reflected in our diverse product portfolio, designed to meet the evolving needs of a broad consumer base. Our offerings span across affordable nutrition and refreshment options – including soft drinks, bottled water, and ready-to-drink traditional meal replacements such as *Maheu* and *Supersip*, the Traditional African Beer offerings, and the full range of lager beers, ciders, and spirits.

Natural

Our products are made from simple natural ingredients – which is why we are deeply committed to protecting the very ecosystems that sustain them. To build long-term resilience where it is needed most, we are embracing nature-based solutions that address critical challenges such as water scarcity, climate change, and biodiversity loss.

Delta Corporation

Environmental, Social and Governance Report (continued)

Our Route to Market

Our value chain begins with the finest ingredients we can grow, continues through our breweries and manufacturing plants, and reaches customers via our distributors — ultimately delivering more cheers to consumers on more occasions.

Farmers

Our farmers are responsible for providing the simple ingredients for our products. That is why we invest in research, crop advisory services and technology. We work through our mutual collaboration to continuously improve not only the high-quality products, but also the sustainability behind the way we grow crops, support farmers and create better communities.

Breweries & Manufacturers

Our 11 Chibuku breweries and 2 lager beer breweries, soft drinks plants, maize, barley and sorghum farms, Sorghum and barley malting facilities constantly review all aspects of our process to improve the quality of products, use sustainable materials where practical, create smarter packaging and look for ways to improve our farms, support our farmers and build stronger communities along the way.

Distributors

The beverages sector provided ~50,000 jobs among distributors, retailers and hospitality, their supply chains and in the consumer economy in FY 2024/25. Our distributors ensure our products move safely and efficiently from our breweries to our customers. We are always looking for better ways to promote safety for our people – and for everyone on the road. We connect with customers digitally to provide them with an elevated shopping experience, while sales representatives, delivery drivers and customer service agents benefit from digital tools that allow them to provide better service to their customers and unlock growth.

Customers

We partner with dedicated retailers, bar owners and wholesalers to responsibly bring our beverages to our consumers, while supporting our customers' business growth. We are equipping our customers with the digital and financial tools they need to grow their businesses. We are pursuing extraordinary execution of our brands in both the on- and off-premise.

Consumers

We brew beer for our consumers to enjoy. We always search for new ways to meet life's moments and create more occasions – with more cheers. We aim to connect with our consumers by offering meaningful brand experiences while promoting moderation and responsible consumption of alcohol. We are cognisant of the concerns about excessive sugar intake through our beverages hence the focus on healthy lifestyle.

Natural (continued)

By integrating environmental stewardship into our sourcing, production, and value chain practices, we aim to preserve natural resources, restore ecological balance, and ensure the continuity of our business in harmony with nature.

Local

We believe in the future of local economies and are intentional about sourcing most of our raw materials from domestic suppliers hence the need to maintain the resilience of the local ecosystems. A significant portion of our procurement spend was directed toward local businesses, reinforcing our role as a catalyst for economic resilience, job creation, and inclusive growth and is across both formal and informal sectors. Beverages remain a powerful engine for shared prosperity, cultural expression, and social interaction – and with that, comes the responsibility to ensure safe and moderate consumption.

Through our Smart Drinking initiatives, we promote healthier social norms that help reduce harmful alcohol use. Every product we sell carries clear responsibility messaging, including icons that discourage underage drinking, drunk driving, and alcohol consumption during pregnancy.

Environmental, Social and Governance Report (continued)

Major raw materials used

Material Category	Application	Sourcing Focus	Sustainability Strategy	ESG Indicator
Cereals (Grains)	Core brewing input (traditional & lager)	Local/regional agricultural	Promote sustainable farming practices, input traceability	Local Sourcing Contribution, Carbon Intensity
Preforms (PET)	Plastic bottles for soft drinks	Regional suppliers	Recyclability, light-weighting, post-consumer recycled (PCR) content	PCR content, Weight Reduction
Sugar	Sweetener for non-alcoholic beverages	Mix of local and regional	Nutritional reformulation and traceable sourcing	Sugar Content per serving, Source Traceability
Concentrates	Flavour and formulation base	Proprietary/partner sourcing	Efficient dosing, waste reduction	Dosing Efficiency Index
Glass Bottles (Scud)	Traditional sorghum beer packaging	Returnable glass cycle	Closed-loop reuse system	Return Rate, Breakage Rate
Can Bodies	Carbonated product packaging	Multinational supply chain	Recyclability, light-weight innovation	Recyclability, Can Weight g/unit
Closures (All types)	Bottles, PET, cans	Global/local hybrid	Material simplification, recycling-compatible designs	Recyclability, Design for Recycling

Environmental, Social and Governance Report (continued)

Responsible Drinking & Moderation

Beer is part of celebrating life's moments throughout the world. We are aware of the public and stakeholder concerns about the health consequences of consuming added sugar and alcoholic beverages.

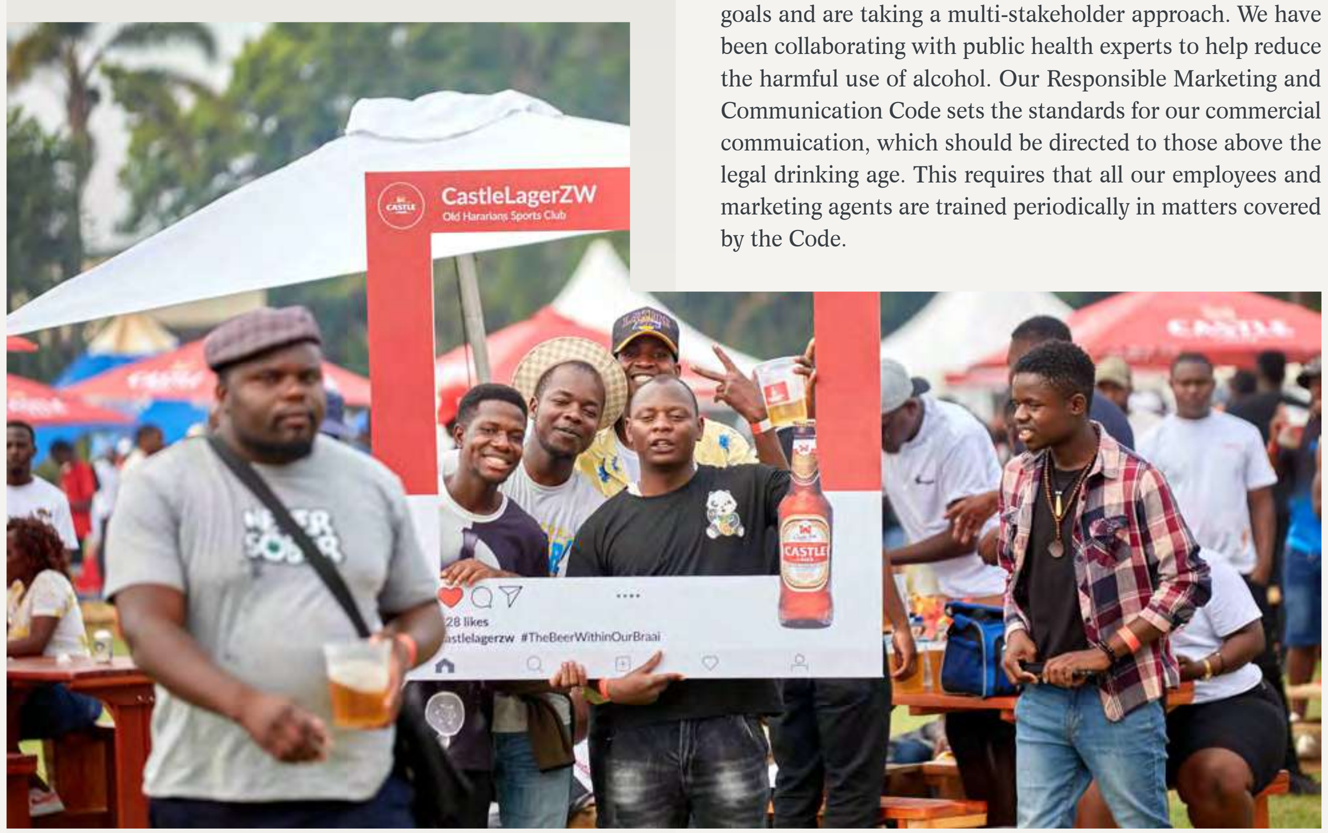
We continue to monitor the evolving global policy framework so that the role our beverages play in a society that values moderation and personal choice continues to be recognised. We are committed to promoting moderation and responsible drinking and moderation through our **SMART DRINKING** Initiatives.

Our Global Smart Drinking Goals

Smart Drinking focuses on four key areas, each with established goals: social norms marketing, multi–year programs, product portfolio and labeling. The initiatives on responsible consumption on alcoholic beverages are cascaded to cover the concerns around intake of sugar added beverages, with a focus on availing high quality alternative offerings and reducing the sugar content whilst we maintain the core proposition of the beverage.

We want every experience with beer to be positive and are committed to reducing the harmful use of alcohol. We support the United Nations Sustainable Development Goals (UN SDG) ambition to strengthen the prevention of harmful use of alcohol globally.

We are using our Smart Drinking Goals as benchmarks to shift social norms and behaviours around harmful alcohol use while improving our own business practices. We recognise that partnerships are essential to achieving our goals and are taking a multi-stakeholder approach. We have been collaborating with public health experts to help reduce the harmful use of alcohol. Our Responsible Marketing and Communication Code sets the standards for our commercial commuication, which should be directed to those above the legal drinking age. This requires that all our employees and marketing agents are trained periodically in matters covered by the Code.



Environmental, Social and Governance Report (continued)

Our Global Smart Drinking Goals (continued)

SOCIAL NORMS

Our social norms marketing aims to use peer information to encourage moderate consumption. By informing consumers of the fact that the majority of those who consume alcohol do so in moderation, we seek to drive positive behavioural change and reinforce social expectations that those who drink should do so responsibly. We have invested more than one million USD across our markets in dedicated marketing campaigns to reinforce positive social norms since the launch of the initiative in 2015.

PROGRAMS

We focus on programs grounded in evidence-based interventions, such as responsible beverage service training under the retail development program, screenings and brief interventions (SBI) relating to post-trauma and alcohol related incidents, and to help governments improve their road safety management systems. Tracking and assessment of these programs is managed at a local level. In partnership with local experts, governments and the Company supports various programs with institutions such as the Zimbabwe Traffic Safety Council (TSCZ), ZIMPACT, and the industry body ZABMA.

PRODUCT PORTFOLIO

We subscribe to the goals set by the global alcohol body in 2015 to expand the no- and low-alcohol beer volume (NABLAB) to represent 20% of the beer volume by the end of 2025.

