ZCCM-IH

ZCCM INVESTMENTS HOLDINGS PLC

INTEGRATED ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

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About this Report

The Integrated Annual Report for the year ended 31 December 2024 provides a holistic view of ZCCM Investments Holdings Plc ("the Company or ZCCM-IH") and its subsidiaries ("the Group") business model, how the Company is managed and how it manages its investment portfolio. This report therefore provides a complete analysis of our business to satisfy the information needs of key stakeholders that will use the Integrated Report. The information presented aims to provide our various stakeholders with a good understanding of the financial, human, social, environmental and economic impacts of ZCCM-IH to enable them to evaluate our ability to create sustainable value for our stakeholders.

Framework

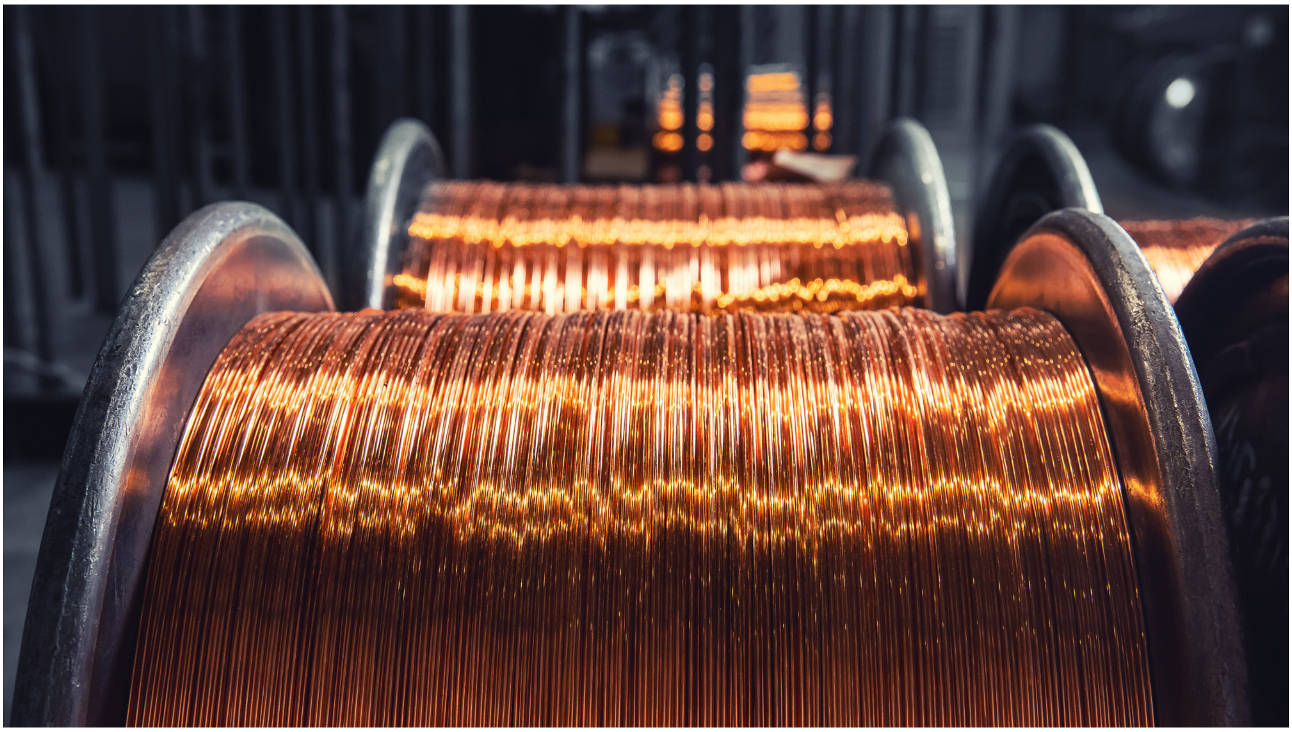
The Financial Statements set out on Pages 50 to 198 have been prepared in accordance with and IFRS® Accounting Standards and its interpretations as issued by the International Accounting Standards Board (IFRS Accounting Standards). Our Integrated Report is prepared in compliance with the Companies Act of Zambia and the listing requirements of the three stock markets on which ZCCM-IH is listed namely: Primary market – Lusaka Securities Exchange, and Secondary markets – Paris Euronext Access and London Stock Exchanges.

Scope And Boundary

This report outlines who we are, what we do and how we create value, providing insights into our structure, strategy, objectives, performance, governance, and future viability. The report provides an overview of the operations and performance of all businesses in which ZCCM-IH is invested. The scope of this report relates to ZCCM-IH as an investment holding company and as a group encompassing its subsidiary and associate investee companies' activities and material matters arising from its investment activities. Material developments beyond the reporting period up to the date of publishing of this report have been included.

Materiality

This report provides information on all those matters that we believe could substantively affect value creation at ZCCM-IH. Written primarily for current and prospective investors, the report is of interest to any stakeholder who wishes to make an informed assessment of ZCCM-IH's ability to create value over time. This report presents the identified material information through a clearly structured narrative. Additional information not material for this report, but of interest for other purposes, are provided on our website.



ABOUT US

ZCCM Investments Holdings Plc (ZCCM-IH) is a premier diversified mining investment and operations company, with significant and focused interests in Zambia's mining and energy sectors. The Group's portfolio commodity mix includes copper, gold, amethyst, manganese, limestone, coal and electric power energy. The shareholding structure is as follows: the Industrial Development Corporation Ltd (IDC) holds 60.3%, Government of the Republic of Zambia (GRZ) holds 17.3%, National Pension Scheme Authority (NAPSA) holds 15% and the remaining 7.4% is held by private investors. The geographical spread of the minority shareholders, who number over 4000, cover countries in Europe, Africa, the Caribbean, Australia, Asia and North America.

The Company has a primary listing on the Lusaka Securities Exchange, and secondary listings on the – Euronext Access Paris and London Stock Exchanges under ISIN number ZM0000000037 on all listings.

Vision: *"To be a world-class mining and energy investment company that benefits the people of Zambia"*

This vision's underlining aspiration of being world class entails that:

- Our global competitiveness edge is driven by our value propositions, extensive and deep industry knowledge and technical expertise in mining, financial and investment management;

- We uphold the highest institutional standards in Environmental, Social and Governance principles and Transparency; and that,

- We have a resilient organisational structure that thrives on a high-performance culture that has exceptional employee skill sets and talent management practices.

Mission: *"To create tangible wealth sustainably for the benefit of the Zambian people and all our stakeholders"*.

- The underlying and fundamental aspect of our mission is creation of wealth in a sustainable manner. This entails that: Our strategy is informed by ambition that is focused, innovative, agile and adaptable to the changing environment;

- We are driven by creating and maximising value through value addition and beneficiation of commodities within our portfolio; and,

- We build sustainability in all aspects through commodity diversification that will lead to sustained business growth.

Our vision and mission are espoused and supported by our core values that are deeply ingrained principles guiding all of our Company's actions. The following values serve as our corporate cultural cornerstones:

- **Integrity:** We resolve to always act and operate ethically, in dealing with one's colleagues and for one's stakeholders even when no one is looking.

- **Teamwork:** We will always strive to work together as a team.

- **Respect:** We give respect to ourselves, our peers, our stakeholders, subordinates, our superiors and our business partners

- **Transparency and accountability:** We respect processes and procedures in an open manner in all our dealings and take ownership of our actions.

- **Efficiency:** We will achieve more with less and apply all our resources optimally.

ABOUT US *(continued)*

Our investments

S/N	Asset Name	% Interest	Product/Service	Status as at date of this report.
01	Limestone Resources Limited	100.00	Supplier of limestone products	Operational
02	Ndola Lime Company	100.00	Supplier of limestone products	Winding up
03	Nkandabwe Coal Mine Limited	100.00	Coal mining	Winding up
04	Misenge Environmental and Technical Services Limited	100.00	Services to the mining sector	Discontinued operations
05	Kariba Minerals Limited	100.00	Amethyst mine	Operational
06	Mushe Milling Limited	100.00	Milling	In liquidation
07	Kabundi Resources Limited	100.00	Manganese mining	Development
08	Investrust Bank Plc	71.40	Commercial bank	Placed under compulsory liquidation
09	Zambia Gold Company Limited	51.00	Gold mining, exploration and trading	Development/Exploration
10	Mopani Copper Mines Plc	49.00	Copper cathode and anode slimes	Operational
11	Central African Cement Limited	49.00	Cement and thermal power energy	Winding up
12	Rembrandt Properties Limited	49.00	Real estate	Divestment
13	Maamba Energy Limited	35.00	Supplier of coal and generator of 300Mw thermal power	Operational
14	Copperbelt Energy Corporation Plc	32.41	Distribution network to large-scale copper mines on the Copperbelt in Zambia	Operational
15	Konkola Copper Mines Plc	20.60	Copper cathode, copper-cobalt alloys and anode slimes	Operational
16	Lubambe Copper Mine Plc	20.00	Copper concentrates	Operational
17	CNMC Luanshya Copper Mines Plc	20.00	Copper concentrates and copper cathode	Operational
18	Kansanshi Mine Plc	20.00	Copper concentrate, smelter, Copper anode, copper cathode and Gold Dore	Operational
19	Mingomba Mining Limited	20.00	Copper concentrates	Exploration
20	Copper Tree Minerals Limited	15.60	Copper cathode	Divestment
21	NFCA Africa Mining Plc	15.00	Copper concentrates	Operational
22	Chibuluma Mines Plc	15.00	Copper concentrates	Operational/Further Exploration
23	Nkana Alloy	15.00	Copper concentrates	Inactive
24	Chambishi Metals Plc	10.00	Copper cathode and cobalt metal processing	Care and maintenance

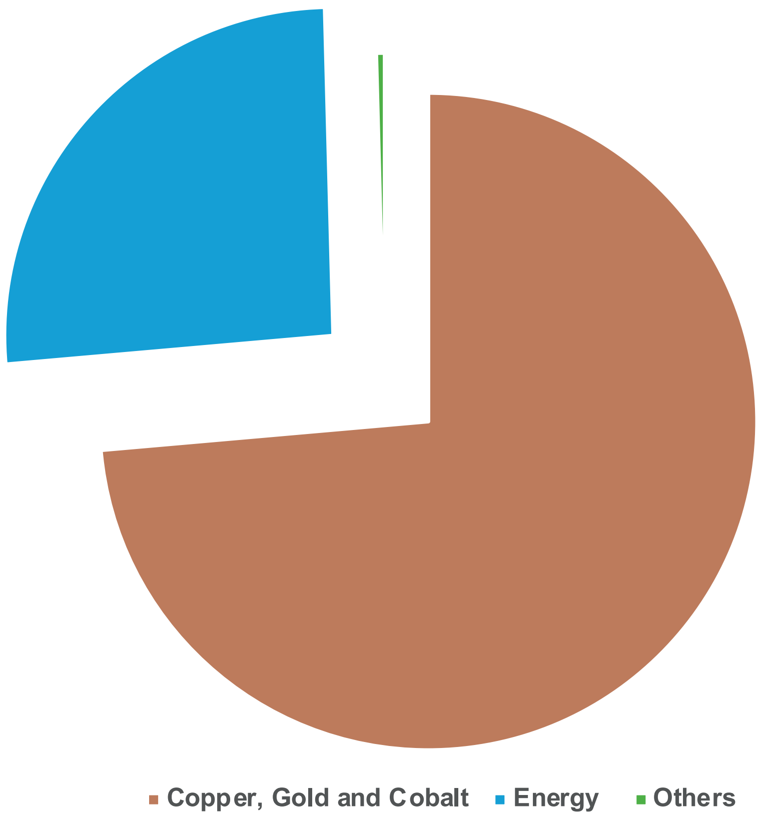
ABOUT US *(continued)*

Our investments *(continued)*

The current portfolio as per sectoral investment value contribution is illustrated in the figure below. The pie charts further shows the direction the Company intends to take in line with the 2023-2026 strategic plan, realigning its portfolio to focus on Mining, Energy and Beneficiation/Value Addition.

