


ANNUAL REPORT 2025

From Seed to Sip:
Empowering the
Zambian Value Chain



Proudly part of  ABInBev

WHO WE ARE AND WHAT WE BREW

The brewing business was established in Zambia in 1968 and its product range has grown to include clear beers such as Mosi Premium Lager, Mosi Light, Castle, Castle Lite, Carling Black Label and Eagle Lagers.

Zambian Breweries Plc became part of Anheuser-Busch InBev (AB InBev), the largest brewer in the world, with more than 500 beer brands and some 200,000 employees in over 50 countries.

Zambian Breweries Plc also distributes a range of imported premium products including Budweiser, Stella Artois, Corona, Flying Fish and Brutal Fruit.

This is the Annual Report of Zambian Breweries Plc for the year ended 31st December, 2025. This information may be updated or documented with the Securities and Exchange Commission or later amended if necessary, although Zambian Breweries Plc does not undertake to update any such information.

The Annual Report is made available to all shareholders on the Lusaka Stock Exchange website (www.luse.co.zm). This report includes names of Zambian Breweries Plc products, which constitute trademarks or trade names which Zambian Breweries Plc owns, or which others own and license to Zambian Breweries Plc for use.

In this report, the term 'Company' and 'Zambian Breweries' refers to Zambian Breweries Plc, except as the context otherwise requires. The term 'Group' Refers to Zambian Breweries Plc and its Subsidiaries.

Zambian Breweries Plc's Annual Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by IFRS Interpretations Committee applicable to companies reporting under IFRS.

The Financial Statements comply with IFRS accounting standards as issued by the International Accounting Standards Board ("IASB").

Our 10 Principles Guide How We Do Business.

Our culture of ownership defines who we are and what we do. It's the reason we build strong teams and support each other. Together, we deliver solid results. Our 10 Principles shape how we make decisions and guide how we do business. They are at the core of our culture and align closely to our company purpose and strategy:



PRINCIPLES

We are owners who...

- 01** Dream big
- 02** Lead by example and take accountability
- 03** Attract and develop great people
- 04** Build brands consumers love
- 05** Grow with customers and communities
- 06** Prioritize simple and scalable solutions
- 07** Manage costs tightly
- 08** Think long-term
- 09** Strive for superior results
- 10** Never take shortcuts

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FINANCIAL HIGHLIGHTS

K7,345,588

,000 Group** revenue (incl. excise duty)

K294,769

,000 Profit for the year

K6,113,649

,000 Group** revenue (exc. discounts & excise duty)

K83,999

,000 Cash & Cash Equivalents

(In Kwacha thousands)	2021	2022	2023	2024	2025	Var.
Group Revenue (incl. discounts & excise duty)	4,079,639	4,836,703	5,406,418	6,602,772	7,345,588	11.25%
Group Revenue (excl. discounts & excise duty)	3,068,959	3,674,541	4,152,666	5,341,595	6,113,649	14.45%
Operating Profit/(loss)	190,180	293,967	(441,388)	(376,154)	1,000,327	365.94%
Profit/(loss)Before Income tax	106,222	142,166	(794,441)	(790,986)	574,085	172.58%
Profit (loss) for the year	147,952	99,248	(535,601)	(672,676)	294,769	143.82%
Total Assets	3,578,033	4,798,732	5,977,857	6,812,209	6,528,652	-4.16%
Current liabilities	1,915,654	3,068,329	5,120,845	6,782,234	6,203,908	-8.53%
Retained Earnings	683,337	782,585	246,984	(425,692)	(130,923)	69.24%

OUR ECOSYSTEM

Farmers

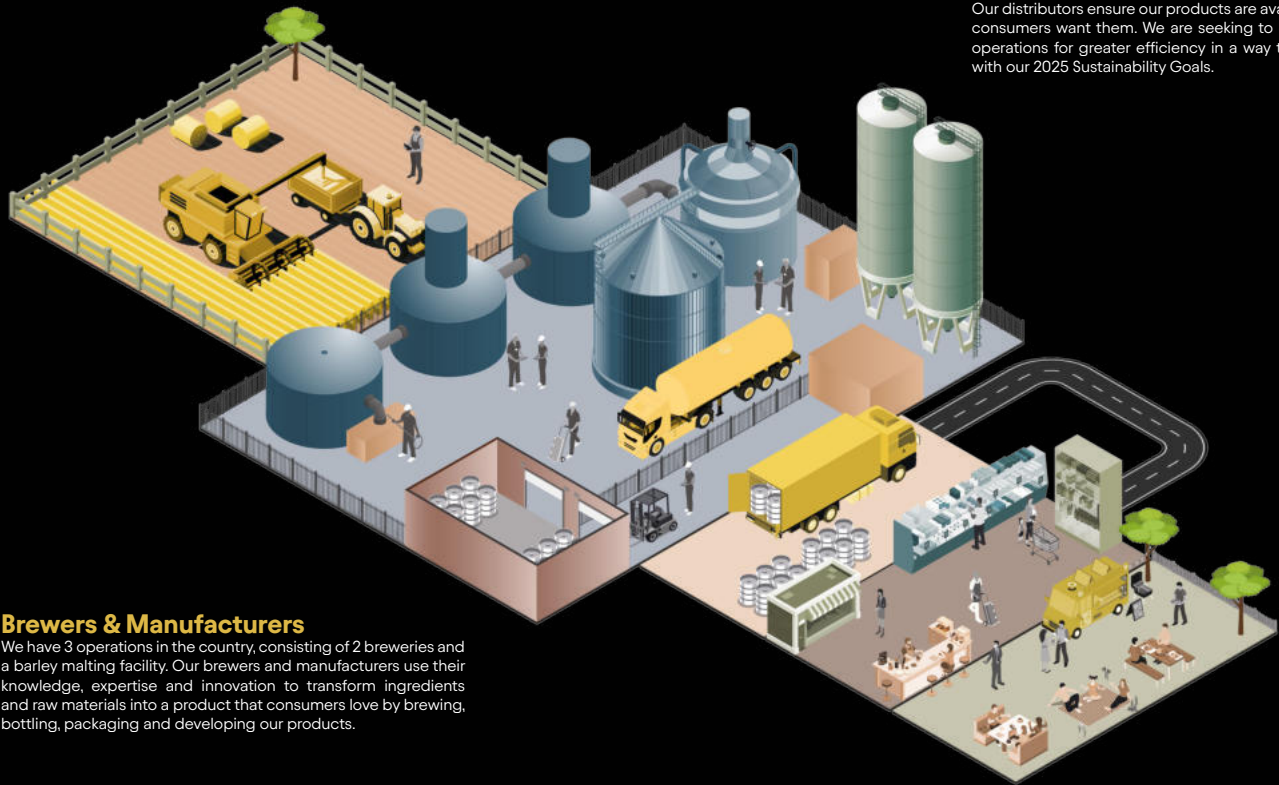
We value our relationships with our farmers, who provide natural ingredients for our products. Our mutual collaboration is a key element to creating a sustainable supply of high-quality ingredients that our products demand. That is why we invest in programs such as SmartBarley, our flagship agricultural development program, which is led by our agronomists to help growers improve their profitability and contributes toward our 2025 Sustainability Goals.

Communities

We are an integral part of the communities where we live and work. We strive to make a positive and lasting impact in our communities, advancing initiatives in areas such as sustainability, financial inclusion, Smart Drinking and road safety, often through partnerships.

Distributors

Our distributors ensure our products are available where consumers want them. We are seeking to optimize our operations for greater efficiency in a way that is in line with our 2025 Sustainability Goals.



Brewers & Manufacturers

We have 3 operations in the country, consisting of 2 breweries and a barley malting facility. Our brewers and manufacturers use their knowledge, expertise and innovation to transform ingredients and raw materials into a product that consumers love by brewing, bottling, packaging and developing our products.

Customers

Our retail customers play a critical role for our business as an important point of connection with our consumers. We partner with retailers, bar owners and wholesalers to bring our beers to our consumers, while supporting their business growth, striving to provide best-in-class service as well as pursuing extraordinary execution of our brands.

Consumers

In the last step, but perhaps the most important of all, consumers enjoy our beer. We are always looking to serve up new ways to meet life's moments, and we connect with our consumers by offering meaningful brand experiences, in a responsible way.

HIGHLIGHTS OF THE YEAR

JAN

Collective Agreement Signed with *Zambian Breweries Plc Union*

The year commenced with a significant milestone as *Zambian Breweries Plc* and the *Zambian Breweries Plc Union* formalised a collective agreement through a signing ceremony that reinforced the company's commitment to constructive dialogue, employee welfare, and sustainable industrial relations.



FEB

Advancing Water Stewardship | Cheers to Nature

Zambian Breweries Plc strengthened its environmental agenda through focused water stewardship initiatives aimed at promoting responsible water use, catchment protection, and long-term sustainability. These efforts reaffirmed the company's commitment to brewing with care for communities and natural resources.



MAR

WWF/ABI Kafue Landscape Visit | Cheers to Nature

In partnership with WWF and AB InBev, *Zambian Breweries Plc* participated in a strategic site visit to the Kafue Landscape. The engagement highlighted collaborative efforts to protect vital ecosystems, promote biodiversity, and secure sustainable water sources for communities and industry.



APR

Mosi Day of Thunder

The iconic *Mosi Day of Thunder* once again brought together music lovers, cultural enthusiasts, partners, and consumers in a vibrant celebration of Zambia's flagship beer brand. Hosted in Livingstone, home of the majestic Victoria Falls, the event showcased local artistry, tourism, and Zambian cultural pride.



MAY

Manja Pamodzi Skills Empowerment Training

Through the *Manja Pamodzi* programme, *Zambian Breweries Plc* continued empowering local entrepreneurs and small-scale retailers with practical business skills training. The initiative focused on capacity building, financial literacy, and sustainable enterprise development.



JUN

Cheers to Farmers | Smart Agriculture

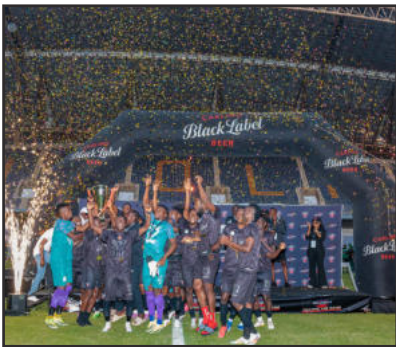
Zambian Breweries Plc cheered on local agricultural partners through the "Cheers to Farmers" campaign, recognising the critical role of farmers in the value chain. The launch of sorghum and cassava initiatives further strengthened local sourcing, supported rural livelihoods, and enhanced economic inclusion.



JUL

Samuel "Zoom" Ndhlovu Charity Shield

Zambian Breweries Plc supported national sport through sponsorship of the Samuel "Zoom" Ndhlovu Charity Shield, reinforcing its long-standing commitment to football development and community engagement.



AUG

Eagle Extra Draught Launch

The launch of the Eagle Extra Draughts campaign gave consumers the opportunity to connect with one another over the widely played community game. This also gave them the opportunity to play and win prizes valued at K250,000.



SEP

Cheers to Bars | Smart Drinking

Through the Cheers to Bars initiative, Zambian Breweries Plc celebrated and supported its on-trade partners, recognising their contribution to brand growth, job creation, and vibrant social spaces across the country.



OCT

Mosi @ 50!

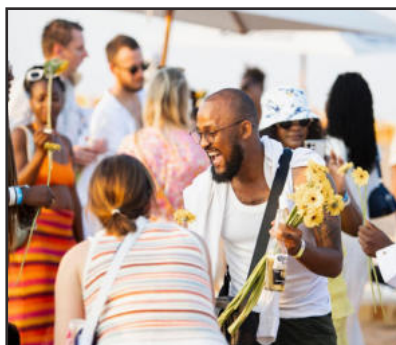
A landmark celebration marked 50 years of Mosi, Zambia's most iconic beer brand. The Mosi @ 50 milestone honoured five decades of heritage, national pride, and enduring consumer loyalty.



NOV

1st ever Corona Island Party

Corona island party brought the beach music experience to Zambian consumers. The island party took place in Siavonga, showcasing the beauty within Zambia.



DEC

The Castle Lite – "Lite Night"

The Castle Lite – "Lite Night" event brought the fusion of basketball and music together at the Castle Lite Arena bringing International Djs who brought consumers an unforgettable music experience.



CHAIRPERSON'S REPORT



Monica Katebe Musonda

Chairperson of the Board of Directors

“
We remain confident in the long-term fundamentals of the Zambian beverage market and in Zambian Breweries Plc's position as the industry leader.
”

Dear Shareholders,

On behalf of the Board of Directors, I am honoured to present the Annual Report of Zambian Breweries Plc for the financial year ended 31 December 2025.

The year under review was one of resilience and recovery of profitability marking an important turnaround for the business. Following two consecutive years of losses, Zambian Breweries Plc recorded a profit of ZMW295 million in 2025, the start of our recovery to sustainable profitability after the \$110m expansion project.

Economic Landscap

Following a period marked by economic headwinds, energy constraints and significant cost volatility, 2025 was marked with economic tailwinds particularly around currency appreciation and deflation particularly in the second half of the year. Following the increase of the Monetary policy rate in the first part of the year which impacted our interest expenses for the period, we have noted the decrease in November 2025 and February 2026 of the monetary policy rates. This is expected to gradually support consumer purchasing power and economic activity.

A significant development in 2025 was the upward revision of excise duty on malt-based beverages and imported products announced mid-year. This materially impacted pricing across the industry and required careful portfolio and revenue management to sustain profitability while minimising demand disruption.

Despite this increase, the business demonstrated resilience through disciplined pricing, cost control and improved supply chain stability compared with 2024.

Performance and Value Creation

For the year ended 31 December 2025:

- Total volumes declined by 4% compared with 2024, reflecting price increases taken to offset excise increase as well as subdued consumer demand.
- Net revenue increased to ZMW 6.1 billion, representing growth of 14% year-on-year, driven primarily by targeted price adjustments and portfolio mix optimisation.
- Gross profit improved to ZMW 1.9 billion, with gross margin of 31%, supported by disciplined cost management and improved operational efficiencies.
- Operating Profit EBITDA increased to ZMW 1 billion, with margin expansion of 23 percentage points.
- Profit after tax amounted to ZMW 295 million, compared with loss of ZMW 673 million in 2024.

Market share performance remained strong, the drop in volumes indicating a contraction of the sector for the year under review. By the third quarter, the Company achieved an all-time high clear beer market share of above 97%, reflecting effective execution in a contracting market and competitor pressure.

The Board is pleased with the significant turnaround in profitability trajectory over the course of the year, particularly in light of the regulatory changes faced.

Strategic Priorities and Operational Stability

A key theme of 2025 was resilience and recovery. Management prioritised strengthening internal controls and enhancing financial discipline. Quarterly Audit Committee meetings were instituted to reinforce oversight and governance standards.

Operationally, supply constraints experienced in prior periods eased during the year, supporting improved product availability and recovery momentum in certain months. Capital investments in returnable packaging, plant optimisation and fire suppression systems continued to underpin long-term capacity and efficiency improvements.

Sustainability and Responsible Growth

Sustainability remains a core component of the Company's long-term strategy. During the year, the Company continued to:

- Strengthen local sourcing partnerships with small-scale farmers.
- Advance water stewardship initiatives across our breweries.
- Invest in energy optimisation, including continued collaboration with alternative energy providers to mitigate diesel consumption.
- Champion responsible consumption and combat illicit alcohol through affordable, safe alternatives within our portfolio.

Further details on these initiatives are provided in the Sustainability and Impact section of this report.

Governance and Regulatory Engagement

The Company continued to engage constructively with regulators on tax, compliance and market structure matters. Ongoing tax audits and reconciliations remain under active management, with oversight from the Audit Committee.

During the year, the Board also engaged on matters relating to free-float compliance and capital market requirements, with a view to safeguarding shareholder interests while maintaining long-term strategic alignment.

Dividend

In light of capital allocation priorities, debt management considerations and the current negative equity, the Board has resolved not to declare a dividend for the year ended 31 December 2025. This decision reflects a prudent approach to cash generation to pay down debt and ease profit pressure and strengthen the balance sheet.

Outlook for 2026

Looking ahead, the Company remains focused on:

- Building on our market position to create occasions for sustainable volume momentum.
- Strengthen margins through disciplined pricing and cost control.
- Accelerate operational efficiency initiatives.
- Deepen consumer relevance across core and affordable segments.
- Continue enhancing governance and financial resilience.

We remain confident in the long-term fundamentals of the Zambian beverage market and in Zambian Breweries Plc's position as the industry leader.

On behalf of the Board, I extend my sincere appreciation to our management team, employees, customers, shareholders and partners for their continued support and commitment.



Monica Katebe Musonda

Chairperson of the Board of Directors

COUNTRY DIRECTOR'S REPORT



“
2025 was a year of resilience and recovery for Zambian Breweries Plc. Our turnaround in profitability and record market share demonstrates the strength of our brands, the resilience of our operating model and the dedication of our people
”

Thais Cavinatto
Chief Executive Officer

Introduction

A Year of Resilience and Recovery

It is with great pride that I present the Country Director's Report for 2025, a year marked by resilience and recovery for Zambian Breweries Plc. During the year, we continued to execute our strategy with discipline, delivering consistent financial performance while further strengthening the fundamentals of our business.

Our teams remained focused on building strong brands and operating efficiently. Despite a challenging macroeconomic environment characterised by reduced consumer purchasing power, excise increases and cost volatility, momentum improved during the year. As a result, we enter 2026 well positioned to further engage consumers and accelerate growth.

The fundamentals of our business underpinned another year of solid financial performance. Revenue increased by 14%, and we achieved an all-time high market share, although volume declined by 4% in line with industry contraction. Disciplined revenue management drove an 18% increase in revenue per hectolitre, while efficient overhead management supported gross profit growth of more than 50% and margin expansion of 8 percentage points year-on-year.

Through consistent execution of our strategy, we successfully turned the business around from two consecutive years of net losses to a return to profitability. Net profit reached ZMW 295 million, reflecting strong top-line growth and disciplined cost management. These results demonstrate the strength of our brands, the resilience of our operating model, and the commitment of our people across the organisation.

Portfolio and Consumer Trends

Despite pressure on consumer spending across the market, we delivered strong commercial performance and further strengthened our leadership position in the Zambian Beer and Beyond-Beer categories. Net revenue increased by 14% during the year, driven by disciplined pricing across the portfolio. While industry volumes were impacted by excise-related price adjustments, our portfolio continued to perform strongly. Clear beer market share reached an all-time high above 97%, reflecting the power of our brands, the effectiveness of our route-to-market and the trust that consumers continue to place in our portfolio. This performance underscores our ability to navigate a challenging environment while continuing to build long-term category leadership.

Consumer behaviour during the year reflected the broader economic environment, with increased demand for more affordable products. Our balanced portfolio enabled us to respond effectively to these shifts while maintaining strong brand momentum. We have reached all time high brand power performance in 2025.

Our affordable segment, particularly Eagle and Eagle Extra, remained resilient and played a key role in sustaining category participation. Eagle Extra continued to demonstrate strong demand, supported by expanded production capacity in Lusaka which improved availability and addressed earlier supply constraints.

At the same time, our premium portfolio regained momentum in the second half of the year following supply normalisation, highlighting the continued aspiration and long-term strength of our premium brands. Together, our portfolio continues to connect strongly with consumers across multiple occasions and price segments.

In addition, our Beyond Beer portfolio performed exceptionally, gaining in excess of 4 percentage points of share through the year, strengthening our position as the overall leader in the much-contested flavoured alcoholic beverages category. Brutal Fruit continues to grow in both share and brand power.

Pricing and Excise

In response to the mid-year excise increase on malt-based beverages and imported products, we implemented targeted price increases across selected packs and segments. These actions were necessary to protect profitability but contributed to short-term volume pressure. Our pricing strategy remained disciplined and focused on:

- Supporting resilient, sustainable growth
- Managing mix toward more profitable packs.
- Minimising short-term demand destruction.

At the same time, we maintained strict cost discipline across overheads, payroll, and supply chain operations, while continuing to invest behind our brands and commercial capabilities.

In quarter 4 of 2025, and again at the beginning of 2026, Zambian Breweries Plc decided to roll back prices on its most iconic brands, including Mosi, Mosi Light, Eagle, and Eagle Extra. These moves reflect continued improvements in the operating environment and recent policy measures, and we expect it to help restore volume momentum.

This decision has been enabled by a combination of positive macroeconomic indicators, including easing inflationary pressures, relative foreign exchange stability, and improved energy availability. Of particular importance is the Government's December 2025 reversion of excise duty on clear beer, which we view as a clear demonstration of an engaged and responsive Government that recognises the importance of a balanced tax regime to support affordability, competitiveness, and compliance.

Financial Discipline

The year marked a return to stronger profitability metrics. Net profit reached ZMW 295million, reflecting strong top-line growth and disciplined cost management. Debt management and working capital optimisation remain priorities. We continue to focus on strengthening the balance sheet and improving cash generation.

Sustainability, Impact and People

- Our commitment to sustainability remained unwavering:
- We expanded local sourcing partnerships, supporting smallholder farmers and reducing import dependency.
- Energy optimisation initiatives reduced diesel intensity.
- Responsible drinking campaigns and affordable product offerings contributed to efforts to combat illicit alcohol consumption.

One of the highlights of the year was the strong engagement and commitment demonstrated by our teams. Our people continued to show resilience, collaboration and a shared focus on delivering results in a demanding environment. High levels of internal engagement and alignment behind our strategy remain a critical driver of our performance and long-term success.

Key Lessons of 2025

The key lessons of 2025 included:

- The importance of pricing discipline in a highly regulated environment.
- The need for operational flexibility in response to supply and regulatory shocks.
- The value of governance stability and strong financial controls.

We entered 2026 with a more aligned leadership team, strengthened financial oversight and improved operational resilience.

Looking Forward

We remain confident in the long-term potential of the beer category, which benefits from strong structural growth drivers and continues to play an important role in bringing people together for a future with more cheers. The progress we have made in executing our strategy has driven consistent financial performance, including a turnaround in profitability, all-time high market share, and record levels of brand power.

We enter 2026 in a position of strength, supported by a highly engaged team, improved momentum in High-end and Beyond Beer categories, and an unparalleled portfolio anchored by a powerful lineup of mega platforms. From Mosi Day of Thunder and Corona Sunset events to Draughts campaigns for Eagle Extra, we are uniquely positioned to engage consumers and activate the category.

We remain confident that Zambian Breweries Plc will continue to lead the market while delivering sustainable value to shareholders and contributing meaningfully to Zambia's socio-economic development.

Thais Cayinatto
Country Director



“

We enter 2026 in a position of strength, supported by a highly engaged team, improved momentum in high-end and Beyond Beer categories, and an unparalleled portfolio anchored by a powerful lineup of mega platforms.

”

IMPACT

REPORT

Brewing Resilience in an Uncertain World



agenda, but as an enabler of long-term operational stability, market integrity and shared value creation.

Sustainability as a Driver of Resilience

Zambian Breweries Plc's sustainability agenda is designed to address Zambia's most pressing vulnerabilities while supporting sustainable business growth. These include climate exposure in agriculture, water scarcity, informal markets, urban waste management and livelihood insecurity.

In 2025, our approach shifted from standalone interventions to system-based resilience. This ensured that environmental, social and economic initiatives reinforce one another and deliver lasting impact.

Our strategy remains anchored in six sustainability pillars, unified by a single objective: building long-term resilience.

Overview

The year 2025 underscored a defining reality for businesses operating in Zambia and across the African continent: resilience has become essential to long-term value creation.

Climate volatility, water stress, economic uncertainty, and social pressures continue to shape the context in which businesses operate. The Intergovernmental Panel on Climate Change Sixth Assessment Report indicates that Southern Africa is among the regions most exposed to rising temperatures and prolonged droughts. The World Resources Institute further highlights increasing baseline water stress across parts of Zambia, particularly in agriculturally dependent regions.

For Zambian Breweries Plc, these pressures intersect directly with our operations, supply chains and the communities we serve. In response, our sustainability strategy

in 2025 focused on strengthening the systems and partnerships that underpin business continuity and community wellbeing.

Within Zambia, climate-related pressures on water availability, agricultural productivity and energy supply increasingly influenced how businesses plan, source and operate. At the same time, communities faced growing vulnerability linked to livelihoods, urbanization and informality, reinforcing the importance of inclusive and responsible business practices.

Against this backdrop, Zambian Breweries Plc continued to embed sustainability into its core business strategy, guided by AB InBev's purpose of Creating a Future with More Cheers. The resilience of our operations depends on the resilience of local farmers, water systems, retail networks and urban communities. Sustainability in 2025 was therefore expressly pursued not as a standalone



Smart Agriculture: Strengthening Farmer Resilience



Agriculture employs over 60 percent of Zambia's population and remains one of the sectors most exposed to climate risk (World Bank). In 2025, Zambian Breweries Plc prioritized farmer resilience by strengthening adaptive capacity rather than focusing solely on productivity.

Through our cassava and sorghum value chains, we supported 1,873 smallholder farmers, equipping them with climate-resilient seed varieties, sustainable agronomic practices and improved access to financial literacy and crop insurance solutions.

Our partnerships with the Ministry of Agriculture, the United Nations World Food Programme (WFP), and Musika continued to support crop diversification and local sourcing. The Food and Agriculture Organization (FAO) identify sorghum and cassava as among the most drought-resilient crops in arid and semi-arid regions, making them central to both food security and climate adaptation strategies.

By strengthening local agricultural systems, Zambian Breweries Plc also improved supply chain stability and reduced exposure to global commodity volatility.



Water Stewardship

Securing a Shared Resource



Water scarcity remains one of Zambia's most pressing environmental risks, affecting communities, agriculture and energy generation. For **Zambian Breweries Plc**, water resilience extends beyond operational efficiency to include catchment protection and community access. In 2025, we reaffirmed our commitment that communities in high water stress areas surrounding our operations experience measurable improvements in water availability and quality.

Working in partnership with the **World Wide Fund (WWF) for Nature**, we continued conservation efforts within the **Kafue and Zambezi River basins**, focusing on catchment restoration, sustainable water management and community engagement. The **World Resources Institute** emphasizes basin-level collaboration as essential for long-term water security, particularly in climate-vulnerable regions.

At our brewing facilities, continuous process optimization supported reductions in water intensity while maintaining product quality and operational performance.

Smart Drinking:

Supporting Social Resilience

Social resilience remains critical to sustainable growth. Harmful alcohol use undermines public health, safety, and economic productivity, making responsible consumption a shared responsibility.

In 2025, **Zambian Breweries Plc** strengthened its Smart Drinking agenda through public awareness campaigns and responsible retailing initiatives. The **Growing Retailers Innovatively Together (GRIT)** programme piloted Digital GRIT with 25 retailers, providing training on age verification, responsible sales practices and community engagement. This pilot enables **Zambian Breweries Plc** to deliver capacity building through training at scale.