Our traditional beer offerings which constitute over 60% of our beer portfolio are considered as low alcohol as they average around 3.8% ABV. We remain focused on expanding lager beer NABLAB volume to represent 5% of our lager beer volume by the end of 2030.

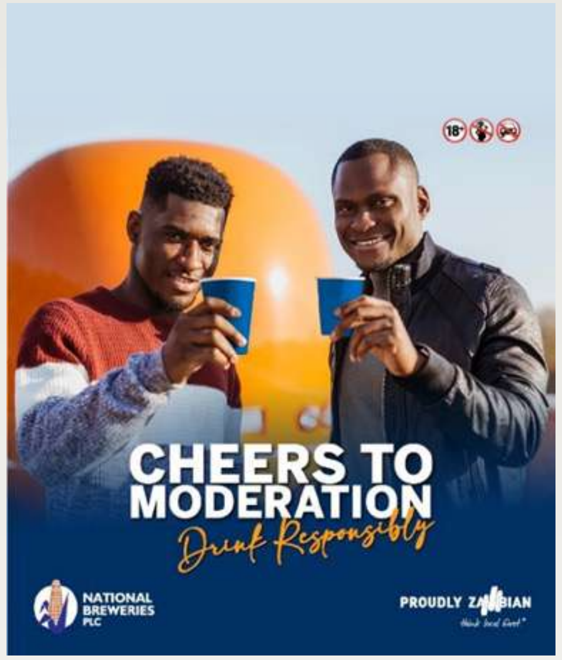
In 2025, 2% of the company's lager beer volume was less than 3.5% ABV whilst the products at 4.5% ABV or below represent 63% of the company's portfolio.

LABELLING

As part of Delta's voluntary guidance labelling initiative, the company continues to include smart drinking label designs on primary product packaging. Our labels share clear mandatory health warnings, ingredients and targeted guidance for identified vulnerable groups such as pregnant women and under-age drinkers.

Environmental, Social and Governance Report (continued)

Highlights, Examples and Activities during the year



Smart Drinking Social Norms Marketing

The social norms marketing aims to use peer information to promote moderation and responsible consumption and drive positive behavioural change and reinforce social expectations that those who drink do so responsibly.

Some of the brand led marketing campaigns include the "Golden Rules" and "Morning After driven by Golden Pilsener in advocating the pairing food with beer. The Pledge 18 Campaign continues to discourage underage drinking.

The Company, in partnership with The Boost Fellowship hosted a Leadership Bootcamp during the year which was attended by 120 Enactus Zimbabwe student leaders from 15 different universities in Zimbabwe.

The main goal of the leadership bootcamp was to launch projects for the Smart Drinking and Moderation Innovation Challenge initiative which ran from April 2024 to December 2024 under the theme "Above the Influence". This is in response to a report by the World Health Organisation that approximately 12% of adolescents aged between 10-19 years in Zimbabwe engage in heavy episodic drinking and abuse different illegal substances which is detrimental to their health and wellbeing.

We had successful interactions at various schools with our "Pledge 18" campaign in partnership with ZIMPACT as we sought to promote Smart Drinking behaviors by providing simple, straightforward and actionable advice. This included:

- **#OneAndOne**, recommending to people alternate drinks interspaced with glasses of water;
- **#At100WithZero**, suggesting consumers include low-alcohol beers and non-alcoholic beverages in their events; and
- **#LessABVMoreFun**, advocating for lower- alcohol beverage consumption.
- **#AgeUpBeforeYouDrinkUp** – advocating for NO to under age drinking.

Environmental, Social and Governance Report (continued)

Promoting moderation within the party culture in Zimbabwe

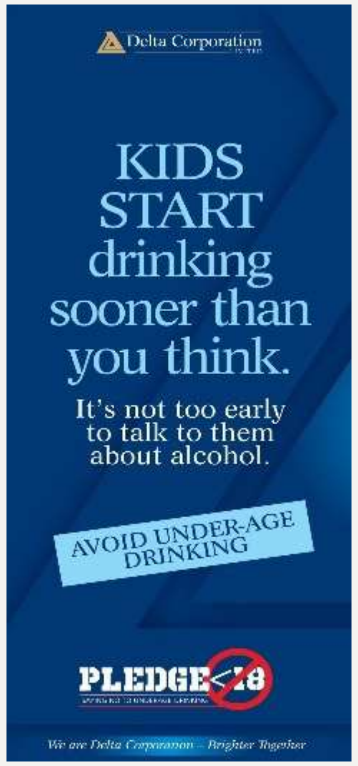
We also helped promote moderation through our "Chill Zone" campaigns at the Castle Tankard, Castle National Braai Day and ZITF events.

The campaigns, done in partnership with ZIMPACT, included the displaying of the Smart Drinking messages throughout the events and recommending interspacing beer with bottles of water or non-alcoholic beverages.

#DontDrive&Drink Campaign

We continue with our partnership with the Traffic Safety Council of Zimbabwe in a Road Safety initiative, called **#DontDrive&Drink**.

This included car stickers and keyholder advertisements with a Smart Drinking message: **"Stay Alive"** and Cheers to Designated Drivers".



Environmental, Social and Governance Report (continued)

Responsible Beverage Service (RBS)

Our Retailer-Based Sustainability (RBS) program — formerly known as the Retail Development Program (RDP) — is designed to build capacity among community-based point-of-sale (POS) professionals, including bar staff and servers.

The program promotes positive, responsible consumer behaviours and strengthens the role of frontline vendors in advancing public health and safety goals.

To enhance accessibility and scale, we are transitioning RBS to a digital platform, integrated with our commercial systems. This shift allows us to reach more participants with greater efficiency while reinforcing responsible sales practices across our value chain.

In FY25, a significant number of POS professionals in Zimbabwe successfully completed the training through our in-house platform — equipping them with tools to foster **safer drinking environments, better service ethics**, and improved community engagement.

Road Safety

We actively support the UN goal to reduce road traffic fatalities by 50% by 2030. We have maintained our partnership with TSCZ to improve road safety.

Product Portfolio

No-and low-alcohol beer (NABLAB) products and Sugar Reduction

Our diversified beer portfolio provides consumers the choice of switching from high-alcohol products to lower-alcohol beverages, such as beer over the course of a social occasion. Our NABLAB goal established a threshold for low-alcohol beer of 3.8% ABV. In F25, 69% of our beer volume met this threshold driven by the traditional beer offerings. We will need the support of the authorities to reconfigure the excise duty regimes in order that the consumer can access these low ABV brands at competitive prices.

We are committed to offering people with more drink choices across a range of categories in a variety of packages, ensuring that we develop and deliver great tasting beverages for all occasions and lifestyles.

Environmental, Social and Governance Report (continued)

Labelling: Leading voluntary guidance labeling initiative

Our labels and secondary packaging are a key touchpoint with consumers which we use for actionable advice to positively influence consumer behavior.

Clear information on nutrition, ingredients and alcohol content is carried on packaging and in our communication and advertising, beyond what is prescribed in legislation.

Health-related concerns may reduce demand for some of our products.

There is growing concern among consumers, public health professionals and government agencies about the health problems associated with obesity arising from the consumption of sugar sweetened beverages. Whilst authorities have responded by imposing a surtax on added sugar in beverages, the Company continues to work collaboratively with partners - The Coca-Cola Company and other stakeholders to address the levels of sugar intake through our products. We anticipate additional governmental regulations concerning the advertising, marketing, labeling, packaging or sale of our sweetened beverages; and negative publicity resulting from actual or threatened actions by activists and lobby groups which may reduce demand for, or increase the cost of, our sweetened beverages. We are careful to use alternative sweetners that have been approved by various food regulators and in line with WHO guidelines.

Addressing evolving consumer product and shopping preferences.

Consumer product preferences have evolved and continue to evolve as a result of, among other things, health, wellness and nutrition considerations, including;

- concerns on caloric intake associated with sweetened beverages and certain beers and the perceived undesirability of artificial ingredients;
- origin of ingredients, raw materials or substances in our products or packaging, including due to the results of third-party studies (whether or not scientifically valid);

Environmental, Social and Governance Report (continued)

Health-related concerns may reduce demand for some of our products (continued).

- shifting consumer demographics;
- changes in consumer tastes and needs coupled with a rapid expansion of beverage options and delivery methods; changes in consumer lifestyles;
- concerns regarding the environmental, product manufacturing process and recyclability of, and amount of recycled content contained in our packaging containers and other materials;
- the health and welfare of animals where our dairy comes from, and,
- competitive product and pricing pressures.

We are uprating our marketing and promotion of our low and no-calorie portfolio of soft drinks. The Zero Sugar range now covers our key brands such as Coke, Fanta, Sprite, Stoney Ginger Beer in both cans and PET. We have also expanded the low calorie offerings in our cordials portfolio.

Nutritional Beverages

We are offering a portfolio of drinks with nutrition and hydration benefits, including juices, waters, and other non-carbonated beverages.

Environmental, Social and Governance Report (continued)

Our sustainability goals and ambitions

To drive action toward our commitment to a future with more cheers, we are focused on achieving goals and ambitions where we believe we can make a meaningful contribution.

Our sustainability goals aim to deliver a measurable positive impact on the environment and our communities. We summarise these goals into key focus areas of Smart Agriculture, Water Stewardship, Climate Action, and Circular Packaging.

Our Strategic ESG Priorities

Sustainable Agriculture
100% of our direct farmers will be skilled, connected, and financially empowered.

Water Stewardship
We commit to using the water resource sparingly.

Circular Packaging
100% of products should be in packaging that is Returnable or made from a majority of recycled content.

Climate Action
We work with other stakeholders to reduce carbon emissions along the value chain.

Environmental, Social and Governance Report (continued)

Our ability to achieve our sustainability goals and targets is subject to risks, many of which are outside of our control, and our reputation and brands could be harmed if we fail to meet such goals. Our reputation and indeed our ability to remain in business could suffer if we are unable to meet our sustainability goals or evolving stakeholder expectations and industry standards, or if we are perceived to have not responded appropriately to the growing concern for sustainability issues.

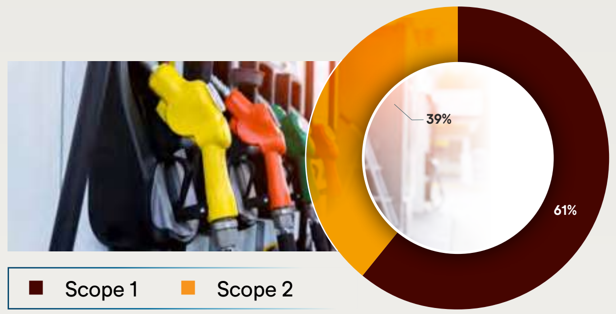
Climate Action

Climate change and legal or regulatory responses thereto may have a long-term adverse impact on our business and results of operations.