ZCCM-IH PORTIFOLIO SNAPSHOT

SECTOR	VALUE (ZMW'MILLION)	CONCENTRATION (%)
Copper, Gold and Cobalt	42,242	73.6%
Energy	14,910	26.0%
Others	236	0.4%
Total	57,388	100.0%



OUR STRATEGY AND KPIS

The year ended 31 December 2024 marked the second year of our revised four-year (2023 – 2026) strategy period (SP). The key pillars underpinning ZCCM-IH SP and performance progress as at 31 December 2024 are set out below:

No.	STRATEGIC GOAL/ PILLAR	KEY TARGETS	PERFORMANCE PROGRESS
	Achieve financial excellence and sustainability	• Increase in investment income target 8% • Profit growth target 5% • Ensure consistency in dividend pay-outs to shareholders with a dividend pay-out ratio of 35% • Portfolio return (NAV growth) above the higher benchmark or 40%.	• Recorded an increase in investment income of 13.6% • Achieved a decrease in profit after tax of 190.6% • Achieved a dividend payout ratio of 35% • NAV per share increased by 66%
	Strengthen stakeholder relationships and improve stakeholder satisfaction.	• Stakeholder satisfaction index target 80% • Brand Recognition index target 70% • Compliance rate target 100%	• Increased stakeholder satisfaction index to 83%.* • Increased brand recognition to 72%.* • Compliance at 100%.
	Achieve operational excellence and business focus.	• Improve Corporate Governance index target 80% • Project Management Index target 72% • Index of subsidiary oversight target 80%	• Corporate Governance index at 88%.* • Project management index at 83%* • Index of subsidiary oversight at 100%*
	Invest in our people.	• % of Information Communication Technology productivity tools used by staff - target 75% • % of staff trained - target 75%	• % of ICT productivity tools used at 89%. • 76% of staff trained

**The archived performance targets are based on surveys conducted among stakeholders.*

FY 2024 Group Performance Highlights

Revenue
ZMW 3.21 billion

Profit for the year
ZMW 39.85 billion

ROA
101.59%

EPS
ZMW247.80

Five-Year Group Performance Highlights

	2020	31 Dec 2021	31 Dec 2022	31 Dec 2023	31 Dec 2024
RETURNS					
Total Returns (ZMW Mn)	8,428	-8,144	-4,815	-12,976	58,198
Return on Opening Equity (%)	67.00%	-38.80%	-37.61%	-164.07%	1,022.69%
Earnings per share (ZMW)	13.91	-78.19	-23.54	-25.35	247.80
FINANCIAL POSITION					
Total Assets (ZMW Mn)	23,296	46,818	48,919	58,464	57,286
Net Asset Value (ZMW Mn)	21,004	12,809	7,909	-5,691	52,264
NAV Per Share ZMW	130.62	79.66	49.18	-35.39	325.02
Current ratio	1.17	1.25	1.11	0.46	4.01
Cash and cash equivalents (ZMW Mn)	181	185	329	360	526
GEARING					
Debt (ZMW Mn)	171	25,414	29,029	-	3,347
Debt to equity %	0.81%	66.49%	78.59%	0.00%	6.02%
Net Cash (Debt) to Equity %	0.00%	66.33%	78.40%	5.96%	5.12%

ROA: *Return on Assets, is computed as profit for the year expressed as a percentage of closing total assets for the year*

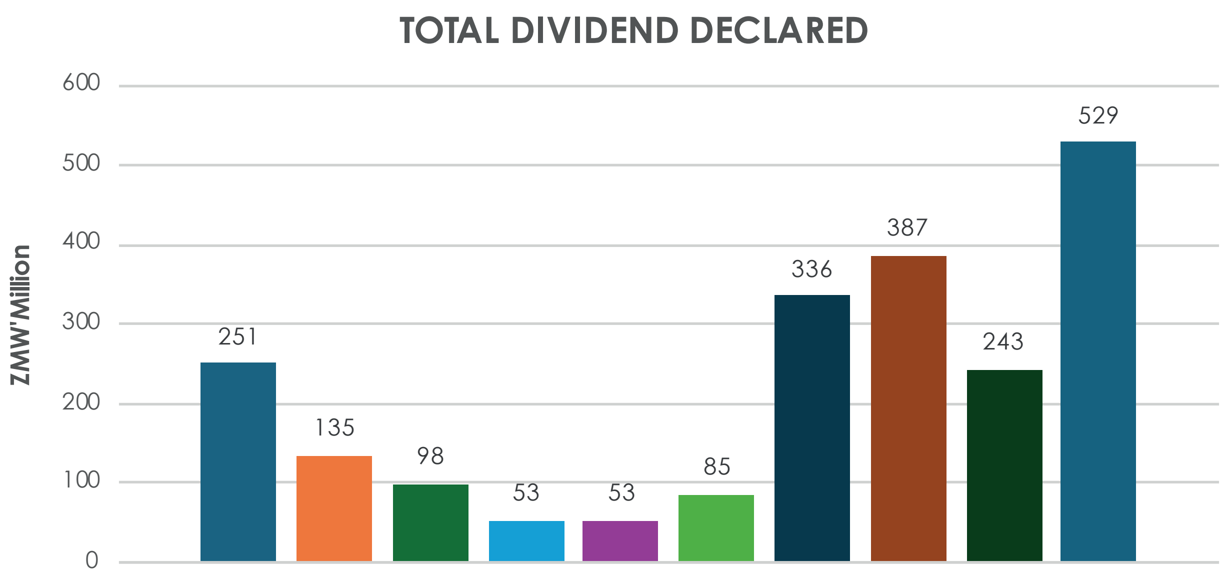
EPS: *Earning Per Share, is computed as profit for the year divided by total number of issued shares*

FY 2024 Group Performance Highlights *(continued)*

Dividend Policy

The ZCCM-IH dividend policy provides that the Company may pay a minimum of 35% of the unconsolidated realised net profit after tax for a particular financial year, when conditions for declaring a dividend are met after considering the Company's free cash flows and investment needs.

The following table shows the Company's historical dividend declaration:



Mar-15	251
Mar-17	135
Mar-18	98
Mar-19	53
Dec-19	53
Dec-20	85
Dec-21	336
Dec-22	387
Dec-23	243
Dec-24	529

Total Dividend (ZMW'Million)

CHAIRPERSON'S STATEMENT

Mr. Phesto Musonda

I am honoured to present ZCCM Investments Holdings Plc's (ZCCM-IH) Chairperson's Statement for 2024. This has been a year of bold transformation, strategic realignment, and reaffirming ZCCM-IH's role as a cornerstone of Zambia's mining and energy sectors. Our commitment to operational excellence, value creation, and sustainability continues to drive our agenda, ensuring long-term prosperity for all stakeholders.

STRATEGIC INVESTMENTS DRIVING GROWTH

ZCCM-IH remains steadfast in its commitment to **long-term value creation and sustainable investments**. Our strategic focus continues to revolve around **enhancing Zambia's mining and energy sectors**, optimizing operational efficiency, and forging strategic partnerships that drive growth. In 2024, we took significant steps in advancing our investment portfolio, re-positioning the company as a key enabler of Zambia's economic transformation

1. Mopani Copper Mines Plc – A Transformational Partnership

The transformational partnership between ZCCM-IH and International Resources Holding (IRH) through its wholly owned subsidiary, Delta has redefined the future of Mopani Copper Mines Plc (MCM). With a landmark investment of US$1.1 billion, Mopani's operations have been stabilized, setting the foundation for long-term production growth. Copper output is projected to increase by over 60% within the next five years, driven by strategic capital injections, operational improvements, and an optimized mining plan. This investment has significantly strengthened Mopani's balance sheet, alleviated legacy debt constraints and ensured financial sustainability. In 2024, Mopani reported net revenue of ZMW 16.36 billion (US$625.44 million), while net profit rose to ZMW 34.19 billion (US$1.31 billion), marking a major recovery from previous losses.

At Group level, ZCCM-IH delivered a record-breaking financial turnaround, achieving a net profit of ZMW 39.85 billion (US$1.52 billion) a sharp reversal from the post-tax loss of ZMW 4.08 billion (US$199 million) in 2023. This performance was largely driven by the successful completion of the Mopani Strategic Equity Transaction, which repositioned Mopani as a financially viable operation, and the settlement of US$1.71 billion in Glencore/Carlisa debt through the Amendment, Restatement, and Consolidation (ARCA) Agreement executed with IRH/Delta. Looking ahead, continued capital investment in underground mine development, infrastructure modernisation, and ore recovery enhancements will unlock Mopani's full potential. This strategic partnership marks a new chapter for Zambia's mining sector, fostering job security, economic growth, and sustainable value creation for all stakeholders

2. Konkola Copper Mines Plc (KCM) – Revitalization and Growth

The resolution of the long-standing KCM dispute and the return of Vedanta Resources as the majority shareholder represents a significant milestone for ZCCM-IH and Zambia's copper industry. The US$1.2 billion investment committed by Vedanta will expand operations, develop the Konkola Deep Mining Project, and strengthen KCM's financial standing. The removal of KCM from liquidation proceedings has restored operational confidence, ensuring increased copper production and financial stability.

CHAIRPERSON'S STATEMENT *(continued)*

3. Mingomba Mining Limited – Unlocking Zambia's Copper Potential

Mingomba Mining Limited, a world-class exploration project, has made substantial progress in geological studies, positioning it as one of Zambia's most promising high-grade copper deposits. While the project did not generate revenue in 2024 due to ongoing exploration activities, ZCCM-IH remains fully committed, investing US$9.7 million towards exploration and feasibility studies. A resource statement has been completed, with pre-feasibility studies set for completion in 2025. The application of AI-driven mineral exploration techniques at Mingomba sets a new standard for innovation in Zambia's mining sector.

4. Lubambe Copper Mine Limited – A Strengthened Position

Lubambe Copper Mine is undergoing a major operational restructuring, following the entry of JCHX Mining Management Company as a new strategic partner. JCHX has committed US$300 million in investment, aimed at stabilizing operations, expanding production, and extending the mine's life. ZCCM-IH is expected to increase its equity stake from 20% to 30% in 2025. Lubambe is expected to improve its production efficiencies and maximize shareholder value in the coming years.

5. Maamba Energies Limited (MEL) – Expansion into the Energy Sector

Maamba Energies Limited continues to be a cornerstone of Zambia's power generation sector, with its 300MW thermal power plant operating at near-perfect efficiency (99.95% Plant Load Factor). The successful arbitration settlement with ZESCO has provided financial relief, though some outstanding receivables remain a challenge.

To further solidify its energy portfolio, ZCCM-IH has committed US$50 million to Maamba's Phase II expansion project, which will add an additional 300MW of generation capacity. The total project cost is estimated at US$400 million, with the expansion set to double Maamba's output to 600MW, reinforcing Zambia's energy security and industrialization agenda.

6. CNMC Luanshya Copper Mines (CNMC) – Unlocking New Production Potential

Despite industry challenges, CNMC Luanshya Copper Mines has maintained revenue growth, driven by higher global copper prices. A key highlight in 2024 was the decision to reopen Shaft 28, a major development project backed by a US$500 million investment. This initiative is expected to significantly boost CNMC's production capacity, securing long-term sustainability and economic contributions.

7. Zambia Gold Company Limited (ZGCL) – Repositioning for Growth

After resolving outstanding legal and regulatory issues, remedial works at Kasenseli Gold Mine resumed in 2024, paving the way for full-scale mining operations in 2025. While ZGCL did not record gold production in 2024, the company has redefined its long-term strategy, focusing on exploring alternative gold license areas. These developments will position ZGCL as a major contributor to Zambia's gold industry, aligning with the government's diversification agenda in the mining sector.

8. Kansanshi Mining Plc – Sustaining Production and Expansion

Kansanshi Mining Plc, operated by First Quantum Minerals (FQM), continues to be a key revenue generator for ZCCM-IH through the Kansanshi Royalty Model, which delivered ZMW 1.43 billion (US$54 million) in 2024.

Kansanshi's S3 Expansion Project, currently under accelerated implementation, with commissioning now envisaged for the second half of 2025. The S3 plant now has a projected operational life of at least 25 years and will extend Kansanshi's mine processing output by at least three years. Despite the drought-induced power constraints in Zambia, FQM has successfully secured alternative power sources, ensuring operational stability at Kansanshi.

STRATEGIC VISION FOR 2025 AND BEYOND

Looking ahead, ZCCM-IH remains committed to delivering sustainable value creation, portfolio optimization, and financial resilience. Our strategic focus will revolve around among others:

- Working with our subsidiaries to turn them around and make them sustainably profitable.
- Strengthening our energy investments, including Maamba's expansion and increased participation in the development of new renewable energy sources.
- Enhancing beneficiation and downstream value addition, ensuring that Zambia captures more value from its natural resources.
- Developing a pipeline of new investments, including critical minerals and exploration to position ZCCM-IH for future growth.
- Divestment from non-mining, non-energy-related, and non-viable investments to streamline the portfolio and align with ZCCM-IH's strategic focus.