Efforts to combat illicit alcohol consumption also remained a priority. According to the **Coalition Against Illicit Alcohol**, illicit products account for approximately 71 percent of alcohol consumed in Zambia. Through advocacy and the availability of safe, regulated alternatives such as **Eagle Extra Lager**, we continued to support national efforts to reduce the health and social risks associated with unregulated alcohol.



Circular Packaging:

Building Urban and Economic Resilience

Rapid urbanization continues to place pressure on waste management systems in Zambia's cities. In response, **Zambian Breweries Plc** advanced circular packaging solutions that deliver both environmental and economic benefits.

The Manja Pamodzi recycling initiative continued to support over 900 community-based waste entrepreneurs, creating sustainable income opportunities through post-consumer waste collection. In 2025, under the World Bank-funded Environmental Health and Pollution Management Project (EHPMP), the initiative expanded its recycling infrastructure through the commencement of construction of a new warehouse. The facility will house a plastic flaking machine, enabling value addition to collected waste streams while supporting the Zambia Environmental Management Agency (ZEMA) in delivering its EHPMP objectives.

The United Nations Environment Programme recognizes circular economy models as essential for reducing urban waste while creating green jobs. By strengthening recycling ecosystems, **Zambian Breweries Plc** contributed to cleaner cities and more resilient urban livelihoods.



Climate Change Mitigation:

Advancing a Low-Carbon Pathway

Climate resilience is inseparable from emissions reduction. In 2025, **Zambian Breweries Plc** continued progress toward its climate commitments, including increasing the share of renewable electricity in its operations and reducing carbon emissions across the value chain.

Energy Resilience and Efficiency

Energy security remains a critical factor in operational resilience within Zambia's climate-vulnerable energy landscape. In 2025, **Zambian Breweries Plc** continued to strengthen energy resilience by improving efficiency across brewing operations and increasing the use of renewable electricity.

Through the Voyager Plant Optimization framework, targeted interventions supported reductions in energy intensity, improved operational reliability, and lower

carbon emissions. These efforts not only contributed to climate mitigation goals but also reduced exposure to energy supply disruptions, reinforcing long-term business continuity.

Emissions Reduction and Climate Targets

Zambian Breweries Plc's near-term climate targets remain aligned with science-based pathways, including a 25 percent reduction in value chain emissions, with a long-term ambition to achieve net-zero emissions by 2040. Progress in 2025 reflected a continued focus on value chain decarbonization, recognizing that meaningful climate action requires collaboration beyond direct operations.

The Science Based Targets initiative highlights value chain emissions reductions as critical for manufacturing businesses operating

in climate-vulnerable regions. Through operational efficiency, renewable energy adoption, and supplier engagement, **Zambian Breweries Plc** continued to advance a low-carbon pathway that supports both environmental responsibility and long-term business resilience.



Entrepreneurship: Strengthening Economic Participation



Entrepreneurship: Strengthening Economic Participation

Entrepreneurship plays a central role in building economic resilience. Across agriculture, retail and recycling, Zambian Breweries Plc continued to support small-scale entrepreneurs, enabling income diversification and community stability.

By strengthening farmer networks, supporting responsible retailers and empowering waste entrepreneurs, the brewing giant contributed to inclusive economic growth and long-term livelihood resilience.

To a future with more cheers

As Zambia continues to navigate climate, economic and social uncertainty, Zambian Breweries Plc remains committed to building resilience across its value chain and the communities it serves.

Our priorities beyond 2025 include scaling climate-smart agriculture, deepening water stewardship partnerships, expanding circular economy infrastructure and strengthening responsible consumption initiatives.

Through these efforts, we remain focused on creating shared value and delivering on our purpose of creating a future with more cheers, even in an increasingly complex and uncertain world.



RECOGNITIONS AND AWARDS

We are proud to have received the following recognitions from external stakeholders:

(1) Zambia Association of Manufacturers (ZAM):
Most Innovative Product of The Year for Eagle Extra

(2) Lusaka Water Security Initiative (LuWSI):
Water and Environmental Stewardship – 1st Place

(3) Zambia Federation of Employers:
Occupational, Health and Safety Policy Award - 2nd Place

(4) Ngoma Awards:
Outstanding Contribution to The Arts Award

(5) Afrisafe:
Afrisave Manufacturing Company of The Year Award

(6) Zambia Institute of Marketing:
Best B2C Alcoholic Beverages Category - Clear Beer of The Year for Carling Black Label



CORPORATE GOVERNANCE REPORT

The Board, Audit and Management Committee

The Board of Directors

Monica Musonda	Chairperson - Independent Non-Executive
Jito Kayumba	Independent Non-Executive
Thais Cavinatto	Executive
Choolwe Lungu	Executive
Zhenyu Alex Jin	Non-Executive (Appointed 9th December 2025)
Elisha Dhenanath	Non-Executive (Resigned 31st March 2025)

Attendance	17/04/2025	26/06/2025	21/08/2025	09/12/2025
Monica Musonda	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Jito Kayumba	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Thais Cavinatto	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Choolwe Lungu	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Elisha Dhenanath	<input checked="" type="checkbox"/>			
Zhenyu Alex Jin	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

The separation of responsibilities between the Board Chair and the Country Director is set out in a formal delegation of authority document approved by the Board to ensure that no single individual has unfettered decision-making powers. Corporate acts, strategic planning, capital expenditure and annual budget approval, asset disposals and borrowing powers remain the remit of the Board.

Nominations to the Board are approved by the full Board of Directors, taking into consideration the skills balance on the Board.

The Chairperson of the Board is an independent non- executive Director and Board members retire and are re-elected at the Annual General Meeting in line with the Company's Articles of Association and the Companies Act.

The Audit Committee

Members

Jito Kayumba	Chairperson - Independent Non-Executive
Priya Sohawon	Non-Executive
Thais Cavinatto	Executive
Choolwe Lungu	Executive
Zhenyu Alex Jin	Executive
Tamara Ellis	Executive

Attendance	10/03/2025	25/06/2025	12/08/2025	09/12/2025
Jito Kayumba	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Priya Sohawon	<input checked="" type="checkbox"/>			
Thais Cavinatto			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Elisha Dhenanath	<input checked="" type="checkbox"/>			
Choolwe N. Lungu	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Zhenyu Alex Jin	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

The Audit Committee sat to review, make recommendations and provide assurance to the Board as to the state of the Company's internal control environment and financial management adequacy. The Audit Committee relies on management representation letters as signed by the function heads.

Both the Board and Audit Committee comprise independent non-executive members with a broad balance of skills and knowledge of the business and the environment.

The Management Committee

Members	Function
Thais Cavinatto	Country Director
Choolwe N. Lungu	Country Lead Finance
Jacques Els	National Sales Director
Benjamin Van Looy	Revenue Manager
Rodgers Chilufya	Country Head Logistics
Choolwe Mudenda	Implementation Manager
Lusa Sikwese	Lusaka Brewery Plant Manager
Julius Nyirenda	Ndola Brewery Plant Manager
Tapiwa Pasi	Malting Plant Manager
Mwamba J.M Chibesakunda	Country People Lead/Company Secretary
Susan Luneta	Country Head of Marketing
Tawanda Hojane	Legal and Corporate Affairs Director
Chewe Hamabuyu	Legal Manager
Kasonde Chisunka	Trade Marketing Manager
Bwembya Lusanso	Route to Market Manager

In line with the objectives of our governance architecture, the Management Committee monitors material breaches of our Code of Business Ethics through reports submitted to the Audit Committee; approves Company strategies; and monitors performance against budget and key performance indicators.

The Management Committee implements strategy and provides operational oversight. The Committee met on a weekly basis during the period under review. Each function head sits on the Management Committee and is accountable to the Board regarding compliance of operational risks and implementation of control measures.

Statutory Auditor

The statutory auditors of the Company, Grant Thornton Zambia, have been re-appointed. The appointment of the statutory auditors and the determination of their remuneration are approved by the Board and the shareholders at the Annual General Meeting.



Compliance Training

September 2025 was designated Ethics Month, providing a valuable opportunity to reinforce our commitment to ethical practices across the organization. During this month, we conducted refresher training sessions on ethics and compliance for various business functions, accompanied by “iRespect” message to emphasize the importance of respecting the company, the business partners, colleagues, and ourselves.

During the month, we also launched our mandatory annual training for employees with 100% of Band 0 – VIII employees trained on the Code of Business Conduct and Anti – Harassment and anti-discrimination Policy.

Additionally, we launched the “I Respect – A Respectful Workplace Starts with You” campaign across all sites, reinforcing our commitment to fostering a culture of respect, accountability, and inclusion. This initiative further strengthened our proactive approach to compliance and the promotion of a safe and respectful working environment.

Additionally, we launched fraud awareness training across all sites during the first and second quarters of the year, further enhancing our proactive approach to compliance and risk management.

Our Mission Statement and Goals

#FutureWithMoreCheers - At Zambia Breweries, we are committed to dreaming big and fostering a future filled with more cheers. Our mission is to Dream Big to Create a Future with More Cheers. For a deeper understanding of our guiding principles, please refer to the insert



within the front cover, which outlines our 10 Principles.

Compliance Platforms

In our pursuit of excellence, we have implemented several compliance platforms designed to enhance our operational integrity and risk management:

Compliance Channel

The Compliance channel is the company’s formal platform for employees to declare actual or perceived conflicts of interest, including personal relationships, gifts and donations, external employment, directorships, business ownership, and other compliance matters. All submissions are reviewed by the Compliance team to assess risks, provide guidance, and implement mitigation measures where necessary.

BrewRight

BrewRight is a state-of-the-art data analytics platform that plays a crucial role in identifying, monitoring, analyzing, and remediating compliance risks across various business sectors. This platform supports our long-term compliance and internal control objectives by providing global users with timely access to essential compliance and transactional data.

- Vendor Transaction Scoring: BrewRight evaluates transactions with vendors, assigning scores based on specific at-risk criteria. Vendors identified with high-risk scores undergo a comprehensive due diligence process, which includes oversight and investigation by our compliance team. This is particularly relevant for Touch Point Vendors (TPVs), who engage with government entities and are subject to rigorous transaction assessments. Additionally, we monitor transactions for rushed payments and duplicate payments.
- Antitrust Dashboard: This feature assesses risks associated with anti-competitive conduct, ongoing competition cases, and fines for such behavior. Results from competition compliance audits are reviewed and uploaded to the platform, enabling us to mitigate any identified risky conduct effectively.

Compass

Compass is an online platform that provides all compliance resources to guide employees in the performance of their daily tasks, empowering to consistently do the right thing and where unsure to ask.

Ethical

Ethical is an effective tool for managing regulatory and statutory compliance. It facilitates the upload of licenses, which are regularly reviewed, with alerts generated for any licenses nearing expiration.

Exiger

Exiger is a specialized tool designed for managing third-party risks, ensuring that our compliance framework remains robust and effective.

Whistleblowing – Our Whistleblowing channel is managed by an external 3rd party and provides employees with a platform to report cases confidentially and where required, anonymously.

INTERNAL CONTROLS

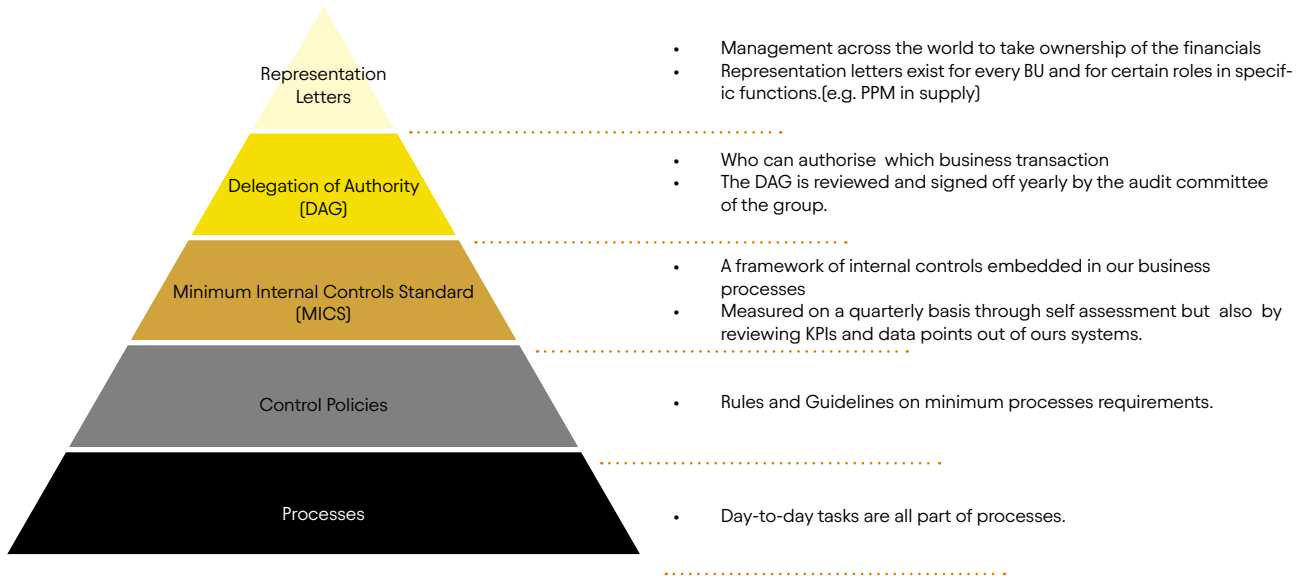
The Board of Directors, assisted by the Management, were responsible for establishing and maintaining adequate internal controls and risk management systems during the reporting period. Internal control is the process designed to provide reasonable assurance regarding achievement of objectives related to effectiveness and efficiency of

operations, reliability of financial reporting and compliance with applicable laws and regulations.

Zambia Breweries has adopted the AB InBev's Internal Control framework. AB InBev has established and operates its internal control and risk management systems based on guidelines issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The

internal control system is based upon COSO's Internal Control – Integrated Framework of 2013 and the risk management system is based on COSO's Enterprise Risk Management Framework of 2017.

The control framework consists of multiple components as visualized in the following pyramid:



RISK ASSESSMENT

The Global Risk Management function conducts regular audits in accordance with a risk-based audit plan approved by the Audit Committee and reports its findings to the Management Committee and to the Board through the Audit Committee. The Risk Register is deliberated by the Audit Committee. The Global Risk Management Team is responsible for reviewing the effectiveness of the internal control framework and for working with process owners to implement improvements. Framework Enterprise Risk Management (ERM) is a structured and coordinated, entity-wide governance approach to identify, quantify, respond to, and monitor the consequences of potential events.

was to provide reasonable assurance on the sufficiency of control around VIC processes, specifically around BOM management process, brewery control audits, and consumption of raw material. The audit involved interviews with key stakeholders, analysis of data, and observation of independent on-site stock counts. The Global Risk Management team observed some gaps in the BOM process and controls, brewery control audits, spares management, and

consumption processes and raised 3 action points and all were closed as of year-end.

GRM also conducted year-end check reviews to ensure financial accuracy and regulatory compliance, as well as target reviews aimed at confirming the accuracy of individual and entity targets.

Below is a summary of key focus areas for the year ended 31 December 2025:

The Global Risk Management team conducted a review of product costing (VIC) across the 3 business units (BUs) in Africa, including operations in Zambia. The objective of the review



SUMMARY OF POLICIES

<p>HUMAN RIGHTS</p> <p>We are committed to conducting our business in a manner that respects and supports human rights, consistent with the principles of the United Nations Global Compact. Our Global Human Rights Policy outlines the standards, expectations, and commitments that guide how we uphold human rights within our operations and ensure that we do not knowingly contribute to human rights infringements by third parties.</p>	<p>RESPONSIBLE SOURCING PRINCIPLES FOR FARMS</p> <p>Our brewing operations rely on agricultural supply chains, and our ambition is to secure a resilient, high-quality, and locally sourced supply of crops over the long term. This is achieved by working in partnership with farmers to improve productivity and profitability, strengthen environmental stewardship, and promote safe and attractive working conditions within agriculture.</p>
<p>CODE OF BUSINESS CONDUCT</p> <p>We are required to operate with the highest levels of integrity and ethical behaviour at all times. This includes full compliance with all applicable national and supra-national laws, regulations, and internal standards governing our business activities.</p>	<p>RESPONSIBLE MARKETING & COMMUNICATIONS</p> <p>We take pride in brewing and marketing our beers responsibly. Our Responsible Marketing and Communications Code guides all marketing, sales, promotional, and communication activities to ensure they are truthful, respectful, culturally sensitive, and aligned with prevailing standards of good taste. Compliance with the Code is mandatory across all channels, including digital platforms.</p>
<p>ANTI-CORRUPTION</p> <p>Our Global Anti-Corruption Policy complements the Code of Business Conduct and provides guidance to ensure compliance with applicable anti-bribery and anti-corruption legislation, including the U.S. Foreign Corrupt Practices Act, the UK Bribery Act, and other relevant laws addressing corruption, conflicts of interest involving public officials, and disclosure obligations.</p>	<p>PRODUCT QUALITY</p> <p>Our passion for beer is reflected in our unwavering commitment to quality and product safety. We operate a comprehensive quality management system across our breweries and facilities and apply the same standards to our suppliers. Consumers are encouraged to share feedback or raise concerns through the toll-free customer service number displayed on our product packaging.</p>
<p>GLOBAL WHISTLE BLOWER</p> <p>We believe that how results are achieved is as important as the results themselves. Maintaining integrity requires an open and transparent culture where individuals feel safe to seek guidance, speak up, and raise concerns without fear of retaliation. This commitment underpins our global whistleblowing framework.</p>	<p>PUBLIC POLICY</p> <p>We maintain constructive relationships with public officials, community leaders, and other stakeholders in the markets where we operate. Where appropriate, we engage external advisors with expertise in legislative and regulatory processes. All public policy activities and expenditures comply with applicable laws and our internal approval processes, and are conducted in the best interests of our business, stakeholders, and the communities we serve.</p>
<p>RESPONSIBLE DISCLOSURE</p> <p>We are committed to safeguarding the information of our employees, customers, partners, and other stakeholders who interact with our products and services. In support of strong data protection and cybersecurity standards, we actively encourage responsible security research and the good-faith disclosure of vulnerabilities to help maintain robust privacy and security protections.</p>	<p>ENVIRONMENTAL POLICY & PRINCIPLES</p> <p>Our purpose to Dream Big to Create a Future with More Cheers is underpinned by our commitment to shared prosperity for our business, communities, and the environment. We pursue high standards of environmental performance across our operations and set measurable goals guided by the following focus areas:</p> <ul style="list-style-type: none"> • Climate action and emissions reduction • Water stewardship • Waste elimination and co-product optimisation • Circular packaging • Sustainable agriculture • Legal compliance <p>These principles are embedded within our Voyager Process Optimization framework and implemented across all operations. Governance and progress against these priorities are reported annually.</p>
<p>GLOBAL ANTI-HARASSMENT & ANTI-DISCRIMINATION</p> <p>Each of us has a responsibility to foster a workplace that is safe, respectful, diverse, and inclusive. We are committed to providing an environment free from all forms of harassment and discrimination, including sexual harassment and misconduct, so that all colleagues can thrive and perform at their best.</p>	<p>WATER POLICIES & PRINCIPLES</p> <p>Water is a vital input to our products and essential to the health of communities. We aim to contribute positively to watershed health across our operations and value chain. Our approach aligns with the UN Guiding Principles on Business and Human Rights, which recognise access to water and sanitation as a fundamental human right, and forms a core component of our environmental management strategy.</p>
<p>RESPONSIBLE SOURCING</p> <p>We assess our entire value chain to identify opportunities to reduce environmental impact, manage costs, and enhance economic resilience across our supplier base and surrounding communities. Our Responsible Sourcing Policy sets out clear expectations for ethical conduct and sustainability, and outlines how supplier performance is evaluated through ongoing engagement and assessment.</p>	<p>SMART DRINKING & HEALTH POLICIES</p> <p><u>Reducing the Harmful Use of Alcohol</u></p> <ul style="list-style-type: none"> • As brewers, we recognise that harmful alcohol consumption poses serious public health risks. We support the World Health Organization Global Strategy to Reduce the Harmful Use of Alcohol and acknowledge the important role producers, distributors, and retailers play in advancing responsible consumption and positive social outcomes. <p><u>Responsible Drinking at Work</u></p> <ul style="list-style-type: none"> • Employee safety and wellbeing are paramount. Our workplace drinking policy defines clear expectations and responsibilities for both the Company and employees to ensure a safe and productive working environment. <p><u>Health and Safety</u></p> <ul style="list-style-type: none"> • We are committed to maintaining high standards of occupational health and safety across our operations, with the objective of preventing accidents, injuries, and work-related illnesses.

GOVERNANCE CHARTER

The Company's governance framework addresses both the effectiveness and accountability of the Board of Directors. Board effectiveness is reflected in the quality of leadership, oversight, and strategic direction provided, while accountability is reinforced through transparency and disclosure to shareholders. To support strong governance, the Board has adopted formal governance rules, including the Code of Business Conduct and the Global Anti-Corruption Policy.

The governance charter is designed to ensure transparent reporting of governance practices and is reviewed periodically.

ALCOHOL RESPONSIBILITY

The National Alcohol Policy emphasises human rights, public health protection, and lawful participation in the alcohol value chain. It promotes evidence-based interventions, education, treatment, and rehabilitation, while recognising the economic contribution of responsibly produced legal alcohol. We align with the Policy and support harm-reduction initiatives within our communities through consumer education, retailer engagement, and targeted programmes, including road safety interventions, responsible retailing initiatives, and alcohol literacy campaigns.

OCCUPATIONAL HEALTH, SAFETY AND ENVIRONMENT

VPO Dream and Mission

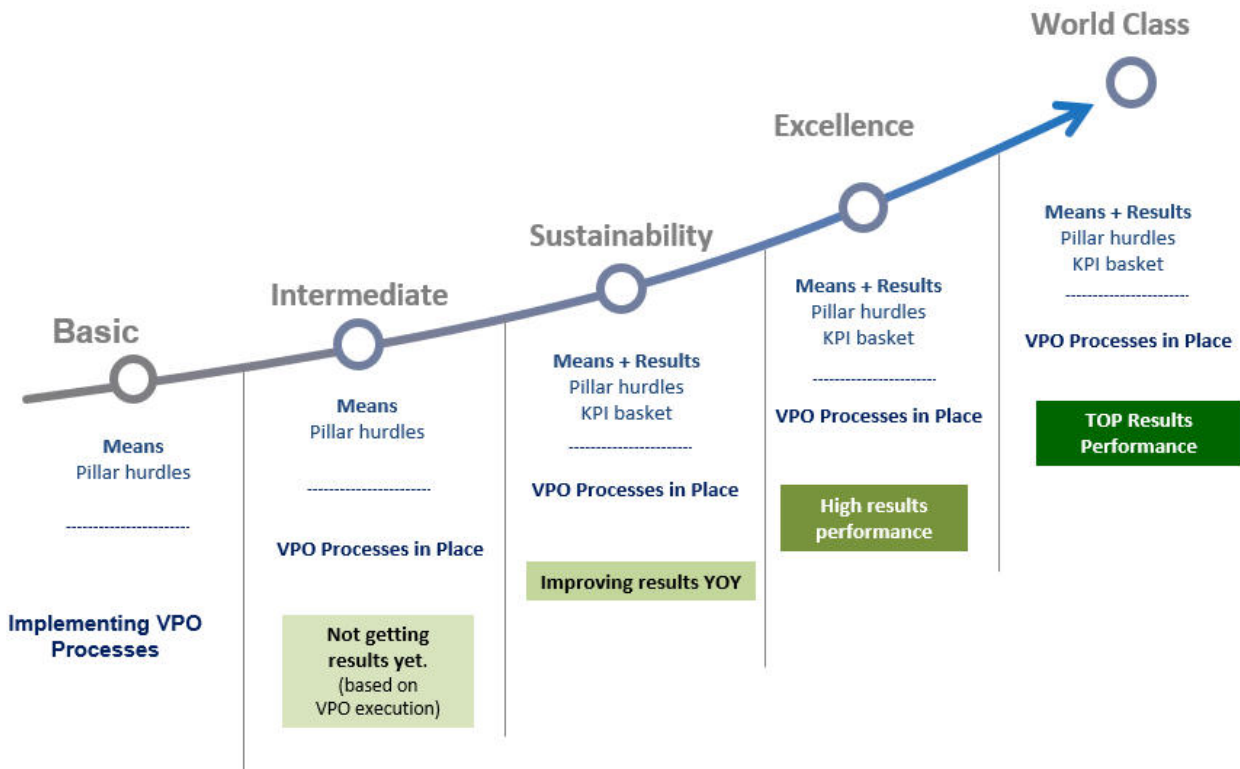
Voyager Plant Optimization (VPO) represents the operating model of AB InBev, designed to deliver sustainable results through continuous improvement and empowerment within the supply organisation.

VPO Framework and Maturity

The VPO pillars integrate technical, managerial, and leadership capabilities required to drive performance. Facilities progress through five maturity levels, with Lusaka Brewery currently assessed at the Intermediate Level, reflecting demonstrated improvement in results through the effective application of VPO practices, with sustainability as the ultimate objective.

VPO Maturity Levels

Criteria





BOARD OF DIRECTORS

Drawing on diverse expertise, the Board guides management in delivering value to stakeholders while upholding the highest standards of accountability and ethics, providing strategic oversight, governance, and leadership to ensure the long-term sustainability and integrity of the organisation.



Monica Katebe Musonda

Board Chairperson (Independent Non Executive)

Founder of Java Foods, an agro-processing business. She has over 18 years' experience in private legal practice and as in-house corporate counsel in the UK, South Africa, US and Nigeria. She sits on several boards.

2017 African Agribusiness Entrepreneur of the Year Award Young Global Leader (World Economic Forum) Archbishop Desmond Tutu Leadership Fellow.

LLB – University of Zambia; LLM – University of London



Thais Cavinatto

Country Director

Joined in February 2024, Thais brings extensive global experience across investment banking, strategy, technology, and digital transformation. Her career includes roles at Goldman Sachs Brazil and AB InBev, culminating in a Vice President position at AB InBev's global head office in New York, where she led frontline digital transformation initiatives. She holds a BSc in Business Administration and an MBA from the University of Chicago Booth School of Business.



Jito Kayumba

Audit Committee Chairperson (Independent Non-Executive)

Jito Kayumba serves as Special Assistant to the President for Finance and Investment. He previously spent a decade as Partner at Kukula Capital, Zambia's pioneering private equity and venture capital firm, where he led investments that generated significant employment and social impact. A seasoned investment professional and board member, he holds an MBA from ALU School of Business and a degree in Political Science from Concordia University, Canada.