Climate change poses risks on our business and our stakeholders. We rely on agricultural crops and water as our key ingredients; we require raw materials for our packaging and we need energy and fuel to brew, transport and cool our beverages. The environmental and social climate-related impacts in our value chain also affect the local communities and people where we live and work.

We are working collaboratively with suppliers to build capabilities and sharing best practices.

GHG Emissions



Scope 1 emissions comprise carbon emissions from petrol, diesel, LPG and coal usage in the production processes. Scope 2 emissions are carbon emissions from third-party generated electricity used by the Group in production.

Energy Sources

	2025 Quantity Used '000	Unit of Measure
Electricity	77 685	Kilowatts
Diesel & Petrol	18 217	Litres
Coal	38	Tonnes

Environmental, Social and Governance Report (continued)

Climate Action (continued)

Energy Sources (continued)

Zimbabwe benefits from a power grid that draws significantly from renewable energy sources, particularly hydropower from Kariba and an increasing number of solar energy projects. Building on this foundation, we are actively working to reduce our carbon emissions across the entire value chain, in line with the latest climate science and evolving regulatory expectations.

However, shifts in global weather patterns and the increased frequency of extreme weather events present growing risks. These changes threaten the availability and affordability of key agricultural inputs – such as sugarcane, cereals, and citrus – that are vital to both our product portfolio and the food security of our communities.

We recognise that failure – by us or our partners – to deliver on or transparently report our carbon reduction goals could undermine stakeholder trust and consumer confidence in our brands. As such, we remain committed to science-based targets, climate adaptation strategies, and transparent ESG disclosures to ensure long-term resilience and shared value creation.

Our ambition

We are committed to working closely with government bodies, non-governmental organisations, and environmental agencies to drive meaningful reductions in our carbon emissions across the value chain. These partnerships help us align with national climate goals, access technical expertise, and scale best practices across sourcing, production, distribution, and retail operations.

In the 2024/25 financial year, our carbon footprint was carefully monitored and managed in accordance with global reporting standards, forming the baseline for our decarbonisation roadmap. This data informs our target-setting, investment priorities, and ongoing collaboration with stakeholders to ensure transparent and science-based climate action.

Our approach

Our approach is based on two key pillars: embedding sustainability into our business strategy and striving to follow leading climate science.

Every year, we work across functions to identify and implement initiatives that deliver both financial and environmental gains. That is why we engage the wider industry by partnering with suppliers, retailers and startups with breakthrough climate solutions.

- Our circular packaging strategy helps reduce greenhouse gas emissions, through light weighting, recycling and reuse of materials.
- We work with agricultural suppliers to improve energy efficiency, water conservation and crop yields and introduce regenerative agriculture practices to enrich soil health while increasing carbon capture. We also believe implementing nature-based solutions can improve watershed health and help tackle climate change.
- Our production and manufacturing operations are being optimised for energy efficiency and reducing emissions.
- In distribution, the focus is on increased fuel efficiency, light weighting of trailers and reduction of payloads through light-weighting of glass and other containers. We are working to expand the use of electric and hybrid vehicles as they become readily available and cost effective. We already use battery powered forklifts within our factories.
- We continue to reduce the population of HFC refrigerators and replace them with newer HFC-free and energy efficient units.

Adverse weather conditions could reduce the demand for our products.

The sales of our products are influenced to some extent by weather conditions in the markets in which we operate. Unusually cold or rainy weather during the summer months may have a temporary effect on the demand for our products and contribute to lower sales, which could have an adverse effect on the results of our business operations for such periods.

Environmental, Social and Governance Report (continued)

Water Stewardship

Water is essential to our business – from brewing beer to bottling soft drinks – and we recognise our responsibility to manage this precious resource with the utmost care.

As large-scale water users, particularly in our breweries and bottling facilities, we are committed to minimising water consumption and safeguarding water access for the communities around us.

We have set ambitious water efficiency targets across all operations and continually challenge ourselves to go further – through innovation, process optimisation, and collaboration with partners. Our goal is to brew and bottle at the highest standards of water efficiency, ensuring that every drop counts toward a more sustainable and resilient future.

We use water from a mix of sources to support our operations, with a continued focus on efficiency, responsible abstraction, and equitable access. The majority of our water is sourced from local municipal authorities, supplemented by boreholes and alternative sources such as harvested rainwater and recycled process water.

Source	% of Total Water Used
Local Authority	59%
Boreholes	6%
Other Sources	35%
Total	**100%**

We are actively exploring ways to reduce dependency on treated municipal water, increase on-site water recycling, and ensure that borehole use is sustainable and community-conscious. As part of our long-term water stewardship plan, we are investing in closed-loop systems, leak detection technologies, and rainwater harvesting where feasible.

The growing scarcity of freshwater resources is not just an important issue for our company but also for the people, economies, and environmental ecosystems where we operate. Water quality and availability are critical to brewing and bottling our brands. Without water, there are no beverages. High-quality beverages depend on clean water and quality crops, both of which are heavily dependent on healthy, natural environments. We therefore continue with our efforts to drive water efficiencies in our integrated operations.

Our strategy

We are focused on playing our part in finding solutions to the growing water challenges across our communities and throughout our supply chain .

- By driving water use efficiency, responsible discharge and effluent re-use within our operations.
- By investing in shared water security and health of watersheds. To guide our water conservation efforts, we actively engage with local experts on watersheds, water systems and sustainable agriculture. These experts help us develop and implement strategies and measure the economic, environmental, and social impacts of our efforts;
- By promoting and supporting water access and disaster relief efforts in local communities. We are committed to being a part of the solution to the growing water challenges in areas where we operate.
- Every day, our teams are working to increase our water efficiency internally and partnering with local authorities, other water users, and like-minded organisations to achieve measurable improvements in water quality and availability in our communities;
- By promoting water security and conservation, better utilisation in the farming and processing of our key brewing materials.
- By contributing to the broader water landscape through innovation, policy engagement and thought leadership.

Environmental, Social and Governance Report (continued)

Water Stewardship (continued)

Developing local solutions to build resilience

Water and climate change are inextricably linked. We feel their impacts through more frequent and intense extreme weather events such as floods, droughts, heatwaves and wildfires. Sustainable water management is central to building the resilience of societies and ecosystems and ensuring the continuity of our supply chain. It is also critical to the prosperity of the communities we serve and the ecosystems in which we operate.

Water security is local and complex, and there is no single solution. As the demand for water continues to increase around the world, and as water becomes scarcer and the quality of available water deteriorates, Delta may incur higher costs or face capacity constraints and the possibility of reputational damage, which could adversely affect our profitability. Each of our operating sites has its own specific set of local water issues to address and help reach our Water Stewardship Goals.

Environmental, Social and Governance Report (continued)

Sustainable Agriculture

Our beverages and packaging materials are made from agricultural ingredients sourced through a broad network of suppliers — ranging from smallholder farmers and local communities to large-scale and multinational partners.

These supply chains depend on thriving rural economies and healthy ecosystems, which in turn require continuous improvements in farming practices, crop varieties, and risk mitigation tools to ensure long-term resilience.

Advancements in agriculture contribute directly to our environmental objectives – including reducing greenhouse gas emissions, protecting watersheds, and enhancing biodiversity. Importantly, we also recognise that the impacts of climate change on agriculture are closely linked to the social and economic challenges faced by farmers.

In Zimbabwe, we work directly with over 12,000 commercial and smallholder farmers through structured contract farming schemes. These farmers collectively produce:

- Our total barley and sorghum requirements, supporting local production.
- Over 50% of our maize requirements, contributing significantly to national food security of the stable crop.
- In addition, sugar, citrus juices and wine bases are sourced predominantly from local farmers, both directly and indirectly.

Across the region, Natbrew Zambia and UNB South Africa are investing in similar inclusive contract farming models for both maize and sorghum, further embedding our commitment to climate-smart agriculture, farmer upliftment, and domestic self-sufficiency. Schweppes Zimbabwe is working collaboratively with local citrus farmers and through a local community group sustainable models to ensure local supply of juicing fruit to the BeitBridge Juice Company's factory.

Environmental, Social and Governance Report (continued)

Sustainable Agriculture (continued)

Our strategy

Our Smart Agriculture Goal is that 100% of our direct farmers will be skilled, connected and financially empowered by 2030. We take a farmer-centric approach to supporting sustainable agriculture. We use our direct and local connections with farmers, secured through our agronomists and researchers and the various partners providing seed, and inputs on the ground. The interventions are aimed at providing access to improved crop varieties, training, insights and timely information for better decision-making and appropriate financial tools.

We pride ourselves that our direct involvement in barley and sorghum farming for five decades has ensured local sourcing of these key brewing materials and has become the primary model around which the agricultural policies in Zimbabwe are being remodelled. The program aims to develop new farmers, with a focus on improving farm productivity through research, technology, and hands-on support. Our contracted farmers have achieved above average output and profitability which demonstrates broader agricultural resilience and more sustainable food systems.

Both Schweppes and Afdis are reviewing their sourcing strategies for juicing fruits and vineyards with a view to increase their direct participation or supporting specialised producers.

Our approach

We are proud of the progress made in strengthening the capability and resilience of our agricultural supply base. In the current year:

- 100% of our directly contracted farmers met our criteria for being skilled; 90% for being digitally connected, and 95% for being financially empowered.
- In the 2024 sorghum contract period, we achieved a 90:10 tonnage split between communal and commercial farmers, reflecting our ongoing commitment to inclusive growth. For barley production, we continued to work with a dedicated group of commercial farmers to ensure a consistent supply of high-quality grain.

We work closely with the Department of Research and Specialist Services within the Ministry of Agriculture, taking an active role in developing new crop varieties tailored to local agronomic conditions. This includes a longstanding partnership with the Agricultural Research Trust (ART) in Harare, where we collaborate with leading seed houses and agribusinesses on barley variety breeding.

We believe in the transformative potential of technology in agriculture, and continue to invest in digital tools, agronomic training, and long-term programs designed to improve the various farm productivity measaures.

Environmental, Social and Governance Report (continued)

Supporting climate resilience and biodiversity

We are partnering with our agricultural supply chain to address these interconnected challenges through a collaborative approach – aimed at improving soil health, enhancing farmer productivity, protecting and restoring water resources and biodiversity, and mitigating climate change impacts to build more resilient communities.

Increased demand for food products, decreased agricultural productivity, increased regulation of ingredient sourcing due diligence and other factors have in the past, and may in the future, limit the availability, increase the cost of such agricultural commodities and could impact the food security of our communities.