With Zambia targeting 3 million tonnes of copper production annually by 2031, ZCCM-IH is well-positioned to play a leading role in this vision, driving economic transformation while delivering strong returns to our shareholders.

CHAIRPERSON'S STATEMENT *(continued)*

ACKNOWLEDGMENT

Directorate Changes

During the year, the Company had two (2) changes in terms of non-executive directors. I wish to thank you Directors Bishop John Hardy Maambo and Moses Smart Nyirenda, who retired from the Board for their invaluable service and dedication to ZCCM-IH. At the same time, I am confident that the newly appointed Director Anthony Chilengi, will meet the expectations of our shareholders and stakeholders, contributing to the continued success and strategic vision of the Company.

I extend my deepest appreciation to our employees, partners, shareholders, and stakeholders for their unwavering support and commitment. Your contributions have been instrumental in ZCCM-IH's remarkable transformation and continued success.

As we move forward, we do so with confidence, purpose, and a shared vision for a future of **sustained growth, strategic leadership, and responsible mining and energy investment.**

Mr. Phesto Musonda
Board Chairperson

REPORT OF THE DIRECTORS

The Directors submit their report together with the audited financial statements for the year ended 31 December 2024, which disclose the state of affairs of ZCCM Investments Holdings Plc ('the Company') and its subsidiaries (together "the Group").

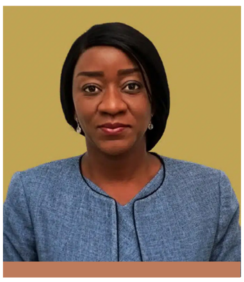
BOARD OF DIRECTORS

Mr. Phesto Musonda
Board Chairperson
(Non - Executive Director)

Mr. Anthony Chilengi
(Non - Executive Director)

Mr. Mubita Akapelwa
Vice Board Chairperson
(Non - Executive Director)

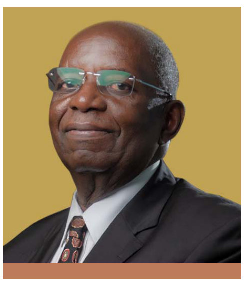
Mr. Philippe G. Taussac
(Non - Executive Director)



Ms. Masitala Nanyangwe Mushinga
(Non - Executive Director

Mr. Muyangwa Muyangwa
(Non - Executive Director)

Mr. Kakenenwa Muyangwa
Chief Executive Officer
(Executive Director)



Bishop John Mambo
(Non - Executive Director)

REPORT OF THE DIRECTORS *(continued)*

SHARE CAPITAL

The authorised share capital of the Company remained unchanged at ZMW2,000,000 divided as follows:

120,000,000 "A" Ordinary Shares of ZMW 0.01 each; and

80,000,000 "B" Ordinary Shares of ZMW 0.01 each.

Class "A" Ordinary Shares and Class "B" Ordinary Shares all rank pari passu in all respects.

During the year, the issued share capital remained unchanged at 160,800,286 shares with a nominal value of ZMW1, 608,003 as detailed below:

	Number of shares	Amount ZMW
At beginning and end of year	160,800,286	1,608,003

SHAREHOLDING BY DIRECTORS

As at 31 December 2024, Mr Philippe G. Taussac (Non-Executive Director and Chairperson of the Investments Committee of the Board) had 158,563 shares.

CHANGES TO SENIOR MANAGEMENT

During the year 2024, there were changes in the Company's Senior Management. Mr Lombe Mbalashi who was Chief Legal Officer and Mr Brian Musonda who was Chief Investments Officer, separated from ZCCM-IH Plc effective 2nd December 2024. Subsequent to the year end, the Chief Executive Officer, Dr Ndoba J. Vibetti, separated from ZCCM-IH Plc effective 30th April 2025. Effective 6 June 2025, Mr Kakenewa Muyangwa was appointed Chief Executive Officer of ZCCM-IH Plc.

PRINCIPAL ACTIVITIES

ZCCM-IH ("the Company'') is an investments holdings company which has a primary listing on the Lusaka Securities Exchange and secondary listings on the London and Euronext Paris Stock Exchanges. The Company has the majority of its investments held in the copper mining sector of Zambia. The Company's focus going forward will include the following:

- Developing and implementing investments strategies and aligning Company operations towards maximizing of shareholder value in the mining sector;
- Monitoring the performance of investee companies to ensure they consistently declare reasonable dividends and ensure Company growth;
- Ensuring effective representation on the Boards of the investee companies;
- Establishing and securing joint venture partnerships for projects assessed to be viable;
- Establishing metal streaming arrangements;
- Establishing a royalty model to maximize shareholder value; and

DIVIDENDS

During the year, the Company declared a dividend of ZMW529 million (2023: ZMW 243 million).

REPORT OF THE DIRECTORS *(continued)*

DIRECTORATE CHANGE

During the year and up to signing date of this report, the following were changes in the directorate:

Name	Position	Date of Appointment/Retirement
Mr Anthony Chilengi	Non-Executive Director	Appointed on 21 November 2024
Mr Kakenenwa Muyangwa	Chief Executive Officer	Appointed on 6 June 2025
Mr Phesto Musonda	Non-Executive Director	Appointed on 9 June 2025
Dr Ndoba J. Vibetti	Executive Director	Appointed 1 February 2023 and retired 30 April 2025
Bishop John H Mambo	Non-Executive Director	Retired on 12 December 2024 and reappointed on 17 April 2025
Mr Tisa Chama	Executive Director	Appointed on 30th April 2025 and retired on 5th June 2025
Mr Moses Nyirenda	Non-Executive Director	Appointed on 13 December 2021 and retired on 17 July 2024

AUDIT COMMITTEE

Name	Position	Date of Appointment/Retirement
Ms. Masitala Mushinga	Chairperson	Active
Mr Philippe G Taussac	Non-Executive Director	Active
Mr Mubita Akapelwa	(Non-Executive Director/Vice Board Chairperson)	Active
Mr Vincent Nyambe	Co-opted member	Active
Bishop John H Mambo	Non-Executive Director	Retired on 12 December 2024 and reappointed on 17 April 2025
Dr Ndoba J. Vibetti	Chief Executive Officer	Retired on 30 April 2025
Mr Kakenewa Muyangwa	Chief Executive Officer	Apponted on 6th June 2025

REMUNERATION COMMITTEE

Name	Position	Date of Appointment/Retirement
Mr Anthony Chilengi	Chairperson	Apponted on 5th June 2025
Mr Mubita Akapelwa	Non-Executive Director	Active
Mr Muyangwa Muyangwa	Non-Executive Director	Active
Ms Masitala Mushinga	Non-Executive Director	Active
Mr Kakenewa Muyangwa	Chief Executive Officer	Apponted on 6th June 2025
Mr Bishop H Mambo	Non-Executive	Retired on 12 December 2024 and reappointed on 17 April 2025
Mr Moses Nyirenda	Non-Executive	Retired on 17 July 2024
Dr Ndoba J Vibetti	Chief Executive Officer	Retired on 30 April 2025

INVESTMENT COMMITTEE

Name	Position	Date of Appointment/Retirement
Mr Mubita Akapelwa	Chairperson	Apponted on 5th June 2025
Mr Philippe G Taussac	Non-Executive Member	Active
Mr Muyangwa Muyangwa	Non-Executive Member	Active
Mr Anthony Chilengi	Non-Executive Member	Active
Mr Albert Halwampa	Co-opted Member	Active
Mr Basil Nundwe	Co-opted Member	Active
Mr Kakenewa Muyangwa	Chief Executive Officer	Apponted on 6th June 2025
Mr Moses S Nyirenda	Non-Executive Member	Retired on 17 July 2024
Dr Ndoba J. Vibetti	Chief Executive Officer	Retired on 30 April 2025
Mr Brian Musonda	Chief Investments Officer	Retired on 2 December 2024

Key: √ - In attendance X – Not in attendance ☐ - Not a member on a stated date of meeting

REPORT OF THE DIRECTORS *(continued)*

BOARD COMMITTEE'S FUNCTIONS *(continued)*

BOARD COMMITTEE'S FUNCTIONS (continued)

DIRECTORS' PARTICIPATION IN MEETINGS

Record of attendance of Board and Committee meetings held during the period to 31 December 2024.

Board Meetings:

Name of Director	11/01/24	26/01/24	08/02/24	20/02/24	13/03/24	19/03/24	26/03/24	10/04/24	23/05/24	31/05/24	12/06/24	20/06/24	25/06/24	26/07/24	25/09/24	22/10/24	29/11/24	04/12/24	10/12/24	18/12/24
Mr Kakenenwa Muyangwa (Chairperson)	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Mr Mubita Akapelwa (Vice Chairperson)	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Mr Moses Nyirenda (Re-tired)	√	√	√	√	√	√	√	√	√	√	√	√	√	☐	☐	☐	☐	☐	☐	☐
Ms Masitala Mushinga	√	X	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Mr Bishop John Mambo	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	..	..
Dr Ndoba J Vibetti	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Mr Philippe G Taussac	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Mr Muyangwa Muyangwa	X	X	√	X	√	X	X	√	X	X	X	X	√	X	X	√	√	√	√	√
Mr Anthony Chilengi	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	√	√	√	√

* *Mr Anthony Chilengi was appointed Director on 21st November 2024.*

Key
√ - In attendance
X – Not in attendance
☐ - Not a member on a stated date of meeting

REPORT OF THE DIRECTORS *(continued)*

BOARD COMMITTEE'S FUNCTIONS *(continued)*

DIRECTORS' PARTICIPATION IN MEETINGS *(continued)*

Record of attendance of Board and Committee meetings held during the period to 31 December 2024.

Audit Committee

The committee provides oversight on the effectiveness of the Group's operational and financial reporting systems and accuracy of information, and that the Group's published Financial Statements represent a true and fair reflection. The specific terms of reference include:

- Reviewing and appraising the soundness of risk management, internal controls, and the reliability and integrity of financial, managerial, and operating data.
- Ascertaining compliance with the ZCCM-IH Group policies and procedures.
- Evaluating asset safeguards and accountability.
- Evaluating the economy and efficiency with which resources are employed.
- Reviewing operations or programs to assess whether they are being carried out as planned and whether results are consistent with established objectives.
- Providing advice to management regarding the adequacy and effectiveness of controls regarding major decisions.

Meeting Attendance:

Name Of Director	13/4/24	29/2/24	20/3/24	22/5/24	4/9/24	13/11/24	06/12/24
Ms Masitala Mushinga (chairperson)	√	√	√	√	√	√	√
Mr Philippe G Taussac	√	√	√	√	√	√	√
Mr Mubita Akapelwa	√	√	√	√	√	√	√
Mr Vincent Nyambe	√	√	X	√	√	√	X
Mr Bishop John Mambo	√	√	√	√	√	√	√
Dr Ndoba J Vibetti	√	√	√	√	√	√	√

Key
√ - In attendance
X - Not in attendance
☐ - Not a member on a stated date of meeting

REPORT OF THE DIRECTORS *(continued)*

BOARD COMMITTEE'S FUNCTIONS *(continued)*

DIRECTORS' PARTICIPATION IN MEETINGS *(continued)*

Investments Committee

To adequately supervise and monitor the investment function of the Company, the Investments Committee of the Board's duties and responsibilities shall be:

- To evaluate and approve or disapprove and refer all approved investments to the full Board.
- To evaluate and recommend to the Board on the disinvestments.
- To periodically review each investment in terms of performance against benchmark returns for the Company.
- To guide management on the activities of the Management Investment Committee and ensure they comply with the laid down procedures.
- To advise the Board and guide management on investment-related issues.
- To circulate for information, quarterly reports to the Board and through the Chairman present on matters therein, if necessary; and,
- To determine the amount to be invested in a period.

Meeting Attendance

Name of Director	28/03/24	24/05/24	17/06/24	13/09/24	19/11/24
Mr Philippe G Taussac (Chairman)	√	√	√	√	√
Mr. Moses Nyirenda	√	√	√	√	√
Mr. Albert Halwampa	X	√	√	√	√
Mr Basil Nundwe	X	√	√	√	√
Mr Muyangwa Muyangwa	X	X	X	√	√
Dr Ndoba J Vibetti	√	√	X	√	√
Mr Mubita Akapelwa	√	√	√	√	√

Key
√ - In attendance
X – Not in attendance
☐ - Not a member on a stated date of meeting

Remuneration Committee

The committee is responsible for formulating remuneration policies and principles that promote the success of the Company. More specifically, the Remuneration Committee's terms of reference include:

- Determine and agree with the Board the framework or broad policy for the remuneration of the Chief Executive and such other members of the executive management as it is designated to consider.
- Determine targets for any performance-related pay schemes operated by the Company.
- In determining such remuneration packages, give due regard to the prevailing compensation levels in comparable commercial organizations.
- Agree the policy for authorising claims for expenses from the Chief Executive and Chairman.
- Be exclusively responsible for establishing the selection criteria, selecting, appointing, and setting the terms of reference for any remuneration consultants who advise the committee.
- Report the frequency of, and attendance by members at, remuneration committee meetings in the annual report.
- Make the committee's terms of reference publicly available. These should set out the committee's delegated responsibilities and be reviewed and, where necessary, update annually.