Choolwe N. Lungu

Country Lead Finance

Joined in November 2024 with over 17 years' experience in the manufacturing sector. She is the former Chief Financial Officer of Dangote Cement Zambia and Chilanga Cement Plc and has held senior roles across financial control, treasury, and cost accounting. She is a Fellow of ACCA and ZICA and a Member of the Chartered Institute of Arbitrators.



Zhenyu Alex Jin

South-East Business Unit Finance Director

Finance Director for the business unit in South-East Africa of AB InBev. Joined AB InBev in China in 2012. Held finance positions across Asia Pacific Zone and Global Headquarters with extensive experience in audit, control & risk management, and financial planning & analytics. Prior to his current role, served as a Global M&A director based in New York.

Certified Public Accountant (CPA) in China – MBA from Cornell University, USA

MANAGEMENT COMMITTEE

the Management Committee is responsible for translating strategy into disciplined execution across the organisation. The Committee provides executive leadership, drives operational performance, and ensures effective risk, compliance, and resource management. In doing so, it supports sustainable value creation for stakeholders while upholding the highest standards of integrity, accountability, and corporate governance.



Thais Cavinatto
Country Director

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Jacques Els
Sales Director

Jacques Els is the National Sales Director, bringing with him over 15 years. Since joining AB InBev/Zambian Breweries Plc in 2025, Jacques has assumed increasingly strategic commercial leadership responsibilities, driving national revenue performance, strengthening market execution standards, and shaping trade and sales strategies that support long term commercial growth.

Before his current role he served as Procurement and Sustainability Director-BU South-East Africa, Procurement and Sustainability Director-BU-East Africa, and Procurement and Sustainability Director-Tanzania.

Jacques holds a Bachelor of Commerce (B.Com), Finance and Financial Management Services.



Benjamin Van Looy
Revenue Manager

Joined in August 2024, Benjamin has a strong finance and performance management background, with prior roles at AB InBev in Tanzania and South Africa. His career began in investment banking and finance consulting before transitioning into corporate finance and revenue management. He holds a BSc (Hons) in Computational and Applied Mathematics from the University of the Witwatersrand.



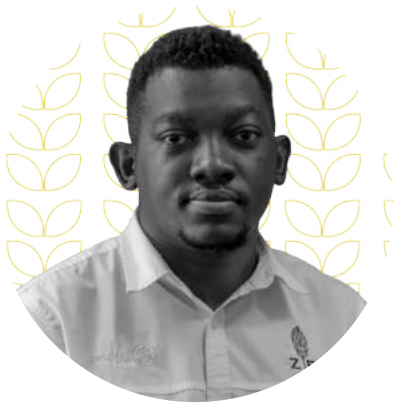
Rodgers Chilufya
Country Logistics Lead

An experienced supply chain and logistics professional with extensive expertise in warehousing, inventory management, distribution planning, and fleet operations. He has held multiple senior operational roles across Zambia, Botswana, and the Southern Africa region. He holds a BSc in Management and an MBA from the University of South Wales.



Choolwe Mudenda
Implementation Manager

With 11 years in the business, Choolwe has deep technical and operational expertise within Supply, specialising in maintenance and plant optimisation systems. She previously served as Plant Manager in Namibia and currently leads Zambia implementation initiatives overseeing VIC and ZBB performance. She holds a Bachelor of Engineering in Electrical and Electronics and is a Professional Engineer registered with the Engineering Institute of Zambia.



Bwembya Lusanso

Head - Route to Market

Bwembya Lusanso is the Head - Route to Market for BU Southeast, Zambia, bringing over 7 years of professional experience across the Finance and Fast Moving Consumer Goods (FMCG) sectors. Since joining the Zambian organisation in February 2020, Bwembya has leveraged a strong analytical background and industry expertise to drive commercial excellence and optimise market access strategies.

He holds a BSc in Economics and Finance and is an active member of the Economics Association of Zambia.



Lusa Sikwese

Plant Manager Lusaka

Lusa Sikwese brings over 19 years of industry experience. Prior experience includes serving as Head of Methods and Mechanical Engineering at Lafarge (Aug 2011 – Sep 2012) where his work involved asset integrity and risk based inspection. He also spent several years at Konkola Copper Mines plc, holding roles such as Engineering Superintendent – Nchanga Smelter (Jan 2009 – Dec 2011) and Mechanical Maintenance Manager (Jan 2008 – Nov 2010), focusing on maintenance, debottlenecking, plant improvement, and reliability.

He holds a Bachelors Degree in Mechanical Engineering



Julius Nyirenda

Plant Manager Ndola

Plant manager at Ndola brewery since July 2024. Previously Plant Manager at Eswatini Beverages from 2022 to June 2024. Career with Zambian Breweries Plc spanning 18 years. Beginning as a Brewing technical trainee and rising through the ranks to Brewing manager before taking up the role in Eswatini.

BSc - University of Zambia, Diploma in Brewing - Institute of Brewing and Distilling UK, MBA - Copperbelt University.



Tapiwa Pasi

Maltings Manager

Joined in 2017 with over 25 years' experience in the malting and brewing industry. His career includes senior technical and plant management roles at Delta Beverages in Zimbabwe, where he successfully led operational turnarounds. He holds multiple academic and professional qualifications across applied sciences, business administration, brewing, malting, and marketing.



Susan Luneta

Country Head of Marketing

Joined the company in October 2024. Prior to that, she developed a diverse career covering various aspects of marketing and sales across Southern Africa; with a brief project in East Africa as well. Over the course of more than 9 years, she gained valuable experience working with companies such as Unilever (Zambia) and British American Tobacco (Zambia).

BCom (Hons) Marketing Management – The University of Johannesburg, South Africa



Chewee Hamabuyu

Legal Manager

Chewee Hamabuyu, is a legal professional with strong expertise in corporate governance, regulatory affairs, commercial transactions, and legal compliance. He currently serves as Legal Counsel at Zambian Breweries Plc, bringing strategic legal guidance within a major corporate environment with over 5 years of professional experience

He previously held the position of Legal Counsel and Acting Company Secretary at British American Tobacco Zambia Plc, where he supported corporate governance processes and regulatory compliance.

University of Zambia - LLB, Advocate of the High Court for Zambia



Kasonde Chisunka

Trade Marketing Manager

Kasonde Chisunka is the Trade Marketing Manager, bringing over 10 years of professional experience spanning Telecommunications and Mobile Financial Services (MFS). Since joining AB InBev/Zambian Breweries Plc in 2025, Kasonde has taken on progressively strategic commercial roles, contributing to revenue growth, market execution, and trade strategy development.

Before his current role, he served in key positions including PPM: Revenue & Sales at AB InBev, as well as Specialist – Forecasting and Budgeting, Revenue Analyst – FinTech Finance, Assistant Accountant, Business Planning Analyst, and Finance Help Desk Administrator during his tenure at MTN Zambia.

Kasonde holds a Bachelor of Business, with majors in Economics and Management,



Financial Statements for the year ended 31 December 2025





MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING - 31 DECEMBER 2025

100. Introduction

101 Internal Controls Over Financial Reporting (ICOFR) Implementation.

In 2019, the Securities and Exchange Commission (SEC) issued guidelines for Internal Controls Over Financial Reporting (ICOFR). In recognizing that an adequate system of policies and procedures for internal control over financial reporting is critical to ensuring the accuracy and reliability of financial statements, we embarked on a 5-year journey to implement and adopt the guidelines. The guidelines require a reporting entity to publish in its annual report the report of internal controls over financial reporting.

102 In order to achieve the requirement of the guidelines, we have been implementing the reporting framework on year by year, with the assistance of our group Internal Control Team based in South Africa. We have outlined below the steps we have undertaken:

a) Year 1 & 2 (2019-2020)

- Engaged PWC as implementation partner.
- Adopted COSO framework (5 components and 17 principles) for Zambian Breweries Plc Group ICOFR.
- Identified key business processes and related controls.
- Reported status of ICOFR implementation to the Board through the local internal control compliance officer. A Minimum Internal Control Report (MICR) is shared with the Audit and Risk committee of the Board highlighting the gap analysis and the remediation being undertaken.

b) Year 3 (2021)

- Documentation of Risk and Control Matrices for all key business processes.
- Assessed both design and operating effectiveness of controls.
- Enhanced processes and updated policies/procedure manuals.
- Performed Gap analysis and submitted to SEC.
- CEO & CFO Certifications submitted to SEC.
- External auditors' assurance report submitted to SEC.

c) Year 4 & 5 (2022-2023)

- Reported status of ICOFR implementation to Board.
- Performed Gap analysis and submitted to SEC.
- CEO & CFO Certifications submitted to SEC.
- External auditors' assurance report submitted to SEC together with the financial statements.

d) Year of adoption (2024)

The company adopted the ICOFR integrated reporting as per guidelines.

e) Year 7 (2025)

The company continued implementing the ICOFR integrated reporting as per guidelines.

200 Management's Report on Internal Control over Financial Reporting.

201 Management Responsibility

The management of Zambia Breweries Group is responsible for establishing and maintaining adequate internal controls over financial reporting. The internal control over financial reporting is a process designed under the supervision of the Managing Director and the Chief Financial Officer to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the company's financial statements for external reporting purposes in accordance with IFRS Accounting Standards. Internal control over financial reporting includes our disclosure controls and procedures designed to prevent misstatements in the financial statements.

202 Risks in Financial Reporting

The main risks in financial reporting are that it is possible that either financial statements do not present a true and fair view due to inadvertent or intentional errors (fraud), or that the publication of financial statements is not done on a timely basis. These risks may reduce user confidence or cause reputational damage and may have legal consequences. A lack of fair presentation arises when one or more financial statements or disclosures contain misstatements or omissions that are material. Misstatements or omissions are deemed material if they could, individually or collectively, influence economic decisions that users make based on the financial statements.

203 Internal Controls Evaluation Framework

To confine the risks of financial reporting, management of the company has established internal controls over financial reporting with the aim of providing reasonable, but not absolute, assurance against material misstatements or omissions and has conducted an assessment of the effectiveness of the company's internal controls over financial reporting based on the framework established in Internal Control Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). COSO recommends the establishment of specific objectives to facilitate the design, and evaluate the adequacy, of a control system. As a result, in establishing internal controls over financial reporting, management has adopted the following financial statement objectives:

- Existence - assets and liabilities exist and transactions have occurred;
- Completeness - all transactions are recorded, and account balances are included in the financial statements;
- Valuation - assets, liabilities and transactions are recorded in the financial reports at the appropriate amounts;
- Rights and Obligations of ownership - rights and obligations are appropriately recorded as assets;
- Presentation and Disclosures - classification, disclosure and presentation of financial reporting is appropriate; and
- Safeguarding assets - unauthorized acquisition, use or disposition of assets is prevented or detected in a timely manner.

However, any internal control system, including internal controls over financial reporting, no matter how well conceived and operated, can provide only reasonable, but not absolute, assurance that the objectives of that control system are met. As such, disclosure controls and procedures or systems for internal control over financial reporting may not prevent all errors and fraud. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs.

204 Organization of the System of Internal Controls over Financial Reporting

Controls within the system of internal controls over financial reporting are performed by all business functions with an involvement in reviewing the reliability of the books and records that underlie the financial statements. As a result, the operation of internal controls over financial reporting involves staff in the following departments Finance, Supply, Procurement, Logistics and Sales.

Finance is responsible for the periodic preparation of financial statements and operates independently from the company's production operations. Within Finance, different functions have control responsibilities which contribute to the overall preparation process:

- The Finance team is responsible for reviewing the quality of financial data by performing validation and control.
- The Finance team is also responsible for company-wide activities which include the preparation of the company financial and management information, forecasting and planning and risk reporting. The Accounting team sets the reporting timetables, and compiles the financial statements, and considers and incorporates comments as to content and presentation made by internal and external advisors.
- The Finance team is also responsible for developing the company's interpretation of International Financial Reporting Standards and their consistent application within the company and is responsible for the timely resolution of corporate and transaction specific accounting issues.
- The Finance team is responsible for producing income tax related financial data in conjunction with external consultants covering the assessment and planning of current and deferred income taxes and the collection of tax related information. The Tax Manager, monitors the income tax position and controls the provisioning for tax risks.

205 Controls to Minimize the Risk of Financial Reporting Misstatement

The system of internal control over financial reporting consists of many internal controls and procedures aimed at minimizing the risk of misstatement of the financial statements. Such controls are integrated into the operating process and include those which:

- are ongoing or permanent in nature such as supervision within written policies and procedures or segregation of duties.
- operate on a periodic basis such as those which are performed as part of the annual financial statement preparation process.
- are preventative or detective in nature.
- have a direct or indirect impact on the financial statements themselves. Controls which have an indirect effect on the financial statements include Information Technology General Controls such as system access controls. An example of a direct control would be a reconciliation of a statement of financial position line.
- feature automated or manual components. Automated controls are control functions embedded within system processes such as application enforced segregation of duty controls and interface checks over the completeness and accuracy of inputs. Manual internal controls are those operated by an individual or group of individuals such as authorization of transactions.

The combination of individual controls encompasses each of the following aspects of the system of internal control over financial reporting:

- accounting policy design and implementation. Controls to promote the consistent recording and reporting of the company's business activities in accordance with authorized accounting policies.
- reference data. Controls over reference data in relation to the general ledger and on- and off-balance sheet transactions including product reference data.
- new business and transaction approval, capture and confirmation. Controls are intended to ensure the completeness and accuracy of recorded transactions as well as appropriate authorization. Such controls include transaction confirmations which are sent to and received from counterparties to help ensure that trade details are corroborated.
- reconciliation controls, both external and internal. Inter-system reconciliations are performed between relevant systems for all trades, transactions, positions or relevant parameters. Reconciliations include bank accounts, accounts receivables, accounts payable and other statement of financial position accounts.
- taxation. Controls are designed to ensure that tax calculations are performed properly and that tax balances are appropriately recorded in the financial statements;
- statement of financial position substantiation. Controls relating to the substantiation of statement of financial position accounts to promote the integrity of general ledger account balances based on supporting evidence; and
- financial statement disclosure and presentation. Controls over compilation of the financial statements themselves including preparation of disclosure checklists and compliance with the requirements thereof, and review and sign-off of the financial statements by senior Finance management. The financial statements are also subject to approval by Management, and the Board and its Audit Committee.

206 Measuring Effectiveness Of Internal Control

Each year, the management of the company undertakes a formal evaluation of the adequacy and effectiveness of the system of internal control over financial reporting. This evaluation incorporates an assessment of the effectiveness of the control environment as well as individual controls which make up the system of internal control over financial reporting taking into account-

- The financial misstatement risk of the financial statement line items, considering such factors as materiality and the susceptibility of the financial statement item to misstatement; and
- The susceptibility of identified controls to failure considering such factors as the degree of automation, complexity, and risk of management override, competence of personnel and the level of judgement required.

These factors, in aggregate, determine the nature and extent of evidence that management requires to be able to assess whether the operation of the system of internal control over financial reporting is effective. The evidence itself is generated from procedures integrated within the daily responsibilities of staff or from procedures implemented specifically for purposes of the internal control over financial reporting evaluation.

Information from other sources also forms an important component of the evaluation since such evidence may either bring additional control issues to the attention of management or may corroborate findings. Such information sources include-

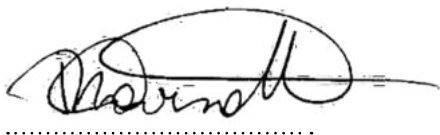
- Reports on audits carried out by or on behalf of regulatory authority's External auditor reports; and
- Reports commissioned to evaluate the effectiveness of outsourced processes to third parties.

In addition, the company evaluates the design and operating effectiveness of internal control over financial reporting by testing the design and effectiveness of the internal controls identified within the control framework summarizing the results from this assessment which are distributed to the responsible managers for the activities concerned. These results also provide evidence to support the annual evaluation by management of the overall operating effectiveness of the internal control over financial reporting.

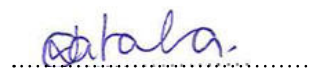
As a result of the evaluation, management has concluded that internal control over financial reporting is appropriately designed and operating effectively as at 31 December 2025.

The external auditor that audited the financial statements has issued an external auditor's report on our assessment of the company's internal controls over financial reporting and it is filed together with the annual report.

Signed by Management in Lusaka on: 11 March 2026



.....
Name
Chief Executive officer Director



.....
Name
Chief Financial officer

ANNUAL CERTIFICATION BY CHIEF EXECUTIVE OFFICER, ON THE ANNUAL REPORT AND OTHER SUBMISSIONS REQUIRED UNDER THE SECURITIES (INTERNAL CONTROLS OVER FINANCIAL REPORTING) GUIDELINES

I, **Thais Cavinatto**, certify that—

1) I have reviewed the Annual Report as defined in Section 14 of the Securities (Internal Controls Over Financial Reporting) Guidelines of Zambian Breweries GROUP as of 31 December 2025.

2) Based on my knowledge, the annual report does not contain any untrue statement of a material fact. Nor does it omit to state a material fact which would make the statement misleading in light of the circumstance under which it was made.

3) Based on my knowledge, the financial statements and other financial information included in this annual report, fairly presents, in all material respects, the financial condition and results of operations of the company as of, and for, the periods presented in this annual report;

4) The other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting as required by the Securities (Internal Controls Over Financial Reporting) Guidelines, the Company Act 2017 (amended) and we have:

(a) Designed or caused to be designed under our supervision such disclosure controls and procedures to ensure that material information relating to the company and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which the annual report is being prepared;

(b) Designed or caused to be designed under our supervision such disclosure controls and procedures to ensure that information required to be disclosed under the Securities Exchange Act of 2016 (as amended) is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, including without limitation that information required to be disclosed in the SEC filings is accumulated and communicated to management, including the Chief Executive Officer (CEO), and Chief Financial Officer (CFO), as appropriate, to allow for timely decisions regarding required disclosure.

(c) Designed or caused to be designed under our supervision such internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

(d) Evaluated the effectiveness of the company's disclosure controls and procedures and internal control over financial reporting within the ninety (90) days prior to this annual report (the "13th January 2026");

(e) Disclosed in this report any change in the Company's internal control over financial reporting and disclosure controls and procedures that occurred during the Company's most recent fiscal quarter (the Company's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting

(f) Presented in this annual report, our conclusions about the effectiveness of the disclosure controls and procedures and internal control over financial reporting based on our evaluation as of the 13th January 2026.

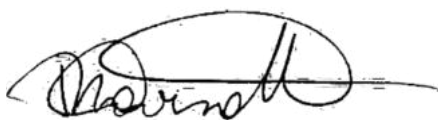
5) The company's other certifying officers and I have disclosed, based on our most recent evaluation, to the company's auditors and the audit committee of the company's board of directors (or persons performing similar functions)—

(a) all significant deficiencies in the design or operation of disclosure controls and procedures and internal control over financial reporting which would adversely affect the company's ability to record, process, summarize and report financial data and have identified for the company's auditors any material weaknesses in internal controls; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal controls; and

6) The company's other certifying officer (s) and I have evaluated the effectiveness of the company's disclosure controls and procedures, and Internal Controls Over Financial Reporting as required under Securities (Internal Controls Over Financial Reporting) Guidelines. Based on this evaluation we have concluded that as of 31 December 2025 the company's disclosure controls and procedures and Internal Controls of Financial Reporting are effective.

Date: 11 March 2026



.....
[Signature]
Chief Executive Officer,

ANNUAL CERTIFICATION BY CHIEF FINANCIAL OFFICER ON THE ANNUAL REPORT AND OTHER SUBMISSIONS REQUIRED UNDER THE SECURITIES (INTERNAL CONTROLS OVER FINANCIAL REPORTING) GUIDELINES

I, **Choolwe Natala Lungu**, certify that—

1) I have reviewed the Annual Report as defined in Section 14 of the Securities (Internal Controls Over Financial Reporting) Guidelines of Zambian Breweries GROUP as of 31 December 2025.

2) Based on my knowledge, the annual report does not contain any untrue statement of a material fact. Nor does it omit to state a material fact which would make the statement misleading in light of the circumstance under which it was made.

3) Based on my knowledge, the financial statements and other financial information included in this annual report, fairly presents, in all material respects, the financial condition and results of operations of the company as of, and for, the periods presented in this annual report;

4) The other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting as by the Securities (Internal Controls Over Financial Reporting) Guidelines the Company and we have:

(a) Designed or caused to be designed under our supervision such disclosure controls and procedures to ensure that material information relating to the company and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which the annual report is being prepared;

(b) Designed or caused to be designed under our supervision such disclosure controls and procedures to ensure that information required to be disclosed under the Securities Exchange Act of 2016 (as amended) is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, including without limitation that information required to be disclosed in the SEC filings is accumulated and communicated to management, including the Chief Executive Officer (CEO), as appropriate, to allow for timely decisions regarding required disclosure.

(c) Designed or caused to be designed under our supervision such internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

(d) Evaluated the effectiveness of the company's disclosure controls and procedures and internal control over financial reporting within the ninety (90) days prior to this annual report (the "13th January 2026");

(e) Disclosed in this report any change in the Company's internal control over financial reporting and disclosure controls and procedures that occurred during the Company's most recent fiscal quarter (the Company's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

(f) Presented in this annual report, our conclusions about the effectiveness of the disclosure controls and procedures and internal control over financial reporting based on our evaluation as of the 13th January 2026.

5) The company's other certifying officers and I have disclosed, based on our most recent evaluation, to the company's auditors and the audit committee of the company's board of directors (or persons performing similar functions);

(a) All significant deficiencies in the design or operation of disclosure controls and procedures and internal control over financial reporting which would adversely affect the company's ability to record, process, summarize and report financial data and have identified for the company's auditors any material weaknesses in internal controls; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal controls; and

6) The company's other certifying officer (s) and I have evaluated the effectiveness of the company's disclosure controls and procedures, and Internal Controls Over Financial Reporting as required under Securities (Internal Controls Over Financial Reporting) Guidelines. Based on this evaluation we have concluded that as of 31 December 2025 the company's disclosure controls and procedures and Internal Controls of Financial Reporting are effective.

Date: 11 March 2026



[Signature]
Chief Financial Officer,

ANNUAL CERTIFICATION BY MANAGEMENT TO ZAMBIA BREWERIES PLC THE AUDIT COMMITTEE OF THE BOARD – 31 DECEMBER 2025

The Chairperson
Audit Committee
Zambian Breweries PLC

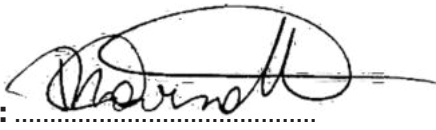
RE: Disclosure to the Board Audit Committee

We hereby disclose, based on our most recent evaluation of the company's disclosures and procedures and internal control over financial reporting to the company's audit committee of the company's Board of Directors that—

(i) there were no significant deficiencies in the design or operation of company's disclosure and procedures and internal control over financial reporting which would adversely affect the company's ability to record, process, summarize and report financial information and thereby identify any material weakness in disclosure controls and procedures and internal controls over financial reporting; and

(ii) there was no fraud, whether or not material, that involved management or other employees who have a significant role in the company's disclosure controls and procedures and internal control over financial reporting.

Further, we have not become aware of any significant changes in disclosure controls and procedures and internal controls over financial reporting or other factors that could significantly affect disclosure controls and procedures and internal controls over financial reporting subsequent to the date of our evaluation.

Signature : 



Name : Thais Cavinatto

Choolwe N. Lungu

Position: Chief Executive Officer

Chief Financial Officer

ANNUAL CERTIFICATION BY MANAGEMENT TO THE EXTERNAL AUDITORS

Grant Thornton
2nd floor Metropolitan House
Off Kelvin Siwale road. Arcades area,
P.O Box. 30885
Lusaka


RE: Disclosure to the External Auditors – Grant Thornton

We hereby disclose, based on our most recent evaluation of the company's disclosures and procedures and internal control over financial reporting to the company's audit committee of the company's Board of Directors that—

(i) there were no significant deficiencies in the design or operation of company's disclosure and procedures and internal control over financial reporting which would adversely affect the company's ability to record, process, summarize and report financial information and thereby identify any material weakness in disclosure controls and procedures and internal controls over financial reporting; and

(ii) there was no fraud, whether or not material, that involved management or other employees who have a significant role in the company's disclosure controls and procedures and internal control over financial reporting.

Further, we have not become aware of any significant changes in disclosure controls and procedures and internal controls over financial reporting or other factors that could significantly affect disclosure controls and procedures and internal controls over subsequent to the date of our evaluation.

Signature: 



Name: Thais Cavinatto

Choolwe N. Lungu

Position: Chief Executive Officer

Chief Financial Officer

TO THE SHAREHOLDERS OF ZAMBIAN BREWERIES PLC

INDEPENDENT REASONABLE ASSURANCE REPORT ON INTERNAL CONTROLS OVER FINANCIAL REPORTING

We have undertaken a reasonable assurance engagement of Zambia Breweries Plc's internal controls over financial reporting as at 31 December 2025, based on the criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organisations of the Treadway Commission (COSO).

Opinion on Internal Controls Over Financial Reporting

In our opinion, Zambia Breweries Plc maintained, in all material respects, effective internal controls over financial reporting as at 31 December 2025, based on the criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organisations of the Treadway Commission (COSO).

We also have audited, in accordance with International Standards on Auditing (ISAs), the financial statements of Zambia Breweries Plc (the "Company ") which comprise of the statement of financial position as at 31 December 2025, and the statements of profit and loss, other comprehensive income, changes in equity, cashflows for the year then ended; and notes to the annual financial statements, comprising material accounting policies and explanatory information and our report dated 11 March 2026, expressing an unqualified opinion.

Summary of work performed

The procedures we performed were based on our professional judgement and included inquiries, inspection of documents and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, our work performed included:

- Making inquiries primarily of persons responsible for financial and accounting matters, and regulatory reporting;
- Testing the design and operating effectiveness of key controls over financial reporting. These internal controls over financial reporting include those policies and procedures that:

a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

Partners

Edgar Hamuwele (Managing)
Christopher Mulenga
Wesley Beene
Rodia Milumbe Musonda
Chilala Banda

Audit. Tax . Advisory

Chartered Accountants

Zambian Member of Grant Thornton International

Tpin No: 1001696100. Registered in Lusaka. Company number 1626

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Independent Reasonable Assurance Report On Internal Controls Over Financial Reporting (Continued)

Summary of work performed (continued)

b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

- Evaluating the sufficiency and appropriateness of evidence in order to make our reasonable assurance conclusion.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities

Management is responsible for designing, implementing and maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Internal Controls over Financial Reporting report in accordance with Section 146 of the Securities Act, 2016.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, which requires the firm to design, implement and operate a system of quality management, including policies or procedures and accordingly, maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's Responsibilities for the Audit of Internal Control Over Financial

Our responsibility is to express an opinion, based on the evidence we have obtained, as to whether the company maintained, in all material respects, effective internal controls over financial reporting as at 31 December 2025, based on the criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organisations of the Treadway Commission (COSO). We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000, (Revised) - Assurance Engagements Other Than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board.