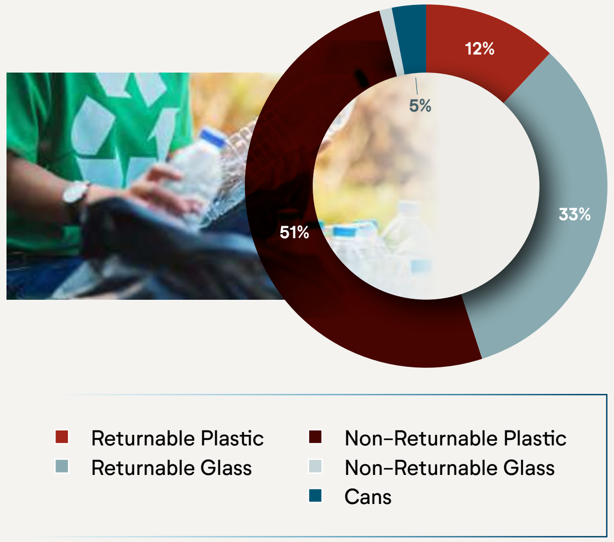
If we are unable to implement programs focused on environmental sustainability, our ability to source raw materials, the affordability of our products and ultimately our business, could be negatively impacted.

Environmental, Social and Governance Report (continued)

Circular Packaging

We deliver our beverages in a variety of packaging formats, from glass and PET bottles to aluminium cans, to refillable plastic bottles, vinyl drinking cups etc.

Both primary and secondary packaging create complex waste streams that pose challenges of polluting the environment and resultant impacts on ecosystems. We consciously work with others and authorities to increase use of circular packaging, to optimally utilise the finite resources and to provide our business with long-term packaging supply security and help eliminate waste.



Our strategy

We have taken deliberate steps to make returnable packaging the cornerstone of our beverage portfolio. This includes sustained investment in the returnable 300ml glass pack for soft drinks, the rejuvenation of the 1.5L and 2L Scud packs for traditional beer and maintaining over 70% of lager beer volume in returnable pint and quart glass bottles.

Our packaging strategy is guided by four key circular economy principles:

1. Reduce the amount of packaging through light-weighting and by minimizing reliance on virgin materials.
2. Increase the use of recycled content across our packaging portfolio.
3. Promote recovery and reuse by scaling refillable systems and reducing single-use waste.
4. Rethink our packaging and distribution models to enable more sustainable, closed-loop solutions.

Delivering on these ambitions requires collaboration across the value chain. We actively engage with material suppliers, consumers, and recyclers through education campaigns, research partnerships, and joint investments. We also work closely with regulators to co-develop policies that enable a sustainable packaging ecosystem and support national waste management goals.

Environmental, Social and Governance Report (continued)

Our ambition

We will continue investing in returnable packs and support recycling initiatives of our PET, non- returnable bottles, and cans.

Our approach

In the current year, 45% of our products were in packaging that was returnable (Kegs, Returnable Glass and plastics) or made from majority of recyclable and recycled content. Glass, aluminium, PET and HDPE plastic are all recyclable materials and play a crucial role in a circular economy and therefore a key pillar of our efforts to reduce carbon footprints. The change to aluminium cans and light weighted PET or PET with recycled content require less energy to produce and transport, thereby further lowering the carbon footprint. Our key efforts relate to recovery of most of the one-way materials before they are discarded onto waste dumps, washed away into rivers or left to pollute the environment for reclamation and reprocessing which we spearhead under the Make A Difference Campaign.

Reusing our packaging to champion the growth of circular economies.

Returnable packaging is the best example of zero-waste packaging. Most of our bottles can be used up to 15 times, reducing carbon emissions by nearly five times when compared to one-way bottles. Driving the returnable packaging remains our primary focus.

REDUCE

We are doing our best to reduce the amount of material we put into the market and our carbon footprint. We are investing in packaging technologies that will allow further light weighting of PET bottles. We are encouraged by the leading players in the beverage industry making bold commitments to reduce the amount of virgin material in PET bottles. In the same vein we are collaborating with The Coca-Cola Company and its associates to evaluate the feasibility of introducing refillable PET. We already have the processes and networks that allow the collection of used PET bottles for their return to recycling facilities such as Petreco Zimbabwe.

RECYCLE

We are partnering with waste management organisations in the country, including the Zimbabwe Sunshine project, an organisation that sets up waste collection points in local communities, contributing to general sanitation. We are encouraged by the reported establishment of waste to power processing plant in Harare and the ongoing investments in refuse collection and sorting facilities. We continue to encourage and educate consumers and the general public to shift their recycling attitudes through the Make A Difference (MAD) and the Manja Pamodzi Campaigns in Zimbabwe and Zambia.

RETHINK

We continue to explore the use of alternative materials, technologies and designs for materials that will reduce pollution from used packaging.

Environmental, Social and Governance Report (continued)

Circular Packaging (continued)

Collaborating in Waste Management.

The Group believes in the use of returnable glass bottles as a trusted and effective way to reduce the environmental impact of our packaging materials as they are much more resource efficient than the one-way packages such as cans and PET. We seek to minimise the amount of waste we send to landfill from our breweries and bottling plants through recycling initiatives, including using waste as fuel in our operations.

There is a growing use of one-way PET packaging in beverages, which highlights the need for all players to double their efforts and find sustainable solutions to reduce litter from used primary packaging materials. We are working collaboratively with the environmental agency (EMA), local authorities and other environmental groups to intensify the education of consumers on segregation of litter, placement of litter in bins and general consciousness on a cleaner environment.

The consumer waste cages that have been installed at major shopping centres are being used to accumulate used cans and PET. The used cans are crushed and pressed into tin cake for export. The change over from steel to aluminium cans is largely complete, which creates secondary usage of the used cans. The PetrecoZim PET recycling factory in Adbernnie, Harare, is fully functional and can absorb all material that is recovered and delivered to it. This has now created income generating opportunities for waste collectors. We continued with the Make A Difference (MAD) and Manja Pamodzi campaigns which enlists the support of community groups in taking care of the hygiene and cleanliness of the localities, discouraging littering particularly by motorists and the segregation of waste in the home. We are encouraging our employees to volunteer in the clean-up campaigns and to participate in the national clean-up programs.

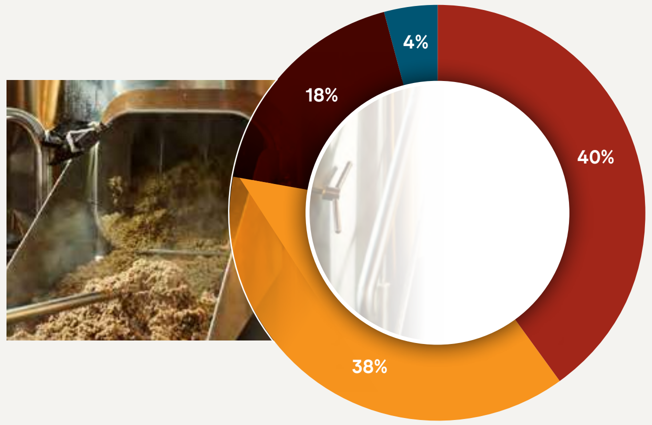
Other Waste Streams

We are committed to minimising waste and maximising resource recovery across our operations. Our waste streams are managed in line with environmental regulations and circular economy principles, with a strong focus on **reuse, recycling**, and **beneficial by-product application**.

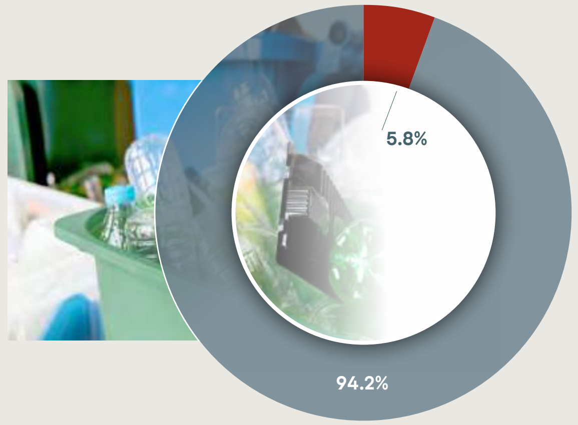
Waste/By-Product	Primary Use/Outcome	ESG Focus Area
Effluent (Treated Wastewater)	Discharged responsibly under regulatory controls	Water stewardship & compliance
Scrap Metal	Sold for recycling	Circular economy & resource reuse
Spent Grains	Used in animal feed and local farming	Agricultural symbiosis
Coal Ash	Landfilled or explored for construction material use	Waste management & innovation
Barley & Malt By-Products	Repurposed for composting or stock feed	Organic waste valorisation

Environmental, Social and Governance Report (continued)

Promotional Distribution of Waste and By-Products (FY2024/25



Actual Waste Stream Classification: Repurposed vs Disposed



We remain committed to embedding circular economy principles into our operations, ensuring that waste is not an endpoint but a resource. FY 2024/25, approximately 91% of our total waste and by-product streams were repurposed or recycled, reflecting our dedication to resource efficiency, environmental stewardship, and value creation beyond the production line.

Key repurposed streams include:

- **Spent Grains:** Redirected into the agricultural ecosystem as high-protein animal feed, supporting local livestock farming and reducing food waste or contributing to organic farming and reducing chemical fertilizer dependency.
- **Scrap Metal:** Fully recovered and recycled through licensed scrap handlers, contributing to a reduced carbon footprint in material cycles.
- **Treated Effluent:** Managed under regulatory compliance frameworks, ensuring safe discharge or reuse that safeguards local water ecosystems.

This high recovery rate was made possible by strategic partnerships with farmers, recyclers, and environmental regulators, as well as internal process optimisations focused on reducing landfill-bound material.

We continue to explore innovative reuse applications, with the goal of achieving near-zero waste to landfill across all our major facilities.

Leveraging our Global Linkages

The Company borrows and learns from our global partners AB InBev and The Coca-Cola Company, key insights in the development of a holistic plan for the entire packaging cycle: on how packaging is designed and made, to how it's recycled and repurposed.

If we do not or we improperly report on our progress or are perceived not to act responsibly to address plastic materials recoverability and recycling concerns and other waste management issues, the resulting negative publicity could adversely affect consumer preference for our products.

Environmental, Social and Governance Report (continued)

Ethics & Transparency

We are committed to promoting the highest standards of ethical behaviour and transparency.

This guides everything that we do as an organisation and serves as our foundation in creating a future with more cheers. These endeavours are supported by robust governance structures and programs on anti-corruption, ethical conduct and human rights.

Ethical behaviour is a cornerstone for our Company.

Together with our policies, our Code of Business Conduct (COBC) contains ethical principles that address key risk areas, including anti-bribery and corruption, digital ethics, human rights, and anti-discrimination. The COBC and supporting policies are designed to guide and support our colleagues and business partners to adhere to the highest standards of business integrity and ethics. This policy prohibits both active and passive bribery and other corrupt payments in both the public and commercial sectors. It supplements the general provisions set out in the Company's Code of Business Conduct/Ethics Policy and is designed to help colleagues comply with various applicable local and international laws and regulations and norms against bribery and corruption as well as various conflict of interest and public disclosure laws binding us as part of the AB InBev family.