REPORT OF THE DIRECTORS *(continued)*

BOARD COMMITTEE'S FUNCTIONS *(continued)*

DIRECTORS' PARTICIPATION IN MEETINGS *(continued)*

Remuneration Committee *(continued)*

Meeting Attendance:

Name of Director	24/1/24	18/3/24	11/4/24	16/5/24	18/6/24	12/9/24	11/11/24	6/12/24
Mr Moses Nyirenda (Chairman)	√	√	√	√	√	☐	☐	☐
Dr Ndoba J Vibetti	√	√	√	√	X	√	√	√
Mr Bishop John Mambo (Retired)	√	√	√	√	√	√	√	√
Mr Muyangwa Muyangwa	√	X	√	X	X	√	√	X
Mr Mubita Akapelwa	☐	☐	☐	☐	☐	√	√	√
Ms Masitala Mushinga	X	√	√	√	√	√	√	√
Mr Anthony Chilengi	☐	☐	☐	☐	☐	☐	☐	√

Key

X – Not in attendance
√ - In attendance
☐ - Not a member on a stated date of meeting

REPORT OF THE DIRECTORS *(continued)*

Remuneration Policies

Board of Directors fees and emoluments

	Group		Company	
	2024	2023	2024	2023
Item	**ZMW'000**	**ZMW'000**	**ZMW'000**	**ZMW'000**
Executive Director's fees and Emoluments	6,901	10,605	6,901	4,694
Non-executive Directors' Fees	26,726	26,477	13,499	10,465
Total	**33,627**	**37,082**	**20,400**	**15,159**

Average number and remuneration of employees

The total amount paid as remuneration to employees during the year amounted to ZMW394.39 million (2023: ZMW2.17 billion) for the Group and ZMW195.98 million (2023: ZMW157.32 million) for the Company. The average number of employees was as follows:

Month	Company	Subsidiaries	Group
January 2024	110	495	605
February 2024	110	503	613
March 2024	110	496	606
April 2024	110	496	606
May 2024	110	499	609
June 2024	110	502	612

Month	Company	Subsidiaries	Group
July 2024	110	493	603
August 2024	108	493	601
September 2024	107	598	491
October 2024	105	508	613
November 2024	105	508	613
December 2024	103	543	646

Staff expenses	Group		Company	
	2024	2023	2024	2023
	ZMW'000	**ZMW'000**	**ZMW'000**	**ZMW'000**
Staff remuneration	**394,387**	**2,167,145**	**195,976**	**157,323**

REPORT OF THE DIRECTORS *(continued)*

BOARD COMMITTEE'S FUNCTIONS *(continued)*

Health and safety employee environment

Health and safety are a top priority in the Group. To maintain productivity, the Group ensured a healthy environment by providing the following to employees:

- Periodic health talks to educate and sensitise employees on various health issues.
- Medical services with some medical facilities;
- Subscription to the gym to ensure wellness;
- Work-Life Balance by ensuring that employees took annual leave to refreshen their minds;
- Hand sanitisers, fumigation of offices buildings and generally a clean environment to prevent contraction and spread of the Covid-19 virus.

The Group maintained a safe working environment by implementing the following measures:

- Compliance with workplace safety laws and regulations, including ensuring the presence of trained first aiders and fire marshals to respond to emergencies effectively;
- Regular inspection and maintenance of fire safety equipment, ensuring that fire extinguishers remain serviceable and readily available in case of fire incidents.

Risk Management Framework

ZCCM IH has adopted an Enterprise-wide approach to risk management. The Enterprise-wide Risk Management (ERM) approach can be defined as a process that enables organizations to effectively deal with varied types of risks and opportunities, thus increasing stakeholder value.

ZCCM-IH has a comprehensive risk management framework that addresses financial, operational, environmental, and social risks. The framework includes:

i. Risk Identification: Risks are identified through a combination of top-down and bottom-up approaches, including risk assessments, audits, and reviews.

ii. Risk Assessment: Risks are assessed using a risk matrix that considers the likelihood and potential impact of each risk.

iii. Risk Mitigation: Risk mitigation strategies are developed and implemented to address identified risks.

iv. Risk Monitoring and Review: Risks are continuously monitored and reviewed to ensure that risk mitigation strategies are effective and that new risks are identified and addressed.

v. Risk Reporting: The reporting structure ensures that risk response gaps are addressed, escalated to Management and the risk responses are operating effectively under changing conditions.

In its normal operations, the Group is exposed to several risks including liquidity, market and credit risks. These are described and explained in note 42 to the financial statements.

REPORT OF THE DIRECTORS *(continued)*

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG)

1. ESG Governance and Commitment

ZCCM Investments Holdings Plc (ZCCM-IH) is firmly committed to integrating Environmental, Social, and Governance (ESG) principles across its investment portfolio, ensuring that sustainability and responsible business practices remain central to its long-term strategy. Recognizing the increasing global focus on sustainability, decarbonization, and social responsibility, ZCCM-IH is actively aligning its operations with international best practices, regulatory standards, and stakeholder expectations.

To enhance ESG oversight and compliance, ZCCM-IH has established dedicated governance structures, ensuring that all investments and operations adhere to responsible mining and energy practices, strong corporate governance principles, and social impact initiatives. These structures are designed to:

- Strengthen ESG implementation across the Group;
- Ensure compliance with local and international ESG regulations;
- Promote sustainable mining, energy transition, and climate resilience;
- Enhance engagement with communities, investors, and regulators.

2. Environmental Management and Climate Strategy

ZCCM-IH recognizes its role in supporting Zambia's transition to a low-carbon economy and mitigating environmental risks associated with mining and energy investments. The Board of Directors remains committed to global decarbonization efforts, ensuring that the Company's mining, energy, and infrastructure investments prioritize sustainability and environmental stewardship.

2.1 Climate and Renewable Energy Initiatives

Key highlights of ZCCM-IH's climate and sustainability strategy include:

- Investment in Renewable Energy – Through its increased stake in Copperbelt Energy Corporation Plc CEC) from 24.1% to 32.41%, ZCCM-IH has reinforced its commitment to energy transition investments. This includes CEC Renewables' successful commissioning of the 60MW Itimpi One Solar Project in April 2024, significantly enhancing Zambia's renewable energy capacity.
- Kariba Minerals' Solar Transition – ZCCM-IH's subsidiary, Kariba Minerals Ltd, has transitioned from diesel to solar energy with a 250KVA solar captive power plant, reducing carbon emissions and operational costs.
- Sustainable Mining Practices – Mopani Copper Mines Plc is enhancing energy efficiency, optimizing waste management, and introducing emissions-reduction programs, ensuring responsible environmental management.

2.2 Environmental Liability Management

ZCCM-IH, through Misenge Environmental and Technical Services (METS), remains proactive in environmental monitoring and remediation efforts. During 2024, METS conducted routine environmental assessments across several legacy mining sites:

- Kitwe: Area E Overburden Dump (OB 53)
- Chingola: Mimbula Open Pit (OB 5), Luano Open Pit (OB18), and Chingola B & C Overburden Dumps (OB19 & OB4)
- Kabwe: Open Pit 5 and 6

Key mitigation actions included:

- Soil stabilization and site rehabilitation through reforestation and erosion control measures.
- Enhanced security measures to prevent unauthorized mining activities.
- Collaboration with regulatory authorities to address outstanding environmental liabilities.

REPORT OF THE DIRECTORS *(continued)*

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG) *(continued)*

2.3 Water and Radiation Monitoring

ZCCM-IH has maintained its commitment to protecting water resources by conducting continuous monitoring of high-risk environmental sites.

Key developments in 2024:

- Water quality monitoring at Kabwe Mine confirmed compliance with Zambia Environmental Management Agency (ZEMA) standards, with no material contamination reported.
- Radiation surveillance at the Radioactive Waste Storage Building (RWSB) in Kalulushi was conducted in collaboration with the Radiation Protection Authority (RPA).
- Security enhancements were implemented at sensitive sites, with the support of the U.S. Department of Energy's Office of Radiological Security (ORS)

3. Social Impact and Community Development

ZCCM-IH is deeply committed to community engagement, social responsibility, and improving the livelihoods of people in areas where it operates.

3.1 Health and Social Initiatives

In 2024, ZCCM-IH continued its Integrated Case Management (ICM) program in Kabwe, which focuses on lead exposure reduction and health education.

Key achievements:

- ICM clinic attendance rates of 58%–93%.
- Home visitations covering an average of 73 households per month.
- Community health education programs to reduce exposure to lead-contaminated environments.

3.2 Resettlement and Compensation

ZCCM-IH successfully resettled 11 households under its ZEMA-approved Resettlement Action Plan (RAP), ensuring fair compensation and livelihood restoration. One outstanding case remains under review, with stakeholder engagements ongoing.

4. Corporate Strategy and the Energy Transition

As the global energy landscape shifts towards decarbonization and sustainability, ZCCM-IH has taken strategic steps to align its investment portfolio with the energy transition.

Key strategic initiatives:

- Expanding exploration activities in critical minerals such as manganese (Kabundi Exploration Licence) and lithium (Kariba Mineral Licence area).
- Increasing investment in Zambia's energy infrastructure, including the US$50 million commitment towards the 300MW Phase II expansion of Maamba Energy Limited.
- Strengthening partnerships with renewable energy players, such as CEC Renewables, to promote solar and hydroelectric power generation.

  These initiatives position ZCCM-IH to capitalize on the rising global demand for copper and other critical minerals while ensuring long-term value creation for shareholders.

REPORT OF THE DIRECTORS *(continued)*

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG) *(continued)*

5. Community Investment and Philanthropy

ZCCM-IH recognizes the importance of social responsibility and remains committed to giving back to communities through Corporate Social Responsibility (CSR) initiatives.

Key CSR Projects in 2024

- Donation of ZMW1 million to the Ministry of Health to support cholera outbreak response efforts.
- Solar-powered water borehole installation at Mapatizya Clinic in Kalomo District, improving clean water access.
- Solar Power Solutions for health clinics, schools, police stations, and market centers in Mapatizya, enhancing community services and security.
- Tree Planting for Climate Resilience over 4,000 trees planned to be planted in 2025 across public health institutions in Lusaka, Ndola, and Kitwe as part of Zambia's climate adaptation strategy.

6. Strengthening Organizational Culture and Workforce Development

ZCCM-IH's long-term success is built on its people. In 2024, the Company implemented a high-performance culture strategy aimed at enhancing employee engagement, skills development, and innovation.

Key workforce initiatives:

- Upskilling employees through targeted training and leadership development programs.
- Establishing a performance-based culture, rewarding innovation and operational excellence.
- Implementing a revised organogram, incentive structure, and performance reward mechanisms to drive employee motivation and retention.

These initiatives ensure that ZCCM-IH remains competitive, agile, and well-positioned for sustainable growth

7. Commitment to ESG and Sustainable Investments

ZCCM-IH remains fully committed to integrating Environmental, Social, and Governance (ESG) principles across its investment strategy and operational framework.

ESG Commitment at a glance:

- Environmental Stewardship – Supporting climate action, renewable energy, and responsible mining practices.
- Social Responsibility – Enhancing community engagement, workforce development, and stakeholder relations.
- Governance Excellence – Reinforcing ethical leadership, transparency, and accountability.

As the demand for sustainable investments rises, ZCCM-IH remains well-positioned to support Zambia's economic growth, deliver value to stakeholders, and drive the transition towards a responsible and sustainable mining and energy sector

CHIEF EXECUTIVE OFFICER'S STATEMENT

I am honoured to present ZCCM Investments Holdings Plc's (ZCCM-IH) Chief Executive Officer Statement for 2024. This has been a year of bold transformation, strategic realignment, and reaffirming ZCCM-IH's role as a cornerstone of Zambia's mining and energy sectors. Our commitment to operational excellence, value creation, and sustainability continues to drive our agenda, ensuring long-term prosperity for all stakeholders.