A reasonable assurance report in accordance with ISAE 3000 involves performing procedures to obtain evidence about the description and suitability of the design and operating effectiveness of the controls. The procedures selected depend on the practitioner's judgement including the assessment of the risks that the description is not fairly presented, and that the controls are not suitably designed. An assurance engagement of this type also includes evaluating the overall presentation of the description, the suitability of the control objectives stated therein, and the suitability of the criteria specified by Management.

Inherent limitations

Because of their nature, controls put in place by management may not prevent or detect and correct all errors or omissions in financial reporting. Also, the projection to future periods of any evaluation of the effectiveness of the design or operating effectiveness of the controls to achieve the related control objectives is subject to the risk that such controls may become inadequate or fail.



Chartered Accountants



Christopher Mulenga (AUD /F000178)

Name of Partner signing on behalf of the firm

Lusaka

Date: 11 March 2026

Report of the Directors

The Directors submit their report together with the audited financial statements for the year ended 31 December 2025, which disclose the state of affairs and performance of Zambian Breweries Plc (the "Company") and its subsidiary, Zambian Breweries Distribution Company (together "the Group").

1. Principal Activities

The principal activities of the Group are the manufacture and distribution of alcoholic beverages.

2. Share Capital and Beneficial Ownership Information

The authorised share capital of the Group remained unchanged at 600 million ordinary shares of K0.01 each. The issued and fully paid-up share capital remained at 546 million ordinary shares of K0.01 each.

The Company shareholding and beneficial ownership is represented as follows:

Name Of Shareholder	Percentage Of Shareholding	Beneficial Owners
AB InBev Africa BV	87.13%	AB InBev Africa BV
Public Free Float (Lusaka Stock Exchange)	12.87%	Public Free Float
	100%	

There were no changes in beneficial ownership during the year (2024: None).

3. Significant Events During the Year

There were no significant events during the year impacting on the operations of the Group.

4. Results and Dividend

The profit for the year of K294 million (2024: K673 million loss) has been added to retained earnings. The Directors have not declared a dividend, nor have any dividends been paid during the year (2024: Nil).

5. Directors and Remuneration

The Directors who held office during the period and to the date of this report were:

Name	Position	Appointed(Resigned)
Monica Katebe Musonda	Chairperson	Full year
Jito Kayumba	Non-Executive	Full year
Elisha Dhenanath	Non-Executive	Resigned 31 March 2025
Thais Cavinatto	Executive	Full year
Zhenyu Jin	Non-Executive	Appointed 9 December 2025
Choolwe Natala Lungu	Executive	Full year

During the year, the total Directors' remuneration was K10.9 million (2024: K10 million), comprised of K10.3 million (2024: K8.8 million) for services rendered by executive directors, and K0.6 million for services rendered by non-executive directors.

6. Interests Register Information

During the year, the Group officers (directors, company secretary or executive officers of the Group) did not declare any interest in the Group transactions and business.

The interests' register, as required by the Companies Act, 2017 of Zambia, which should contain particulars of the interests declared, is available for inspection at the Group's registered office.

7. Average Number of Employees and Remuneration

The total remuneration for employees during the year amounted to K209 million [2024: K169 million] and the average number of employees was as follows:

Month	Number of employees
January	718
February	714
March	711
April	730
May	721
June	718

Month	Number of employees
July	725
August	722
September	740
October	732
November	758
December	749

The Group has policies and procedures to safeguard the occupational health, safety, and welfare of its employees.

8. Gifts and Donations

During the year the Group made donations of K20,000 [2024: K21,800] to various charitable and sporting events.

9. Research and Development

During the year the Group incurred costs of K574,280 on research and development [2024: K85,915].

10. Exports

During the year, the Group did not export any goods or services [2024: Nil].

11. Plant and Equipment

During the year, the Group purchased property, plant and equipment amounting to K907 million [2024: K784 million]. In the opinion of the Directors, the carrying value of property, plant and equipment is not more than their recoverable value.

12. Climate change risk

The Group recognises Climate Risk as an Integrated Risk Type. Climate Risk is defined as the potential for financial loss and non-financial detriments arising from climate change and society's response to it. The Group aims to measure and manage financial and non-financial risks from climate change, and reduce emissions related to its own activities in alignment with the Paris Agreement. Climate change impacts almost all sectors within the economy. However, the Group notes that there are certain sectors that are more vulnerable to climate risks under different Transition Risk and Physical Risk scenarios. The Group plans to move quickly in developing identified methodologies and engage with its various stakeholders and integrate Climate Risk into its mainstream risk management activities and assessments. The Group will seek to adapt its approach as the impact from Climate Risk becomes clearer and the tools and methodologies to gather reliable data mature.

13. Company Auditor and remuneration

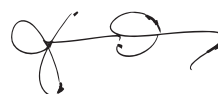
The Auditor's remuneration for the year was K 5.6 million [2024: K4.5 million].

The mandate of the Group's auditors, Grant Thornton expires at the forth coming Annual General Meeting. As they have indicated their willingness to continue in office, a proposal for their reappointment will be submitted for approval to the Annual General Meeting.

Signed on behalf of the Board of Directors,



Thais Cavinatto
Director



Monica Katebe Musonda
Chairperson of the Board

Date: 11 March 2026

Statement Of Directors' Responsibilities

The Companies Act, 2017 of Zambia requires the Directors to prepare annual financial statements for each financial year that give a true and fair view of the state of affairs of the Group as at the end of the financial year and of its financial performance. It also requires the Directors to ensure that the Group keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Group. They are also responsible for safeguarding the assets of the Group. The Directors are further required to ensure the Group adheres to the corporate governance principles or practices contained in Sections 82 to 122 of Part VII of the Companies Act, 2017 of Zambia. In preparing such financials, the directors are responsible for:

- designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement;
- selecting appropriate accounting policies and applying them consistently;
- making judgements and accounting estimates that are reasonable in the circumstances; and
- preparing the annual financial statements in accordance with the IFRS Accounting Standards and on the going concern basis, unless it is inappropriate to presume that the Group will continue in business.

The Directors are of the opinion that the annual financial statements set out on pages 51 to 92 give a true and fair view of the state of the financial affairs of the Group and of its financial performance in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of the Companies Act, 2017 of Zambia and the Securities Act of Zambia. The Directors further report that they have implemented and further adhered to the corporate governance principles or practices contained in Sections 82 to 122 of Part VII of the Companies Act, 2017 of Zambia.

The Board of Directors confirm that in their opinion:

(a) the statement of profit or loss and other comprehensive income is drawn up so as to give a true and fair view of the Group's financial performance for the year ended 31 December 2025.

(b) the statement of financial position is drawn up so as to give a true and fair view of the state of affairs of the Group as at 31 December 2025.

(c) there are reasonable grounds to believe that the Group will be able to pay its liabilities as and when they fall due; and

(d) the financial statements have been prepared in accordance with IFRS Accounting Standards and in the manner required by the Companies Act, 2017 and the Securities Act of Zambia.

This statement is made in accordance with a resolution of the Directors.

Signed at Lusaka on : 11 March 2026



Thais Cavinatto
Director



Monica Katebe Musonda
Chairperson of the Board



INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ZAMBIAN BREWERIES PLC

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated financial statements of Zambian Breweries PLC (the 'Company') and its subsidiary (the 'Group') for the year ended 31 December 2025, which comprise the consolidated and separate Statement of Comprehensive Income, the consolidated and separate Statements of Changes in Equity, the consolidated and separate Statements of Financial Position and the consolidated and separate Statements of Cash Flows and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent company's affairs as at 31 December 2025 and of the Group's profit/loss and the parent company's profit/loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRS Accounting Standards, in conformity with the requirements of the Companies Act and the Securities Act of Zambia;
- the parent company financial statements have been properly prepared in accordance with IFRS Accounting Standards, in conformity with the requirements of the Companies Act and the Securities Act of Zambia and as applied in accordance with the provisions of the Companies Act 2017; and the financial statements have been prepared in accordance with the requirements of the Companies Act 2017.

Basis for Opinion

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 Financial Statements section of our report. We are independent of the Group and Parent Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) together with ethical requirements that are relevant to our audit of the financial statements in Zambia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ZAMBIAN BREWERIES PLC (Continued)

Material uncertainty related to going concern

We draw attention to note 2(b) in the financial statements which indicates that at the reporting date the current liabilities exceeded current assets by K4,737 million (2024: K4,840 million). These conditions indicate the existence of a material uncertainty which may cast doubt about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Group and Company annual financial statements of the current period. These matters were addressed in the context of our audit of the Group and Company annual financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the Key audit matter
<p>Classification, measurement and impairment of financial assets</p> <p>The Group classified, measured and assessed impairment of the Group's assets in accordance with IFRS 9 "financial instruments".</p> <p>The Directors are required to review the classifications of assets and align the classifications to the requirements of the reporting standards. The Directors also reviewed the fair valuations and impairment models.</p> <p>Due to the complex and subjective judgements required in estimating the timing and valuation of impairment and in estimating the fair value of assets, this was considered a key audit matter.</p>	<p>We reviewed the classification of the financial assets to ensure compliance with the financial reporting standards.</p> <p>We reviewed the valuation and verified the calculation of the fair values. We also verified the inputs used in the valuations.</p> <p>In considering the reasonableness of the impairment provision, we reviewed the assumptions used in impairment calculations.</p>

Other information

The Directors are responsible for the other information. The other information comprises the Group's Annual Report but does not include the Group and Company annual financial statements and our auditor's report thereon.

Our opinion on the Group and Company annual financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Group and Company annual financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Group and Company annual 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. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ZAMBIAN BREWERIES PLC (Continued)

Responsibilities of the Directors for the Group annual financial statements

The Directors are responsible for the preparation of the Group and Company annual financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the IASB and the requirements of the Companies Act, 2017 of Zambia and the Securities Act of Zambia, and for such internal control as the Directors determine is necessary to enable the preparation of Group annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Group and Company annual financial statements, the Directors are responsible for assessing the Group'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 or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the Group and Company annual financial statements

Our objectives are to obtain reasonable assurance about whether the Group and Company annual 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 Group and Company annual financial statements.

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

- Identify and assess the risks of material misstatement of the Group and Company annual 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- 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 Group and Company annual financial statements or, if such disclosures are inadequate, to modify 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.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ZAMBIAN BREWERIES PLC (Continued)

Auditor's responsibilities for the audit of the Group and Company annual financial statements (continued)

- Evaluate the overall presentation, structure and content of the Group and Company annual financial statements, including the disclosures, and whether the Group and Company annual 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 Group 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 Board of 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 Board of Directors, we determine those matters that were of most significance in the audit of the Group and Company annual 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.

Report on other legal and regulatory requirements

The Companies Act, 2017 of Zambia

The Companies Act, 2017 of Zambia requires that in carrying out our audit of Zambia Breweries PLC, we report on whether:

- i. As required by Section 259 [3](a), there is a relationship, interest or debt which, ourselves, as the Group and Company Auditor, have in the Group and Company;
- ii. As required by Section 259 [3](b), there are serious breaches by the Group's and Company's Directors, of corporate governance principles or practices contained in Sections 82 to 122 of Part VII of the Companies Act, 2017 of Zambia; and
- iii. In accordance with Section 250 [2], as regards loans made to a Group or Company Officer (a Director, Group or Company secretary or executive officer of the Group or Company), the Group or Company does not state the:
 - particulars of any relevant loan made during the financial year to which the accounts apply, including any loan which was repaid during that year; or
 - amount of any relevant loan, whenever made, which remained outstanding at the end of the financial year.

In respect of the foregoing requirements, we have no matters to report.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ZAMBIAN BREWERIES PLC (Continued)

Report on other legal and regulatory requirements (continued)

The Securities Act, 2016 of Zambia

Part III, Rule 18 of the Securities (accounting and financial reporting requirements) Rules of the Securities Act, 2016 of Zambia, require that in carrying out our audit of the Zambian Breweries PLC and its subsidiary (the Group and Company) we report on whether:

i) The Group annual financial statements have been properly prepared in accordance with Securities and Exchange Commission rules;

ii) The Group has, throughout the financial year, kept proper accounting records in accordance with the requirements of Securities and Exchange Commission rules;

iii) The Group statement of financial position and Group statement of profit or loss and other comprehensive income, together with the Company statement of financial position and Company statement of profit or loss and other comprehensive income are in agreement with the Group's accounting records; and

iv) We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In respect of the foregoing requirements, we have no matters to report.



Grant Thornton
Chartered Accountants



Christopher Mulenga (AUD/F000178)
Name of Partner signing on behalf of the Firm

Lusaka

Date: 11 March 2026

Zambian Breweries Plc And Its Subsidiary
Consolidated And Company Statement Of Profit Or Loss And Other Comprehensive Income For The Year Ended 31 December 2025

	Notes	Group		Company	
		2025 K'000	2024 K'000	2025 K'000	2024 K'000
Revenue from contracts with customers	6	6,113,649	5,341,595	5,024,368	4,579,816
Cost of goods sold	8	(4,201,906)	(4,103,825)	(4,159,950)	(4,101,444)
Gross profit		1,911,743	1,237,770	864,418	478,372
Other income	7	93,674	17,416	156,408	60,314
Other expenses	7	(481)	(674,442)	(190,250)	(936,226)
Administrative expenses	8	(696,082)	(675,095)	(437,936)	(342,283)
Distribution costs	8	(309,574)	(279,516)	(122,083)	(96,951)
Net impairment reversal/(losses) on financial assets	4 (b)	1,047	(2,287)	-	340
Operating profit/(loss)		1,000,327	(376,154)	270,557	(836,434)
Finance income	9	92	308	58	308
Finance costs	9	(426,334)	(415,140)	(426,334)	(415,140)
Profit/(loss) before income tax		574,085	(790,986)	(155,719)	(1,251,266)
Income tax credit / [expense]	11	(279,316)	118,310	(46,711)	251,887
Profit/(loss) for the year		294,769	(672,676)	(202,430)	(999,379)
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		294,769	(672,676)	(202,430)	(999,379)
Basic and diluted earnings per share	21	0.54	(1.23)	-	-

Zambian Breweries Plc And Its Subsidiary
Consolidated And Company Statement Of Financial Position As At 31 December 2025

	Notes	Group		Company	
		2025 K'000	2024 K'000	2025 K'000	2024 K'000
Assets					
Non-current assets					
Property, plant and equipment	12	4,971,870	4,747,262	4,965,503	4,733,794
Investment in subsidiary	13	-	-	22,576	22,576
Deferred tax asset	22	67,718	103,354	68,113	103,574
Intangible asset	14	18,357	18,902	18,357	18,902
		5,057,945	4,869,518	5,074,549	4,878,846
Current assets					
Inventories	15	932,464	949,307	932,464	917,913
Other current assets	16	10,724	90,906	1,466	33,317
Trade and other receivables	17	389,524	466,830	72,503	201,981
Current income tax receivable	11	53,996	41,583	96,086	100,187
Cash at bank and in hand	18	83,999	394,065	15,855	348,683
		1,470,707	1,942,691	1,118,374	1,602,081
Total Assets		6,528,652	6,812,209	6,192,923	6,480,927
Equity and liabilities					
Equity attributable to owners					
Share capital	19	5,460	5,460	5,460	5,460
Share premium	19	450,207	450,207	450,207	450,207
Retained earnings		[130,923]	[425,692]	[1,154,128]	[951,698]
Total equity		324,744	29,975	[698,461]	[496,031]
Liabilities					
Current liabilities					
Trade and other payables	24	3,713,884	4,828,066	4,401,360	5,022,790
Borrowings	23	2,490,024	1,954,168	2,490,024	1,954,168
		6,203,908	6,782,234	6,891,384	6,976,958
Total Equity and liabilities		6,528,652	6,812,209	6,192,923	6,480,927

The financial statements on pages 51 to 92 were approved by the Board of Directors on and were signed on its behalf by:


Thais Cavinatto
 Director of the Board


Monica Katebe Musonda
 Chairperson of the Board

Consolidated And Company Statement Of Changes In Equity For The Year Ended 31 December 2025

	Share capital K'000	Share premium K'000	Retained earnings K'000	Total K'000
Group				
Year ended 31 December 2024				
At the start of the year	5,460	450,207	246,984	702,651
Loss for year	-	-	(672,676)	(672,676)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	(672,676)	(672,676)
At the end of the year	5,460	450,207	(425,692)	29,975
Year ended 31 December 2025				
At start of year	5,460	450,207	(425,692)	29,975
Profit for year	-	-	294,769	294,769
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	294,769	294,769
At the end of the year	5,460	450,207	(130,923)	324,744
Company				
Year ended 31 December 2024				
At the start of the year	5,460	450,207	47,681	503,348
Loss for year	-	-	(999,379)	(999,379)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	(999,379)	(999,379)
At the end of the year	5,460	450,207	(951,698)	(496,031)
Year ended 31 December 2025				
At the start of the year	5,460	450,207	(951,698)	(496,031)
Loss for year	-	-	(202,430)	(202,430)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	(202,430)	(202,430)
At the end of the year	5,460	450,207	(1,154,128)	(698,461)

Zambian Breweries Plc And Its Subsidiary
Consolidated And Company Statement Of Cash Flows For The Year Ended 31 December 2025

	Notes	Group		Company	
		2025 K'000	2024 K'000	2025 K'000	2024 K'000
Cashflows from operating activities					
Cash generated from operations	25	744,888	1,495,509	473,216	1,409,689
Interest income	9	92	308	58	308
Interest paid on bank loans and overdrafts	9	(426,334)	(415,140)	(426,334)	(415,140)
Income tax paid	11	(256,093)	(123,647)	(7,149)	(14,849)
Net cash inflow from operating activities		62,553	957,030	39,791	980,008
Cashflows from investing activities					
Purchase of property, plant and equipment	12	(908,475)	(783,463)	(908,475)	(783,463)
Net cash outflow on investing activities		(908,475)	(783,463)	(908,475)	(783,463)
Cashflows from financing activities					
Proceeds from borrowings		2,400,000	1,952,000	2,400,000	1,952,000
Loan principal repayments		(1,952,000)	(1,892,500)	(1,952,000)	(1,892,500)
Net cash inflow from financing activities		448,000	59,500	448,000	59,500
Net (decrease)/increase in cash and cash equivalents		(397,922)	233,067	(420,684)	256,045
Movement in cash and cash equivalents					
Cash and cash equivalents at the beginning of the financial year		391,897	158,830	346,515	90,470
Net (decrease)/increase		(397,922)	233,067	(420,684)	256,045
Cash and cash equivalents at end of year		(6,025)	391,897	(74,169)	346,515

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

1. General information

Zambian Breweries Plc is incorporated in Zambia under the Zambia Companies Act as a public limited Company, listed on the Lusaka Securities Exchange and is domiciled in Zambia. The Company's registered office is:

Plot Number 6438
Mungwi Road Heavy Industrial Area
Lusaka
Zambia

2. Summary of material accounting policies

The principal accounting policies adopted in the preparation of these annual financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

(a) Basis of preparation

Compliance with IFRS

The annual financial statements are prepared in accordance with IFRS Accounting Standards and interpretations issued by the IFRS interpretations Committee (IFRS IC) applicable to entities reporting under IFRS Accounting Standards. The annual financial statements comply with IFRS Accounting Standards as issued by the International Accounting Standard Board (IASB).

Historical cost convention

The annual financial statements have been prepared on historical cost basis, except where otherwise stated in the accounting policies below. The annual financial statements are presented in Zambia Kwacha (K). Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current period when assessed as immaterial.

In accordance with the Companies Act, 2017 of Zambia, the annual financial statements for the year ended 31 December 2025 have been approved for issue by the Directors.

The preparation of annual financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

Looking ahead, the Group's strategic focus include profitability and cashflow generation to enable the Group to discharge its debt obligations to improve the Group's overall gearing and balance sheet outlook. By reducing the debt burden, the Group aims to strengthen its financial position, by reducing interest payments and foreign exchange exposure and enhance shareholder value.

Consequently, the Directors are confident that the Group will generate sufficient resources from operations to discharge its debt obligations in the normal course of business for at least 12 months from the date of these annual financial statements.

(b) (i) Going concern

The Group made a profit of K294 million for the year ended 31 December 2025 and the Group's current liabilities exceed its current assets by K4.7 billion Compared to K4.8 billion in 2024. The Group has loan facilities amounting to K2.5 billion. Most facilities are placed with local banks to avoid exposure to foreign exchange devaluation risks and are rolling facilities to present the business with flexibility.

Following the strong recovery of profitability in 2025, the Directors are of the view that the Group is well placed to continue in business for the foreseeable future and as a result the statements are prepared on a going concern basis.

The parent Company, AB InBev, has confirmed to the Group Directors that it will continue to provide financial support to the Group for at least the next twelve months from the date of approval and signing of the financial statements for the year ended 31 December 2025.

2. Summary of material accounting policies (Continued)

(b) (i) Going concern (Continued)

If the Group were unable to continue in operational existence for the foreseeable future, adjustments would have to be made to reduce the Statement of Financial Position values of assets to their recoverable amounts, to provide for further liabilities that might arise and reclassify fixed assets as current assets.

(ii) Basis of consolidation

The annual financial statements comprise the financial statements of the Company and its subsidiary as at 31 December 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee). Exposure, or rights, to variable returns from its involvement with the investee. The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses 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. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated annual financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries where applicable. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Zambian Breweries Plc.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable IFRS Accounting Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

2. Summary of material accounting policies (Continued)

(c) New standards adopted as at 1 January 2025

Some accounting pronouncements which have become effective from 1 January 2025 and have therefore been adopted do not have a significant impact on the Group's financial results or position.

(d) Other Standards and amendments that are effective for the first time in 2025 and could be applicable to the Group are:

- Lack of Exchangeability (Amendments to IAS 21).

These amendments do not have a significant impact on these financial statements and therefore the disclosures have not been made.

(e) Standards, amendments and interpretations to existing Standards that are not yet effective and have not been adopted early by the Group

At the date of authorisation of these financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB or IFRIC. None of these Standards or amendments to existing Standards have been adopted early by the Group and no Interpretations have been issued that are applicable and need to be taken into consideration by the Group at either reporting date. Other Standards and amendments that are not yet effective and have not been adopted early by the Company include:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and 7);
- Annual Improvements to IFRS Accounting Standards—Volume 11;
- IFRS 19 'Subsidiaries without Public Accountability: Disclosures';
- Amendments to IFRS 19 'Subsidiaries without Public Accountability: Disclosures'.

These Standards and amendments are not expected to have a significant impact on the financial statements in the period of initial application and therefore no disclosures have been made.

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement.

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 'Presentation of Financial Statements'. Although IFRS 18 includes many of the requirements of IAS 1, it introduces new requirements to better structure financial statements and to provide more detailed and useful information to investors, including:

- two new subtotals defined in the statement of profit or loss, namely (1) operating profit and (2) profit or loss before financing and income taxes;
- the classification of all income and expenses within the statement of profit or loss in one of five categories;
- a new requirement to disclose performance measures defined by management; and
- an improvement in the principles related to the aggregation and disaggregation of information in the financial statements and accompanying notes.

Some of the disclosure requirements previously contained in IAS 1 have been transferred to IAS 8 without any material changes. This applies in particular to disclosures on accounting policies and sources of estimation uncertainty. As a result of these changes, IAS 8 will be renamed 'Basis of Preparation of Financial Statements'.

The publication of IFRS 18 also results in consequential amendments to other IFRS Accounting Standards, including IAS 7.

IFRS 18 is effective for annual periods beginning on or after 1 January 2027, with earlier application permitted. IFRS 18 will be applied retrospectively with specific transitional provisions.

The Group is currently working to identify all of the impacts that IFRS 18 will have on the primary financial statements and notes to the financial statements.

Other new Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Group's financial statements.

(f) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The Board of Zambia Breweries PLC has appointed an Executive Committee which assesses the financial performance and position of the Group and makes strategic decisions. The committee, which has been identified as being the CODM, consists of the Chief Executive Officer and the Chief Financial Officer.

2. Summary of material accounting policies (Continued)

(g) Foreign currency translation

i) Functional and presentation currency

Items included in the annual financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The annual financial statements are presented in Zambia Kwacha, which is the Group's functional currency.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuations where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'finance income or cost'. All other foreign exchange gains and losses are presented in profit or loss within 'other income' or 'other expenses'.

(h) Revenue from contracts with customers

The Group's contracts with customers exist in various forms and typically take the form of signed agreements, approved customer purchase orders, invoices to customers, terms and conditions documents and customary business practices, all of which have commercial substance and impact the Group's future cash flows.

Sale of products

Sales of locally produced and imported beverages are recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed or the Group has objective evidence that all criteria for acceptance have been satisfied.

Revenue is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

No significant element of financing is deemed present as the sales are made with credit terms of between 14 days to 30 days, which is consistent with market practice.

Accordingly, revenue is recognised at point in time upon delivery of products and customer acceptance. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Contract modifications

Any subsequent purchase order/invoice is submitted at a future time and is independent from any previous or future order. Given that the contracts are for a single performance obligation and short-term in nature, contract modifications are generally not applicable to the Group.

Contract assets and liabilities

Contract assets primarily relate to the Group's right to consideration for the products delivered but not billed at the reporting date on the customer contracts. The contract assets are transferred to trade receivables when the rights become unconditional. Contract liabilities primarily relate to consideration received from the customer for which revenue is recognised when the goods and services are provided.

As at the reporting period, the Group had no contract assets and liabilities.

(i) Interest income

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes. Any other interest income is included in other income. Interest income is recognised using the effective interest method.

2. Summary of material accounting policies (Continued)

(j) Property, plant and equipment

All categories of property, plant and equipment are initially recorded at cost. All assets are subsequently shown at cost less accumulated depreciation and accumulated impairment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the profit or loss during the financial period in which they are incurred.

Depreciation is calculated on the straight line basis to write down the cost of each asset to its residual value over its estimated useful life as follows:

Buildings	25 - 40 years
Plant and machinery	15 - 20 years
Containers and crates	3 - 5 years
Motor vehicles	4 - 5 years
Furniture and fittings and computer equipment	5 - 10 years

The assets' residual values and useful lives of the assets are reviewed, and adjusted if appropriate, at the end of each reporting period.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are Grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amounts and are taken into account in determining profit or loss.