Our Compliance Channel gives colleagues direct access to the Ethics & Compliance team to ask questions, access our confidential compliance helpline, seek guidance, access internal policies or request approvals related to certain compliance matters.

The Compliance Channel, led by our Corporate Affairs and Legal teams, works to relay any issues arising internally and externally to the relevant departments or escalate them as necessary.

Environmental, Social and Governance Report (continued)

Ethical behaviour is everybody's business.

We conduct risk-based training that covers key Ethics & Compliance areas. These face to face or online trainings focus on conflicts of interest, digital media principles and anti-harassment policies.

We also borrow from AB InBev's "Compete with Confidence" program which focuses on appropriate market conduct for sales employees.

Fraud and corruption risk management

We continue to encourage both internal and external stakeholders to utilise the Tipoff Anonymous platform for reporting all suspected transgressions relating to ethics, fraud and corruption.

Proper Use of the Social Media Platforms

We continued to revise our digital ethics and data privacy strategies with a focus on the proper use of social media for both business and private purposes. The company uses various platforms to communicate and share information both internally and externally. There are complex challenges arising from cybersecurity and compliance with data protection laws, requiring improved policies on confidentiality, proper use of electronic media and general digital ethics.

Respecting Human Rights Across Our Value Chain

We seek to foster business practices that support and respect human rights and align with the UN Global Compact principles as set out in our Human Rights Policy. This policy integrates with Good Manufacturing Practices and Responsible Sourcing policies which guide our engagements with suppliers and service providers. Of particular focus is the avoidance of forced labour or child labour in farming operations, the payment of fair wages, provision of appropriate protective equipment and adherence to safety protocols throughout the value chain.

We complement the various initiatives on human rights by embedding the following complementary policies:

- Responsible Marketing and Communications Code.
- Diversity and Inclusion Policy.
- Anti-Harassment and Anti-Discrimination Policy.
- Health and Safety Policy; and
- Whistle-blower Policy.

We share our policies with colleagues through internal communications channels and online trainings, and we communicate the relevant policies to our business partners during the contracting process by including them in contract clauses.

Respect for human rights is everyone's responsibility and priority.

We work with entrepreneurs across our value chain from seed to sip and beyond, including farmers, waste collectors and recyclers, suppliers, and retailers. Our activities enable the economic empowerment of a diverse network of customers, suppliers, and communities across our value chain. As we produce and market our beverages, we work not only with suppliers of ingredients but are a catalyst for economic activities such as engineering and construction, transportation, facilities management, banking and financial services, ICT and marketing and other diverse services. Through meaningful engagement with these entrepreneurs and other key partners, we catalyse resources and opportunities to develop localised solutions. These entrepreneurs are often the backbone of their communities, and their success is tied to supporting their families and growing the local economy. In addition, the Company and its employees provide a market for these diverse services, who in turn are our consumers and customers.

INCLUSIVE GROWTH: Supporting Small Businesses and Communities to grow and thrive

Small businesses and entrepreneurs play a critical role in economic development and are an important source of incomes and livelihoods in local communities. Across our distribution chain, we engage every day a multitude of retail customers who play a critical role for our business as an important point of connection with our consumers. These same small businesses and entrepreneurs are an important source of incomes and livelihoods in their local communities. To help support these communities, we are working to provide support to retailers, farmers, suppliers, and recycling collectors across our value chain through various initiatives.

Environmental, Social and Governance Report (continued)

Environmental, Social and Governance Report (continued)

Ethics & Transparency (continued)

INCLUSIVE GROWTH: Supporting Small Businesses and Communities to grow and thrive (continued)

We are therefore concerned about the recent policy changes that have made it difficult to access these small traders who may not meet the required tax compliance requirements. These policies require that small traders who may not meet the Value Added Tax registration threshold are charged a surtax of 5% if they do not voluntarily register as VAT Operators. This reduces their operating margins, or they pass on this cost to consumers.

Since 2018, we evolved our retailer development program to holistically focus on business skills, financial inclusion, and infrastructure development. The Retailer Development Programme is designed to equip our retailers, particularly the small sized outlets, with basic business management skills to help improve their businesses and incomes. A total of 4,102 retailers have been trained since 2018 covering the key modules such as financial management, product handling, understanding beer business and responsible retailing and environmental awareness.

Empowering women in business uplifts communities

Women's economic empowerment is a transformative way to strengthen communities, grow economies and promote sustainable development.

In our soft drinks operations, the women empowerment program has helped uplift thousands of women entrepreneurs across the country. Since 2018, more than 5,000 women business owners have been provided access to vending trolleys. We are engaging both the local authorities and central government to enhance the policy frameworks on informal traders and provide spaces and suitable amenities for these vendors to work from.

These efforts complement our longstanding contract schemes for cereals that are skewed in favour of smallholder farmers, thereby supporting over 11 000 households.

GROWING WITH OUR COMMUNITIES: Investment In Education And Training

Our investment in education includes the school bursaries program which supports A-Level up to university scholars and has so far benefited over 2,100 students. In the current year, we had a total of 100 students. The beneficiaries are selected with the help of the Ministry of Primary and Secondary Education. Our bursary scheme is also complimented by our Delta Technical Institute (DTI) that develops artisans for the Group and other partner organisations. The average training time per employee in F25 was 33 hours.

Over 2,100 artisans have graduated from the institute over the years, most of whom are absorbed in various jobs within the organisation. On the other hand, Mandel Training Centre focuses on imparting managerial skills to trainees through its extended programs like the Graduate Development Program and Supervisory and Management Development Programs.

A key pillar of our direct support to communities is the Delta Schools Infrastructure Program whose aim is to work collaboratively with the chosen community to construct learning facilities at one or two primary schools a year.

This initiative includes construction of model classroom blocks, supply of furniture and other amenities. Communities are encouraged to participate by contributing their labour to mould bricks and supply water during construction in order to instil a sense of ownership which is important for maintaining the facilities. The F25 projects were for Mudzengi Primary School in the Midlands Province and Sanya Primary School in Mashonaland Central Province with Mudzengi having been handed over in March 2025.

We also contribute significant amounts through donations or sponsorships of charitable causes which improve the livelihood of local communities.

Environmental, Social and Governance Report (continued)

Diversity, Equity & Inclusion

Our company must be an inclusive and diverse workplace where everyone feels they belong regardless of their personal characteristics or social identities.

Our greatest strength is our people, and we support the opportunity for every individual to excel. We work to continue fostering an inclusive workplace so that everyone can succeed in our business.

We are advancing initiatives for a future that is Inclusive, Empowered and Equitable across our business and throughout our value chain, positively impacting our people, suppliers, customers, consumers, and communities. This was further enhanced by the launch of our culture change programme with the key message **"Our People, Our Culture, Our Future"**.

We believe that a diverse, equitable and inclusive workplace that mirrors the market we serve is critical to the Company's continued growth and success. We take a comprehensive view of diversity, equity and inclusion across different races, ethnicities, tribes, religions, socioeconomic backgrounds, generations, abilities and expressions of gender.

An empowered future – Nurturing women's potential in Support of an Inclusive Workforce

We run targeted programs to empower women with the skills and resources they need to reach their full potential.

As of 31 March 2025, 20% of Delta employees were female and 80% male, a reflection of the menial nature of certain jobs and the historical perception of the alcohol sector. Women occupied 33% of managerial positions. One way we are helping to amplify diverse perspectives is by empowering women in the workplace. We are working to diversify our talent pool through our Graduate Trainee (GT) Program, which in F25 had an intake comprising 50% women and 50% men.

Environmental, Social and Governance Report (continued)

Our Coca-Cola Women's Leadership Committee, composed of senior executives, focuses on accelerating the development of women into roles of increasing responsibility and influence.

We are focused on our efforts to build a better world beyond environmental sustainability. Our success as a business is closely linked to the talents of a diverse workforce, the products and services of small suppliers, the thousands of shops, bars, and restaurants that serve our products and a diverse consumer base around the world.

We believe that at its core, inclusive growth is about fairness, decency, and long-term sustainability. Our approach to diversity and inclusion, colleague engagement, human rights, smart drinking, and workplace safety all highlight our role in helping to build communities that are fairer and stronger.

Our approach

Our company must be an inclusive and diverse workplace where everyone feels they belong no matter their personal characteristics or social identities, such as race and ethnicity, nationality, gender identity, age, abilities, socioeconomic status, or religion. Our greatest strength is our people; they are the ones committed to achieving our goals.

- We strive to be an inclusive workplace with equal opportunity. Everyone at Delta should feel comfortable, confident, and respected to bring their authentic selves to work every day and to grow at the pace of their talent.
- We aim to make our company as diverse as the communities we serve, enabling us to create solutions with our brands and services to best meet their needs.
- We dream bigger and better when we are together. We promote the diversity of teams and different perspectives that bring innovative ideas to deliver and transform our business.
- Everyone at our company has the responsibility to champion an equitable workplace and root out discrimination of any kind.

To deliver on our firm and unwavering commitment to meritocracy, an equitable, diverse, and inclusive culture is essential. Our D&I strategy focuses on bringing people together for a better world through our people, workplace, marketplace, value chain and communities, because a diverse company is critical to connecting with consumers and driving business performance and innovation. We believe in equal pay for equal work and providing all colleagues with a fair and equal chance to succeed.

Environmental, Social and Governance Report (continued)

Our People – Well-being

Our ambition

To nurture Our workplaces to support the well-being of our colleagues and enable them to thrive.

Our approach

Employee well-being is critical to our business and is a key component of our overall benefits strategy as it has a significant impact on talent attraction and retention, engagement, and cultural adaptability. The Group invests in securing the future of employees through contributions to the defined retirement funds. Refer to note 28.3 for amounts contributed during the year. We aim to foster an environment in which colleagues are able to be proactive in their own well-being and develop mindsets and behaviours to support them in navigating challenging times. We also work to enable professional communities within our company to collaboratively support each other's health and well-being. We seek to contribute to improved perception of value through enhanced engagement and connectivity to the company. Finally, we use a multi-pronged communications strategy to raise awareness and understanding of company-provided well-being programs.

Environmental, Social and Governance Report (continued)

Our People — Workplace Safety

Our ambition

Embedding a culture of safety throughout our value chain

Our approach

The health and safety of our colleagues is always our top priority. We work vigorously to achieve high standards of health and safety in our offices, breweries, bottling plants, facilities and throughout our value chain. This year a top priority was on colleague safety and well-being throughout the pandemic. We have implemented precautionary measures to ensure that working environments meet or exceed guidelines from the World Health Organisation and local governments. We evaluated best practices and created protocols around personal protective equipment and testing requirements, then cascaded the approach across our business units.

