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➤ **Commercial Farmers****Irrigated Crops Dryland and Late Crops**

- Growing conditions for the irrigated crop this season have been fair to good, with the crop thriving under conducive growth driven by warm sun filled and temperate days, in combination with an adequate supply of irrigation water, juxtaposed to occasional natural rainfall.
- The irrigated harvest to date has been finalized on schedule, due to mostly favourable weather conditions, which persisted throughout the southern and central regions.
- Irrigated crop quality to date is above average, clean, open grained, soft natured with little to no disease, however to some extent the early crop is exhibiting some ripe mature spotty characteristics found only in certain areas.
- Colours and qualities currently range from lemon to light orange in the top end, through to full orange, light mahogany, with some mid to lower styles carrying live brown (perish) over ripe thin natured styles. However, this is presenting as very usable mature qualities in the tail end of certain runs.
- A fair to good percentage of mature ripe smoking leaf and soft natured cutting styles are showing at this early stage of procurement.
- Currently farmer stocks of cured tobacco are being held in dry, well-ventilated storages, pre-sorting, grading and baling. Farmers commenced grading and baling from mid-March in preparation for the opening of the marketing season in late April.
- Seedbed site selection and land preparation for the 2026 season has begun in some areas, with good residual moisture in the soil due to late rains, and substantial rainfall throughout the season.
- Stalk destruction is currently taking place by growers that have completed their crop cycle and are preparing for the start of the 2026 season.
- Farmer rollover and new registrations are expected to take place soon, along with early crop input orders.
- Leaf personnel carried out field visits to all leaf areas premarketing, conducted grading demonstrations, presentation guidance and giving critical leaf advice to farmers, this has been received well, with a good response from farmers.
- To date deliveries of leaf for sale have been presented and graded to a satisfactory standard.
- The quality assessment to date of the Commercial irrigated and dryland crop leaves us very optimistic and confident that we will have a very positive season this year.

**Dryland and Late Crops**

- Dryland rain fed crop reaping and curing is approaching completion with sorting and grading being the prime business at this stage in the season.
- Although the dryland crop experienced a dry start at the initial transplanting stage of the seasons, with very little rain, the crop has bounced back under good agricultural management practises, implemented by our experienced commercial farmer base and agronomy department, doing well to recover from the initial challenges, and is currently producing a very desirable outturn.
- Tobacco offered for sale at this early stage can be categorized as thin to firm bodied, encompassing a broad quality spectrum.
- The thinner leaf styles available are mostly semi-ripe to ripe, with good "F" bright orange maturity, with a high degree of soft natured cutting quality being available, while firm bodied leaf styles are immature to mature, soft open grained lemon to light orange, with a good degree of ripe "F" spot being present in what has been offered to date.
- The crop so far is living up to quality expectation, with good uniformity and usability covering the full spectrum of styles.

### Commercial Contract Growers / TAZ Sales Floor CY25



### Small scale (Dryland)

#### Contract Project Tobacco (Dryland)

- FCV Small-scale market sales commenced in conjunction with commercial sales, with a wide variety of styles being on offer, from lower stalk thin leaf through to firm bodied upper leaf.
- Characteristics of the leaf being offered varied considerably from thin live browns through to good quality firm, soft natured, open grained lemon to light orange ripe leaf styles.
- Offerings across the Small-scale floors at this early stage are predominantly mid to lower stalk, with some firm bodied leaf on offer.
- Feedback on the project sales floors to date, is that the standard of tobacco on offer is of a significantly higher standard than seen in previous years, with the core grades being soft natured, mature, carrying a degree of ripe "F" spot. Initial quality and colour factors predict above average crops.
- Bale checks are being carried out on the sales floors in regard to negatives, such as contaminants, high moisture, mould, funky and NTRM. Negatives that do not fit our required profile and standard are returned to the grower for rehandling.
- Due to late heavy rains experienced towards the end of April, several farmers delivered a number of high moisture bales to the project sales floor, these were rehandled or immediately rejected and returned to the farmers. This set an initial precedence that does not accept over conditioned, mouldy, or funky tobacco.