(k) Intangible assets

(i) *Goodwill*

Goodwill arose on the acquisition of alcoholic segments and represented the excess of the consideration transferred over the Group's interest in fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree. On hive-up of operations, the Group allocated the goodwill to the operating segment or the CGU at alcoholic segment level.

The unit to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill recognised has an indefinite useful life on which impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

ii) *Computer software*

Computer software licences are carried at cost less accumulated amortisation and the amortisation is calculated using the straight-line method. These costs are amortised over their estimated useful lives of three years. Costs associated with maintaining computer software program are recognised as an expense in profit or loss as incurred.

(l) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are Grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Groups of assets (cash generating units).

2. Summary of material accounting policies (Continued)

(l) Impairment of assets (Continued)

Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

The Group assesses whether climate risks, including physical risks and transition risks could have a significant impact. If so, these risks are included in the cash-flow forecasts in assessing value-in-use amounts.

(m) Inventories

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. The cost of raw materials, and engineering spares is determined using the weighted average cost method less provision for impairment. The cost of work in progress (WIP) and finished goods is determined by standard cost. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(n) Financial instruments

Financial instruments comprise trade and other receivables (excluding prepayments), cash and cash equivalents, lease liabilities, borrowings and trade and other payables.

Financial assets and liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Classification and measurement

Financial assets

It is the Group's policy to initially recognise financial assets at fair value plus transaction costs, except in the cases where financial assets are recorded at fair value through profit or loss which are expensed in profit or loss.

Classification and subsequent measurement is dependent on the Group's business model for managing the asset and the cash flow characteristics of the asset. On this basis, the Group may classify its financial instruments at amortised cost, fair value through profit or loss and at fair value through other comprehensive income.

All the Group's financial assets as at reporting period satisfy the conditions for classification at amortised cost under IFRS 9.

The Group's financial assets include trade receivables, other receivables and cash and cash equivalents.

i) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details about the Group's impairment policies and the calculation of the loss allowance are provided in Note 4(b).

ii) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, security deposits from customers on containers, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

iii) Other receivables

These amounts generally arise from transactions outside the usual operating activities of the Group. Interest may be charged at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained.

2. Summary of material accounting policies (Continued)

(n) Financial instruments (Continued)

Financial assets(Continued)

Financial liabilities

i) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

ii) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

The Group's financial liabilities are classified as amortised cost. Financial liabilities are recognised initially at fair value and inclusive of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, and borrowings.

Impairment of financial assets

Recognition of impairment provisions under IFRS 9 is based on the expected credit loss (ECL) model. The ECL model is applicable to financial assets classified at amortised cost and contract assets under IFRS 15 Revenue from Contracts with Customers.

The measurement of ECL reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date, about past events, current conditions and forecasts of future economic conditions.

The Group applies the simplified approach to determine impairment of receivables. The simplified approach requires expected lifetime losses to be recognised from initial recognition of the receivables. This involves determining the expected loss rates which is then applied to the gross carrying amount of the receivable to arrive at the loss allowance for the period.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the related financial assets and the amount of the loss is recognised in profit or loss.

2. Summary of material accounting policies (Continued)

(n) Financial instruments(Continued)

Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset and the transfer qualifies for derecognition.

Financial liabilities

The Group derecognises a financial liability when it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised immediately in the statement of profit or loss.

Financial liabilities are derecognised when they have been redeemed or otherwise extinguished.

Substantial modification

A substantial modification of the terms of an existing debt instrument or part of it is accounted for as an extinguishment of the original debt instrument and the recognition of a new debt instrument. Gains or losses arising from the modification of the terms of a debt instrument are recognised immediately in profit or loss where the modification does not result in the derecognition of the existing instrument.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

As at the reporting period, there were no assets and liabilities off-set relating to financial instruments.

The legally enforceable right is not contingent on future events and is enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(o) Other current assets

Other current assets include prepayments which are amounts paid in advance during the accounting period for an underlying asset that will be consumed in a future period. When the asset is used or consumed, the prepayments are amortised, and costs are recognised in operating expenses. Prepayments are stated at their nominal values in the financial statements.

(n) Share capital

Ordinary shares are classified as share capital in equity. Any premium received over and above the par value of the shares is classified as share premium in equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as deduction from the proceeds.

(o) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2. Summary of material accounting policies (Continued)

(i) Financial instruments(Continued)

(p) Earnings per share

i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Group, excluding any costs of servicing equity other than ordinary shares by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

q) Employee benefits

i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits and annual leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented within trade and other payables in the statement of financial position.

ii) Retirement benefit obligations

The Group operates defined contribution retirement benefit schemes for its employees. The Group and all its employees also contribute to the National Pension Scheme Fund, which is a defined contribution scheme.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The assets of all schemes are held in separate trustee administered funds, which are funded by contributions from both the Group and employees.

The Group's contributions to the defined contribution schemes are charged to profit or loss in the year in which they fall due.

r) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

i) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Group operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

2. Summary of material accounting policies (Continued)

r) Income tax(Continued)

(ii) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated annual financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates [and laws] that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

As disclosed in Note 22, deferred tax assets and liabilities are offset as there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

3. Critical accounting estimates and judgments

The preparation of annual financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also exercises judgement in applying the Group's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included together with information about the basis of calculation for each affected line item in the annual financial statements.

The estimates and assumptions that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

i) Impairment of Goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with accounting policy stated in note 2(j).

ii) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in Note 4(b).

iii) Estimation of deferred tax asset and current tax expense in relation to an uncertain tax position

The Group has an investment incentive license under the Zambia Development Agency (ZDA), Section 56 of the ZDA Act, No. 11 of 2006. Under the Act, the Group's Brewery plant located in Lusaka is taxed at a lower rate than the enacted tax rate. Management considers it probable that a tax deduction will be available and has calculated the current tax charge on this basis. However, as the tax authority, the Zambia Revenue Authority (ZRA) is yet to confirm its interpretation, management has adopted a prudent approach by recognising a liability for anticipated taxes in deferred tax such that in the event that the tax authority will interpret the tax benefits differently, the tax expense will not be materially impacted. Refer to Note 22 for asset recognised.

4. Financial risk management

This note explains the Group's exposure to financial risks and how these risks could affect the Group's future financial performance.

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's risk management framework and governance structures are intended to provide comprehensive controls and ongoing management of its major risks. The Board of Directors exercises oversight through delegation from the Board to various sub-committees, notably the Audit Committee and the Executive Committee, which are organised in line with risk management policies of AB InBev Africa, the parent Group.

Financial risk management is carried out by the finance department and AB InBev under policies approved by the Board of Directors. An overview of the key aspects of risk management and use of financial instruments is provided below.

a) Market risk

(i) Foreign exchange risk exposure

Foreign exchange risk arises when recognised assets or liabilities are denominated in a currency that is not the entity's functional currency.

The Group is exposed to foreign currency risk arising from various currency exposures, primarily with respect to the United States Dollar (USD), South African Rand (ZAR) and EURO (EUR). To manage foreign exchange risk, the Group holds bank balances in the relevant foreign currencies and continuously monitor markets and purchase any foreign currency required at the spot rate.

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in Zambian Kwacha is detailed in the table below.

Group	Exposure			Total K'000
	ZAR K'000	USD K'000	EUR K'000	
As at 31 December 2025				
Cash and cash equivalents	853	149	2,152	3,154
Trade and other payable	(1,476,232)	(508,383)	(19,559)	(2,004,174)
	(1,475,379)	(508,234)	(17,407)	(2,001,020)
As at 31 December 2024				
Cash and cash equivalents	12,136	1,794	230	14,160
Trade and other payable	(1,838,357)	(1,010,452)	(19,752)	(2,868,561)
	(1,826,221)	(1,008,658)	(19,522)	(2,854,401)

Company	Exposure			Total K'000
	ZAR K'000	USD K'000	EUR K'000	
As at 31 December 2025				
Cash and cash equivalents	104	149	2,152	2,405
Trade and other payable	(1,472,669)	(508,383)	(19,559)	(2,000,611)
	(1,472,565)	(508,234)	(17,407)	1,998,206
As at 31 December 2024				
Cash and cash equivalents	12,136	1,794	230	14,160
Trade and other payable	(1,834,447)	(1,010,452)	(19,752)	(2,864,651)
	(1,822,311)	(1,008,658)	(19,522)	(2,850,491)

Financial Risk Management (continued)

a) Market risk (continued)

i) Foreign exchange risk exposure (continued)

Sensitivity

At 31 December 2025, if the Zambian Kwacha had weakened / strengthened by 1% (2024: 1%) against the South African Rand (ZAR) with all other variables held constant, the effect on post-tax profit for the year and shareholders' equity would have been K15 million (2024: K18million) higher/lower for the Group and K15 million (2024: 18 million) for the Company, mainly as a result of the ZAR denominated trade payables and bank balances.

At 31 December 2025, if the Zambian Kwacha had weakened / strengthened by 1% (2024: 1%) against the United States Dollar (USD) with all other variables held constant, the effect on post-tax profit for the year and shareholders' equity would have been K10 million (2024: K10 million) higher/lower for the Group and K10 million (2024: K10 million) for the Company, mainly as a result of the USD denominated trade payables and bank balances.

At 31 December 2025, if the Zambian Kwacha had weakened / strengthened by 1% (2024: 1%) against the Euro (EUR) with all other variables held constant, the effect on post-tax profit for the year and shareholders' equity would have been K0.2 million (2024: K0.2 million) higher/lower for the Group and K0.2 million (2024:K0.2 million) for the Company mainly as a result of the Euro denominated trade payables and bank balances.

ii) Cash flow and fair value Interest rate risk

The Group's main interest rate risk arises from borrowings with variable rates, which expose the Group to cash flow interest rate risk. As at the end of the reporting period and unchanged from prior, the Group is exposed to interest rate risk. Management is still in the process of assessing measures to manage the risk.

The exposure of the Group's borrowings to interest rate changes at the end of the reporting period are as follows:

Group	2025 K'000	% of total K'000	2024 K'000	% of total loans
Variable rate borrowings	2,400,000	100%	1,952,000	100%
Company				
Variable rate borrowings	2,400,000	100%	1,952,000	100%

The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings. None of the borrowings are referenced to a benchmark interest rate subject to interbank offered rates (IBOR) reform.

As at 31 December 2025, with all other variables held constant, a 1% (2024: 1%) decrease/increase in the base interest rate would have resulted in change in post-tax profit for the year and shareholders' equity by K25 million (2024 : K19.5 million).

b) Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables.

i) Risk management

The Group's risk control unit assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal ratings in accordance with limits set by the board. The compliance with credit limits by wholesale customers is regularly monitored by line management.

Sales to customers are required to be settled in cash mitigating credit risk. There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and / or regions.

Financial Risk Management (continued)

b) Credit risk

ii) Security

For some trade receivables, the Group may obtain security in the form of guarantees, deeds of undertaking or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

iii) Impairment of financial assets

- The Group has three types of financial assets that are subject to the expected credit loss model:
 - Trade receivables
 - Cash and cash equivalents
 - Other financial assets at amortised cost

Trade receivables

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been Grouped based on shared credit risk characteristics and the days past due. The Group's historical credit loss experience does not show significantly different loss patterns for the various customer segments. Therefore, the Grouping of trade receivables is not disaggregated into further risk profiles other than days past due.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 December 2025 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The amount that best represents the Group's maximum exposure to credit risk is the carrying value of its financial assets as presented in the statement of financial position less non financial assets (refer to note 17).

Changes in the aged gross carrying amounts of trade receivables impacting the loss allowance are as disclosed below. There was no collateral held for any of the assets held by the Company. Further, there was no contractual amount outstanding on financial assets that were written off during the reporting period and are still subject to enforcement activity.

4. Financial Risk Management (Continued)
b) Credit risk (continued)
iii) Impairment of financial assets (continued)

The loss allowance as at 31 December 2025 and 31 December 2024 was determined as follows for trade receivables:

Group	Current	31 - 60 days past due	61 - 90 days past due	91 - 120 days past due	Over 120 days past due	Total
31 December 2025	K'000	K'000	K'000	K'000	K'000	K'000
Gross carrying amount	258,887	3,358	2,075	1,507	189	266,016
Expected loss rate	0.00%	0.00%	32.79%	100%	100%	-
Loss allowance	-	-	(680)	(1,507)	(189)	(2,376)
Net carrying amount	258,887	3,358	1,395	-	-	263,640

Group	Current	31 - 60 days past due	61 - 90 days past due	91 - 120 days past due	Over 120 days past due	Total
31 December 2024	K'000	K'000	K'000	K'000	K'000	K'000
Gross carrying amount	213,739	4,489	1,792	45	1,156	221,221
Expected loss rate	0.00%	42.88%	17.25%	71.96%	100%	-
Loss allowance	-	(1,925)	(309)	(33)	(1,156)	(3,423)
Net carrying amount	213,739	2,564	1,483	12	-	217,798

The loss allowances for trade receivables as at 31 December reconcile to the opening loss allowances as follows:

Company	Current	31 - 60 days past due	61 - 90 days past due	91 - 120 days past due	Over 120 days past due	Total
31 December 2025	K'000	K'000	K'000	K'000	K'000	K'000
Gross carrying amount	-	-	-	-	-	-
Expected loss rate	0.0%	0.0%	0.0%	0.0%	0.0%	-
Loss allowance	-	-	-	-	-	-
Net carrying amount	-	-	-	-	-	-

Company	Current	31 - 60 days past due	61 - 90 days past due	91 - 120 days past due	Over 120 days past due	Total
31 December 2024	K'000	K'000	K'000	K'000	K'000	K'000
Gross carrying amount	-	-	-	-	-	-
Expected loss rate	0.0%	0.0%	0.0%	0.0%	0.0%	-
Loss allowance	-	-	-	-	-	-
Net carrying amount	-	-	-	-	-	-

4. Financial Risk Management (Continued)
b) Credit risk (continued)
iii) Impairment of financial assets (continued)

Loss allowances for Trade Receivables:

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
At the start of the year	3,423	1,136	-	340
Impairment (credit)/charge recognised in profit or loss	(1,047)	2,287	-	(340)
At the end of the year	2,376	3,423	-	-

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 90 days past due.

Loss allowances recognised is categorized as follows:

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
Performing debtors	2,187	538	-	340
Non-performing debtors (over 180 days)	189	2,885	-	(340)
	2,376	3,423	-	-

Cash and cash equivalents

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Other financial assets at amortised cost

Other financial assets at amortised cost relate to receivables from related parties, staff debtors, and sundry debtors. All of the Group's other financial assets at amortised cost are considered to have a low risk of default and the counterparties have a strong capacity to meet their contractual cash flow obligations in the near term. The Group has the right to net-off receivables from related parties with amounts due to related parties.

4. Financial Risk Management (Continued)

c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, management maintains flexibility in funding by maintaining availability under committed credit lines and monitors rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

(i) Financing arrangements:

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
Expiring within one year (bank loan & overdrafts)	2,490,024	1,954,168	2,490,024	1,954,168

(ii) Maturities of financial liabilities:

The tables below analyses the Group's financial liabilities into relevant maturity Groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows. Trade and other payables due within 12 months equal their carrying balances as the impact of discounting is not significant.

Group	Less than 1 year K'000
At 31 December 2025	
Trade and other payables (excluding statutory liabilities)	3,470,669
Borrowings	2,490,024
	5,960,693
At 31 December 2024	
Trade and other payables (excluding statutory liabilities)	4,567,649
Borrowings	1,954,168
	6,521,817
Company	Less than 1 year K'000
At 31 December 2025	
Trade and other payables (excluding statutory liabilities)	4,160,225
Borrowings	2,490,024
	6,650,249
At 31 December 2024	
Trade and other payables (excluding statutory liabilities)	4,829,884
Borrowings	1,954,168
	6,784,052

4. Financial Risk Management (Continued)

c) Liquidity risk(Continued)

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio which is calculated as Net debt divided by Total 'equity' (as shown in the statement of financial position).

During 2025, the Group's strategy, which was unchanged from 2023, was to maintain a gearing ratio of less than 50%. The gearing ratio is not part of the contractual debt covenants imposed by the lenders. Therefore, there is no adverse financing implications on the Group in the event that the ratio deteriorates. The gearing ratio at 31 December 2024 was as follows:

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
Net debt (25ii)	2,406,025	1,560,103	2,474,169	1,605,485
Total equity (as presented in the statement of financial position)	324,744	29,975	(698,461)	(496,031)
	741%	5,205%	0%	0%

The Group net debt to equity ratio decreased from 5,205% to 741% as a result of improved profitability as shown in the statement of profit and loss.

d) Fair value measurements

The Company has short term financial instruments. Accordingly, the carrying amount is a reasonable approximation of fair value. As at the end of the reporting period, there were no non-financial instruments measured at fair value (2024: Nil)

4. Financial Risk Management (Continued)

e) Financial instruments by category

Financial assets at amortized cost:	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
Trade and other receivables	389,524	466,830	22,503	201,981
Cash and cash equivalents	83,999	394,065	15,855	348,683
	473,523	860,895	88,358	550,664

Financial liabilities at amortized cost:	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
Borrowings	2,490,024	1,954,168	2,490,024	1,954,168
Trade and other payables (excluding statutory liabilities)	3,470,669	4,567,648	4,160,225	4,829,884
	5,960,693	6,521,816	6,650,249	6,784,052

5. Segment reporting

The Executive Committee (the "Committee") is the Group's chief operating decision-maker. The Board of Directors have determined the operating segments based on the information reviewed by the Executive Committee for the purposes of allocating resources and assessing performance. The Board considers the activities of the Group to substantially fall within the same product range and within the same geographic region (Zambia). The products are distributed to similar classes of customers using similar distribution channels. The Executive Committee assesses the performance of the Company based on EBITDA. The Company does not incur any non-recurring expenditure and therefore does not adjust EBITDA. The segment information provided to the Executive Committee for the reportable segment for the year ended 31 December is as follows:

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
Segment revenue	6,113,649	5,341,595	5,024,368	4,579,816
Fixed and variable expenses	(4,437,572)	(5,187,076)	(4,083,885)	(4,891,677)
EBITDA	1,676,077	154,519	940,483	(311,861)
Interest income	92	308	58	308
Interest expense	(426,334)	(415,140)	(426,334)	(415,140)
Depreciation	(674,537)	(529,460)	(668,713)	(523,360)
Amortization	(1,213)	(1,213)	(1,213)	(1,213)
Income tax (charge)/credit	(279,316)	118,310	(46,711)	251,887
Loss after income tax	294,769	(672,676)	(202,430)	(999,379)
Total assets	6,528,652	6,812,209	6,192,923	6,480,927
Total liabilities	6,203,908	6,782,234	6,891,384	6,976,958

6. Revenue from contracts with customers

The Company derives revenue from the transfer of goods at a point in time in the following major revenue lines:

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
Alcoholic beverages - locally produced	4,199,190	4,258,060	3,608,923	3,728,102
Alcoholic beverages - imported	1,914,459	1,083,535	1,415,445	851,714
Net revenue	6,113,649	5,341,595	5,024,368	4,579,816

7. Other income and expenses

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
Other income				
Foreign exchange gain other than financing	81,579	-	81,280	-
Equipment hire	10,779	13,734	10,779	13,734
Release of provision	-	-	-	-
Back office support services	-	-	63,033	42,898
Recoveries	1,316	3,682	1,316	3,682
Warehousing and storage charges	-	-	-	-
	93,674	17,416	156,408	60,314
Other expenses				
Loss on disposal of property, plant and equipment	8,493	8,358	7,216	8,107
Foreign exchange losses (gains) other than financing	-	546,362	-	546,084
Adjustment for non-recoverable amounts	[8,012]	119,722	[42,189]	106,059
Warehousing and storage charges	-	-	225,223	275,976
Warehouse maintenance	-	-	-	-
	481	674,442	190,250	936,226
Total other expenses	93,193	[657,026]	[33,842]	[875,912]

8. Breakdown of expenses by nature

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
Cost of goods sold				
Provision for inventory charge	-	-	-	-
Raw materials and consumables	3,213,600	3,290,064	3,174,893	3,290,059
Royalties	279,172	226,831	279,172	226,831
Depreciation	641,700	489,820	640,391	488,565
Employee benefits (Note 10)	37,898	55,470	36,556	54,766
Repairs and maintenance	17,950	22,846	17,862	22,473
Research and development costs	574	85	574	85
Other miscellaneous direct expenses	11,012	18,709	10,502	18,665
	4,201,906	4,103,825	4,159,950	4,101,444
Distribution costs				
Transportation	185,028	191,055	16,403	20,180
Depreciation	26,142	31,503	21,660	26,724
Expenses on short term leases	10,339	3,855	1,597	1,647
Employee benefits (Note 10)	8,535	6,150	8,535	6,141
Marketing fees	40,376	28,247	40,376	28,139
Repairs and maintenance	4,332	1,429	-	8
Other miscellaneous expenses	34,822	17,277	33,512	14,112
	309,574	279,516	122,083	96,951
Administrative expenses				
Management fees	306,949	295,478	166,813	129,991
Employee benefits (Note 10)	162,782	108,113	95,034	28,281
Increase on Security Deposit Price for Returnable Packaging	-	69,626	-	69,626
Repairs and maintenance	36,974	35,903	22,865	16,237
Technology costs	25,820	27,728	25,820	27,728
Bank charges	24,859	22,540	762	606
Depreciation	6,694	8,137	6,662	8,071
Insurance	6,810	6,977	6,810	6,764
Consulting services	4,240	5,093	4,240	2,328
Amortization (Note 14)	1,382	1,213	1,382	1,213
Auditor's remuneration	5,638	4,498	5,637	3,873
Impairment	1,578	1,619	-	-
Charitable donations	20	22	20	22
Other miscellaneous expenses	112,336	88,148	101,891	47,543
	696,082	675,095	437,936	342,283
Total cost of sales of goods; Distribution and admin expenses	5,207,562	5,058,436	4,719,969	4,540,678

9. Finance income / (costs)

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
Finance income				
Interest income	92	308	58	308
Finance costs				
Interest expense on borrowings (Note 25(ii))	(426,334)	(415,140)	(426,334)	(415,140)
Net finance costs	(426,242)	(414,832)	(426,276)	(414,832)

10. Employee benefits

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
Salaries and other staff costs	187,731	147,356	125,215	74,439
Retirement benefits costs:				
NAPSA and Saturnia pension scheme contributions	17,034	16,322	11,412	10,760
Medical aid contributions	4,450	6,055	3,498	3,989
	209,215	169,733	140,125	89,188
Allocated as:				
Cost of goods sold	37,898	55,470	36,556	54,766
Distribution costs	8,535	6,150	8,535	6,141
Administrative expenses	162,782	108,113	95,034	28,281
	209,215	169,733	140,125	89,188

11. Income tax expense / (credit)

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
Current income tax expense	243,680	139,405	11,250	4,728
Deferred income tax credit (Note 22)	35,636	(257,715)	35,461	(256,615)
	279,316	(118,310)	46,711	(251,887)

The tax on the profit before income tax differs from the theoretical amount that would arise using the statutory income tax rate as follows:

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
Loss before income tax	574,085	(790,986)	(155,719)	(1,251,266)
Tax calculated at the statutory income tax rates of 30% (2024 - 30%)	172,226	(237,296)	(46,716)	(375,380)
Tax effect of:				
Expenses not deductible for tax purposes	107,090	105,394	93,427	109,901
Over provision of deferred income tax in prior year	-	13,592	-	13,592
Income tax credit	279,316	(118,310)	46,711	(251,887)

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
<i>Movement in balance sheet:</i>				
At the start of the year	(41,583)	(57,341)	(100,187)	(90,066)
Current income tax charge	243,680	139,405	11,250	4,728
Payments during the year	(256,093)	(123,647)	(7,149)	(14,849)
At the end of the year	(53,996)	(41,583)	(96,086)	(100,187)

At year end, the Group carried forward tax losses of K2,182 million (2024: K1,734 million). Unutilised losses expire after 5 years as shown in the table below:

Analysis of losses

Period end	Tax loss c/f K'000	Expiry date
31 December 2021	409,453	December 2026
31 December 2022	178,662	December 2027
31 December 2023	362,784	December 2028
31 December 2024	612,509	December 2029
31 December 2025	618,754	December 2030
	2,182,162	

12. Property, plant and equipment

Group	Land	Buildings	Motor vehicles	Plant and machinery	Computer equipment	Furniture and fittings	Containers	Capital work in progress	Total
	K'000	K'000	K'000	K'000		K'000			K'000
Year ended 31 December 2025									
Opening net book value	60,891	472,866	26,738	1,501,173	10,410	7,288	654,713	2,013,183	4,747,262
Additions	33,672	-	-	-	-	-	-	873,966	907,638
Transfers	-	215,780	2,987	1,846,901	7,686	6,948	512,853	(2,593,155)	-
Cost on disposal	-	(39)	(13,514)	(5,893)	(223)	(997)	(223,254)	-	(243,920)
Depreciation on disposal	-	112	12,258	5,291	74	997	216,695	-	235,427
Depreciation charge	-	(24,391)	(9,798)	(245,033)	(6,633)	(4,099)	(384,583)	-	(674,537)
Closing net book value	94,563	664,328	18,671	3,102,439	11,314	10,137	776,424	293,994	4,971,870
At 31 December 2025									
Cost	111,705	789,012	129,691	4,334,618	31,479	28,299	1,647,739	293,994	7,366,537
Accumulated depreciation and impairment	(17,142)	(124,684)	(111,020)	(1,232,179)	(20,165)	(18,162)	(871,315)	-	(2,394,667)
Net book value	94,563	664,328	18,671	3,102,439	11,314	10,137	776,424	293,994	4,971,870
Year ended 31 December 2024									
Opening net book value	48,133	451,318	33,290	1,232,857	14,758	10,339	661,186	2,049,850	4,501,731
Additions	12,758	-	-	-	-	-	-	770,592	783,350
Transfers	-	41,207	3,365	429,989	1,407	736	330,555	(807,259)	-
Cost on disposal	-	(0)	(5,444)	(6,448)	(98)	(246)	(169,778)	-	(182,014)
Depreciation on disposal	-	-	5,245	6,010	98	246	162,056	-	173,655
Depreciation charge	-	(19,659)	(9,718)	(161,235)	(5,755)	(3,787)	(329,306)	-	(529,460)
Closing net book value	60,891	472,866	26,738	1,501,173	10,410	7,288	654,713	2,013,183	4,747,262
At 31 December 2024									
Cost	78,033	573,271	140,218	2,493,610	24,016	22,348	1,358,140	2,013,183	6,702,819
Accumulated depreciation and impairment	(17,142)	(100,405)	(113,480)	(992,437)	(13,606)	(15,060)	(703,427)	-	(1,955,557)
Net book value	60,891	472,866	26,738	1,501,173	10,410	7,288	654,713	2,013,183	4,747,262

12. Property, plant and equipment(Continued)

Company	Land	Buildings	Motor vehicles	Plant and machinery	Computer equipment	Furniture and fittings	Containers	Capital work in progress	Total
	K'000	K'000	K'000	K'000		K'000			K'000
Year ended 31 December 2025									
Opening net book value	60,891	472,866	13,635	1,501,173	9,989	7,288	654,769	2,013,183	4,733,794
Additions	33,672	-	-	-	-	-	-	873,966	907,638
Transfers	-	215,780	2,987	1,846,900	7,686	6,948	512,853	(2,593,154)	-
Disposals	-	(39)	(9,328)	(5,893)	(108)	(997)	(223,254)	-	(239,619)
Depreciation on disposals	-	18	9,328	5,291	74	997	216,695	-	232,403
Depreciation charge	-	(24,391)	(4,194)	(245,033)	(6,413)	(4,099)	(384,583)	-	(668,713)
Closing net book value	94,563	664,234	12,428	3,102,438	11,228	10,137	776,480	293,995	4,965,503
At 31 December 2025									
Cost	111,705	789,012	105,475	4,334,617	30,651	28,299	1,647,590	293,995	7,341,344
Accumulated depreciation and impairment	(17,142)	(124,778)	(93,047)	(1,232,179)	(19,423)	(18,162)	(871,110)	-	(2,375,841)
Net book value	94,563	664,234	12,428	3,102,438	11,228	10,137	776,480	293,995	4,965,503
Year ended 31 December 2024									
Opening net book value	48,133	451,318	13,971	1,232,857	14,105	10,339	661,337	2,049,850	4,481,910
Additions	12,758	-	-	-	-	-	-	770,592	783,350
Transfers	-	41,207	3,514	429,989	1,407	736	330,406	(807,259)	-
Disposals cost	-	-	(5,001)	(6,448)	(98)	(246)	(169,778)	-	(181,571)
Depreciation on disposal	-	-	5,001	6,010	98	246	162,110	-	173,465
Depreciation charge	-	(19,659)	(3,850)	(161,235)	(5,523)	(3,787)	(329,306)	-	(523,360)
Closing net book value	60,891	472,866	13,635	1,501,173	9,989	7,288	654,769	2,013,183	4,733,794
At 31 December 2024									
Cost	78,033	573,271	111,816	2,493,610	23,073	22,348	1,357,991	2,013,183	6,673,325
Accumulated depreciation and impairment	(17,142)	(100,405)	(98,181)	(992,437)	(13,084)	(15,060)	(703,222)	-	(1,939,531)
Net book value	60,891	472,866	13,635	1,501,173	9,989	7,288	654,769	2,013,183	4,733,794

Assets classified as capital work in progress mainly relate to the costs incurred for the ongoing plant projects at the Group's locations and trade equipment which need to be branded prior to being used.