We are committed to a safe workplace.

Occupational Health, Safety & Employee Well-being

Ensuring the safety of our employees, contractors, and the communities we serve remains a non-negotiable priority. We are committed to creating an injury-free, safety-first culture across all operations and continuously invest in leadership development, training, and risk mitigation programs to support that goal.

In FY 2024/25, we recorded the following incidents:

Description	Delta Employees	Contractors	Third Parties
Fatalities (work-related)	1	0	3
Lost Time Injuries (LTIs)	33	2	3
Medical Treatment Cases	25	0	0
Modified Duties Assigned	0	2	1

We deeply regret the loss of one of our own employees and extend our heartfelt condolences to the families and colleagues affected by all incidents. Each event has been thoroughly reviewed to identify and implement preventive actions, and we remain focused on eliminating serious injuries and fatalities.

Safety Culture and Leadership Development

Our safety strategy centers around building strong safety leaders at every level of the organization. Key initiatives this year included:

- Expansion of the Risk-Based Injury and Fatality Prevention Program, with increased focus on high-risk activities such as working at height, ammonia handling, dust, steam, and hazardous energy.
- Continued rollout of the NSSA OSHEMAC Training Program, strengthening safety ownership, leadership, and behavioural safety across teams.
- Ongoing safety audits and compliance reinforcement across equipment and processes, especially in elevated risk areas.

Transport & Road Safety Initiatives

We made meaningful strides in road safety through:

- Robust programs at our Driver Training School in Ruwa, offering certification and refresher courses for Heavy Motor Vehicle (HMV) drivers and forklift operators.
- Integration of Road Safety Training modules into our Sales and Distribution Academy programs, run in collaboration with Mandel Training Centre.

Looking ahead, we will intensify efforts to prevent road-related fatalities and serious incidents through targeted interventions and fleet safety technologies.

Employee Wellness and Resilience

We continued our employee wellness initiatives, including sports and recreational activities across business units, supported by our healthcare partners. These programs are designed to enhance physical health, social well-being, and resilience in our workforce.

Group Structure

Delta Corporation LIMITED

- 100% Delta Beverages (Private) Limited
  - 100% Beverages Manufacturing & Distribution
  - 100% Kwekwe Maltings
  - 49% Food & Industrial Processors (Pvt) Ltd
  - 49% Schweppes Holdings Africa Limited*
- 70% Natbrew Plc (Zambia)
- 100% Newshelf 1167 (Pty) Ltd t/a UNB (RSA)
- 51.5% African Distillers Limited
- 21.4% Nampak Zimbabwe Limited

Delta Corporation Limited, its subsidiary and associated companies are registered in Zimbabwe except for Natbrew Plc which is incorporated in Zambia and United National Breweries entities incorporated in South Africa.

* The shareholding was increased to 69% post year end.

Portfolio of Businesses

Beverages Manufacturing and Distribution

Lager Beer Business
Brewing Lager Beer, 2 Breweries
Castle Lager, Castle Lite, Golden Pilsener, Lion Lager, Carling Black Label, Zambezi Lager, Bohlinger's Lager, Eagle Lager, Sable Lager.
Imported Brands: Flying Fish, Stella Artois, Budweiser, Castle Double Malt, Brutal Fruit and Corona.

Traditional Beer Business
Brewing Sorghum Beer, 9 Breweries
Chibuku, Chibuku Super and Thabani.

Sparkling Beverages Business
Bottling Carbonated Sparkling Beverages, 4 Bottling Plants
Coca-Cola, Coca-Cola Light, Coke Zero, Fanta, Sparletta, Sprite, Sprite Zero, Schweppes, Predator, Novida.

Transport and Distribution Business
Provision and maintenance of primary and secondary distribution vehicles & the distribution of beverage products
23 Heavy Vehicle Workshops, 23 Delta Beverage Centres & 2 Customer Collection Depots.

Alternative Beverages
Shumba Maheu & Super Sip, Super Sip Yoghurt, 1 factory.

Agro Industrial

Maltings
Barley and Sorghum malting, 2 Malting Plants.

Subsidiaries and Associates

Schweppes Holdings Zimbabwe Limited
Bottling of Non-carbonated cordials, 2 Plants
Mazoe, Fruitade, Still Water (Schweppes & BonAqua), Minute Maid. Beitbridge Juice Company plant.

African Distillers Limited
Wine & spirit producer, 1 Distillery
6 Depots plus imported wines & ciders.

National Breweries Plc — Zambia
5 Traditional Beer Breweries (3 Operational), 5 Distribution Depots
Chibuku, Chibuku Super, ShakeShake.

United National Breweries Pty Limited — RSA
15 Traditional Beer Breweries (3 Operational), 1 Malting Plant, 21 Distribution Depots
Chibuku, Chibuku Super, Leopard, Ijuba, Tlokwe, Zebra, Jo'burg, Ukhamba, ShakeShake, Ukhozi Amahewu, Chibuku Mtombo Mmela.

Nampak Zimbabwe Limited
Comprises Hunyani - Paper Packaging; Carnaud Metal Box – crown corks, tin cans and plastics packaging and **MegaPak** – manufacture of PET, injection and blow moulded plastic products.

Food And Industrial Processors (Pvt) Ltd
Wholesale distributor of starches and glucose.

Mandel Training Centre (Pvt) Ltd
Training and leadership development
1 Training & Conference Centre

Petrecozim (Pvt) Ltd
Recycling of PET plastics
1 Factory

Directorate and Management

Board of Directors

Chairman

T Moyo	B Acc (Hons); FCA (Z); CA (SA)

Executive Directors

M M Valela – Chief Executive Officer	B Tech (Accounts); CA(Z)
A Makamure – Finance Director	B Acc (Hons), FCA(Z), LLB, FCIArb

Non-Executive Directors

E Fundira	Bsc Econ~
Dr C C Jinya	BA Econ (Hons), DBS (Honoris Causa)*
G Gapu	LLB, Diploma in International Environmental Law
C Kurien	Bachelor of Arts (Honors) Maths, CFA, MBA~
B Mbanga	B Compt, MBA, FCCA, LLM*
Dr A M P Marufu	BSc, MSc, MBA, PHD
J Mushosho	B Acc, CA(Z)/SA, FICSA, MBA~
R T Rivett-Carnac	BA, BCompt, CA(SA)*

* Member of the Audit Committee ~ Member of the Remuneration Committee

Group Management Committee

M M Valela	B Tech (Accounts), CA(Z)	Chief Executive Officer
A Makamure	B Acc (Hons), FCA(Z), LLB, FCIArb	Finance Director
T Rinomhota	BSc Eng	Operations Director – Beverages
F Musinga	LLB	Group Legal Counsel & Co. Sec
T Mafunga	BCompt (Hons); CA(Z)	Group Treasurer
R Baloyi	BCom Marketing (Hons), EMBA	General Manager – Sparkling
T J Chipangura	HND (Marketing), Pst Grad Dip Mgmt, MBA	Managing Director – UNB
A T Chinherera	BCompt (Unisa), CA(Z)	Group Financial Controller
J Gweru	BSc Econ, MCIL	General Manager – Transport
D Mange	BSc, MBL	Director – Information Technology
K Mapingire	BBS (Marketing), Dip (IMM), MBA	Managing Director – NB
R E Mbelengwa	B Acc (Hons), CA(Z)	Supply Chain Director
S M Muchenje	BBS (Hons), MPhil	Managing Director – Schweppes Holdings Africa Limited
K P Munda	BSc, MSc, MBA	Human Resources Director
I Muzorewa	BBS Marketing & Mgmt	Marketing Director
M Ndachena	BAcc, CA(Z), MBA	Managing Director – African Distillers Limited
L Nkunzane	BSc(Bio & Biochem), Master Brewer	General Manager – Lager Beer
M Pemhiwa	BSc Psych, MBA	General Manager – Sorghum Beer Zimbabwe

Board of Directors

Todd Moyo
B Acc (Hons); FCA (Z); CA (SA)
Chairman of The Board of Directors

R

Todd Moyo joined the board in April 2016 and was appointed Chairman of the Board in November 2024. Previously he was the Chairman of the Audit Committee since January 2020. He sits on a number of boards, including National Foods Limited and most recently PPC (Zim & RSA). Todd participates in several charitable trusts and committees in the education, medical services and civic arenas. He actively participates in the activities of professional associations such as the Institute of Chartered Accountants of Zimbabwe and industry bodies such as the Confederation of Zimbabwe Industries. He was the managing director for Datlabs for many years.

Matlhogonolo Mothibedi Valela
B Tech (Accounts), CA (Z)
Chief Executive Officer

Matlhogonolo Valela was appointed as Group Chief Executive Officer on 1 July 2021. He had been Executive Director - Finance since June 2011 and assumed the role of Chief Operating Officer on 1 April 2021. Mr. Valela joined the Group in December 1996 as an accountant at the then National Breweries division. He occupied various roles of increasing seniority in operational finance and accounting, becoming the Group Treasurer in 2003. Matts sits on the boards of the Company's subsidiary companies and associates, African Distillers, Nampak Zimbabwe, National Breweries Plc Zambia, United National Breweries (RSA) and Schweppes Holdings Africa.

Dr Charity Chiratidzo Jinya
BA Econ (Hons); DBS (Hons Causa), Fellow Institute of Bankers

A

Dr Charity Chiratidzo Jinya joined the board in April 2016 and was appointed to the audit committee in April 2020. She retired from Nedbank where she was the Managing Director of Nedbank Zimbabwe Bank in 2020. Dr Jinya has previously served as the President of the Bankers Association of Zimbabwe. She sits on the boards of Old Mutual Investment Group (Zimbabwe), Bindura Nickel Corporation, Dulys Holdings Limited and Mutapa Investment Fund as well as on the Monetary Policy Committee of the Reserve Bank of Zimbabwe. Dr Jinya had a distinguished career in banking, having also served as managing director and executive director of leading listed banks in Zimbabwe and Uganda. She was crowned as the Director of the Year 2015 awarded by the Institute of Directors, Zimbabwe. She is involved with various charities in the education and church sectors and youth mentorship programmes.

Legend

R Member of the Remuneration Committee

A Member of the Audit Committee

Board of Directors (continued)

Benedict Mbanga
Bcompt, MBA, FCCA, LLM (Part)

A

Benedict Mbanga joined the board in August 2022 and is the Chairman of the Audit Committee.

He is the Co-Founder and Managing Director of Mangwana Capital (Zimbabwe & Mauritius), an entity that is registered with the Securities Exchange Commission as an Investment Advisor, providing various corporate finance services such as business valuations, mergers and acquisitions, due diligence, and capital raising.