Mr Kakenewa Muyangwa

Executing Strategy, Driving Operational Excellence, and Building a Resilient Future

Introduction

The 2024 financial year was a defining period for ZCCM Investments Holdings Plc (ZCCM-IH) one in which we executed transformative investment strategies, navigated complex operational landscapes, and strengthened our position as a key driver of Zambia's mining and energy sectors. Our commitment to operational efficiency, capital discipline, and long-term sustainability has enabled us to deliver strong results despite global market uncertainties.

The successful restructuring of Mopani Copper Mines Plc (MCM), the resolution of Konkola Copper Mines Plc (KCM), and significant expansion in the energy sector are clear markers of our strategic intent to create long-term value for our shareholders and stakeholders.

Operational Performance and Financial Strength

Our Group net profit rose to ZMW 39.85 billion (US$ 1.52 billion), reversing the post-tax loss of ZMW 4.08 billion (US$ 198.59 million) recorded in 2023. This record-breaking turnaround was largely driven by:

- The Mopani Strategic Equity Transaction, which provided financial stability and restructured Mopani's balance sheet.
- Settlement of the US$1.7 billion Glencore/ Carlisa legacy debt through the Amendment, Restatement, and Consolidation (ARCA) Agreement, executed with IRH/Delta.
- An increase in profit from equity-accounted investees of ZMW 3.33 billion (US$ 127.25 million), up from ZMW 2.26 billion (US$ 110.17 million) in 2023.

Despite the Group's strong financial performance, at the Company level, ZCCM-IH reported a loss of ZMW 4,383 million (US$ 167.62 million), driven by a one-off investment expense of ZMW 3,860 million (US$ 150 million) related to the restructuring of Mopani Copper Mine Plc.

However, total assets increased by 74% to ZMW 66.90 billion (US$2.39 billion), up from ZMW 38.47 billion (US$1.49 billion) in 2023, reinforcing our financial resilience and growth trajectory.

Additionally, we transitioned our strategic ethos from "Mining SMARTLY" to "Investing SMARTLY", emphasizing:

- Sustainability
- Proactive investment management
- Timely decision-making
- Long-term value creation

CHIEF EXECUTIVE OFFICER'S STATEMENT *(continued)*

Looking Ahead – Growth, Innovation, and Value Creation

As we enter 2025, our focus will remain on:

- Maximizing production efficiency in Mopani, Kansanshi, Konkola, and Lubambe.
- Expanding critical mineral exploration and beneficiation projects.
- Strengthening our energy investments to support Zambia's industrialization agenda.
- Driving ESG leadership, embedding sustainability into our operations.

With Zambia targeting 3 million tonnes of copper production annually by 2031, ZCCM-IH is positioned as a key enabler of this vision.

Strategic Investments – Strengthening Our Portfolio

1. Mopani Copper Mines Plc – Transformational Growth

In 2024, we completed a landmark transaction with International Resources Holding (IRH), securing US$1.1 billion in capital investment for Mopani. This will increase production by over 60% in the next five years and enable Mopani to achieve financial independence. Mopani's financial performance in 2024 was exceptional, reporting:

- Net revenue of ZMW 16.36 billion (US$625.44 million).
- Net profit of ZMW 34.19 billion (US$1.31 billion).

The restructuring has positioned Mopani for long-term success, ensuring it remains one of Zambia's leading copper producers.

2. Konkola Copper Mines Plc – Rebuilding for the Future

After years of legal and operational uncertainty, KCM has successfully transitioned back under Vedanta Resources, following the resolution of ownership matters. With US$1.2 billion earmarked for operational revitalization, KCM's future is now anchored on:

- Development of the Konkola Deep Mining Project.
- Infrastructure modernization to improve efficiencies.
- Financial stabilization to sustain operations and unlock long-term value.

3. Expanding Our Copper Footprint – Mingomba and Lubambe

- Mingomba Mining Limited: With ZCCM-IH's US$21.22 million investment, we have made significant progress in geological exploration and feasibility studies to unlock one of Zambia's highest-grade copper deposits.
- Lubambe Copper Mine: The US$300 million investment by JCHX Mining has stabilized operations, allowing ZCCM-IH to increase our stake to 30% and secure marketing rights for copper concentrate sales.

These investments are critical to Zambia's long-term copper production expansion goals.

4. Expanding Our Role in Zambia's Energy Sector

- Maamba Energy Limited – Strengthening Power Security: ZCCM-IH committed US$50 million towards Maamba's Phase II expansion, a US$400 million project that will double power generation to 600MW.

  MEL achieved a 99.95% Plant Load Factor, demonstrating operational excellence and efficiency. The arbitration settlement with ZESCO helped ease financial challenges, improving Maamba's financial position.
- Copperbelt Energy Corporation (CEC) – Strengthening Market Presence: increased stake in CEC from 31.07% to 32.41% reinforces our commitment to powering Zambia's industrial and mining sectors.

  We continue to explore renewable energy investments, ensuring long-term sustainability and diversified power sources.

5. Our ESG Commitment – Embedding Sustainability in Our Strategy

As Zambia's leading mining and energy investment firm, we are fully committed to responsible and sustainable business practices. Our ESG priorities in 2024 included:

- Decarbonization: Kariba Minerals Ltd is transitioning to solar power (250KVA system), reducing diesel dependency.

CHIEF EXECUTIVE OFFICER'S STATEMENT *(continued)*

- Community Investment: Infrastructure, education, and healthcare initiatives continue to be a priority in our host communities.
- Governance Strengthening: Enhanced risk management and transparency measures have been implemented to align with global best practices.

ZCCM-IH is integrating ESG across all subsidiaries and investments, ensuring long-term environmental, social, and governance sustainability.

Reshaping Our Business for Operational Excellence

As part of our strategic review in 2024, we realigned our focus towards four key priorities:

1. Financial Excellence and Sustainability – Ensuring strong returns and disciplined capital allocation.
2. Operational Excellence and Business Focus – Optimizing efficiencies in mining and energy investments.
3. Strengthening Stakeholder Relationships – Enhancing partnerships with government, communities, and investors.
4. Investing in Our People – Developing talent, fostering innovation, and embedding a high-performance culture.

Additionally, we transitioned our strategic ethos from "Mining SMARTLY" to "Investing SMARTLY", emphasizing:

- Sustainability;
- Proactive investment management;
- Timely decision-making;
- Long-term value creation.

Looking Ahead – Growth, Innovation, and Value Creation

As we enter 2025, our focus will remain on:

- Restructuring our subsidiaries to ensure sustainable profitability.
- Expanding critical mineral exploration and beneficiation projects.
- Strengthening our energy investments to support Zambia's industrialization agenda.
- Driving ESG leadership, embedding sustainability into our operations.

With Zambia targeting 3 million tonnes of copper production annually by 2031, ZCCM-IH is positioned as a key enabler of this vision.

Acknowledgment

I extend my gratitude to our employees, management team, partners, and shareholders for their unwavering commitment and dedication. As we move forward, we will continue driving ZCCM-IH's transformation, unlocking long-term value, and ensuring sustainable growth for future generations.

ZCCM Investments Holdings Plc

Mr Kakenewa Muyangwa
Chief Executive Officer

EXECUTIVE MANAGEMENT TEAM

Mr. Kakenenwa Muyangwa
Chief Executive Officer

Mr Situmbeko Mubano
Acting Chief Investments Officer

Ms Chilandu Sakala
Chief Financial Officer

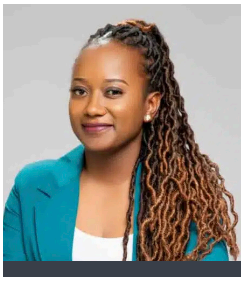
Mr Shepherd Mwanza
Chief Internal Audit Officer

Mr Tisa Chama
Chief Technical Officer

Mr Charles Mjumphi
Company Secretary

Ms Betty Meleki
Chief Human Resource and Administration Officer

Mr Mukuka Kangwa
Chief Information and Communications Technology Officer



Ms Mwaka Mwamulima
Risk Manager

Ms Loisa Mbatha
Corporate Affairs Manager

Mr Gift Zulu
Procurement Manager

Mr Kalembo Tito
Strategy Manager

OPERATIONS REPORT

Portfolio Performance Review

	PORTFOLIO COMPANY	2024 PERFORMANCE REVIEW
A	**Subsidiary Companies**	
	Zambia Gold Company Limited (ZGCL)	Zambia Gold Company Limited (ZGCL) plays a pivotal role in the formalization and expansion of Zambia's gold sub-sector. The company is engaged in gold exploration, mine development, production, processing, and marketing both domestically and internationally aiming to enhance the sector's contribution to the national economy. For the year ended 31 December 2024, no gold production was recorded due to the continued suspension of mining activities at Kasenseli by the Mines Safety Department since 2021. During the year 2024 the mine resumed its operations, following the completion of remedial works mandated by the regulator. During the year, the Board of ZCCM-IH approved a US$5 million facility for ZGCL to fund remedial works, including mine planning, security enhancements, among others. **Financial Performance:** ▪ Revenue: ZMW Nil (2023: ZMW 38.52 million) previous year revenue was derived from a 34kg gold sale. ▪ Net Loss: ZMW 84.02 million (2023: ZMW 23.35 million loss). **Strategic Outlook:** ▪ Exploring alternative license areas in Rufunsa and Luano. ▪ Establishing a gold trading centre in Mumbwa (launch expected in 2026). ▪ Plans to purchase gold from local miners and refine it into bullion for offtake by the Bank of Zambia (BoZ). **Dividends**: No dividend declared for the year (2023: Nil)

OPERATIONS REPORT *(continued)*

Portfolio Performance Review *(continued)*

	PORTFOLIO COMPANY	2024 PERFORMANCE REVIEW
A	**Subsidiary Companies**	
	Limestone Resources Limited (LRL)	Limestone Resources Limited, formerly Ndola Lime Company, is engaged in the production and supply of quicklime, hydrated lime, and other specialized limestone products. During 2024, LRL faced operational challenges, including: ■ Frequent plant failures and a lack of mobile mining equipment, severely impacting production. ■ Shutdown of the sole operational kiln in May 2024 due to high material losses and declining product quality resulting to sourcing products from external suppliers to meet customer demand. To address these challenges, a Techno-Economic Feasibility Study, Market Analysis, and Business Plan were completed in 2024. A long-term strategy has been developed and is pending approval in Q2 2025. ■ **Financial Performance:** ■ Revenue: ZMW 72.32 million (2023: ZMW 96.7 4million). ■ Net loss: ZMW 133.63 million (2023: ZMW 180.74 million). ■ **Strategic Initiatives:** ■ A working capital funding facility of US$4.4 million was provided on 12th August, 2024, to support ongoing operational and financial requirements. ■ Implementation of a comprehensive restructuring plan to improve operational and financial performance. ■ **Dividends**: No dividend declared for the year (2023: Nil)

OPERATIONS REPORT *(continued)*

Portfolio Performance Review *(continued)*

	PORTFOLIO COMPANY	2024 PERFORMANCE REVIEW
A	**Subsidiary Companies**	
	Misenge Environmental and Technical Services Limited (METS)	Misenge Environmental and Technical Services Ltd (METS), a wholly owned subsidiary of ZCCM-IH, provides environmental, analytical, radiation safety, and engineering services to the mining and industrial sectors. **Financial Performance**: ■ Revenue: ZMW 13.36 million (2023: ZMW 5.28 million). ■ Net loss: ZMW 3.78 million (2023: ZMW 0.93 million). **Strategy outlook:** The ZCCM-IH Board, in conjunction with the Misenge Board, has resolved to dissolve Misenge Environmental and Technical Services Limited (METS) and explore the integration of its key functions into ZCCM-IH to enhance operational efficiency and streamline service delivery. **Dividends**: No dividend declared for the year (2023: Nil).
	Kariba Minerals Limited (KML)	Kariba Minerals Limited (KML), a subsidiary of ZCCM-IH, is a leading producer of high-quality amethyst with a primary market in China and India. **Operational Performance:** ■ Amethyst production of 149.41 tonnes, exceeding budget by 10%. ■ High-grade amethyst output was 32% above budget. **Financial Performance**: ■ Revenue: ZMW 49.86 million (2023: ZMW 29.87 million). ■ Net profit: ZMW 1.35 million (2023: ZMW 0.55 million). **Investment & Expansion:** The ZCCM-IH Board approved US$4.08 million for the Turnaround Plan, funding among others: ■ Acquisition of mining equipment and vehicles. ■ Value addition, marketing, and geological exploration.