The register showing the details of property as required by Section 30 of the Companies Act, 2017 of Zambia is available during the business hours at the registered office of the Company.

Included in the net carrying amount of property, plant and equipment are right-of-use assets relating to prepaid land rates.

In Zambia, land is held on lease from the Government of the Republic of Zambia for a period of 99 years. IFRS 16 requires that for any lease, a right of use asset and lease liability be recognised unless the Group deems the lease as short-term lease or of low value. Advance payments made in acquiring the land are added to right of use assets and amortised over the period of the lease on a straight-line basis and therefore there is no corresponding lease liability. The effect of discounting the ground rates is immaterial and these have been expensed to profit or loss as incurred. As at the end of the reporting period, and unchanged from prior year, the Group had insignificant leasing arrangements. Therefore, the Group has taken the exemption under the standard, and these have been expensed to profit or loss as incurred. Lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. The movement in the right of use assets is presented in the note property, plant and equipment. Expenses relating to short-term leases are as disclosed in Note 8.

13. Investment in subsidiary

Unchanged from prior year, Zambian Breweries Plc Distribution Company Limited is a wholly owned subsidiary of the Company. It was incorporated on 3 February 2022 in Zambia and is a registered transportation and storage company. Zambian Breweries Plc Distribution Company Limited commenced its operations on 1 October 2022.

Share capital	Number of shares K'000	Value	Effective shareholding %
Authorised at K1 par value	22,576	22,576	100
Issued at K1 a value	22,576	22,576	100

The authorised share capital of the Company is 22 million ordinary shares at a par value of K1 each. The issued and fully paid-up share capital remained at 22 million ordinary shares at a par value of K1 each. Ordinary shares entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.

	Cash K'000	Non-cash K'000	Total K'000
Zambian Breweries Plc Distribution Company Limited	15	22,561	22,576

During the year, there were no movements in the investment in subsidiary.

In the opinion of the Directors, the value of the Company's interests in the subsidiary company is not less than the amounts at which they are stated in these financial statements.

14. Intangible assets

Group and Company	Goodwill	Computer software	Capital work in progress	Total
	K'000	K'000	K'000	K'000
Year ended 31 December 2025				
Opening net book value	17,061	1,841	-	18,902
Asset reclassification	-	-	837	837
Transfers/additions	-	837	(837)	-
Amortization charge	-	(1,382)	-	(1,382)
Closing net book value	17,061	1,296	-	18,357
As at 31 December 2025				
Cost	17,061	28,800	-	45,861
Accumulated amortisation	-	(27,504)	-	(27,504)
Closing net book value	17,061	1,296	-	18,357
Year ended 31 December 2024				
Opening net book value	17,061	2,941	-	20,002
Asset reclassification	-	-	-	-
Transfers/additions	-	113	-	113
Amortization charge	-	(1,213)	-	(1,213)
Closing net book value	17,061	1,841	-	18,902
As at 31 December 2024				
Cost	17,061	27,962	-	45,023
Accumulated amortisation	-	(26,121)	-	(26,121)
Closing net book value	17,061	1,841	-	18,902

i) Goodwill

As a result of the amalgamation of the subsidiaries of *Zambian Breweries Plc* in 2012, (*Zambia Bottlers*, *Copperbelt Bottling* and *Northern Breweries*) into one entity, the Directors had ceased monitoring the business on the basis of these units and did this on an entity level. Consequently, the total goodwill had been allocated to a single Cash Generating Unit (CGU), namely *Zambian Breweries Plc*. Goodwill is allocated to the Company's cash-generating units (CGUs) identified according to operating segment, being alcoholic beverages. The Directors monitor the business on the basis of the operating segments and have thus allocated the goodwill on that basis.

The recoverable amount of the CGU was determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on the financial budgets approved by management covering a five-year period. Within the five-year period, revenue growth rates are based on past experience and expected future developments in the Company's CGUs. The weighted average growth rates used are consistent with the forecasts included in industry reports. Cash flows beyond the five-year period were valued using the estimated terminal growth rates stated below. The terminal growth rates did not exceed the long-term average growth rate for the business in which each CGU operates.

15. Inventories

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
Raw materials	500,484	478,205	500,484	478,205
Work in progress	62,779	54,636	62,779	54,636
Finished goods	172,656	146,790	172,656	115,815
Goods in transit	7,699	7,782	7,699	7,363
General stores and consumables	188,846	228,756	188,846	228,756
Other	-	33,138	-	33,138
	932,464	949,307	932,464	917,913

Inventories recognised as an expense during the year ended 31 December 2025 amounted to K3 billion (2024: K3 billion).

Movements on the provision for impairment of inventories are as follows:

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
At the start of the year	16,438	16,339	16,438	16,339
Movement	1,127	99	1,127	99
At the end of the year	17,565	16,438	17,565	16,438

16. Other current assets

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
Prepayments	1,466	13,947	1,466	13,947
VAT receivable	9,258	76,959	-	19,370
	10,724	90,906	1,466	33,317

17. Trade and other receivables

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
Trade receivables	266,016	221,221	-	-
Loss allowance [Note 4 (b)]	[2,376]	[3,423]	-	-
	263,640	217,798	-	-
Amounts due from related parties [26(ii)]	19,694	98,263	19,694	98,263
Other receivables	106,190	150,769	52,809	103,718
	389,524	466,830	72,503	201,981

Other receivables relate to income from sales of by products, advance payments, accrued income, withholding tax receivable and staff loans.

18. Cash at bank and in hand

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
Cash at bank	83,999	394,065	15,855	348,683
Cash in hand	-	-	-	-
	83,999	394,065	15,855	348,683

i) Reconciliation to cashflow statement

The above figures reconcile to the amount of cash shown in the statement of cash flows at the end of the financial year as follow:

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
Balances as above	83,999	394,065	15,855	348,683
Bank overdrafts (Note 23)	(90,024)	(2,168)	(90,024)	(2,168)
Balances as per cash equivalents	(6,025)	391,897	(74,169)	346,515

ii) Classification as cash equivalents

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours' notice with no loss of interest.

(ii) Restricted cash

During the year, the Group did not have any restricted cash (2024: Nil)

19. Share capital and share premium

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
Share capital				
Ordinary shares - paid up	5,460	5,460	5,460	5,460
Share premium ordinary shares	450,207	450,207	450,207	450,207

The authorised share capital of the Company remained unchanged at 600 million ordinary shares at a par value of K0.01 each. The issued and fully paid-up share capital remained at 546 million ordinary shares at a par value of K0.01 each. Ordinary shares entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.

20. Dividends per share

During the year, there were no dividends declared by the Directors (2024: Nil).

21. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

	2025	2024
Profit/(Loss) attributable to equity holders of the Group (K'000)	294,769	(672,676)
Weighted average number of ordinary shares in issue (K'000)	546,000	546,000
Basic and diluted earnings per share (in Kwacha)	0.54	(1.23)

22. Deferred income tax

The balances have been measured using the rate of 30% for 2025 (2024: 30%). The movement on the deferred income tax account is as follows:

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
At the start of the year	(103,354)	154,361	(103,574)	153,041
(Charge)/Credit to profit or loss(note 11)	35,636	(257,715)	35,461	(256,615)
Balance at the year end	(67,718)	(103,354)	(68,113)	(103,574)

22. Deferred income tax (Continued)

Group	At the start of the year	Over provision	Profit or loss	At the end of the year
	K'000	K'000	K'000	K'000
Year ended 31 December 2025				
<i>Deferred income tax liabilities:</i>				
Property, plant and equipment	592,391	17,462	178,157	788,010
ZDA profit - IFRIC 23 tax exposure	173,276	-	-	173,276
<i>Deferred income tax assets:</i>				
Tax losses carried forward	(468,143)	(37,593)	(148,196)	(653,932)
Obsolescence	-	6,130	(3,950)	2,180
General provisions	(9,135)	(6,130)	130,272	115,007
Unrealised foreign exchange losses	(125,909)	20,302	173	(105,434)
Non deductible interest	(265,834)	308	(121,299)	(386,825)
Net deferred income tax liability	(103,354)	479	(35,157)	(67,718)
Year ended 31 December 2024				
<i>Deferred income tax liabilities:</i>				
Property, plant and equipment	613,909	7,407	(28,925)	592,391
ZDA profit - IFRIC 23 tax exposure	173,276	-	-	173,276
<i>Deferred income tax assets:</i>				
Tax losses carried forward	(340,471)	4,226	(131,898)	(468,143)
General provisions	(10,171)	(200)	1,236	(9,135)
Unrealised foreign exchange losses	(131,303)	-	5,394	(125,909)
Non deductible interest	(150,879)	1,812	(116,767)	(265,834)
Net deferred income tax liability	154,361	13,245	(270,960)	(103,354)
Company				
	At the start of the year	Over provision	Profit or loss	At the end of the year
	K'000	K'000	K'000	K'000
Year ended 31 December 2025				
<i>Deferred income tax liabilities:</i>				
Property, plant and equipment	590,192	17,461	178,530	786,183
ZDA profit - IFRIC 23 tax exposure	173,276	-	-	173,276
<i>Deferred income tax assets:</i>				
Tax losses carried forward	(468,861)	(37,593)	(148,196)	(654,650)
General provisions	(6,130)	6,130	(3,950)	(3,950)
Obsolescence	-	14,172	(1,101)	13,071
Unrealised foreign exchange losses	(125,909)	-	130,999	5,090
Non deductible interest	(266,142)	308	(121,299)	(387,133)
Net deferred income tax liability	(103,574)	478	34,983	(68,113)
Year ended 31 December 2024				
<i>Deferred income tax liabilities:</i>				
Property, plant and equipment	611,482	7,553	(28,843)	590,192
ZDA profit - IFRIC 23 tax exposure	173,276	-	-	173,276
<i>Deferred income tax assets:</i>				
Tax losses carried forward	(340,471)	4,226	(132,616)	(468,861)
General provisions	(9,064)	-	2,934	(6,130)
Unrealised foreign exchange losses	(131,303)	-	5,394	(125,909)
Non deductible interest	(150,879)	1,812	(117,075)	(266,142)
Net deferred income tax liability	153,041	13,591	(270,206)	(103,574)

23. Borrowings

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
<i>Bank loans:</i>				
Stanbic Bank loan	1,450,000	1,152,000	1,450,000	1,152,000
First National Bank loan	700,000	400,000	700,000	400,000
Standard Chartered Bank Zambia loan	250,000	400,000	250,000	400,000
	2,400,000	1,952,000	2,400,000	1,952,000
<i>Bank overdrafts:</i>				
Absa Plc	90,024	2,168	90,024	2,168
	90,024	2,168	90,024	2,168
Total Borrowings	2,490,024	1,954,168	2,490,024	1,954,168

Stanbic Bank loan

The Kwacha denominated short-medium term loan facility was increased to K1,450 million (2024: K1,152 million) during the year for the purpose of working capital requirements. The interest is charged at a rate determined by the prevailing Bank of Zambia Policy Rate 14.25% (2024: 14.5%) plus a margin of 2.9% (2024: 2.9%). The loan is unsecured and is repayable in June 2026. As at period end, the effective interest rate was 17.4% (2024: 16.9%).

First National Bank (FNB) loan

The Kwacha denominated short-medium term loan facility was increased to K700 million (2024: K400 million) during the year for the purpose of working capital requirements. The interest is charged at a rate determined by the prevailing Bank of Zambia Policy Rate 14.25% (2024: 14.5%) plus a margin of 2.75% (2024: 4.5%). The loan is unsecured and is repayable in April 2026. As at period end, the effective interest rate was 17.3% (2024:18.5%).

Standard Chartered Bank Zambia Limited loan

This is a K250 million unsecured short-medium term loan facility obtained during the year for the purpose of working capital requirements. The interest is charged at a rate determined by the prevailing Bank of Zambia Policy Rate 14.25% (2024: 14.5%) plus a margin of 3% (2024: 3%). The loan is unsecured and is repayable in September 2026. As at period end, the effective interest rate was 17.5% (2024:17.5%).

Bank-overdrafts

The bank overdraft facilities are held with seven (2024 : seven) banks namely, Zambia National Commercial Bank, ABSA Bank Plc, Citibank Zambia, FNB Zambia, Stanbic Bank Zambia, Stanchart Zambia and UBA Bank Zambia.

The bank overdraft facilities are all unsecured. Interest on the bank overdrafts are payable at the prevailing Bank of Zambia (Boz) Monetary Policy Rate plus a liquidity premium and a margin ranging from 6% to 9%.

The effective interest rate during the period averaged 19.6% (2024: 19.6%)

Loan covenants

As at the reporting period, and unchanged from prior year, there were no financial covenants under the terms of the borrowing facilities.

24. Trade and other payables

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
Trade payables	363,072	359,209	305,597	179,201
Amounts due to related parties (Note 26(ii))	2,250,759	3,110,768	3,087,611	3,519,451
Statutory liabilities	243,216	260,417	241,134	192,906
Dividend payable	5,911	53,974	5,911	53,974
Security deposits from custom-ers on containers	327,732	305,416	327,731	305,416
Other payables	523,194	738,282	433,376	771,842
	3,713,884	4,828,066	4,401,360	5,022,790

Trade payables are unsecured and are usually paid between 30 to 120 days of recognition. Other payables include, but are not limited to leave pay, payroll related expenses, security deposits.

25. Cash generated from operations

i) Cash generated from operations

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
Profit / (Loss) before income tax	574,085	(790,986)	(155,719)	(1,251,266)
Adjustments for:				
Loss on sale of property, plant and equipment (Note 7)	8,493	8,358	7,216	8,107
Interest income (Note 9)	(92)	(308)	(58)	(308)
Interest expense on bank loans and overdraft (Note 9)	426,334	415,140	426,334	415,140
Depreciation on property, plant and equipment (Note 12)	674,537	529,460	668,713	523,360
Amortization of intangible assets (Note 14)	1,382	1,213	1,382	1,213
Changes in working capital:				
- Other current assets	80,182	(17,435)	31,851	39,942
-Trade and other receivables	77,306	(178,626)	129,478	505,528
-Inventories	16,843	(213,903)	(14,551)	(200,177)
-Trade and other payables	(1,114,182)	1,742,596	(621,430)	1,368,150
Cash generated from operations	744,888	1,495,509	473,216	1,409,689

25. Cash generated from operations (Continued)

ii) Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
Cash and cash equivalents (Note 18)	83,999	394,065	15,855	348,683
Bank loans (Note 23)	(2,400,000)	(1,952,000)	(2,400,000)	(1,952,000)
Bank overdrafts (Note 23)	(90,024)	(2,168)	(90,024)	(2,168)
Net debt	(2,406,025)	(1,560,103)	(2,474,169)	(1,605,485)

Group	Bank loans K'000	Cash/(bank overdraft) K'000	Total K'000
2024			
At the start of the year	(1,892,500)	158,830	(1,733,670)
Financing cashflows	(1,952,000)	233,067	(1,718,933)
Interest charged	(306,332)	(108,808)	(415,140)
Principal repayments	1,892,500	-	1,892,500
Interest paid	306,332	108,808	415,140
Foreign exchange differences	-	-	-
At the end of the year	(1,952,000)	391,897	(1,560,103)
2025			
At the start of the year	(1,952,000)	391,897	(1,560,103)
Financing cashflows	(2,400,000)	(397,922)	(2,797,922)
Interest charged	(426,334)	-	(426,334)
Principal repayments	1,952,000	-	1,952,000
Interest paid	426,334	-	426,334
Foreign exchange differences	-	-	-
At the end of the year	(2,400,000)	(6,025)	(2,406,025)

25. Cash generated from operations (Continued)

ii) Net debt reconciliation (Continued)

Company	Bank loans K'000	Cash/(bank overdraft) K'000	Total K'000
2024			
At the start of the year	(1,892,500)	90,470	(1,802,030)
Financing cashflows	(1,952,000)	256,045	(1,695,955)
Interest charged	(306,332)	(108,808)	(415,140)
Principal repayments	1,892,500	-	1,892,500
Interest paid	306,332	108,808	415,140
Foreign exchange differences	-	-	-
At the end of the year	(1,952,000)	346,515	(1,605,485)
2025			
At the start of the year	(1,952,000)	346,515	(1,605,485)
Financing cashflows	(2,400,000)	(420,684)	(2,820,684)
Interest charged	(426,334)	-	(426,334)
Principal repayments	1,952,000	-	1,952,000
Interest paid	426,334	-	426,334
Foreign exchange differences	-	-	-
At the end of the year	(2,400,000)	(74,169)	(2,474,169)

26. Related party transactions

The Group's ultimate parent is AB InBev NV/SA while AB InBev Africa BV is the immediate parent company. The Group is related to various companies through its relationship with both the immediate and Ultimate parent:

(i) Transactions with other related parties

The following transactions occurred with related parties:

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
<i>Purchase of goods:</i>				
South African Breweries (PTY) - Fellow subsidiary	923,367	594,559	923,367	594,559
Mubex - Fellow subsidiary	1,182,038	1,184,788	1,182,038	1,184,788
Kgalagadi Beverages	-	84	-	84
Tanzania Breweries Plc	-	157	-	157
	2,105,405	1,779,588	2,105,405	1,779,588
<i>Purchase of management services:</i>				
AB InBev Africa (PTY) - Fellow subsidiary	306,949	295,478	166,813	129,991
<i>Royalties Payments:</i>				
AB InBev International Brands Ltd - Fellow subsidiary	279,172	226,831	279,172	226,831
	586,121	522,309	445,985	356,822
<i>Sales of goods:</i>				
Zambian Breweries Plc Distribution Group	-	-	6,296,367	5,546,270
Mubex - Fellow subsidiary	-	-	-	-
	-	-	6,296,367	5,546,270
	2,628,966	2,301,897	8,785,197	7,682,680

26. Related party transactions (Continued)

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

ii) Outstanding balances arising from sales/purchase of goods and services

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
<i>Receivables:</i>				
South African Breweries (PTY) - Fellow subsidiary	-	-	-	-
Mubex - Fellow subsidiary	1,486	81,460	1,486	81,460
AB Inbev UK Limited	-	1,484	-	1,484
AB InBev NVSA	-	374	-	374
Heinrichs Syndicate	-	14,123	-	14,123
AB Inbev Africa	1,762	796	1,762	796
AB InBev Services (US0030)	-	26	-	26
Kgalagadi Beverages	389	-	389	-
Tanzania Breweries Plc	16,057	-	16,057	-
	19,694	98,263	19,694	98,263
<i>Payables</i>				
South African Breweries (PTY) - Fellow subsidiary	799,143	1,258,533	798,184	1,257,475
Tanzania Breweries Plc	-	157	-	157
Mubex - Fellow subsidiary	655,424	1,294,419	654,697	1,293,615
Heinrichs Syndicate	160,857	164,169	160,857	164,169
AB Inbev Africa	153,444	3,093	151,589	1,045
Zambian Breweries Plc Distribution Company	-	-	840,426	412,593
Cervejas De Mocambique	827	3,757	827	3,757
Kgalagadi Beverages	101	84	68	84
Anheuser Busch InBev Mgmt Ltd	83,898	125,406	83,898	125,406
Anheuser Busch InBev Int GmbH	88,117	68,545	88,117	68,545
AB Inbev UK Limited	-	62	-	62
Anheuser Busch Worldwide Inves	2,110	10,131	2,110	10,131
Anheuser Busch InBev Int Brand	303,735	182,412	303,735	182,412
ABI Inter Inc_US0001	3,103	-	3,103	-
	2,250,759	3,110,768	3,087,611	3,519,451

The inter-company balances are interest-free, unsecured and payable on demand.

iii) Key management compensation

Key management includes Directors (Executive and Non-Executive) and members of senior management personnel as below:

- Country Director
- Country Lead People
- Corporate Affairs Director
- Country Finance Director
- Head of Marketing
- Plant managers – Maltings, Ndola and Lusaka
- Head of Solution
- National Sales Director
- Implementation Manager
- Head of Logistics and Planning

The compensation paid or payable to key management for employee services is shown below:

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
Salary and short-term emoluments	30,212	28,147	21,255	20,770
Other emoluments	-	-	-	-
Retirement benefit cost – NAPSA con-tributions	309	139	219	102
	30,521	28,286	21,474	20,872

v) Directors' remuneration

	Group		Company	
	2025 K'000	2024 K'000	2025 K'000	2024 K'000
Non-executive Director fees	600	1,213	600	1,213
Executive Director salaries and short-term emoluments	10,283	8,830	10,283	8,830
Other emoluments	-	-	-	-
Retirement benefit costs – NAPSA contri-butions	41	31	41	31
	10,934	10,074	10,934	10,074

27. Contingencies

The Company is party to various legal cases whose outcome is dependent on the conclusion of the Zambian judicial process. Management makes estimates for the outcomes of these cases based on professional advice. There are some cases where, based on professional advice received, the directors have not made any provision. The value of potential claims against the Company that would likely result in an unfavorable outcome as at 31 December 2025 is K13 million (2024: K13 million).

Transfer pricing

Following the transfer pricing (TP) audit that was conducted on the Group by the Zambia Revenue Authority (ZRA) for the charge years 2014 to 2018, findings revealed a payable of K325 million communicated to the Group on 13 May 2023 on account of inconsistencies in the treatment of TP regulation and guidance. An amount of K131 million of total exposure relates to interest and penalties which have been assessed as out of scope of IAS 12 and IFRIC 23. Given that transfer pricing is not an 'exact science', management engaged Deloitte as tax specialists in ascertaining the TP tax exposure. Based on the expert's professional judgement of risk and experience, management has not recognised the provision.

At the end of each reporting period, management re-assesses this position whenever new information is obtained from the tax authority. As at the reporting date, the decision has been appealed to the Commissioner for review and reconsideration. Management is currently awaiting the outcome of this stage and a provision has not been made.

28. Commitments

- i) There was no capital expenditure contracted for at the end of the reporting period not recognised as liabilities (2024: Nil).
- ii) Operating commitments during the year. There was no contractual obligation for future purchase of raw materials recognised as a liability (2024: Nil).

29. Climate change risk

The Group recognises Climate Risk as an Integrated Risk Type. Climate Risk is defined as the potential for financial loss and non-financial detriments arising from climate change and society's response to it. The Group measures and manages financial and non-financial risks from climate change, and reduce emissions related to its own activities in alignment with the Paris Agreement. Climate change impacts almost all the sectors within the economy. However, the Group notes that there are certain sectors that are more vulnerable to climate risks under different Transition Risk and Physical Risk scenarios. The Group has identified methodologies and engaged with its various stakeholders to integrate Climate Risk into its mainstream risk management activities and assessments. The Group will seek to adapt its approach as the impact from Climate Risk becomes clearer and the tools and methodologies to gather reliable data mature.

30. Comparatives

Comparative figures and disclosures have been adjusted to conform to changes in presentation in the current period.

31. Events occurring after the reporting period

As at the end of the financial period and date of this report, the Directors are not aware of any item, transaction, or event of a material and unusual nature likely, in the opinion of the Directors of the Group, to affect substantially the operations of the Group, the results of its operations or financial position of the Group in subsequent financial years.



DISCLOSURE OF SUSTAINABILITY-RELATED FINANCIAL INFORMATION

1. Report Scope

Zambian Breweries Plc, part of AB InBev, is publishing a report inspired by the IFRS Sustainability Disclosure Standards S1 and S2. This represents a change from Zambian Breweries Plc's past sustainability reporting. The following Sustainability-related disclosures refer to AB InBev where the disclosure is applicable to Zambian Breweries Plc as part of AB InBev, and to Zambian Breweries Plc where data or disclosures are specifically related to Zambian Breweries Plc.

These consolidated Sustainability-related disclosures were authorized for issue by the Board of Directors on 5th March 2026. No independent reasonable assurance opinion has been issued on this disclosure.