Mr. Mbanga served articles with and became a partner with Deloitte Zimbabwe in audit assurance and financial advisory. He left the practice in 2018 having occupied senior positions in the broader Deloitte Africa franchise, and the Zimbabwe and Central Africa business units.

He serves as a director on various boards of Mangwana Capital's investee companies domiciled in the UK, Zambia and Zimbabwe.

Jonas Mushosho
B Compt; B Acc; FCIS; CA (Z)/(SA)

R

Jonas Mushosho joined the board in August 2020 as a nominee of the Old Mutual Group. He is the Chief Executive of Afreximbank's AfrexInsure unit and non-executive director of Equity Group Holdings and its regional subsidiaries. He retired from Old Mutual in December 2019 where he was the Managing Director of Old Mutual -Rest of Africa and Chief Executive Officer of Old Mutual Zimbabwe. Jonas worked in various leadership roles at Old Mutual since 1990. He also occupied senior roles in the Department of Taxes (now Zimra) where he has subsequently served as a non-executive director. Mr Mushosho has extensive international business experience having led business portfolios in diverse markets on the African continent, particularly in the financial services sector. He is passionate about coaching, nurturing, developing and mentoring business talent.

Mr Mushosho is a member of the Zimbabwe Open University Council.

Alex Makamure
B Acc (Hons); FCA (Z); LLB; FCIArb
Executive Director Finance

Alex Makamure was appointed as the Executive Director- Finance with effect from 1 April 2021. He was the Company Secretary and Group Treasurer from April 2011 and had functional responsibility for Corporate Affairs and Supply Chain and other Group Services such as tax administration and executive compensation. Mr Makamure joined the Group in 1998 as Finance Manager at Chibuku Breweries Division becoming Divisional Finance Director in 2002. He served as the General Manager Finance for the combined beverages business from 2003 until his appointment as Company Secretary in January 2006.

Mr Makamure sits on the boards of Schweppes Zimbabwe Limited, African Distillers Limited and United National Breweries (RSA) as a company representative. Alex is a board member at Medical Investments Limited (Avenues Clinic).

Board of Directors (continued)

Emma Fundira
BSc Econ (Hons)

R

Mrs Emma Fundira joined the Board in January 2019 and currently chairs the Remuneration and Nominations Committees. Mrs Fundira is the Managing Director and co-founder of Finesse Advisory Services, a financial consultancy which provides corporate financing and asset management solutions. She had a career in merchant banking with the country's leading financial institutions. Emma holds a BSc Economics (honours) from the University of Zimbabwe where she has also lectured in economics. Mrs Fundira chairs the Cimas Medical Aid Society and is a non-executive director of the Reserve Bank of Zimbabwe, Boost Fellowship and a Trustee of African Women's Entrepreneurship Program. She has previously served on the boards of First Capital Bank Zimbabwe (formerly Barclays Bank) and Nampak Zimbabwe and some private schools.

Richard Rivett–Carnac
BCom BBS CA (SA)

A

Richard Rivett-Carnac was appointed to the Board in November 2020 as a representative of ABInBev. He is currently the CEO of South African Breweries. Previously he was the Vice President Finance for AB In-Bev Africa Zone. Mr. Rivett-Carnac (Boris) is a Chartered Accountant and was the director responsible for mergers and acquisitions and treasury at the Africa Zone until his elevation to the VP Finance role in September 2020. He has spearheaded the company in its divesture from the bottling and sorghum beer entities. He has previously worked for SABMiller in both South Africa and the United Kingdom on mergers and acquisitions, public floatations, and various due diligence processes. He has also worked for an investment bank and as a portfolio analyst.

Mr Rivett-Carnac is a member of the Audit Committee.

Dr Alex Masiya Passmore Marufu
BSc, MSc, MBA, PhD

Dr Marufu was appointed to the Board in August 2021. He is a highly experienced technology executive with over 30 years' experience in managing technology projects and businesses. He is SAP Certified with vast network, technology business development, electronic payment systems and sales experience. He has managed projects worth hundreds of millions of US Dollars in many countries from South Africa to Nigeria. Currently he is the Regional General Manager of a listed Records Management business. Dr Marufu has served on numerous boards of technology companies and as Chairman of the CBZ Bank.

Legend

R Member of the Remuneration Committee

A Member of the Audit Committee

Board of Directors (continued)

George Gapu
LLB, Dip Int Environmental Law

Mr. George Gapu was appointed to the Board on 1 April 2025. He is an accomplished legal practitioner and currently a Senior Partner at Scanlen & Holderness, one of Zimbabwe's oldest legal practices. He holds an LLB from the University of Zimbabwe, Diploma in International Environmental Law from the United Nations Institute for Training and Research (UNITAR) and Certificate in ESG Investing from the CFA Institute in South Africa.

He has vast experience in Corporate and Commercial Law, handling mergers and acquisitions, business restructuring and syndicated financing transactions. Mr Gapu has been involved in dispute resolution mainly in the manufacturing, banking, agriculture, mining and financial services sectors.

He has a keen interest in Environmental Law and co-founded the Zimbabwe Environmental Law Association, the leading environmental law association in the country advocating for sustainable development and environmental justice, where he remains active as chairperson of its Executive Committee and a Director.

Cherian Kurien
BA (Hons) Maths, CFA, MBA

R

Mr. Kurien joined the Board on 10 April 2025 as a representative of ABInBev where he is Chief Finance Officer, Vice President Finance and Expansion, Africa Zone.

He has led multicultural teams across the African continent, India, China, South Korea, Vietnam, Australia, and Denmark working across functions including Sales, International Trade, Technology, and Mergers & Acquisitions in the consumer goods and shipping sectors.

Cherian is a Certified Financial Analyst (CFA) charter holder with an MBA from Harvard Business School, Bachelor of Arts (Honors) Mathematics and is a member of the South Asian Business Association, General Management Club.

Group Management Committee

The profiles of the Chief Executive and Finance Director are included under Board of Directors

Tichafa Rinomhota
BSc Eng
Operations Director — Lager Beer, Sorghum Beer & Sparkling Beverages Businesses

Tichafa Rinomhota's Operations Director portfolio was expanded to include the Sorghum Beer business in April 2024. Previously he was an Operations Director responsible for the Lager Beer and Sparkling Beverages effective February 2023. He has served in the position of General Manager – Lager Beer Business from April 2021 having been appointed as the General Manager – Sorghum Beer in April 2017. Mr Rinomhota was the Group Technical Director from 2011 to 2017. He joined the group at the then National Breweries Division in 1999 as Engineering Manager and rose through the ranks to become the General Manager – Technical for the Lager Business in 2007. Previously he worked for several mining and construction companies.

Faith Nzilani Musinga
LLB, GIBS Leadership Development
Group Legal & Company Secretary

Faith Musinga joined Delta as Group Company Secretary on 01 February 2022. She was recently with PPC Zimbabwe Limited as the Head of Legal and Compliance incorporating Company Secretarial role from 2014 to 2021. She previously worked at Ariston Holdings Limited and PG Industries Zimbabwe and as a Magistrate with the Judicial Services Commission.

Tumai Mafunga
BCompt (Hons), CA (Z)
Group Treasurer

Tumai Mafunga joined the Company as Group Treasurer in July 2021. He was with Deloitte and Touche Africa for 21 years and was a partner for 12 years. During his career at Deloitte, he was Head of Audit and Assurance Services Zimbabwe and part of Africa Management Committee and Head Telecommunications, Media and Technology Central Africa among other senior positions. He is a past President of Institute of Chartered Accountants of Zimbabwe.

Group Management Committee (continued)

Rold Baloyi
BCom Marketing (Hons), EMBA
General Manager — Sparkling Beverages

Rold Baloyi was appointed General Manager for Sparkling Beverages in April 2025 and became a member of the Group Management Committee, having re-joined Delta Corporation in 2010 after an earlier tenure from 2003 to 2007. Over the years, Mr. Baloyi has held several key roles within the organization, including Sales Executive and Sales and Marketing Manager. From 2020 to 2021, he served as Commercial Executive for the Sorghum Beer Division. He worked for a consumer goods company in sales and marketing.

Tichaona Joseph Chipangura
HND (Marketing), Post Graduate Diploma Management, MBA
Managing Director (Designate) — United National Breweries

Tichaona Chipangura was appointed Managing Director in October 2024, having been General Manager Sparkling Beverages from April 2021 to September 2024. Mr Chipangura was the National Sales Executive Sparkling Beverages from 2015 - March 2021 in a similar role in the Lager Beer Business from 2010 to 2014. Tichaona was seconded on SAB Miller foreign immersion programme to Tanzania Breweries in 2009. Mr Chipangura commenced his career at Delta in 1993 as a Research Officer at United Bottlers (SBs), in 1997 and grew through the ranks to Distribution Centre Manager and then Regional Sales & Distribution Executive (Southern Region) in 2005.

Arnold Tamanikwa Chinherera
BCompt (Unisa), CA(Z)
Group Financial Controller

Arnold Chinherera was appointed Group Financial Controller in April 2025 becoming a member of the Group Management Committee. He joined the Group in 2010 as an Accountant at Sparkling Beverages and progressed through various finance roles with stints as Finance Manager at the Delta Transport Division, the Sorghum Beer Division and as the Finance Executive at Sparkling Beverages and Lager Beer Business. He moved to Head Office as the Group Finance Executive in July 2024, focusing on reporting and profit improvement initiatives. He trained with KPMG Chartered Accountants.

Group Management Committee (continued)

Johnphas Gweru
BSc Econ (UZ), MCIL (Transport Logistics) UK
General Manager — Delta Transport

Jonphas Gweru was appointed the General Manager -Delta Transport in March 2020 became a member of the General Management Committee in February 2023. He joined the Group in 2001 as a Distribution Manager at United Bottlers. Johnpas has served in various managerial positions in sales and distribution, freighting and logistics and operations management. He previously worked for a passenger transport company.

Davison Mange
BSc (UZ); MBL (UNISA); Msc (BE. Econ)
Director — Information Technology

Dave Mange was appointed to Director Information Technology in 2011. He joined the Group's IT Internship programme in 1990. Mr Mange held various management positions before his appointment as General Manager Information Technology in 2007.

Kenneth Mapingire
BBS (Marketing), Dip (IMM), MBA
Managing Director — Natbrew

Kenneth Mapingire was appointed Managing Director of National Breweries Plc-Zambia in July 2022. He re-joined Delta in 2013 having previously been with Group from 1997 to 2003 in the former Chibuku Breweries Division. Kenny has served in various managerial and executive positions in sales and distribution, channel marketing and operations management largely within the Sorghum Beer business. He has previously worked in various capacities in the fast-moving consumer goods sectors in Zimbabwe and Malawi.