OPERATIONS REPORT *(continued)*

Portfolio Performance Review *(continued)*

	PORTFOLIO COMPANY	2024 PERFORMANCE REVIEW
A	**Subsidiary Companies**	
	Kariba Minerals Limited (KML)	**Renewable Energy Initiative:** ▪ 200KW solar plant commissioned in Mapatizya, reducing diesel generator dependence. ▪ Expansion to 400KW planned for 2025 to sustain wash plant operations. **Dividends:** No dividend declared for the year (2023: Nil)
	Investrust Bank PLC	On April 2, 2024 the Lusaka Securities Exchange (LuSE) and the Bank of Zambia (BoZ) announced the suspension of trading of Investrust Bank Plc and its takeover by BoZ due to insolvency. As part of this process, BoZ terminated all shareholder interests in the bank, leading to the subsequent delisting of Investrust from LuSE. Consequently, ZCCM-IH no longer holds any shareholding or financial interest in Investrust Bank Plc.
	Mushe Milling Company Limited	**Strategic Liquidation:** ▪ Mushe was deemed a non-strategic fit under ZCCM-IH's 2020-2026 strategic plan. ▪ Liquidation proceedings commenced in July 2023. ▪ Liquidation process is ongoing.

OPERATIONS REPORT *(continued)*

Portfolio Performance Review *(continued)*

	PORTFOLIO COMPANY	2024 PERFORMANCE REVIEW
B	**Associate Companies**	
	Maamba Energy Limited (MEL)	Maamba Energy Limited (MEL) continued to demonstrate strong financial and operational performance in 2024. **Financial Performance:** ▪ Revenue for the year increased by 26% to ZMW6.32 billion (US$241.78 million), compared to ZMW5.00 billion (US$243.69 million) in 2023. ▪ Profit after tax stood at ZMW3.07 billion (US$117.45 million), reflecting an increase from ZMW2.57 billion (US$125.04 million) in 2023. ▪ The plant achieved record-high efficiency, maintaining 100% availability and a Plant Load Factor (PLF) of 99.95%. **Key Developments:** ▪ ZESCO, Zambia's state-owned power utility, reached a landmark settlement with Maamba Energy in 2022 to clear outstanding arrears for power supplied. As of 31 December 2024, the outstanding balance from ZESCO was reduced to US$210.02 million from US$323.18 million in 2023. ▪ Maamba Energy Limited (MEL) successfully repaid the outstanding project finance facility for the development of the Phase 1 coal-fired power plant, amounting to US$314.4 million. The repayment was completed during MEL's financial year ending 31 March 2024, marking a notable milestone in financial restructuring. ▪ On 14 August 2024, Maamba Energy Limited (MEL) officially commenced construction of its 300 MW Phase II Power Plant expansion project at a total cost of US$400 million. The Phase II expansion will add 300 MW to MEL's current capacity, effectively doubling its total generation to 600 MW. This expansion is critical to bolstering Zambia's energy supply, supporting industrial growth, and reducing reliance on energy imports. The project is scheduled for completion by mid-2026, reinforcing MEL's commitment to sustainable power generation and enhancing grid stability for the nation. ▪ ZCCM-IH has committed US$50 million towards the Maamba Energy Limited 300MW Phase II Project as part of its strategic expansion plan. ▪ The financing structure includes US$35 million in equity and US$15 million in debt. During the year ZCCM-IH disbursed US$5 million towards the project with the balance to be disbursed in 2025. The debt portion has a tenor of 8.25 years, including a 1.25-year moratorium during construction, with an interest rate of 9% per annum. **Dividends:** No dividends were declared for the year (2023: Nil).

OPERATIONS REPORT *(continued)*

Portfolio Performance Review *(continued)*

	PORTFOLIO COMPANY	2024 PERFORMANCE REVIEW
B	**Associate Companies**	
	Mopani Copper Mines Plc	Mopani Copper Mines continued its turnaround efforts under a new strategic equity partnership, driving operational stability and long-term investment. **Financial Performance:** ■ Revenue for 2024 stood at ZMW16.36 billion (US$625.44 million), compared to ZMW11.55 billion (US$562.87 million) in 2023. ■ Net profit increased to ZMW34.19 billion (US$1.31 billion), up from ZMW8.97 billion (US$435.29 million) in 2023. ■ Copper production for the year was 63,610 tonnes, a decrease from 65,602 tonnes in 2023, attributed to equipment availability challenges and delayed mine development. **Key Developments, Strategic Partnership with IRH:** ■ In March 2024, ZCCM-IH entered an equity partnership with International Resources Holdings (IRH), a subsidiary of International Holdings Company (IHC). ■ IRH, through Delta Mining Limited (Delta), acquired a 51% stake in Mopani, while ZCCM-IH retained 49% ownership. The agreement involved: ➢ US$220 million equity injection into Mopani's working capital. ➢ US$400 million additional investment over the next three years under the Project Development Plan (PDP). ➢ US$1.1 billion total investment, including a US$400 million payment to Glencore to restructure Mopani's US$1.71 billion historical debt. **Transformation Initiative:** ■ A company-wide culture transformation initiative, "TukaChimfya Pamo", was introduced to promote collaborative leadership and operational excellence. **Future Growth:** ■ The PDP is expected to drive Mopani's copper production beyond 200,000 tonnes per year over the next 4–5 years. **Dividends:** No dividends were declared for the year (2023: Nil).

OPERATIONS REPORT *(continued)*

Portfolio Performance Review *(continued)*

	PORTFOLIO COMPANY	2024 PERFORMANCE REVIEW
B	**Associate Companies**	
	Konkola Copper Mines Plc (KCM)	KCM successfully navigated a major legal and structural resolution in 2024, paving the way for investment and operational recovery. **Key Developments:** ▪ On 25 July 2024, the Lusaka High Court vacated the winding-up petition, reinstating KCM's Board of Directors and restoring full management control to Vedanta Resources. **Investment Commitments:** Vedanta Resources pledged to invest US$1.2 billion over the next five years for: ▪ Revamping mining operations ▪ Expanding the Konkola Deep Mining Project (KDMP) ▪ Enhancing copper production capacity ▪ Vedanta provided US$250 million in working capital to clear local supplier debts and stabilize operations. ▪ A scheme of arrangement was implemented to restructure liabilities and improve operational liquidity. **Financial Performance:** ▪ Recorded revenue of ZMW10.78 billion (US$412,15 million) Recorded profit for the year of ZMW12.15 billion (US$464.68 million) ▪ Copper production for the period was 12,703 tonnes, a significant increase from 6,244 tonnes in 2023 attributed to improved availability of equipment. **Dividends:** No dividends were declared for the year (2023: Nil).

OPERATIONS REPORT *(continued)*

Portfolio Performance Review *(continued)*

	PORTFOLIO COMPANY	2024 PERFORMANCE REVIEW
B	**Associate Companies**	
	Copperbelt Energy Corporation Plc (CEC)	CEC Plc continued its strong financial growth, driven by strategic expansion in renewable energy and a successful Green Bond program. **Financial Performance:** ▪ Revenue grew 43% to ZMW14.32 billion (US$547.65 million), compared to ZMW7.85 billion (US$382.27 million) in 2023. ▪ Profit after tax stood at ZMW2.53 billion (US$96.92 million) (2023: ZMW2.83 billion (US$137.65 million)). ▪ The CEC share price increased from ZMW7.09 to ZMW13.84 by year-end. **Key Developments:** Expansion in Renewable Energy: ▪ In 2024, CEC successfully commissioned the 60MWp Itimpi I Solar PV Plant, which generated 95.3 GWh of renewable energy during the year marking a key milestone in the Company's clean energy journey. ▪ The CEC Board of Directors approved the development of the 136MWp Itimpi II Solar PV Plant, with commissioning anticipated in early 2026. Upon completion, this will increase CEC Renewables' total generation capacity to 230MWp, further advancing the Company's renewable energy targets. ▪ During the year, CEC made its first Green Bond coupon payment of US$2.4 million and, in December 2024, issued the second tranche of the Green Bond programme, raising US$96.7 million to finance the development of the Itimpi II project. ▪ With this second issuance, the total capital raised under the Green Bond Medium Term Note Programme has reached US$150.27 million, **Green Bond Program:** ▪ Raised US$454 million in oversubscribed first tranche of a US$200 million Green Bond Term Note Program. ▪ The first Green Bond coupon payment of US$2.4 million was made in 2024. **Dividends:** Declared US$60.12 million in dividends, with ZCCM-IH receiving US$18.68 million (2023: US$14.59 million).

OPERATIONS REPORT *(continued)*

Portfolio Performance Review *(continued)*

	PORTFOLIO COMPANY	2024 PERFORMANCE REVIEW
B	**Associate Companies**	
	Mingomba Mining Limited (MML)	Mingomba Mining Limited (MML) continued its exploration activities throughout 2024, with a focus on resource definition and feasibility studies. **Financial Performance:** ▪ The company did not generate revenue during the year due to its ongoing exploration phase. ▪ Year-to-date expenditure stood at US$23.50 million, against a budget of US$28.67 million. ▪ The lower expenditure was primarily due to a slowdown in camp construction, with most costs incurred related to architectural design and early-stage infrastructure planning. **Exploration Progress:** Drilling Activities: ➢ 19 drill holes completed, covering a total of 55 km as of mid-2024. ➢ Geological assessments remained on track. **Resource Evaluation:** ▪ MML completed its first resource statement in 2024, marking a key milestone in defining the economic potential of the deposit. ▪ Pre-feasibility studies are expected to conclude in 2025, further informing development plans. **ZCCM-IH Investment Commitment:** ▪ ZCCM-IH contributed US$9.7 million in cash calls for the financial year 2024, in line with its shareholding obligations. ▪ The Company will continue to participate in additional capital contributions as per the approved Annual Budget for MML. **Dividends:** No dividends were declared for the year (2023: Nil)

OPERATIONS REPORT *(continued)*

Portfolio Performance Review *(continued)*

	PORTFOLIO COMPANY	2024 PERFORMANCE REVIEW
B	**Associate Companies**	
	Rembrandt Properties Limited	Rembrandt Properties Limited (Rembrandt) is a Special Purpose Vehicle (SPV) established for the development and operation of the Leopard's Square Hotel. **Ownership Structure:** ZCCM-IH holds a 49% stake, alongside Urban Brands Asset Management (25.5%) and Sims Capital Ltd (25.5%). **Financial Performance:** ▪ Revenue for 2024: ZMW18.79 million, up from ZMW14.77 million in 2023. ▪ Net profit: ZMW3.69 million, compared to a net loss of ZMW2.47 million in 2023. ▪ The positive financial turnaround was driven by increased operational efficiency and service demand. **Construction Status and Developments:** The hotel project is 95% complete. **Operational Activities:** ▪ Despite the delay, Leopard's Square Hotel has been operational since Q2 2022, offering accommodation, conferencing, and dining services. **Strategic Realignment:** ▪ On 10 September 2024, ZCCM-IH announced a call for expressions of interest (EOI) to sell its 49% stake in Rembrandt. ▪ The divestment is part of ZCCM-IH's strategic refocus, which prioritizes investments in mining, energy, and beneficiation sectors. **Dividends:** No dividends were declared during the year (2023: Nil).

OPERATIONS REPORT *(continued)*

Portfolio Performance Review *(continued)*

	PORTFOLIO COMPANY	2024 PERFORMANCE REVIEW
B	**Associate Companies**	
	Lubambe Copper Mine Limited	Lubambe Copper Mine Limited reported total revenue of ZMW3.90 billion (US$148.98 million) for the year ended 31 December 2024, representing a 78.1% increase from ZMW2.19 billion (US$106.59 million) in 2023. Despite the revenue growth, the company recorded a net loss of ZMW2.71 billion (US$103.5 million), an improvement from the ZMW2.98 billion (US$144.94 million) loss in 2023. **Production Performance:** ▪ Lubambe produced 8,745 tonnes of payable copper in 2024, a significant decline from 14,984 tonnes in 2023. ▪ The lower output was attributed to operational challenges, delayed mine development, and equipment availability issues. **Production Performance:** ▪ Revenue for 2024 ZMW3.90 billion (148.98$ million) up from ZMW2.52 billion (US$122.59 million). ▪ Net loss in 2024 of ZMW2.71 billion (US$103.50 million) compared to ZMW3.06 billion (US$148.86 million). **Strategic Ownership Changes & Investment:** ▪ On 10 July 2024, EMR Capital sold its 80% stake in Lubambe to JCHX Mining Management Company Limited (JCHX). JCHX acquired this stake through its wholly owned subsidiary, Sundimo Mining Investments Limited. ▪ This change necessitated the renegotiation of the Shareholders' Agreement and commercial terms between ZCCM-IH and Sundimo. ▪ JCHX announced a US$300 million investment commitment aimed at improving operational efficiency and extending the mine's life. ▪ With JCHX now in control, Lubambe is undergoing a turnaround strategy aimed at stabilizing production, optimizing operations, and extending the mine life. The company expects further investment in mine development and infrastructure to unlock its long-term value. **ZCCM-IH Increases Stake in Lubambe:** ▪ On 28 August 2024, ZCCM-IH acquired an additional 10% shareholding for US$1, increasing its stake from 20% to 30%. ▪ JCHX's stake reduced from 80% to 70% following the transaction. **Dividends:** No dividends were declared during the year (2023: Nil).

