

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: Charles Mjumphi – Company Secretary

SPONSOR



Stockbrokers Zambia Limited

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

APPROVAL

The captioned Announcement has been approved by:

- i. the Lusaka Securities Exchange ("**LuSE**")
- ii. the Securities and Exchange Commission of Zambia ("**SEC**")
- iii. ZCCM Investment Holdings Plc ("**ZCCM-IH**")

RISK WARNING

The 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: 27 May 2025



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[“ZCCM-IH” or the “Company”]

TRANSACTION ANNOUNCEMENT

The shareholders of ZCCM Investments Holdings Plc (“ZCCM-IH” or “the Company”) and other market participants are referred to the cautionary announcements issued on 31st March 2025 and 16th May 2025.

The Board of Directors of ZCCM-IH wishes to inform shareholders and the market that on 23rd May 2025, ZCCM-IH entered into a transaction with Sino Great Group Ltd. (“Sino Great”) in partnership with Wonderful Group of Companies Limited (“Wonderful Group”) to develop an integrated closed circuit phosphate fertiliser Plant (the “Plant”).

About Sino Great

Sino Great Group Limited is a Chinese-owned enterprise actively engaged in Zambia's industrial and agricultural development, primarily through its subsidiary, Sino Great Chemical Company Limited. The company is spearheading a significant investment in the country's industrial and agricultural production sector.

About Wonderful

Wonderful Group of Companies Limited, established in 2011, is a leading industrial conglomerate in Zambia. Wonderful Group is a diversified industrial and business conglomerate specialised in pioneering greenfield industries and brownfield industries management. It operates across a broad spectrum of industries, including the manufacturing of fertiliser and agro products; porcelain and ceramic tiles; sanitary ware; packaging and PVC construction materials; construction works; and silk cocoon and fabric.

Transaction Details

As of 27 May 2025, the market value of ZCCM IH was ZMW 16,080 million. Accordingly, the percentage Ratio of the consideration (USD 50 million OR ZMW 1,370 million as at the exchange rate on 27 May 2025) to the market capitalisation of ZCCM IH is 8.5%. In accordance with the Categorisation methodology of Section 9 of the Listings Requirements of the Lusaka Securities Exchange (“LuSE”), the Transaction is classified as a Category 2 Transaction.

In compliance with the requirements of Section 9 of the Listings Requirements of LuSE, the key features of the Transaction are as follows:

Investors	ZCCM-IH, Sino Great and Wonderful
Particulars of the Transaction	The proposed investment involves the establishment of an integrated closed circuit phosphate mining and beneficiation business enterprise and includes:

	<p>(a) The establishment of a phosphate rock mine in Eastern Province, Zambia ("the Mine);</p> <p>(b) (i) The construction of a 300,000 tonnes per annum ("tpa") Mono-ammonium Phosphate fertilizer ("MAP") and Phosphoric acid factory, inclusive of inside onsite and offsite facilities, feedstock receiving facilities, products shipment, water supply and treatment facilities as well as office building and stores ("the Plant"); and (ii) an onsite 40 MW thermal power plant (the "Power Plant"), electricity power lines and sub-station ("the sub-station"), in Chilanga District, Zambia (all together "the Project").</p> <p>(c) The appointment of Wuhuan Engineering Company Limited (Wuhuan) to execute the Engineering, Procurement and Construction (EPC) on a Lump Sum TurnKey (LSTK) basis for the Project. Wuhuan is an experienced construction firm with over 60 years' experience in large-scale EPC projects. It is one of earliest largest state-owned construction companies in China, and is ranked among the top two most valuable chemical project contractors in China. Having completed multi-billion dollar chemical and fertiliser manufacturing projects in Asia, Middle East and Africa.</p> <p>(d)</p>
ZCCM-IH's Total Investment	<p>USD 50 Million</p> <p>Split between:</p> <ul style="list-style-type: none"> • \$37.8 million for a 30% equity stake in the business and; • \$12.2 million to be advanced as debt financing to the project." <ul style="list-style-type: none"> ◦ The loan attracts a fixed interest rate of 11% charged annually for 5 (five) years with a one-year moratorium on the principal and interest.
Conditions Precedent include:	<ul style="list-style-type: none"> • ZCCM-IH Board approval; • Attorney General's approval of the Transaction Documents; • A full Corporate Guarantee of the amount and interest by Wonderful Group in favour of ZCCM-IH, issued as security for the debt portion
Effective Date	23 rd May 2025
Rationale for the Transaction	The project aims to revolutionise Zambia's industrial minerals beneficiation for industrial applications and agricultural productivity by addressing the growing demand for phosphate chemicals and high-quality fertilisers, as well as reducing reliance on imported phosphate chemicals and fertilisers.

The Proforma effect of the Transaction

	Before	Pro Forma Adjustments	After	Percentage change (%)
EPS (ZMW)	240.41	0.22	240.62	0.09%
HEPS (ZMW)	(27.31)	0.22	(27.09)	0.80%
NAV per share (ZMW)	325.02	0.22	325.24	0.07%
Ordinary Shares in issue ('000)	160,800	-	160,800	-
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Weighted average number of Ordinary Shares in issue ('000)	160,800	-	160,800	-
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Note 1: Based on the 2024 unaudited provisional financial statements for ZCCM-IH

Accordingly, shareholders no longer need to exercise caution when dealing in their securities in regard to this particular matter.

Charles Mjumphi
Company Secretary

Issued in Lusaka, Zambia on 27 May 2025

Lusaka Securities Exchange Sponsoring Broker	
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First Issued on 27 May 2025