Group Management Committee (continued)

Roselyn Edith Mbelengwa
B Acc (Hons) CA (Z)
Supply Chain Director

Roselyn Mbelengwa was appointed as Supply Chain Director in April 2021, becoming a member of the Group Management Committee. Mrs Mbelengwa joined Delta in 2004 as a Finance Executive at Head Office. She moved in the same role to Delta Transport in 2017. She was appointed as Head of Procurement in 2018. Roselyn had previously worked in finance in other service and manufacturing enterprises.

Stanley Machinda Muchenje
BBS (Hons); IMM (SA), MPHIL Marketing
Managing Director — Schweppes Holdings Africa Limited

Stanley Muchenje was appointed as the Managing Director of Schweppes Africa Limited on 01 May 2025. He was previously the MD of Afdis from April 2021 to April 2025. He moved to Afdis from Delta Beverages in March 2021 having joined the Group at National Breweries (Lager Beer) as a sales representative in 1997. Stan held various senior positions in Sales, Distribution and Marketing at Delta Beverages. He spent two years on secondment to SABMiller from 2012 to 2015 during which period he had the opportunity to manage beer brands in various markets across Africa.

Group Management Committee (continued)

Kennedy Pomerayi Munda
BSc Psychology (Hons) (UZ),
Dip Personnel Management (IPMZ),
MSc Strategy (CUT), MBA (NUST)
Human Resources Director

Kenny Munda was appointed Human Resources Director in April 2021. He re-joined the Group in 2012, as HR Executive for Lager Beer a position he held until March 2021. He had been with OK Zimbabwe from 1998-2003 before and after its demerger with Delta. He moved from OK to Delta Beverages as Human Resources Manager in 2003 and left to join in 2005 to work for DHL International as HR Manager.

Irimayi Muzorewa
BBS (Marketing & Management), EMBA
Marketing Director

Irimayi Muzorewa was appointed Marketing Director for Delta Beverages in June 2021. Mr Muzorewa joined Delta in 2011 as a Channel Marketing Executive. He has previously worked at Unilever Zimbabwe, Nelspot Brands, British American Tobacco and in other FMCG entities in sales and marketing.

Lucky Zibusisio Nkunzane
BSc (BIO & Biochem) (Hons) (UZ), Dip Master Brewer
General Manager — Lager Beer Business

Lucky Nkunzane was appointed General Manager Lager Beer in February 2023. He joined the Group in 1993 as a trainee brewer at the National Breweries Division and promoted to brewing manager in 1998 covering both Belmont and Southerton breweries. He was appointed the Plant Manager-Belmont Brewery in 2009 and moved to Southerton Brewery in 2017. He became the Lager Beer Technical Executive with responsibility for Kwekwe Maltings in 2018.

Group Management Committee (continued)

Muchaneta Ndachena
BAcc, CA(Z), MBA
Managing Director — African Distillers Limited

Muchaneta Ndachena was appointed Managing Director for African Distillers Limited on 1 April 2025. Muchaneta is a Chartered Accountant by profession and holds a Bachelor of Accountancy degree and an MBA from the University of Zimbabwe . She completed her articles of clerkship with Deloitte & Touche before joining Delta Beverages in 1997at the Lager Beer Division. She held various positions of increasing seniority in the Beverages Business until she joined African Distillers as a Finance Director in November 2012.

Marshall Pemhiwa
BSc (Hons) Psych; HR Dip; Dip OCC. Psych; MBA
General Manager — Sorghum Beer Zimbabwe

Marshall Pemhiwa assumed the position of General Manager – Sorghum Beer Zimbabwe in April 2021 having previously occupied the position of Human Resources Director since April 2011. Marshall joined the Group in March 1998 as a Graduate Trainee Psychologist & Human Resources. He held various management positions in the field of human resources and industrial relations, assuming the position of HR Executive - Beverage Operations in 2009. He is a past president of the Institute of People Management and is involved in committees at Dominican Convent School Harare.

Notice to Members

Notice is hereby given that the 78th Annual General Meeting of Members of Delta Corporation Limited will be held at the Registered Office of the Company at Northridge Close, Borrowdale on Friday 25 July 2025 at 1230 hours for the following purposes tabulated below. Shareholders will be asked to connect and attend the meeting virtually via the link: https://escrowagm.com/eagmZim/Login.aspx

Ordinary Business

1. **Statutory Financial Statements**
   To receive and adopt the Financial Statements for the year ended 31 March 2025 together with the Report of Directors and Auditors thereon.

2. **To appoint Directors**
   Mr T Moyo and Mrs E Fundira retire by rotation. Messrs G Gapu and C Kurien were appointed to the Board post year end and retire at the end of their interim appointment on 25 July 2025. All being eligible, will offer themselves for re-election. The election of directors will be by individual motions.

3. **Directors Fees**
   To approve the directors' fees for the financial year ended 31 March 2025.
   (NOTE: The consolidated directors' emoluments are included in the notes to the financial statements and in the Report of the Remuneration Committee).

4. **Independent Auditors**
   To re-appoint auditors and approve the auditor's remuneration for the past year. Members will be asked to re-appoint Messrs Ernst & Young Chartered Accountants to serve their fifth year and approve their remuneration for the past financial year.

SPECIAL BUSINESS

Special Resolution

5. **Share Buy Back**
   Shareholders will be asked to consider and if deemed fit, to resolve with or without amendments, THAT the Company authorises in advance, in terms of Section 128 of the Companies and Other Business Entities Act (Chapter 24:31) the purchase by the Company of its own shares upon such terms and conditions and in such amounts as the Directors of the Company may from time to time determine and such authority hereby specifies that:

   a. the authority shall expire on the date of the Company's next Annual General Meeting,
   b. acquisitions shall be of ordinary shares which, in aggregate in any one financial year, shall not exceed 10% (ten percent) of the Company's issued ordinary share capital.
   c. the maximum and minimum prices, respectively, at which such ordinary shares may be acquired will be not more than 5% (five percent) above and 5% (five percent) below the weighted average of the market price at which such ordinary shares are traded on the Zimbabwe Stock Exchange, as determined over the 5 (five) business days immediately preceding the date of purchase of such ordinary shares by the Company,
   d. a press announcement will be published as soon as the Company has acquired ordinary shares constituting, on a cumulative basis in the period between Annual General Meetings, 3% (three percent) of the number of ordinary shares in issue prior to the acquisition.

It will be recorded that, in terms of Companies and Other Business Entities Act and the regulations of the Zimbabwe Stock Exchange, it is the intention of the Directors of the Company to utilise this authority at a future date provided the cash resources of the Company are in excess of its requirements and the transaction is considered to be in the best interests of shareholders generally. In considering cash resource availability the Directors will take account of, inter alia, the long-term cash need of the Company, and will ensure the Company will remain solvent after the re-purchase.

By the order of The Board

F Musinga
Company Secretary

Sable House
Northridge Close
Borrowdale
Harare, Zimbabwe
25 June 2025

Shareholders Analysis

Size of Shareholding	Number of Holders	%	Issued Shares	%
1 - 5 000	6 769	77,26	5 758 960	0,43
5 001 - 10 000	512	5,84	3 832 939	0,29
10 001 - 25 000	508	5,80	8 032 498	0,60
25 001 - 50 000	266	3,04	9 401 699	0,70
50 001 - 100 000	228	2,60	16 113 025	1,21
100 001 - 500 000	318	3,63	71 476 010	5,36
Above 500 000	160	1,83	1 219 340 544	91,4
	8 761	100,0	1 333 955 675	100,0
Category				
Local Companies	882	10,07	177 111 253	13,28
Foreign Companies	27	0,31	536 644 184	40,23
Pension Funds	485	5,54	185 869 632	13,93
Nominees, Local	147	1,68	84 439 045	6,33
Nominees, Foreign	22	0,25	109 498 705	8,21
Insurance Companies & Banks	69	0,79	162 543 899	12,19
Resident Individuals	6 441	73,52	65 873 559	4,94
Non-Resident - Individuals	266	3,04	2 535 689	0,19
Investments & Trusts	225	2,57	5 476 324	0,41
Fund Managers	40	0,46	2 527 303	0,19
Deceased Estates	121	1,38	928 138	0,07
Other Organisations	36	0,39	507 944	0,04
	8 761	100,00	1 333 955 675	100,00

Shareholder	2025	%	2024	%
AB InBev Zimbabwe (NNR)	311 264 215	23,33	311 264 215	23,50
Stanbic Nominees (Pvt) NNR	215 039 119	16,12	217 188 078	16,40
Rainier Incorporated	193 137 519	14,48	193 137 519	14,58
Old Mutual Life Assurance Co Zim Ltd	152 861 590	11,46	151 798 799	11,46
National Social Security Authority (NPS)	27 384 477	2,05	26 120 477	1,97
Amaval Investments (Pvt) Ltd	22 271 490	1,67	22 178 835	1,67
Browning Investments NV	22 178 835	1,66	20 301 947	1,53
Standard Chartered Nominees NNR	19 219 582	1,44	19 877 110	1,50
National Social Security Authority (WCIF)	19 076 090	1,43	18 247 090	1,38
Delta Employee Participation Trust Company (Pvt) Ltd	14 233 211	1,07	14 233 211	1,07
Others	337 289 547	25,29	330 365 234	24,94
Total	1 333 955 675	100,00	1 324 712 515	100,00

Shareholders Analysis (continued)

Major Shareholders	2025	%	2024	%
Old Mutual	**159 170 006**	11,93	**157 701 508**	11,90
AB InBev Entities	**526 580 569**	39,47	**526 580 569**	39,75
Total	**685 750 575**	51,4	**684 282 077**	51,65
Resident and Non-Resident Shareholders				
Resident	**642 567 596**	48,17	**635 646 271**	47,98
Non-Resident	**691 388 079**	51,83	**689 066 244**	52,02
	1 333 955 675	100,00	**1 324 712 515**	100,00

Share Price Information

Last Transaction Price (ZWG$ cents) at:	*NB: ZSE indicies were rebased on introduction of ZiG on 05 April 2024*	
30 June, 2024	990.00 cents	
30 September, 2024	1 801.10 cents	
31 December, 2024	1 400.00 cents	
31 March, 2025	1 524.00 cents	
Price Range	**Date**	**Price**
Highest	28 October, 2024	2 159.00 cents
Lowest	11 April, 2024	620.00 cents

Calendar

78th Annual General Meeting	25 July 2025
Financial Year End	31 March 2025
Interim Reports:	**Anticipated Dates:**
6 months to 30 September 2025	November 2025
6 months to 31 March 2026 and	
Final dividend declaration	May 2026
Dividend Payment Date – final	June 2026
Annual Report Published	July 2026

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Transfer Secretaries:

Corpserve (Private) Limited
2nd Floor
Intermarket Centre
Cnr. Kwame Nkrumah / 1st Street
P O Box 2208
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