OPERATIONS REPORT *(continued)*

Portfolio Performance Review *(continued)*

	PORTFOLIO COMPANY	2024 PERFORMANCE REVIEW
B	**Associate Companies**	
	CNMC Luanshya Copper Mines Plc (CLM)	CNMC Luanshya Copper Mines Plc continued its core operations in copper mining and exploration, with improved financial and production performance in 2024. **Financial Performance:** ▪ Total revenue: ZMW11.76 billion (US$449.59 million), reflecting a 38.4% increase from ZMW8.49 billion (US$414.51 million) in 2023. ▪ Net profit: ZMW3.92 billion (US$149.76 million), up from ZMW2.93 billion (US$142.71 million) in 2023. ▪ The revenue increase was mainly driven by strong copper prices and operational efficiencies. **Production Performance:** ▪ Copper output in 2024: 25,293 tonnes, significantly lower than 48,904 tonnes in 2023. ▪ The decline was attributed to temporary operational constraints and equipment maintenance. **Key Developments:** ▪ CLM announced a US$500 million investment to re-open the old Luanshya Mine ("Shaft 28"), a key asset that has been non-operational for over 22 years. The re-opening of Old Luanshya Mine ("28 Shaft") is expected to extend the LoM from 6 years to 25 years. 28 Shaft will officially be called Luanshya New Mine. Luanshya New Mine has an estimated total life of 20 years ▪ The mine dewatering process commenced, with a budget of US$100 million allocated for this exercise. ▪ As of 30 June 2024, 9 million cubic meters of water had been pumped out into the Kafue River. ▪ The dewatering process is expected to take between 18 to 24 months, paving the way for full-scale mining operations to resume. **Dividends:** Declared dividends of US$50 million, with US$10 million paid to ZCCM-IH (2023: US$30 million was declared).

OPERATIONS REPORT *(continued)*

Portfolio Performance Review *(continued)*

	PORTFOLIO COMPANY	2024 PERFORMANCE REVIEW
C	**Other Investments**	
	NFC Africa Mining Plc (NFCA)	NFC Africa Mining Plc (NFCA) delivered a strong financial performance, driven by cost-cutting initiatives and favourable copper prices. **Financial Performance:** ▪ Total revenue: ZMW15.87 billion (US$606.98 million), up from ZMW12.8 billion (US$619.82 million) in 2023. ▪ Net profit: ZMW3.25 billion (US$124.41 million), a 116.7% increase from ZMW1.5 billion (US$76 million) in 2023. **Production Performance:** ▪ Copper production: 34,427 tonnes, down from 68,757 tonnes in 2023. ▪ Despite lower production, profitability improved due to higher copper prices and cost optimization measures. **Debt Management:** ▪ NFCA continues to operate under a high debt burden, and the increase in US$-denominated lending rates has significantly raised interest costs. **Dividends:** Declared dividends of US$10 million, with ZMW36.62 million (US$1.5 million) paid to ZCCM-IH (2023: Nil).
	Chibuluma Mines Plc	Chibuluma Mines Plc remained on lease to LC & Y as the mine's operational life has been depleted. **Financial Performance:** ▪ Royalty revenue: US$0.95 million, down from US$2.58 million in 2023. ▪ Net profit: US$0.34 million, a decline from US$1.87 million in 2023. **Exploration Activities:** ▪ Chibuluma is exploring potential new mining areas and has partnered with Kobold Metals (USA) to leverage Artificial Intelligence (AI) for enhanced mineral exploration. **Dividends:** No dividends were declared during the year (2023: Nil)
	Chambishi Metals Plc	Chambishi Metals remained under care and maintenance, primarily due to a lack of feedstock and strategic operational limitations. Dividends: No dividends were declared during the year (2023: Nil).

OPERATIONS REPORT *(continued)*

Portfolio Performance Review *(continued)*

	PORTFOLIO COMPANY	2024 PERFORMANCE REVIEW
C	**Other Investments**	
	Kansanshi Mining Plc (Kansanshi)	Kansanshi Mining Plc continued its core operations in mining, processing, and exploration of copper and gold in North Western Province. **Key Developments:** ▪ The S3 Expansion Project is First Quantum Minerals (FQM)'s primary focus. ▪ Completion of the S3 expansion is scheduled for mid-2025, extending the mine's life by five years to 2029. ▪ ZESCO implemented 8-hour daily load shedding starting March 11, 2024, affecting Kansanshi's power supply. ▪ FQM received a force **majeure notice from ZESCO**, allowing it to **source alternative power solutions**. **Financial Performance:** ▪ Total revenue: ZMW53.61 billion (US$2.05 billion), which is significantly higher than ZMW32.30 billion (US$1.57 billion) in 2023. ▪ Net profit: ZMW9.5 billion (US$362.23), which is significantly higher than ZMW343.83 million (US$16.75 million) in 2023. **Production Performance:** ▪ Copper production: 170,929 tonnes, 27% higher than 2023, marking the highest production since 2021. ▪ Gold production: 105,103 ounces, up 52% from 2023, driven by selective mining of high-grade veins. **Royalty & Dividend Income:** ▪ Royalties received: ZMW1,425.67 million (US$54.51 million) (2023: ZMW1,200 million (US$56.13 million)). ▪ No dividends declared for 2024 (2023: US$9.05 million).

Directors' responsibilities in respect of the preparation of consolidated and separate annual financial statements

The Companies Act, 2017 of Zambia requires the Directors to prepare the consolidated and company financial statements for each financial year that give a true and fair view of the state of affairs of the Group and Company as at the end of the financial year and of its financial performance. It also requires the Directors to ensure that the Group and Company keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Group and Company. They are also responsible for safeguarding the assets of the Group and Company. The Directors are further required to ensure the Group and Company adheres to the corporate governance principles or practices contained in Sections 82 to 122 of Part VII of the Companies Act, 2017 of Zambia.

The Directors accept responsibility for the consolidated and company financial statements, which have been prepared using appropriate accounting policies supported by reasonable estimates, in conformity with IFRS® Accounting Standards and its interpretations as issued by the International Accounting Standards Board (IFRS Accounting Standards), the requirements of the Companies Act 2017 of Zambia and the Securities Act of Zambia.

The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of consolidated and company financial statements, and for such internal controls as the Directors determine necessary to enable the preparation of the consolidated and company financial statements that are free from material misstatement whether due to fraud or error.

The Directors are of the opinion that the consolidated and company financial statements set out on pages 50 to 198 give a true and fair view of the state of the financial affairs of the Group and Company and of its financial performance in compliance with IFRS® Accounting Standards and its interpretations as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in compliance with the requirements of the Companies Act of Zambia and the Securities Act of Zambia. The Directors further report that they have implemented and further adhered to the corporate governance principles or practices contained in Sections 82 to 122 of Part VII of the Companies Act, 2017 of Zambia.

Nothing has come to the attention of the Directors to indicate that the Group and Company will not remain a going concern for at least twelve months from the date of these financial statements.

Signed on behalf of the Board of Directors,

Mr Phesto Musonda
Director

Ms Masitala N Mushinga
Director

Date: 18 June 2025

ZCCM-IH PLC MANAGEMENT REPORT ON INTERNAL CONTROLS OVER REPORTING

Internal Controls over Financial Reporting and Accountability Compliance

The Securities Act requires SEC registrants to publish in the annual report the assessment of the Companies' internal controls over financial reporting (ICOFR). In pursuant of this requirement, the Company continues to strengthen its internal control environment to ensure the reliability and integrity of its financial reporting.

In line with ongoing engagements with the Securities and Exchange Commission, the Company has not included the ICOFR reporting in the 2024 Annual Report. Instead, a comprehensive Gap Analysis Report will be submitted by 30th June 2025, detailing identified deficiencies within the current internal control framework and setting out targeted remedial actions to strengthen control effectiveness across key financial reporting processes.

Furthermore, the Company will continue to provide quarterly progress updates to the Commission on the implementation status of the ICOFR framework, including the design, documentation, and operationalisation of entity-level, IT general, and business process controls, consistent with the COSO 2013 principles.

These actions demonstrate the Company's ongoing commitment to regulatory compliance, transparency, and strong corporate governance.

Signed by

Chief Executive Officer

Chief Financial Officer

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ZCCM INVESTMENTS HOLDINGS PLC

Report on the audit of the consolidated and separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of ZCCM Investments Holdings Plc ("the Group and Company") set out on pages 50 to 198, which comprise the consolidated and company statement of financial position as at 31 December 2024, and the consolidated and company statements of profit or loss and other comprehensive income, consolidated and company changes in equity and consolidated and company statements of cash flows for the year then ended, the notes to the financial statements, and a summary of material accounting policy information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of ZCCM Investments Holdings Plc as at 31 December 2024, and of its consolidated and company financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in compliance with the requirements of the Companies Act of Zambia and the Securities Act of Zambia.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the Audit of the consolidated and separate financial statements section of our report. We are independent of the Group and Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Zambia, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KPMG

Valuation of investments in subsidiaries and associates *Only applicable to the separate financial statements.* *Refer to note 4: Use of estimates and judgments, note 22: Investment in subsidiaries, note 23 (c): Investment in associates and note 45(a)(ii): Subsidiaries and note 45(a)(v) : Interest in equity accounted investees.*	
Key audit matter	***How the matter was addressed in our audit***

The Company recognises its investments in subsidiaries and associates at fair value through other comprehensive income (FVTOCI). As at 31 December 2024 these balances amounted to ZMW 191,501,000 and ZMW 34,452,165,000 respectively.
 	
Management utilised a valuation expert to determine the fair value of its investments.
 	
Management exercises significant judgement when determining the valuation inputs utilised to value its level 3 investments. The approach could either be the discounted cash flows, relative valuation or net asset values depending on the industry, life cycle and comparability of the investee's business to other similar listed companies.
 	
The key inputs and assumptions involving significant estimation judgement and having the most significant impact on the fair value of the investments is the:
• Valuation technique used - Discounted cash flow/or relative valuation
• Weighted average cost of capital (WACC)
• Market risk premium
• Future cash flows
 	
This was an area of focus and considered a key audit matter due to the significant complexity, estimation and judgement applied by management in the valuation of investments in subsidiaries and associates.
	The following procedures were performed:
	• We assessed the competence, independence and experience of management's expert by inspecting their qualifications and experience obtained in performing valuations of a similar nature.
	• We evaluated the reasonableness of the future cash flows used in the computation by comparing the values used to actual results.
	• We evaluated the design, implementation and operating effectiveness of relevant key controls relating to management's review of the valuation expert's fair valuation report.
	• With the assistance of our internal valuation specialists:
	  ▪ We challenged the approach employed by management's appointed expert for the discounted cash flow, including assessing the reasonableness of the weighted average cost of capital and market risk premiums used by comparing it to external data;
	  ▪ We assessed comparability of companies used where the relative valuation technique was utilised for reasonableness by evaluating whether industry and risk profiles were similar;
	  ▪ We recalculated the fair value of investments in subsidiaries and associates and compared it to management's valuation expert's calculation.
	• We assessed the adequacy of the disclosures in the separate financial statements, related to the valuation of investments in subsidiaries and associate by comparing the notes to the separate financial statements to the valuation reports and assessing against the requirements of IFRS 13.

Valuation of financial assets at fair value through profit or loss

Applicable to both consolidated and separate financial statements.

Refer to note 4: use of estimates and judgement, note 24: Financial assets at fair value through profit and loss and note 45(d) : Financial instruments.

