

**SENS ANNOUNCEMENT**  
(the "Notice" or "Announcement")

**ISSUER**



**ZCCM INVESTMENTS HOLDINGS PLC ("ZCCM-IH")**  
[Incorporated in the Republic of Zambia]

Company registration number: 119540000771  
Share Code: ZCCM-IH  
ISIN: ZM0000000037  
Authorised by: Chabby Chabala – Company Secretary

**SPONSOR**



**Stockbrokers Zambia Limited**

[Founder Member of the Lusaka Securities Exchange]  
[Regulated and licensed by the Securities and Exchange Commission of Zambia]

Contact Number: +260-211-232456  
Website: [www.sbz.com.zm](http://www.sbz.com.zm)

**APPROVAL**

The captioned Notice or Announcement has been approved by:

- i. the Lusaka Securities Exchange ("LuSE")
- ii. the Securities and Exchange Commission ("SEC")
- iii. Stockbrokers Zambia Limited ("SBZ")

**RISK WARNING**

The Notice or Announcement contained herein contains information that may be of a price sensitive nature.

Investors are advised to seek the advice of their investment advisor, stockbroker, or any professional duly licensed by the Securities and Exchange Commission of Zambia to provide securities advice.

**ISSUED: 9 March 2021**



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[Incorporated in the Republic of Zambia]

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["ZCCM-IH" or the "Company"]

### **FURTHER CAUTIONARY ANNOUNCEMENT**

The shareholder of ZCCM Investments Holdings Plc ("ZCCM-IH" or "the Company"), as well as other market participants, are referred to the cautionary announcement issued on 20 January 2020 in which the Board of Directors of ZCCM-IH ("the Board") informed them that the Company has reached an agreement with Glencore, representing Carlisa Investments Corp. ("Carlisa"), for the acquisition of the 90% stake not currently held by ZCCM-IH in Mopani Copper Mines Plc ("Mopani") ("the Transaction").

The Board wishes to inform the shareholders and the market that ZCCM-IH, with its advisors, has prepared the technical and financial information which is required in the Circular to ZCCM-IH shareholders ("Shareholders") to ensure Shareholders have sufficient information to vote on the Transaction at an Extraordinary General Meeting. The Transaction presents a significant opportunity for ZCCM-IH and will transform the Company from an investment holding company into a world-class copper and cobalt mining company that will have the ability to create substantial value for its shareholders today and well into the future. In line with the requirements of Section 9 of the Lusaka Securities Exchange ("LuSE") Listings Requirements, the salient features of the Transaction are as follows.

- |                                 |                                                                                                                                                                                                                                                                                                      |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Particulars of the Acquisition: | Acquisition of 90% stake in Mopani Copper Mines Plc from Carlisa Investments Corp                                                                                                                                                                                                                    |
| Conditions Precedent include:   | <ul style="list-style-type: none"><li>• Various regulatory approvals, including LuSE, Securities and Exchange Commission, relevant competition authorities; and</li><li>• ZCCM-IH Shareholder approval.</li></ul>                                                                                    |
| Consideration:                  | USD 1                                                                                                                                                                                                                                                                                                |
| Other terms of the Acquisition: | <ul style="list-style-type: none"><li>• Agreement in relation to the debt of USD1.5 billion due by Mopani to Glencore; and</li><li>• Agreement of offtake rights to Glencore in respect of a portion of Mopani's copper production for the period until the USD1.5 billion debt is repaid.</li></ul> |

## Rationale for the Acquisition

- The acquisition of 90% of the issued shares in Mopani will result in ZCCM-IH being the holder of 100% of the issued shares in Mopani and represents an opportunity for ZCCM-IH to transform from a pure investment company to owning and operating a major mining asset in Zambia. Mopani's operations include some of the largest and oldest copper mines in the world, with a potential life of mine of over 30 years and well-understood geology. With ZCCM-IH having control of Mopani, there is an opportunity for ZCCM-IH and its shareholders to extract the full value from the valuable underlying assets. This is in line with ZCCM-IH's Strategic Plan to extract better value from its underlying assets and remedy some of the previous challenges associated with the minority shareholdings held by the Company in investee companies.

The Pro-forma financial effects of the Proposed Acquisition on ZCCM-IH are expected to be as follows:	Post Transaction	Pro Forma Adjustments	Post Transaction	Percentage change (%)
Earnings Per Share (EPS) (ZMW)	7.37	208.85	<b>216.22</b>	2,832
*Headline Earnings Per Share (HEPS) (ZMW)	7.27	-52.88	<b>-45.61</b>	-727
Net Asset Value (NAV) per share	78.54	40.00	<b>118.54</b>	51
Ordinary Shares in issue	160,800,286	-	160,800,286	0
Shares in issue	160,800,286	-	160,800,286	0
Weighted average number of Ordinary Shares in issue	160,800,286	-	160,800,286	0

**Note:** \*Adjusted ZCCM-IH for revaluation of Property, Plant and Equipment, and adjusted Mopani revaluation of Glencore Loan

In line with Section 9.16 of the LuSE Listings Requirement, and upon confirmation that Mopani is a subsidiary of ZCCM-IH as defined by the Companies Act, ZCCM-IH confirms that the Articles of Association of Mopani will be amended to conform to Schedule 10 of the LuSE Listings Requirements.

## Extraordinary General Meeting and the Transaction Circular

- A notice of Extraordinary General Meeting ("EGM") to consider the Proposed Transaction will be published on Tuesday, 9 March 2021; and
- A circular to Shareholders giving full details of the Transaction will be mailed to Shareholders from Tuesday, 9 March 2021.

The Circular will also be available in electronic form on the LuSE's website ([www.luse.co.zm](http://www.luse.co.zm)) or Stockbrokers Zambia Limited (SBZ) website ([www.sbz.com.zm](http://www.sbz.com.zm)). Alternatively, shareholders may collect the Circular from the Company's Transfer Secretaries and/or Sponsoring Broker whose details are below:

### Sponsoring Broker

Stockbrokers Zambia Limited  
32 Lubu Road  
Longacres  
P.O. Box 38956  
Lusaka

### Transfer Secretary

Corpserve Transfer Agents Limited  
6 Mwaleshi Road  
Olympia Park  
Lusaka  
Zambia

Shareholders are advised to continue to exercise caution when dealing in the Company's securities until completion of the Transaction which is expected on 31 March 2021.

## By Order of the Board

Chabby Chabala  
Company Secretary

Issued in Lusaka, Zambia on 9 March 2021

Lusaka Securities Exchange Sponsoring Broker



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Stockbrokers Zambia Limited (SBZ) is a member of the Lusaka Securities Exchange and is regulated by the Securities and Exchange Commission of Zambia

First Issued on 4 September 2020