2. Materiality

As a global business, AB InBev conducted a materiality assessment in 2024 and refreshed the exercise in 2025. Zambian Breweries Plc did not undertake a separate materiality assessment as the topics material to the global business are applicable to Zambian Breweries Plc. The materiality assessment includes input from a variety of the company's stakeholders. The company's global materiality assessment was conducted in accordance with the requirements of the European Sustainability Reporting Standards (ESRS) under the Corporate Sustainability Reporting Directive (CSRD), and accounts for financial materiality as required by IFRS S1.

AB InBev engaged with stakeholders and subject matter experts to assess financial materiality. The company used its overall risk profile and risk management processes, public information such as peer reports, external and internal datasets, ESRS topics and sub-topics, stakeholder interviews, and stakeholder information from data analytics tools to build a list of potentially material sustainability issues tailored to AB InBev. The risks assessed span business activities, relationships, and geographies, and considered factors that could result in heightened risk of impact. For climate-related physical and transition risks, the company considered the physical risks, transition risks, and scenario analysis disclosed in the Climate section of its 2024 Global Annual Report Sustainability Statements and included in this report. The materiality process is managed by the global AB InBev sustainability reporting team with input from the business and oversight from the Audit Committee.

These sustainability issues were considered over short (up to one year), medium (up to five years), and long-term (more than five years) time horizons. The exercise resulted in the following financially material topics: Climate, Circular Economy, Agriculture and Natural Ecosystems, Water, Local Economic Development, Responsible Drinking & Moderation, Business Conduct, and Product Quality.

Financial Position, Financial Performance and Cash Flows

The company's operations are inherently exposed to sustainability-related risks described in detail throughout this disclosure of sustainability-related financial information. The potential effects of such risks are interconnected and therefore not separately identifiable. Any precise quantification of financial impact would carry a significant level of measurement uncertainty and would therefore not be useful. Any risks mentioned in the topical sections of this report could result in material adverse effects on the company's business, liquidity, financial condition, and operational results, and could impact any relevant line items in the company's financial statements such as depreciation, amortization and impairment, or cash flow from operating activities. The actions described in the company's climate transition plan and throughout the topical sections of this report are indicative of the types of investments the company seeks to make to mitigate and adapt to environmental risks.

3. Governance

The following governance applies to Zambian Breweries Plc as part of AB InBev's global business.

As AB InBev's ultimate decision-making body, the Board's sustainability oversight includes review and, as appropriate, approval of key enterprise-wide strategies and sustainability performance. The AB InBev Board received multiple updates on sustainability matters in 2025. Four Board committees assist the Board in exercising this role as part of their responsibilities. The Board and Audit Committee receive training and updates on sustainability topics as necessary or appropriate. Responsibilities and roles of the Board committees in relation to sustainability topics are as follows:

- The Nomination Committee reviews corporate governance matters as part of its role in nomination and retention of directors and executives and determines whether the Board composition fulfills the appropriate skills and expertise.
- The Remuneration Committee reviews remuneration policies and packages as part of its role in compensation and retention of directors and executives.
- The Finance Committee reviews sustainability matters as part of its assessment of funding requirements, financial risk, supply security and sourcing strategies.
- The Audit Committee reviews environmental matters as part of its overall audit function, including significant public disclosures on related impacts, risks and opportunities, and goals.

See AB InBev's Governance Report for more details, including the composition of the Board and its committees.

The Board of Directors oversees the company's strategy, including key sustainability topics. The Chief Executive Officer's responsibilities include the execution and management of the corporate strategy, including sustainability matters, with support from the Executive Committee (ExCom). The Senior Leadership Team drives the commercial and operational agenda that reflects the Board-defined strategy. The global Chief Sustainability Officer oversees sustainability matters for AB InBev's global business with a centralized team responsible for delivering against the company's sustainability priorities. Regional leadership drive the zone agendas, including sustainability matters relevant to their zone. Embedded across the business, employees coordinate and implement sustainability matters and initiatives relevant to their zone and may have part of their variable remuneration linked to these objectives.

Executive remuneration generally consists of a fixed base salary and variable performance-related compensation and other incentives. Individual performance targets for the CEO and other ExCom members may consist of financial and non-financial targets. Individual performance measures in non-financial areas typically relate to certain topics discussed in these Sustainability-related disclosures, including employee engagement, sustainability goals, and compliance, and are linked to the achievement of the company's strategic objectives. The target achievement is assessed based on accounting and financial data and other objective criteria. In 2025, AB InBev's leadership had variable compensation linked to delivering on the company's sustainability strategy. Sustainability-related variable incentives, including those related to climate and greenhouse gas (GHG) emissions reduction, would typically account for 10 to 20% of an annual bonus for employees carrying such targets. For more information on the company's remuneration, see AB InBev's remuneration policy in AB InBev's Governance Report.

Internal committees manage certain sustainability topics and related risks and opportunities that span functions. They provide visibility and foster collaboration and best practice sharing between zones and functions. These committees include the Sustainability Council, the Global Compliance Committee, and the Global Smart Drinking Community of Practice. Due diligence is one of the functions incorporated into these committees.

AB InBev has established specific controls pertinent to sustainability data. Specific risk management tools and a discussion of the material impacts, risks and opportunities are described in these Sustainability-related disclosures. Management of risks and opportunities is the responsibility of relevant functions across the business. Risks and opportunities are prioritized as part of the annual global risk management process. The company has several policies that address sustainability topics. All policies mentioned in these Sustainability-related disclosures apply to directors, officers, and full-time, part-time, and temporary employees of the company and its subsidiaries. Contractors, agencies, and other third parties are expected to comply with the policies, in addition to all other applicable laws and regulations, whenever they are acting on the company's behalf. The policies are available publicly on the company's website.

Business Conduct

While the company is committed to conducting business in a legal and ethical manner in compliance with local and international laws and regulations applicable to its business, there is a risk that management or employees may take actions that violate applicable laws and regulations, including those related to anticorruption. If AB InBev does not successfully comply with applicable laws, regulations, and trade restrictions, it could become subject to fines, penalties, or other regulatory sanctions, as well as adverse reputational impacts. In addition, regulators in various jurisdictions have increasing attention on environmental, social, and other sustainability issues, and have adopted or proposed laws, regulations and policies that continue to expand, evolve, and in some cases, diverge on these topics, including those related to sustainability disclosures that may expand the nature, scope and complexity of matters that AB InBev is required to control, assess and report. As a result, the company may be subject to additional compliance risk. The company is exposed to developing market risks, including political instability or insurrection, financial risks, foreign exchange risks, political and economic changes, actions of governmental authorities affecting trade and foreign investment including global tariffs, interpretation and application of local laws and regulations, local labor conditions and regulations, lack of upkeep of public infrastructure, nationalization or expropriation, empowerment legislation and policy, corrupt business environments, crime and lack of law enforcement. These various factors could adversely impact AB InBev's business, results of operations and financial condition.

The company's inability to satisfy the changing requirements, demands and expectations of a wide range of stakeholders, including regulators, investors, customers, suppliers, and local communities, could increase the company's risks and liabilities, damage the company's reputation or the image and reputation of its brands, and have negative effects on the business and profitability. Negative publicity surrounding the company, its brands, its activities, its advertising campaigns, its personnel or its business partners and consumer perception of the company's response to sustainability, political and social issues, whether warranted or not, could damage the company's reputation and may decrease demand for the company's products.

The company's Code of Business Conduct is a practical guide to living its principles and values every day. AB InBev's Code of Business Conduct (Code) contains ethical principles designed to align with the International Labor Organization (ILO) Standards and includes policies that define employees' responsibilities and expected behavior, addressing key risk areas such as anti-corruption, human rights, safety of workers, human trafficking, use of forced or child labor, digital ethics and data privacy, harassment and discrimination, and conflict of interest. AB InBev works to manage suppliers' compliance with the Code's ethical principles on corruption and bribery as part of its due diligence and risk assessment process for suppliers. The company works to screen new suppliers to categorize corruption and bribery risk level based on likelihood of interacting with public officials and other factors. Vendors are then screened at a regular cadence with more frequent due diligence review on high-risk suppliers to ensure compliance with the Code of Conduct.

Through its Whistleblower Policy, AB InBev encourages colleagues to raise any concerns. The company has a zero-tolerance policy towards any threatened or actual retaliation against any persons, who, in good faith, raise concerns or participate in an investigation.

Any concerns with respect to potential violations of the company's Code, policies and applicable laws or regulations, can be reported through the company's Compliance Helpline. The Helpline is a secure means of reporting and is available 24/7 for both internal and external users. Reports can be filed in different languages, and if desired and permitted by local law, anonymously. Reports are reviewed by the Ethics & Compliance team, in line with its Investigation Guidelines that govern the company's investigation process.

Escalation and recusal rules are embedded into the company's process to avoid conflicts of interest.

AB InBev annually launches a series of mandatory training modules overseen by the Ethics & Compliance team to educate the workforce on its Code and key policies. In 2025, the company conducted global training on the Code of Business Conduct including topics such as Responsible Drinking, Anti-Corruption, Antitrust, Anti-Harassment and Anti-Discrimination, and Data Security. The annual compliance training package includes a mandatory attestation. The Anti-Corruption module specifically reinforces the company's zero tolerance policy toward bribery and corruption and emphasizes the importance of third-party due diligence. Policies are also available to employees in multiple languages online and communicated to employees periodically. In 2025, employee onboarding training for full-time employees included the Code of Business Conduct, Anti-Corruption, Anti-Harassment, Anti-Money Laundering and International Trade Compliance, Antitrust, Conflict of Interest, Digital Ethics, and Human Rights. The Board receives ad hoc trainings on compliance matters as relevant.

4. Zambian Breweries Plc's Business Model and Value Chain

Zambian Breweries Plc's value chain begins with suppliers, including farmers, who provide the ingredients and packaging materials for the company's products. The company's significant resource inflows include water, primary packaging materials, and agricultural crops, including barley, hops, corn, and cassava. The company's operations in Zambia consists of 2 major breweries. The company also has 1 major vertically integrated operation including barley malting and packaging facilities. The company had 749 full time equivalent employees in its own workforce in 2025. With the company's brewing, bottling, and packaging capabilities, it leverages its knowledge, expertise, and innovation to use ingredients and raw materials to produce beer, including no-and-low-alcohol beer and beyond beer products, for consumers to enjoy. The company's significant resource outflows include beer and brewery waste and by-products, which consist mostly of spent grain. The company works to optimize its own operations and partners with suppliers to advance the sustainable use of resources. Once the beer is brewed and packaged, Zambian Breweries Plc works with distribution partners to deliver its products responsibly and safely where consumers want them, and with marketing agencies and brand promoters to develop its brands. The company's own fleet traveled over 3 million road miles in 2025. In most cases, the company's direct customers are retailers, on-trade venues, and wholesalers. It works with these partners to responsibly bring its beers to customers and consumers. Zambian Breweries Plc's value chain consists of various types of workers, including, but not limited to, farmers, factory workers, brand promoters, professional services staff and logistics personnel.

The potential effects of risks and opportunities on the company's business model and value chain are described in each topical section in these Sustainability-related disclosures.

Due Diligence

Due diligence is a key enabler of the AB InBev's approach for compliance with its policies and its commitment to responsible business practices. The company's due diligence includes efforts to identify, prevent and mitigate potential risks or issues, as well as periodic engagement with value chain workers or credible proxies. AB InBev's value chain consists of various types of workers, including, but not limited to, farmers, factory workers, brand promoters, professional services staff and logistics personnel.

The company's procurement management system supports the risk management process, which includes screening of suppliers. The company conducts deeper due diligence for suppliers identified as potentially high risk through its screening processes. This due diligence is based on the Sedex Members Ethical Trade Audit (SMETA) methodology, which uses a combination of site-level assessment questionnaires, onsite audits and independent third-party interviews directly with workers. The due diligence process is designed to provide the company with insight into the issues in its value chain and enables it to monitor cases and take action as appropriate. The Global Responsible Sourcing Policy is intended to encourage workers in the value chain to raise concerns through their employers' grievance mechanisms, while also requiring suppliers to ensure that their workers are aware of the mechanisms and how concerns are handled. Under the policy, suppliers must notify AB InBev and Zambian Breweries Plc of any reports of violations to the Global Responsible Sourcing Policy. In addition, AB InBev's Compliance Helpline is open for all stakeholders to raise concerns. While AB InBev does not directly oversee suppliers' grievance mechanisms, the company's Compliance Helpline is available to all stakeholders to raise concerns.

Product Quality

Zambian Breweries Plc's passion for beer is seen in its uncompromising commitment to quality so that its consumers enjoy the freshest, best-tasting beers. Zambian Breweries Plc follows a comprehensive quality management system at its breweries and facilities to maintain product safety and extends these standards to its suppliers as well. If any products are defective or found to contain contaminants, Zambian Breweries Plc may be subject to product recalls or other associated liabilities, which could adversely impact its business, reputation, and performance.

If consumers have any questions, comments, or issues, they may call the company's toll-free customer service number(556) printed on its packaging and speak to a company representative. Consumer complaints are resolved on a case-by-case basis through management systems.

Strategy, Risk Management, Metrics and Targets

The risks described in this section apply to AB InBev's global business and are applicable to Zambian Breweries Plc as part of AB InBev.

Climate

AB InBev's business is closely tied to the natural environment. Agricultural crops and water are its key ingredients. It requires raw materials for packaging and energy, and fuel to brew, transport, and cool its beers. Climate change or other environmental concerns, or legal, regulatory, or market measures to address climate change or other environmental concerns, may affect the company's business or operations including the availability of key production inputs.

Climate change resulting from increased concentrations of carbon dioxide and other greenhouse gases, emitted by both the company and its value chain in the course of agricultural, manufacturing, and distribution operations, in the atmosphere could have an adverse impact on global temperatures, weather and precipitation patterns and the frequency and severity of extreme weather and natural disasters. The company's ambition to achieve net zero across its value chain by 2040 may include activities which aim

to reduce absolute emissions, switch to renewable energy, leverage regenerative practices, and adopt more circular supply chains. If climate change has a negative effect on agricultural productivity, the company may be subject to decreased availability or less favorable pricing for necessary agricultural resources.

Governments in various countries are likely to continue to propose legislative and regulatory initiatives to reduce or mitigate the impacts of climate change. Such initiatives may affect the company's local operations. The environmental regulatory landscape in certain markets in which the company operates is becoming stricter and could increase compliance burdens, associated regulatory and reporting costs, and complexity. Despite the company's investments to reduce environmental risks and budgeting for future capital and operating expenditures to maintain compliance, environmental liability is still possible.

The production and distribution of AB InBev's products require energy, including the consumption of oil-based products, natural gas, biomass, coal, and electricity. Energy prices have been subject to significant price volatility in the recent past and may be again in the future. High energy prices over an extended period, an inability to shift to renewable energy in a timely way, and changes in energy taxation and regulation in certain geographies, may result in a negative effect on operating income and could potentially challenge the company's profitability in certain markets. The company may contribute to the expansion of renewable energies by working to adopt low-emission technologies. It may also contribute to its suppliers' emissions reduction by seeking to implement sustainable procurement practices and purchase low-emission materials. If AB InBev fails to achieve its current or future climate goals for any reason, there is a risk of reputational damage and there could be negative impacts on the company's financial performance.

AB InBev's Global Environmental Policy & Principles outlines how the company intends to address climate change through energy efficiency, energy deployment decarbonization and adaptation across its value chain.

AB InBev used the Task Force on Climate-Related Financial Disclosures (TCFD) framework to assess climate-related risks and opportunities over the short- (one to five years), medium- (six to 10 years) and long-term (more than 10 years) views across geographies and value chain segments selected based on a risk-based approach. Against this time horizon, in line with the company's long-term strategic planning, the company evaluated risks and opportunities associated with policy, technology, market changes, reputation, and chronic and acute physical risks. The following discussion on physical and transition risk scenarios refer to terms used in TCFD. The analysis was considered as an input in the double materiality assessment process described in these Sustainability-related disclosures but was a separate exercise, and results of the analysis may differ from the double materiality assessment. In this risk scenario analysis, the company considered two scenarios each for physical and transition risks over the medium and long term. It analyzed short-term risks through its internal risk management processes. The outcome of these analyses informed the company's climate strategy.

To analyze physical risks and opportunities, the company considered two scenarios, using the Intergovernmental Panel on Climate Change (IPCC) Representative Concentration Pathways (RCP):

- Physical Risks Scenario 1: RCP 4.5, a high mitigation scenario where global emissions start declining by mid-century; and
- Physical Risks Scenario 2: RCP 8.5, an extreme global warming scenario in which global warming reaches 4 degrees Celsius, representing a failure of policy makers to implement the Paris Climate Agreement

For the transition scenario analysis, the company selected two scenarios developed by the International Energy Agency (IEA):

- Transition Risks Scenario 1: Business-as-usual, as per Stated Policies Scenario (STEPS) considering current policy settings (already implemented or confirmed upcoming policies); and
- Transition Risks Scenario 2: Net Zero Emissions by 2050 (NZE), that shows a narrow but achievable pathway for the global energy sector to achieve net zero emissions by 2050, aligned with the 1.5 degrees Celsius scenario.

The tables on the next page summarize the outcomes of the company's climate resilience analysis completed in 2022 and reviewed on an ongoing basis. While these provided scenarios are different, the company believes that its strategy will enable it to address the potential risks and opportunities presented under each scenario through its annual, three, and ten-year strategic planning cycles and corresponding resource allocation. AB InBev does not use internal carbon pricing.

Topic	Scenario 1: RCP 4.5	Scenario 2: RCP 8.5	Global AB InBev Response
Physical risks - Projected impacts of changing climate conditions on barley yields (chronic risk)	Low Potential negative financial impacts could result from yield decreases and the resulting costs of barley production losses in some regions in the short term due to the impact of climate change. It is also possible that new barley growing regions could develop due to changes in climate.	Medium Negative financial impacts could be expected from projected yield declines and costs for replacing barley production due to longer-term climate impacts such as sustained higher temperatures.	To create its products, the company depends on a reliable, quality supply of agricultural crops. It uses crop research and agronomy teams and invests in agricultural technologies to manage raw materials costs and minimize disruptions. Across the company's sourcing regions, it works to develop higher-yielding, higher-quality brewing crop varieties that are also resource-efficient, disease-resistant and resilient to climate stressors such as drought. For barley, the company supports farmers on their crop production practices with analytics and insights to help improve crop management decisions from season to season.
Physical risks - Projected impacts of extreme drought on barley yields (acute risk)	Low Extreme weather such as decreases in seasonable precipitation could result in longer term disruptions of agricultural supply chains and increased costs for materials due to yield. No immediate impacts would be expected in the short term.	Low Event-driven climate impacts such as extreme drought could reduce barley quality, quantity and availability in the longer term and would be expected to have negative financial impacts on the costs of sourcing barley. It could result in the potential displacement of sourcing areas and the inability to source locally.	
Physical risks - Water availability risk across global operations (acute and chronic risks)	Medium Projected availability of future water volume at certain sites could represent an acute risk based on local hydrological and meteorological indicators.	High Negative financial impacts could be estimated to be higher because of the potential for reduced production across sites due to chronic water risk and availability.	AB InBev developed a water risk assessment tool that uses external data sources and input from its local teams to review its operational risk globally on a quarterly basis. Using this tool, the company has identified and continues to prioritize sites that are in high-stress areas. The company is focused on being part of the solution to the growing water challenges across its communities and supply chain by aiming to drive water use efficiency within its operations and investing in shared water security and watershed health in local communities.

Topic	Business-as-usual	Net zero emissions by 2050	AB InBev Response
Transition risks - Policy	High Some exposure to future costs associated with carbon taxation and carbon pricing schemes could be expected but climate regulations would not be projected to change significantly. Such policy frameworks could limit pathways to meeting our long-term climate ambitions.	Low Exposure to potentially higher costs associated with carbon taxation and carbon pricing schemes could be expected as climate regulations accelerate. Policy frameworks would be expected to be more conducive to meeting long-term climate ambitions.	The company's local operations in every country in which it operates evaluate relevant regulatory risks and opportunities. This informs strategic decisions on investments and plans. In the framework of the company's climate ambitions, it works to reduce its GHG emissions by 25% per hectoliter of production across its value chain by 2025 from a 2017 base year, as aligned with the Science-Based Targets initiative (SBTi). The company believes its climate action can help mitigate the impact of potential upcoming regulations by reducing its direct emissions.
Transition risks - Future procurement of aluminum	Medium Exposure to shifts in the supply and demand for aluminum could be expected based on the carbon cost associated with the procurement of aluminum. As a result, further emissions reduction from increasing the share of recycled aluminum in the market would be unexpected.	Medium Exposure to market risks in the supply and demand for aluminum could be expected based on the carbon cost associated with the procurement of aluminum. There would be expected potential for reducing costs and emissions through an increase in the share of recycled aluminum sourced.	The company continues to innovate and partner with key suppliers through its Eclipse platform to support decarbonization in its packaging supply chains and to help solve existing and future challenges to increasing recycled content, specifically in glass and aluminum.
Transition risks - Future procurement of glass	Medium Exposure to shifts in the supply and demand for glass could be expected along with related carbon costs and little potential for emissions reduction from increasing the share of recycled glass in the market.	Medium Exposure to future shifts in the supply and demand for glass could be expected along with related carbon costs but with more potential for emissions and cost reductions from increasing the share of recycled glass sourced.	

In 2021, AB InBev announced its ambition to achieve net zero across its value chain by 2040. The company's approach, approved by the Board, to addressing climate change is focused on activities in its operations and across its value chain. The company follows the sectoral decarbonization approach (SDA) defined by the SBTi. The company allocates its carbon budget across different sectors by evaluating and following the growth and decarbonization pathway of each sector. This approach, coupled with the company's projected activity levels, defines its decarbonization pathway and projected carbon budgets. The corresponding climate transition plan implementation is embedded in the company's business strategy through procurement, investments, agricultural research, and logistics decisions.

For 2025, AB InBev implemented the following decarbonization levers: energy efficiency, use of renewable energy, and supply chain decarbonization. The company's sustainability team is responsible for reviewing and updating the decarbonization levers as part of its periodic review of the climate transition plan. Proposed changes are reviewed cross-functionally and presented to the Sustainability Council.

The company considers carbon-intensive assets such as glass manufacturing furnaces and mass boilers installed in breweries as a part of its approach to decarbonization. Replacement of such assets can take decades, resulting in locked-in emissions. These assets are likely to be fully depreciated by 2040 and may be considered for replacement with low-carbon assets in that timeframe. The company also considers increased internal and external recycled content, which drives emission reduction for packaging materials. A lag in infrastructure growth could pose a risk to these reduction efforts, locking in additional emissions. In 2025, the AB InBev continued to invest in decarbonization projects.

AB InBev's Environmental Policy & Principles outlines how the company intends to address climate change through energy efficiency, energy deployment decarbonization and adaptation across its value chain. The policy covers climate change, water stewardship, waste, circular packaging, sustainable agriculture, and legal compliance.

In 2025, the company achieved its emission reduction goal by reducing its absolute emissions in Scopes 1 and 2 by 44.4% and its Scopes 1, 2 and 3 emissions per hectoliter of production by 31.9% against a 2017 baseline. The scope of AB InBev's Climate Action Goal differs slightly from the company's financial reporting scope required to be reported by the ESRS. The company contracted the equivalent of 100% of its global purchased electricity volume from renewable sources with 83.7% operational in 2025. While the company achieved an increase in operational renewable electricity each year over the past eight years, AB InBev did not reach 100% operational renewable electricity by the end of 2025 due to current challenges such as the absence of needed local infrastructure and enabling regulatory frameworks. Despite particular challenges in APAC and Africa, the company made progress on renewable electricity in both markets in 2025.

Zambian Breweries Plc participated in efforts towards AB InBev's 2025 Climate Action Goal.

Metrics: Zambian Breweries Plc Performance on AB InBev's 2025 Climate Action Goal	2017 (baseline)	2024	2025
Total direct and indirect GHG emissions (Scopes 1 and 2 in metric tonnes of CO ₂ eq)	22,780	42,003	38,320
Scopes 1, 2 and 3 GHG emissions per hectoliter of production (in kg CO ₂ eq/hl)	54.79	42.80	39.98
% Renewable electricity: operational ³	0.0%	0.0%	28.64%
% Renewable electricity: contracted ³	0.0%	0.0%	28.64%

Zambian Breweries Plc Gross Scopes 1, 2, 3 and Total GHG emissions⁴

Emissions Metrics	2024	2025
Gross Scope 1 GHG emissions (in metric tonnes of CO ₂ eq)	38,735	34,923
Gross Scope 2 GHG emissions (in million metric tonnes of CO ₂ eq)	3,268	3,398
Total gross indirect (Scope 3) GHG emissions (in tonnes of CO ₂ eq)	71,274	67,525

Energy Management	2024	2025
Total energy consumed [GJ]	531,399.30	509,368.42
Percentage grid electricity [%]	13.7%	21.2%
Percentage renewable [%]	0.01%	6.06%
Fleet fuel consumed [GJ]	0.0%	0.0%
Percentage renewable [%]	0.0%	0.0%

Water

AB InBev's production and agricultural supply chain require large amounts of water. Changes in precipitation patterns and the frequency of extreme weather events may affect the company's water supply and physical operations, and the supply of necessary agricultural crops. Water may also be subject to price increases in certain areas. Certain jurisdictions may adopt regulations restricting the use of water and introduce changes in water taxation and regulation, which could potentially challenge the company's profitability or introduce capacity constraints in certain markets. In its production, the company seeks to ensure high-quality wastewater discharge to facilitate, where possible, water re-use. In addition, the company's role in procuring agricultural commodities may contribute to soil and water health or degradation near its operations or sourcing regions.

AB InBev's Water Policies & Principles were designed to provide guidance on its approach to water stewardship and water use in the company's breweries and operational sites including those located in high-water stress areas in its own operations and upstream value chain. The policy addresses water treatment and pollution prevention through responsible discharge, and effluent reuse. AB InBev's Responsible Sourcing Policy encourages business partners to set targets to reduce water use within their operations and develop plans to reduce water consumption in the overall value chain.

The company's approach to water stewardship considers third-party standards and initiatives such as the United Nations (UN) Global Compact CEO Water Mandate and the 2030 Water Resources Group. AB InBev works with local communities, including farmers, in its watershed work.

AB InBev aims to responsibly manage water consumption and discharge across its operations and supply chain. In 2026, the company continued working to scale its water stewardship efforts by driving water efficiency in its operations and by engaging in watershed protection measures in partnership with local stakeholders, especially in high-water-stress areas. The company uses a water risk assessment tool that leverages external data sources and input from its local teams to review operational water risks globally in its own operations. Using this tool, the company has identified sites in high-stress areas.