#### Small Scale Cured Leaf (Contract/Project Growers - Eastern Region CY25)



### ➤ Zambian Tobacco Leaf Crop Cycle

PROVINCE	Transplanting %	Topped %	Reaped %
Northern Region	100 %	100 %	100 %
Western Region	100 %	100 %	100 %
Central Region	100 %	100 %	100 %
Eastern Region	100 %	100 %	100 %
Southern Region	100 %	100 %	95 %

### ➤ Tobacco Varieties and Proportion CY25

- 30% = Seed varieties KRK66, KRK26, KRK29—from Zimbabwe Tobacco Seed Association and Kutsaga.
- 70% = Seed varieties CC35, CC13, K326—from Cross Creek Seed Suppliers in United States of America.

### ➤ Crop Forecast - CY25

- Zambia's National crop size for this year is anticipated to be between 40 & 42 million kilograms.
- Zambian Burley volume estimated availability this season 7 million kilograms green.



## ➤ Crop Development 2025

Crop Status	Seedbeds	Transplanting	Topping	Harvesting	Curing	Buying	Processing
January							
February							
March							
April						Start 22-April 2025	
May							
June	Start 1 June 2024						
July							
August							
September		Start 1 Sep 2024					
October							
November			Start 1 Nov 2024				
December				Start 1 Dec 2024	Start 1 Dec 2024		

