

TRADING UPDATE Quarter 1 2026

Overview of Financial Performance

Unifreight Africa Limited delivered a strong start to 2026. Group sales for Q1 reached ZWG 211.0 million, which was 79% ahead of budget. Gross profit was ZWG 53.8 million, 108% above budget, while EBITDA was ZWG 17.3 million against a budget of ZWG 2.5 million. Operational profit before tax came in at ZWG 3.8 million compared with a budgeted loss of ZWG 11.4 million. These results represent a very encouraging start to the year and show that the Group's growth strategy is continuing to convert scale into earnings.

Market Conditions and Challenges

Underlying operating activity remained strong. The Group moved 63,173 tonnes in Q1, which was 22% ahead of budget, and covered 2.26 million kilometres, 1% above budget, despite operating an average of 266 trucks against a budgeted fleet of 290. The Group delivered ahead of budget with 8% fewer trucks than planned points due to better fleet utilization, stronger route discipline, and effective use of available capacity.

The cost environment, however, remained demanding. Fuel litres consumed were broadly in line with budget at 878,134 litres, but the average fuel price of ZWG 39.35 was 64% above budget, pushing total fuel cost to ZWG 34.6 million. Repairs and maintenance were 110% above budget, subcontractor costs were 97% above budget, and total support service costs were 56% above budget. Even with these headwinds, revenue growth outpaced cost growth, allowing the Group to deliver a gross margin of 25% versus a budget of 22% and an EBITDA margin of 8% versus a budget of 2%.

Strategic Developments

As previously announced, Unifreight Africa Limited (Unifreight) acquired an effective 86.67% shareholding in Cheetah Express Logistics (Private) Limited, which operates as the sole authorised FedEx Global Service Participant in Zimbabwe. This transaction awaits final approval from Competition and Tariff Commission [CTC]. The acquisition will result in Unifreight Africa Limited becoming the majority shareholder in Cheetah

Express Logistics. All rights accruing to Cheetah Express Logistics in its capacity as the sole authorised FedEx Global Service Participant in Zimbabwe shall, upon completion of the transaction, be attributable to Unifreight. The total consideration for the acquisition is US\$2.08 million.

This acquisition is strategically important for the Group. It gives Unifreight immediate entry into the express courier segment, adds a service-led revenue stream with strong margin potential, improves revenue diversification, and strengthens the Group's position as a broader end-to-end logistics provider. It also brings a direct link into an established international delivery network through the FedEx global service participation relationship with Cheetah Express Logistics (Private) Limited, which should enhance the Group's medium-term earnings quality and customer offering.

In line with the fleet replacement and expansion program already disclosed by the Group, the first 40 FAW 380FT truck tractors paired with Afrit Trailers have now been delivered. Management has undertaken extensive testing across the fleet and has determined that the FAW 380FT is the ideal specification for the Beira Corridor route. That conclusion is supported by previously disclosed operating experience showing that the FAW 28-380FT platform has been highly reliable, has delivered a lower cost per kilometre than alternative units tested in the fleet, and has achieved fuel efficiency of around 2.34 kilometres per litre. It also aligns with the Group's stated plan to continue investing in FAW 380FT units and to deepen its exposure to the Beira corridor, which has already been identified as a key cross-border growth route.

Capital Allocation and Gearing

The Board has deliberately allowed gearing to rise in order to secure the Cheetah acquisition and to fund the next phase of fleet expansion. In the case of Cheetah, the US\$2.08 million purchase consideration is being funded through US\$210,000 in internally generated cash and US\$1.87 million from existing overdraft facilities with two local financial institutions. Those facilities carry a fixed interest rate of 10.5% per annum and are repayable over three years. This gives the Group certainty over the cost of funding while it integrates the acquisition and builds out the earnings contribution from

the business.

Management views this increase in gearing as a measured and calculated capital allocation decision. Cheetah adds a less asset-heavy, higher-value service platform, while the new FAW/Afrif units increase capacity on a route where Unifreight has already seen sustained growth and where the chosen specification has been thoroughly tested in real operating conditions. Importantly, Q1's volume performance was achieved with fewer trucks than budgeted, which means the incremental capacity should come into a business that is already demonstrating strong demand. The Board therefore believes that the returns generated by these investments will exceed the cost of finance and will translate into stronger shareholder returns over time.

Outlook

Looking ahead, the Board remains confident in the Group's trajectory for the balance of 2026. Q1 delivered strong revenue growth, a return to profitability, and a much stronger March exit rate. The Group is entering the next phase of the year with the benefit of a broader strategic platform: an enlarged position in express logistics through Cheetah, and additional corridor-focused transport capacity through the first tranche of new FAW 380FT units. While fuel, maintenance, and the cost of funding remain active areas of focus, management expects the combination of stronger fleet productivity, improved route economics, and a more diversified business mix to support further earnings growth in the coming quarters.

Appreciation

The Board extends its sincere appreciation to our employees, customers, suppliers, financiers, and shareholders for their continued support. The performance achieved in the first quarter reflects disciplined execution across the Group and a willingness to make bold but well-considered decisions for long-term growth. We remain focused on building a larger, more resilient, and more profitable logistics business.

BY ORDER OF THE BOARD



Richard Clarke
Group CEO