In 2018, AB InBev set its voluntary 2025 Water Stewardship Goal: 100% of its communities in high-stress areas will have measurably improved water availability and quality by 2025. The global goal scope includes 36 sites based on a 2017 analysis using the company's water risk assessment tool. In 2025, the goal was achieved with all 36 sites recording measurable improvement in water availability. Any improvement in the metrics identified and measured through this process for each individual watershed was considered part of the goal achievement. To help the company identify these specific local watershed challenges and the appropriate solutions to address them across its high-stress sites, it has developed and implemented a seven-step watershed management process. Together with local authorities, other water users and partners including The Nature Conservancy and World Wildlife Fund, the company has devoted financial and technical resources to support and monitor site-specific metrics related to infrastructure initiatives, conservation and reforestation projects, habitat restoration efforts, and soil conservation practices, and track improvement.

For water management in its breweries, the company uses an internal environmental management system to routinely monitor and manage water use in its operations and to cascade best practices and performance standards across locations with the aim of driving water use efficiency, responsible discharge, and effluent re-use. Key water-saving actions may include process optimization, maintenance interventions, or implementation of new technologies.

In addition to the 2025 Water Stewardship Goal, AB InBev sought to achieve an average water use efficiency ratio of 2.5 hectoliter/hectoliter (hl/hl) across its breweries globally by 2025, and a water use efficiency ratio of 2.0 hl/hl for its breweries across the 36 high-stress sites in scope of its 2025 Water Stewardship Goal. In 2025, the company reached these ambitions with a water use efficiency ratio of 2.38 hl/hl globally, an improvement of 22.7% compared to the 2017 water use efficiency ratio, and 1.95 hl/hl across the high-stress sites in scope of the Goal, an improvement of 31.3% compared to the 2017 water use efficiency ratio across these sites of 2.84 hl/hl.

Zambian Breweries Plc participated in efforts towards AB InBev's 2025 Water Stewardship Goal.

The AB InBev Lusaka Brewery - Zambian Breweries Plc (ZB) is a 55-year-old brewery located in the heavy industrial area of Lusaka. The main water sources for the Brewery are boreholes and the Lusaka Water Supply & Sanitation Company (LWSC). Zambian Breweries Plc was flagged as a high-water risk brewery, following a water risk assessment done prior to 2018.

Key challenges for Lusaka Brewery include:

- Water demand exceeds supply.
- On-site boreholes at risk of high contamination.
- Extensive water treatment required before use due to hard water and contamination risks.
- Rising water costs by the municipal council, targeting the brewery as a large plant.
- Increasing water demand from community growth, agriculture, and industrialization (e.g., Maltings Plant).
- High energy demand to pump water from lower elevations to the plateau, raising operational costs.

Given its importance as indicated above, since 2018 AB InBev and WWF Zambia have been working together to secure improved water quality and quantity within the Kafue Flats through its Water Stewardship project.

The first two phases of the partnership helped identify the threats to the Kafue Flats as well as gaining deeper insights into effective solutions to these challenges. During these initial phases, pilot land management techniques were completed, and innovative funding mechanisms for solutions were identified through the production of a Landscape Finance Plan. This third phase of the project has put the initial phase learning into practice by scaling up the adoption of Farmer Managed Natural Regeneration (FMNR), implementing key water and soil conservation measures and fostering a community of positive water stewardship throughout the public and private sectors.

This collaborative initiative has been working on improving water management and sustainability by empowering communities through restoring nature in the Lower Kafue sub-Basin. The partnership has brought together various stakeholders, including government departments, non-governmental organizations and private sector companies to address water-related challenges through a collective action approach. As at the end of October 2025, the water stewardship initiative resulted in the replenishment of 209,981 m³ of water per year, with 5,199 hectares of land area resorted through natural regeneration, soil and water conservation, benefiting 160 farmers.

Zambian Breweries Plc Performance on AB InBev Water Use Efficiency Ambition ⁸	2017	2024	2025
Total water use by hectoliter of production (hl/hl)	4.12	3.75	3.87
Zambian Breweries Plc Water and ingredient sourcing Metrics ⁹		2026	2025
Total water withdrawn (thousand m ³)		1,264.47	1,406.01
Water withdrawn in areas of water risk (%) ¹⁰		46.59%	48.61%
Total water consumed (thousand m ³)		729.71	785.21
Water consumed in areas of water risk (%)		69.87%	52.13%

Circular Economy

AB InBev depends on secure sources of packaging materials for its products. Changes in the availability or price of raw materials and commodities could have an adverse effect on the company's operations. The company aims to encourage circularity in its value chain by using recyclable packaging, upcycling waste materials, and expanding circular solutions, which may also contribute to a reduction in the requirement of virgin packaging materials for use in the company's operations.

AB InBev aims to address resource use and circular economy through global policies that apply to its direct operations and upstream value chain. The company's Environmental Policy & Principles includes reducing emissions across its value chain, water stewardship, reducing waste, circular packaging, investing in sustainable agriculture and compliance with applicable environmental laws and regulations. This policy aims to promote a transition away from non-renewable resources towards renewable resources across the value chain. The company's Global Responsible Sourcing Policy states that suppliers should commit to reducing the production of waste and implementing initiatives to measurably increase the recycled content and/or returnability of their products. AB InBev's Global Responsible Sourcing Principles for Farms seeks to promote the implementation of environmental management practices on farms.

AB InBev aims to reduce packaging and the need for virgin materials through initiatives such as lightweighting that use package design and innovation capabilities to rethink packaging and distribution models. The company also works to improve recycling value chains to increase the availability of recycled content in the market and enable it to increase the amount of recycled content used across packaging types. In addition to recycling, the company promotes the recovery and reuse of its packaging and continues to support its returnable bottle volume and return rate. It works with local communities on programs as relevant.

AB InBev set a voluntary 2025 Circular Packaging Goal that 100% of its packaging would be in returnable formats or made from majority recycled content (more than 50%) by 2025. This goal applies globally to primary packaging, which represents more than 80% of AB InBev's total packaging volumes by weight. In 2025, 89.7% of the company's products were in returnable packaging or made from majority recycled content (more than 50%). This figure represents a 10.6 percentage point improvement since the goal was set in 2017. While the company continues to increase circular packaging across its operations and achieved majority recycled content in glass and cans, it did not achieve this goal by the end of 2025 due to the availability of viable recycled content in PET packaging, which is highly dependent on local recycling supply chains and dynamic market conditions. The company reached more than 50% recycled content in glass and cans, which means that 52.7% of its total primary packaging globally is made from majority recycled content, and more than 99% is recyclable. AB InBev's product portfolio consists of aluminum cans, one-way glass, returnable glass, PET, and returnable kegs. In 2025, approximately 40.4% of the company's volume was sold in returnable glass bottles or in returnable kegs.

Zambian Breweries Plc participated in efforts towards AB InBev's 2025 Circular Packaging Goal. Through initiatives such as expanding Manja Pamodzi to include glass collection in partnership with local entrepreneurs, Zambia Breweries successfully redirected post-consumer cullet to glass manufacturers to support their recycled-content production targets. In addition, post-industrial cullet was supplied to manufacturing partners, further contributing to regional recycled-content objectives.

Zambian Breweries Plc's Performance on AB InBev 2025 Circular Packaging Goal	2017	2024	2025
% Returnable packaging	54.69%	99.92%	99.91%
% Recycled content in primary packaging			
Glass	47%	67.45%	72.10%
Cans	0.0%	0.0%	0.0%
PET	0.0%	0.0%	0.0%

Zambian Breweries Plc's material resource inflows include:

1. Water. Refer to the Water section in these Sustainability statements for further details.
2. Main new primary packaging materials including one-way and returnable glass, aluminum cans, PET, and returnable kegs.
3. Agricultural crops including barley, corn, cassava, and hops.

In addition to beer, Zambian Breweries Plc material resource outflows include:

1. Primary packaging material and secondary packaging material. Packaging is considered both an in-flow and an out-flow.
2. Brewery waste (including transport packaging waste and traditional facilities waste) and by-products (including spent grain and spent yeast).

The company continues to voluntarily pursue 100% recycling rates in its operations globally while complying with local laws and regulations. Waste and by-product streams relevant to the company's operations mainly include spent grains from the brewing process, which make up the majority of the company's brewery waste and by-products and are mainly used as animal feed.

Agriculture and Natural Ecosystems

AB InBev depends on high-quality agricultural crops and water from healthy natural ecosystems to brew its beers and it strives to protect and restore biodiversity through its work in watersheds and agriculture. With a value chain deeply rooted in the world's natural ecosystems,

the company aims to identify how to minimize its impact on nature while exploring opportunities to invest in nature-based solutions in agriculture and watershed restoration and conservation.

The company's Water Policies & Principles and Environmental Policy & Principles address its approach to biodiversity and natural ecosystems. See the Water and Climate sections in these Sustainability-related disclosures respectively for further details on the scope of these policies and for ambitions in these areas.

AB InBev works toward more responsible sourcing in its direct agriculture programs by promoting sustainable agricultural practices such as building resilience through crop management, improved varieties, and risk mitigation tools, while also exploring how agriculture can be part of the solution to help reduce GHG emissions, protect watersheds, and improve biodiversity.

Aligned with its 2025 Smart Agriculture Goal, the company continues to implement parent company AB InBev's soil health framework, launched in 2020 in partnership with The Nature Conservancy, to provide a path for its agronomists and researchers to design and measure the impact of soil health, water, and biodiversity initiatives in the field. These practices may also support local economic development through improved crop yields.

In 2026, AB InBev continued to implement its soil health framework, launched in 2020 in partnership with The Nature Conservancy, to provide a path for its agronomists and researchers to design and measure the impact of soil health, water, and biodiversity initiatives in the field.

The company aims to take a farmer-centric approach with respect to agriculture workers in its value chain. In addition to the Global Responsible Sourcing Policy, the company's Responsible Sourcing Principles for Farms provides additional principles to apply across a broad range of agricultural contexts, as it works with and engages with over 13,900 farmers within the AB InBev Africa Zone, ranging from large commercial farmers to smallholder farmers. It also uses direct and local connections with farmers, secured through agronomists and researchers on the ground, to support training and upskilling farmers in its value chain and to work toward its Smart Agriculture Goal that 100% of its direct farmers would be Skilled, Connected and Financially Empowered by 2025.

In 2025, Zambian Breweries Plc participated in efforts towards AB InBev's 2025 Smart Agriculture Goal of empowering over 1800 direct farmers who cultivate Barley, Cassava and Sorghum, who are also in the company's value chain. These direct farmers were presented with opportunities to become Skilled, Connected, and Financially Empowered.

In addition, Zambian Breweries Plc partnered with the World Food Program to strengthen inclusive market access and enhance climate-resilient livelihoods for smallholder sorghum farmers in the Southern Province. The program targeted 3,000 local sorghum farmers across four districts (Kazungula, Gwembe, Chirundu and Namwala). These farmers are empowered with Agronomic Practices, Market Access, Sustainable Irrigation, and Provision of Inputs. In addition, they have

been linked to Aggregators and Zambian Breweries Plc, who are off takers for the aggregated sorghum. This partnership resulted in improved access to markets and increased income for local sorghum farmers.

ZAMBIAN BREWERIES's Performance on AB InBev 2025 Smart Agriculture Goal ¹⁵	2024	2025
Direct Farmers Skilled, Connected and Financially Empowered	100%	100%
Skilled	100%	100%
Connected	100%	100%
Financially Empowered	100%	100%

Responsible Drinking & Moderation

Beer is part of celebrating life's moments throughout the world. It is brewed locally with simple ingredients, and a driver of economies and jobs. Consuming beer responsibly has been part of culture and sociability for thousands of years. As consumers are increasingly embracing moderation as part of their balanced lifestyles, beer is well-suited to meet their needs. As the world's leading brewer, the company is committed to promoting moderation and responsible drinking.

In recent years, public and political attention has been directed at the soft drinks and alcohol beverage industries globally. Concerns about the health consequences of consuming alcohol beverages and increased activity from activist groups, public health organizations and other governmental and regulatory bodies advocating for measures designed to reduce the consumption of alcohol beverages and addressing the public regarding health and alcohol consumption may reduce demand for alcohol beverages generally or negatively impact investor perception, which could adversely affect the company, its marketers, distributors and customers. AB InBev remains committed to promoting moderation through its Smart Drinking initiatives. Nevertheless, AB InBev may be criticized and experience an increase in the number of publications and studies debating its efforts to promote moderation. AB InBev continues to monitor the evolving global policy framework so that the distinct role beer plays in a society that values both moderation and personal choice continues to be recognized.

AB InBev's marketing efforts, along with those within its downstream value chain, are subject to restrictions on the permissible advertising style, media channels and messages used. Any additional local restrictions, or the introduction of similar restrictions in other countries, may constrain the company's marketing activities the popularity of its brands. Research indicates that individual patterns of consumption may be improved by reminding consumers that moderation and control are the group norms. Through social norms marketing, the company aims to improve consumption patterns by promoting social norms that produce positive outcomes. By expanding its portfolio of no-alcohol and lower-alcohol products to give consumers balanced choices, the company seeks to enable moderation and responsible drinking worldwide.

AB InBev's Responsible Marketing and Communications Code [RMCC] sets the standards for its marketing and commercial communication worldwide to ensure that commercial communications are aimed only at individuals above the legal drinking age and are carried out responsibly. The company's marketers, distributors and customers share similar impacts and are subject to the same legal drinking age requirements. As a result, employees and the company's relevant contractors and agencies are trained periodically in matters related to the RMCC. The RMCC applies to all consumers.

NOTICE OF THE 32nd ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 32nd Annual General Meeting (AGM) of the members of Zambia Breweries Plc will be held at the Neelkanth Sarovar Hotel Lusaka, physically and virtually at <https://eagm.corpservzambia.com.zm/eagm/> on 30th March 2026, commencing at 10.00 hours for purposes of transacting the following business:

1. To consider and adopt the minutes of the 31st AGM held on 23rd May 2025.
2. To receive and adopt the Annual Report of Zambia Breweries Plc for the year ended 31st December 2025.
3. To adopt the recommendation of the Board of Directors not to declare a final dividend for the year ended 31st December 2025.
4. To elect the Board of Directors in place of those retiring in accordance with the provisions of the Articles of Association of the Company.
5. To fix the remuneration of the Independent Non-Executive Directors.
6. To consider and adopt the recommendation for the appointment of the Auditor of the Company and authorise the Directors to set the Auditor's remuneration.
7. To transact such other business as may be properly transacted at the AGM.

A member entitled to attend and vote at the meeting is entitled to appoint any person (whether a member of the Company or not) to attend and, on a poll, to vote in his/her stead. Proxy forms are obtainable from the Company Secretary and must be lodged at the Registered Office of the Company before the commencement of the meeting.

By order of the Board

DISTRIBUTION OF ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

The Annual Report and Audited Financial Statements for the year ended 31st December 2025 in respect of Zambia Breweries Plc will be distributed on or before 6th March 2026, by the Transfer Secretaries/ Agents whose contact details are as set out here below:

Corpserve Transfer Agents Limited
6 Mwaleshi Road, Olympia Park, Lusaka, Zambia
Telephone: +260 (211) 256969/70 or 295888
Facsimile : +260 (211) 256975
Email: info@corpservzambia.com.zm

The Company will also place the said Annual Report and Audited Financial Statements on the Lusaka Securities Exchange website on 6th March 2026. The website address is www.luse.co.zm

By order of the Board



Chewe Hamabuyu
Company Secretary
Issued in Lusaka, Zambia on 5th March 2026

FORM OF PROXY:

I/We _____ [Name in block letters]

Being (a) holder(s) of _____ ordinary shares in Zambian Breweries Plc

("the Company"), hereby appoint _____ [Name of proxy]

of _____ [Address]

as my/our proxy to vote in my/our name(s) and on my/our behalf at the Annual General Meeting ("AGM") of the Company to be at Neelkanth Sarovar Premiere, Lusaka, on 30th March 2026 at 10:00 hours and at any adjournment thereof.

Please indicate with an "X" in the appropriate box below, how the proxy should vote and then sign in the space provided below. If no specific direction as to voting is given, the proxy may vote or abstain at his or her discretion.

RESOLUTION	FOR	AGAINST	VOTE WITHHELD
Resolution 1 - To consider and adopt the minutes of the 31st AGM held on 23rd May, 2025.			
Resolution 2 - To receive and adopt the Annual Report of Zambian Breweries Plc for the year ended 31st December, 2025.			
Resolution 3 - To adopt the recommendation of the Board of Directors not to declare a final dividend for the year ended 31st December, 2025.			
Resolution 4 - To retire and re-elect the Board of Directors.			
Resolution 5 - To fix the remuneration of the Independent Non-Executive Directors.			
Resolution 6 - To consider and adopt the recommendation for the appointment of the Auditor of the Company and authorise the Directors to set their remuneration.			
Resolution 7 - To consider the proposal by the Board to amend the articles to allow the issuance of notices by the Company to the Members to be made by electronic mail			

Signed at _____ this _____ day of _____ 2026

Signature _____

Name in block letters: _____

Initials and surnames of joint holders (if any) _____

THE FOLLOWING PROVISIONS SHALL APPLY IN RELATION TO PROXIES:

1. A shareholder of the Company may appoint any individual (including an individual who is not a shareholder of the Company) as a proxy to participate in, and speak and vote at, the Annual General Meeting of the Company. A shareholder may therefore insert the name of a proxy or the names of two alternative proxies of the member's choice in the space provided.
2. A proxy instrument must be in writing, dated and signed by the shareholder.
3. A proxy may delegate his/her authority to act on behalf of the shareholder to another person, subject to any restrictions set out in the instrument appointing the proxy.
4. A copy of the instrument appointing a proxy must be delivered to the Company, or to any other person on behalf of the Company, before the proxy exercises any rights of the shareholder at the Annual General Meeting.
5. Irrespective of the form of instrument used to appoint the proxy (i) the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder (ii) the appointment is revocable unless the proxy appointment expressly states otherwise and (iii) if the appointment is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing or making a later inconsistent appointment of a proxy and delivering a copy of the revocation instrument to the proxy and the Company.
6. The proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction except to the extent that the Articles of Association of the Company, or the instrument appointing the proxy, provide otherwise.
7. A shareholder's instructions to the proxy must be indicated by the insertion of an 'X' in the appropriate box provided.
8. Every member present in person or by proxy and entitled to vote shall, on a show of hands, have only one vote and upon a poll, every member shall have one vote for every ordinary share held.
9. Documentary evidence establishing the authority of the person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the Company or waived by the Chairman of the Annual General Meeting.
10. To be effective, this proxy form must be properly completed and lodged at the registered office of the Company before the commencement of the Annual General Meeting.
11. A member entitled to attend and vote at the meeting is entitled to appoint any person (whether a member of the Company or not) to attend and, on a poll, to vote in his/her stead. Proxy forms are obtainable from the Company Secretary and must be lodged at the Registered Office of the Company before the commencement of the AGM.

ZAMBIAN BREWERIES PLC MINUTES OF THE 31ST ANNUAL GENERAL MEETING HELD ON 23RD MAY, 2025 AT TWANGALE CONFERENCE CENTRE.



1. CHAIRPERSON'S OPENING REMARKS

The Chairperson of the Board, Ms. Monica K. Musonda, called the meeting to order at 9.00 am and welcomed all shareholders and participants to the 31st Annual General Meeting ["AGM"] of Zambia Breweries Plc ["the Company"].

The Chairperson confirmed the hybrid format of the AGM and extended appreciation to shareholders attending both in person and virtually.

An apology was extended on behalf of the Board and Management for the delay in holding the AGM. The Chairperson confirmed that all necessary regulatory dispensations were obtained to hold the meeting outside the statutory timeframe.

2. CONFIRMATION OF QUORUM

The Company Secretary, Ms. Mwamba Chibesakunda, confirmed that a quorum was present in accordance with the Company's Articles of Association and the Companies Act, with the majority shareholder having submitted a valid proxy and other shareholders attending both physically and virtually.

3. INTRODUCTION OF BOARD MEMBERS AND OFFICERS PRESENT

- The following persons were introduced:
- Ms. Monica K. Musonda – Chairperson
- Mr. Thais Cavinatto – Country Director & Executive Director
- Mr. Nkanyiso Mncwabe – Acting Country Director
- Ms. Elisha Dhenanath – Non-Executive Director
- Ms. Choolwe Lungu – Finance Director & Executive Director
- Ms. Mwamba Chibesakunda – Company Secretary
- Mr. Alex Jin – Regional Finance Director, AB InBev
- Mr. Christopher Mulenga – Audit Partner, Grant Thornton Zambia

Apologies were received from:

- Mr. Jito Kayumba – Non-Executive Director & Chairman of the Audit Committee

4. HOUSEKEEPING AND VOTING PROCEDURE

The Chairperson outlined the voting procedures. In a departure from past practice, voting was conducted by poll via an electronic platform to ensure transparency. Shareholders were given access to voting devices and electronic links.

5. ADOPTION OF THE AGENDA

The agenda as circulated was read by the Company Secretary and displayed on screen. The Chairperson proposed its adoption with one noted amendment: the deferral of the proposal to amend the Articles of Association for electronic notices, pending further regulatory input.

- Proposer: Mr. Kamelon Mbewe [Shareholder]
- Seconder: Ms. Patricia Chibowa [Proxy Holder]

The agenda was adopted unanimously.

6. ORDINARY BUSINESS

6.1 Adoption of the Minutes of the 30th AGM

The Chairperson called for the adoption of the minutes of the 30th AGM held on 3rd May 2024.

Voting was conducted by poll:

- In favour: 98.38%
- Against: 1.62%
- Resolution PASSED

6.2 Adoption of Annual Report and Financial Statements for the Year Ended 31st December 2024

The Country Director and Finance Director delivered presentations on the Company's operational and financial performance. The audit partner confirmed that Grant Thornton issued an unmodified opinion.

Voting results:

- In favour: 97.61%
- Against: 2.39%
- Resolution Passed

6.3 Approval of Recommendation Not to Declare a Dividend

The Board recommended that no dividend be declared for the year ended 31st December 2024.

- In favour: 97.61%
- Against: 2.39%
- Resolution Passed

6.4 Re-Election of Directors

In accordance with the Articles of Association, the following directors, having retired by rotation, offered themselves for re-election:

- Ms. Monica K. Musonda
- Mr. Jito Kayumba
- Ms. Elisha Dhenanath
- Mr. Thais Cavinatto
- Ms. Choolwe Lungu

The Company Secretary confirmed compliance with the Articles and Companies Act.

- In favour: 95.99%
- Against: 4.01%
- Resolution Passed

6.5 Approval of Remuneration of Non-Executive Directors

Shareholders approved the unchanged sitting fees for 2025:

- Chairperson: USD 3,500 per sitting
- Other Independent Non-Executive Directors: USD 2,300 per sitting
- In favour: 95.99%
- Against: 4.01%
- Resolution Passed

6.6 Appointment of Auditors

The Board recommended the reappointment of Grant Thornton Zambia as the Company's auditors until the next AGM, and for the directors to set their remuneration.

- In favour: 97.61%
- Against: 2.39%
- Resolution Passed

7. ANY OTHER BUSINESS

The Chairperson invited general questions. Topics raised included:

- Dividend sustainability
- Cost control and transparency on management fees
- Free float compliance and shareholder engagement
- Corporate governance and board effectiveness
- Distribution strategy and supply chain management

The Chairperson reiterated the Company's commitment to transparency, fair treatment of shareholders, and quarterly investor engagement going forward.

Shareholders were encouraged to submit further questions to the designated emails displayed at the meeting.

8. CLOSURE

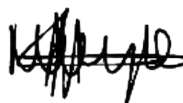
There being no further business, the Chairperson thanked shareholders for their participation and formally closed the meeting at 11.00am.

Refreshments were provided to those in physical attendance.

Signed:



Monica K. Musonda
Chairperson of the Board



Mwamba Chibesakunda
Company Secretary

Corporate Information

Principal shareholders

The ten largest shareholdings in the Company and the respective number of shares held at 31 December 2025 is as follows:

Rank	LuSE ID	Shareholder Name	Shareholding	%
1	229857	AB INBEV AFRICA BV	475,732,350	87.13
2	332119	SATURNIA REGNA PENSION FUND	14,926,660	2.73
3	409448	STANDARD CHARTERED ZAMBIA SECURITIES SERVICES NOMINEES LTD	6,401,821	1.17
4	459847	STANBIC NOMINEES ZAMBIA LIMITED-459847	5,776,212	1.06
5	332135	KCM PENSION TRUST SCHEME	4,872,870	0.89
6	377562	STANDARD CHARTERED ZAMBIA SECURITIES SERVICES NOMINEES LTD	4,143,295	0.76
7	475572	STANDARD CHARTERED ZAMBIA SECURITIES SERVICES NOMINEES LIMITED-032648000871	2,136,942	0.39
8	419265	ZAMBIA SUGAR PENSION TRUST -SCHEME	2,284,327	0.42
9	410055	STANDARD CHARTERED ZAMBIA SECURITIES SERVICES NOMINEES LIMITED	2,154,972	0.39
10	429830	STANBIC NOMINEES ZAMBIA LIMITED-429830	2,148,121	0.39
		Shares Selected	520,577,570	95.34
		Not Selected	25,429,230	4.66
		Issued Shared Capital	546,006,800	100.00

Distribution of shareholders

Range No.	Shareholding Range	Shares In the Range	%	Holders in the Range	%
1	1 - 1000	388,865	0.07	1,052	63.83
2	1001 - 5,000	896,931	0.16	411	24.94
3	5,001 - 10,000	512,097	0.09	71	4.31
4	10,001 - 100,000	2,170,594	0.40	71	4.31
5	100,001 - 1,000,000	9,502,240	1.74	25	1.52
6	>1,000,001	532,536,073	97.53	18	1.09
TOTALS		546,006,800	100	1,648	100

Directorate and Corporate Information

DIRECTORS

Monica Katebe Musonda*
Jito Kayumba*
Choolwe N. Lungu*
Zhenyu Alex Jin**
Thais Cavinatto***

COMPANY SECRETARY

Chewe Hamabuyu*

REGISTERED OFFICE

Plot No 6438
Mungwi Road
Heavy Industrial Area
P O Box 35135
Lusaka

BANKERS

ABSA Bank Zambia Plc
Citibank Zambia Limited
Stanbic Bank Zambia Limited
Standard Chartered Bank Plc
Zambia National Commercial Bank
Access Bank Zambia Limited
FNB Zambia Limited
UBA Bank Zambia Limited

REGISTRARS

Corpserve Transfer Agents Limited
6 Mwaleshi Road
Olympia Park
Lusaka

LEGAL ADVISORS

Tembo Ngulube & Associates
Plot 34, Manda Hill Road
P.O. Box 37060
Lusaka

AUDITORS


Grant Thornton
Metropolitan House
2nd Floor, West wing
Off Kelvin Siwale Road
Arcades Area
P.O. Box 30885
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