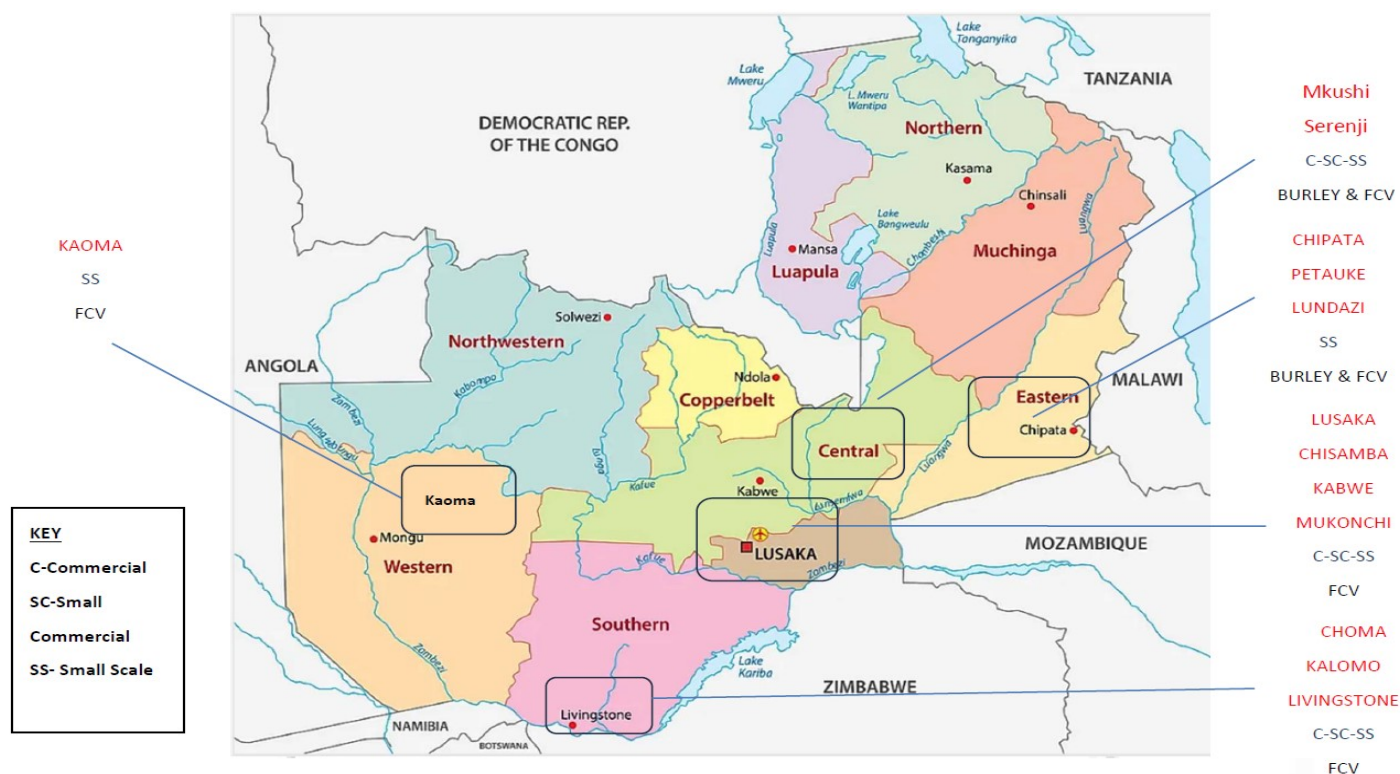
## ➤ Weather Conditions

- Northern and Eastern Provinces:  
These regions experienced continued rainfall into late April, with some areas receiving above normal precipitation.
- Southern and Central Provinces:  
Rainfall ceased earlier in the month of April, leading to drier conditions.
- Overall, April 2025 marked the beginning of the dry season in many parts of Zambia, with regional differences in rainfall patterns influencing local conditions.

## ➤ Factory Upgrades

- Extending stem dryer capacity – This being done to improve the drying efficiency – reduce high packing temperatures – cooked up stems and fire control.
- Realigning lamina apron rails & sprockets to improve efficiency and reduce idle time, technical challenges.
- Servicing of hand strip dryer apron (slats, roller pins, rails etc.) – meant to keep the Redry well compacted and avoid breakdowns that comes through broken slats, roller pins and apron derailment.
- Changing of the double stem shaker into a wider shaker set-up – to improve Total Quality Management on stem sizing, cleanliness, improved and efficient stem packing.
- Installation of stem thresher & conveyors – to deal with stem length and general control of stem size irrespective of type either FCV or Burley stems.
- Refurbishing long stem conveyor from threshing line to stem dryer – improve stem transportation from T&T to the stem dryer.
- Tipping house-bundle busters, circular knives, cleaning rollers & feeding table conveyors –alignment and improving the set up to help on tipping and bundle buster processes – also improves threshing efficiency and breakdown reductions.
- New Generator as back up for the existing one to reduce external downtime –ZESCO more production.
- Garbuio - Running out packing line with driven rollers – moving from manual to automation mainly to improve packing efficiency and pressing concerns, densities that comes with a laborious manual hold down press controls – human factor errors.
- Garbuio - Fabricating new charger top sleeves – packing press improvements for good densities and efficient packing.
- Manufacturing of bail peeler and scrap conveyor completion – bales peeler improvement to reduce product handling, spillages and breakages, this will help on yield management, reduce floor sweepings and improve housekeeping management.
- New sheds- water pipeline – emergency fire control.
- New fines packing line – packing of fines to be realigned and capacity improvement.
- Replace all T.G. seals with non-felt material – this meant to improve effectiveness and efficient mainly for Total Quality and performance improvement.
- PLC control for both stem and main Strip redryer – improve efficiency and consistency.
- Introduction of Butted Loose leaf {BLL} packing at the grading shed to give room for T & T production only in the Tip and Threshing Line.
- Introduction of new metal detectors on the line.
- Purchased new backup Generator - two Generators now on standby for blackouts.

➤ **Zambian FCV & Burley tobacco growing map, Commercial and Small Scale.**



➤ **Political and Economic Update**

- Annual real GDP growth is projected at 6.2 percent in 2025 and average 6.6 percent in 2026-27. This reflects anticipated record agricultural harvests on the back of good rainfall in 2025, supporting crop performance, improved reservoir levels, and enhanced electricity generation. Over the medium term, growth will benefit from broad-based momentum across agriculture, industry (particularly mining and agrifood processing), and services related to mining, agriculture, and tourism.
- Poverty is expected to resume a downward trajectory, but from a high base and at a slow pace, reaching 62 percent in 2025.
- Inflation is expected to decrease as the food supply improves.
- Key growth drivers include net foreign direct investment inflows in the mining sector, restoring debt sustainability, and completing reforms to support private sector competitiveness and regain macroeconomic stability.
- Investments in mining have reached US\$9.3 billion since 2023, with additional pledges of US\$1.0 billion, aiming to boost copper production to the government's 3 million metric tons annual target to a positive mining outlook.

➤ **Exchange Rate – As of 7th May 2025**

U.S. Dollar	Chinese	Zambian	British	Euro	Zimbabwe
USD 1.00	RMB 7.27	ZK 27.55	GBP 0.75	EUR 0.88	ZIG 26.82

**End of Report**

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