

## TRADING UPDATE FOR THE FIRST QUARTER ENDED 30 JUNE 2016

The Company today issues the following update for the first quarter ended 30 June 2016.

The Group's volume and revenue performance was impacted by the marked changes in the trading environment. Consumer spending has been affected by the limited access to cash, a poor agricultural season and the generally weak macro-economic performance.

Lager beer volume is 14% below prior year for the quarter whilst Sparkling beverages are down 9% for the same period. The depressed disposable incomes continue to drive consumers towards value for money brands and packs. The Company had to increase the retail price of Maheu to take into account the input tax that is no longer claimable as the product category was changed from zero-rated to exempt status for value added tax purposes.

Sorghum beer volume is 9% up for the quarter, driven by improved availability of Chibuku Super.

Revenue is down 11% for the quarter, reflecting both weak demand and changes to the mix of the products within our portfolio. A further business performance update will be provided at the Annual General Meeting scheduled for Friday the 29<sup>th</sup> of July 2016.

The Group's previous financial statements and other company reports are available on the website [www.delta.co.zw](http://www.delta.co.zw)

14 July 2016