Key audit matter	***How the matter was addressed in our audit***
The Group and Company recognises its financial assets at fair value through profit or loss (FVTPL). As at December 2024 these balances amounted to ZMW 2,741,000,000 for the consolidated and separate financial statements. Management utilised a valuation expert to determine the fair value of its financial assets. Management exercises significant judgement when determining the valuation inputs utilised to value its level 3 investments. The approach used can either be the discounted cash flows, relative valuation or net asset values depending on the industry, life cycle and comparability of the investee's business to other similar listed companies. The key inputs and assumptions involving significant estimation judgement and having the most significant impact on the fair value of the investments is the: • Valuation technique used: Discounted cash flow and relative valuation • Weighted average cost of capital (WACC) • Market risk premium • Future cash flows This was an area of focus and considered a key audit matter due to the significant complexity, estimation and judgement applied by management in the valuation of financial assets at fair valuation through profit or loss.	The following procedures were performed: We assessed the competence, independence and experience of management's expert by inspecting their qualifications and experience obtained in performing valuations of a similar nature. We evaluated the reasonableness of the future cash flows used in the computation by comparing the values used to actual results. We evaluated the design, implementation and operating effectiveness of relevant key controls relating to management's review of the valuation expert's fair valuation report. We evaluated the arithmetic accuracy of the data used in the valuation calculations by performing a roll forward reconciliation. With the assistance of our internal valuation specialists: • We challenged the approach employed by management's appointed expert, including assessing the reasonableness of the weighted average cost of capital and market risk premiums used by comparing it to external data; • We recalculated the fair value of financial assets at fair value through profit or loss by establishing a company's relative positioning among peer companies through the relative valuation approach for associates and compared the results to management's valuation expert's calculation. We assessed the adequacy of the disclosures in the consolidated and separate financial statements related to the valuation of the investments in accordance with IFRS 13 by comparing the notes to the financial statements to the valuation reports.

Valuation of the royalty right interest Applicable to both consolidated and separate financial statements.	
Refer to note 4:use of estimates and judgement, note 19 Intangible assets and 45(g) Intangible assets.	
Key audit matter	***How the matter was addressed in our audit***
The Group and Company recognised its royalty right as ZMW 19,909,353,000. Management utilised a valuation expert to determine the fair value of its royalty right. Management exercises significant judgement when determining the valuation inputs utilised to value its level 3 investments. The approach used is the discounted cash flows (DCF). The key inputs and assumptions involving significant estimation judgement and having the most significant impact on the fair value of the royalty right interest is the: - Valuation technique used being the DCF - Weighted average cost of capital (WACC) - Future cash flows This was an area of focus and considered a key audit matter due to the significant complexity, estimation and judgement applied by management in the valuation of the royalty right.	The following procedures were performed: We assessed the competence, independence and experience of management's expert by inspecting their qualifications and experience obtained in performing valuations of a similar nature. We evaluated the reasonableness of the future cash flows used in the computation by comparing the values used to actual results. We evaluated the design, implementation and operating effectiveness of relevant key controls relating to management's review of the valuation expert's fair valuation report. With the assistance of our internal valuation specialists: • We challenged the approach employed by management's appointed expert, including assessing the reasonableness of the WACC used by comparing it to external data; • We recalculated the fair value of royalty right interest and compared it to management's valuation expert's calculation. We assessed the adequacy of the disclosures in the consolidated and separate financial statements related to the valuation of investments in accordance with IFRS 13, Fair value measurement by comparing the notes to the financial statements to the valuation reports.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "ZCCM Investments Holdings Plc Integrated Annual Report for the year ended 31 December 2024" which includes the Report of the Directors of the consolidated and separate financial statements as required by the Companies Act of Zambia. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation of consolidated and separate financial statements that give a true and fair view in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in compliance with the requirements of the Companies Act of Zambia and the Securities Act of Zambia, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and Company's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence, regarding the financial information of the entities or business units within the group, as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Companies Act of Zambia

In accordance with Section 259 (3) (a) of the Companies Act of Zambia (the Act), we consider and report that:

- there is no relationship, interest or debt we have with the Company; and

- there were no serious breaches of corporate governance principles or practices by the directors as defined by the guidelines on serious breaches of corporate governance issued by the Zambia Institute of Chartered Accountants.

Securities Act of Zambia

In accordance with Rule 18 of the Securities (Accounting and Financial Reporting Requirements) Rules (SEC Rules), Statutory Instrument No.163 of 1993, we consider and report that:

- The consolidated and separate statements of financial position and consolidated and separate statements of profit or loss and other comprehensive income were in agreement with the accounting records; and
- We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

KPMG

KPMG Chartered Accountants **20 June 2025**

Jason Kazilimani, Jr **AUD/F000336**
Partner signing on behalf of the firm

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

		31 December	31 December
		2024	2023
	Note	ZMW'000	ZMW'000
Assets			
Property, plant and equipment	17	406,123	248,857
Exploration and evaluation asset	18	15,431	51,437
Intangible assets	19	19,987,739	14,393,945
Investment property	20	205,891	208,598
Investment in associates	23	24,404,820	10,090,940
Financial assets at fair value through profit or loss	24	2,741,000	3,019,500
Trade and other receivables	26	2,553,051	1,628,837
Environmental protection fund	27	369	7,060
Long term bonds	29	329,525	-
Total non-current assets		**50,643,949**	**29,649,174**
Inventories	25	32,536	38,299
Trade and other receivables	26	969,708	339,169
Short term deposits	29	5,015,626	4,450,451
Burden costs for mining	28	6,599	-
Cash and cash equivalents	30	525,685	360,356
		6,550,154	**5,188,275**
Assets classified as held for sale	21(ii)	92,140	23,626,388
Total current assets		**6,642,294**	**28,814,663**
Total assets		**57,286,243**	**58,463,837**
Equity			
Share capital	33(i)	1,608	1,608
Share premium	33(iii)	2,089,343	2,089,343
Other reserves		27,214,750	8,861,258
Retained earnings		22,920,994	(16,468,059)
Equity attributable to shareholders		**52,226,695**	**(5,515,850)**
Non-controlling interest	22(c)	**37,016**	**(174,784)**
Total equity		**52,263,711**	**(5,690,634)**
Liabilities			
Borrowings	35	2,808,418	-
Deferred tax liability	36	296,134	751,833
Retirement benefits	37	17,373	17,381
Provisions for environmental rehabilitation	38	245,810	112,751
Total non-current liabilities		**3,367,735**	**881,965**
Borrowings	35	538,449	-
Trade and other payables	31	179,602	312,756
Provisions	32	49,671	44,243
Current income tax liabilities	14	872,770	238,553
		1,640,492	**595,552**
Liabilities directly associated with assets classified as held for sale	21(ii)	14,305	62,676,954
Total current liabilities		**1,654,797**	**63,272,506**
Total liabilities		**5,022,532**	**64,154,471**
Total equity and liabilities		**57,286,243**	**58,463,837**

The notes on pages 58 to 198 are an integral part of these consolidated and company financial statements.
he consolidated financial statements were approved and authorised for issue by the Board of Directors on 18 June 2025 and signed on its behalf by:

....
Mr Kakenenwa Muyangwa
Director

....
Ms Masitala N Mushinga
Director

COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

		31 December 2024	31 December 2023
	Note	ZMW'000	ZMW'000
Assets			
Property, plant and equipment	17	143,625	110,624
Intangible assets	19	19,909,353	14,260,690
Investment property	20	205,891	208,598
Investments in subsidiaries	22	191,501	282,384
Investment in associates	23	34,452,165	11,240,080
Financial assets at fair value through profit or loss	24	2,741,000	3,019,500
Long term bonds	29	329,525	-
Trade and other receivables	26	2,699,139	4,586,471
Total non-current assets		**60,672,199**	**33,708,347**
Trade and other receivables	26	921,676	288,268
Short term deposits	29	5,015,626	4,411,330
Cash and cash equivalents	30	221,736	61,137
		6,159,038	**4,760,735**
Assets classified as held for sale		73,588	-
Total current assets		**6,232,626**	**4,760,735**
Total assets		**66,904,825**	**38,469,082**
Equity			
Share capital	35	1,608	1,608
Share premium	36	2,089,343	2,089,343
Other reserves	37	53,320,199	23,821,722
Retained earnings	38	6,881,393	11,509,346
Equity attributable to shareholders		**62,292,543**	**37,422,019**
Liabilities			
Borrowings	35	2,808,418	-
Deferred income tax liability	36	175,810	618,059
Retirement benefit obligations	37	17,373	17,381
Provisions for environmental rehabilitation	38	71,289	54,498
Total Non-current liabilities		**3,072,890**	**689,938R**
Borrowings	35	538,449	-
Trade and other payables	31	103,133	78,288
Provisions	32	25,551	41,461
Current income tax liabilities	14	872,259	237,376
Total Current liabilities		**1,539,392**	**357,125**
Total liabilities		**4,612,282**	**1,047,063**
Total equity and liabilities		**66,904,825**	**38,469,082**

The notes on pages 58 to 198 are an integral part of these consolidated and company financial statements.
The Company financial statements were approved and authorised for issue by the Board of Directors on

18 June 2025 and signed on its behalf by:

……………………………………… ………………………………………

Mr Kakenenwa Muyangwa
Director

Ms Masitala N Mushinga
Director

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

		31 December 2024	31 December 2023
	Note	ZMW'000	ZMW'000
Continuing operations			
Revenue from contracts with customers	7	3,208,963	11,747,105
Cost of sales	11	(3,695,521)	(15,306,333)
Gross loss		**(486,558)**	**(3,559,228)**
Net investment income	8	1,668,192	1,388,863
Other income	9	34,233,364	243,727
Fair value adjustment on financial assets at fair value through profit or loss	24	(278,500)	1,767,100
Net impairment losses on financial assets	10	(26,949)	(80,165)
Administration expenses	11	(6,860,387	(1,865,261)
Operating profit/(loss)		**28,249,162**	**(2,104,964)**
Finance income	13	1,091,873	2,212,694
Finance costs	13	(1,750,369)	(4,480,532)
Net finance costs	13	**(658,496)**	**(2,267,838)**
Gain on reclassification of investee company	21(iv)	8,588,986	-
Gain on derecognition of subsidiary	21(iii)/22(d)	910,428	-
Share of profit or loss of equity-accounted investees, net of tax	23(a)	3,327,837	2,261,209
Profit/(loss) before income tax		**40,417,917**	**(2,111,593)**
Income tax expense	14	(567,486)	(1,206,049)
Profit/(loss) for the year from continuous operations		**39,850,431**	**(3,317,642)**
Loss from discontinued operations	21(iii)/22(c)	(3,780)	(758,181)
Profit/(loss) for the year		**39,846,651**	**(4,075,823)**
Other comprehensive income			
Items that will never be reclassified to profit or loss			
Revaluation surplus on transfer of property, plant and equipment	17	-	3,794
Deferred income tax on revaluation reserve	36	221	221
Remeasurements of post-employment benefit obligations	37	(2,305)	24,134
Deferred income tax on remeasurements of post-employment benefit obligations	36	692	2,944
Equity-accounted investees- share of other comprehensive income	23	(1,558)	11,529
Fair value change in equity	35	714,181	-
Fair value change on royalty right	19	6,272,769	3,586,824
		6,984,000	**3,629,446**
Items that are or may be reclassified to profit or loss			
Foreign currency translation differences - equity - accounted investees	23(a)	10,922,393	3,907,834
Foreign currency translation differences- subsidiaries	34	444,665	(16,437,514)
		11,367,058	**(12,529,680)**
Other comprehensive income, net of tax		**18,351,058**	**(8,900,234)**
Total comprehensive income		**58,197,709**	**(12,976,057)**
Profit/(loss) attributable to:			
Owners of the Company		39,887,820	(3,847,544)
Non-controlling interests	22(c)	(41,169)	(228,279)
		39,846,651	**(4,075,823)**
Total comprehensive income attributable to:			
Owners of the Company		58,238,878	(12,747,778)
Non-controlling interests	22(c)	(41,169)	(228,279)
		58,197,709	**(12,976,057)**
Earnings per share			
Basic and diluted earnings per share (ZMW)	15	247.80	(25.35)
Earnings per share- continuing operations			
Basic and diluted earnings per share (ZMW)	15	247.83	(20.63)
Earnings per share- discontinuing operations			
Basic and diluted earnings per share (ZMW)	15	(0.02)	(4.72)

The notes on pages 58 to 198 are an integral part of these consolidated and separate financial statements.

COMPANY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

		31 December 2024	31 December 2023
	Note	ZMW'000	ZMW'000
Investment income	8	2,418,221	2,128,699
Revenue from contracts with customers	7	-	23,180
Cost of sales related to revenue from contracts with customer	11	-	(16,878)
Other (expenses)/ income	9	(4,651,873)	42,300
Fair value adjustment on financial asset at fair value through profit or loss	24	(278,500)	1,767,100
Net impairment losses on financial assets	10	(265,126)	(83,055)
Administration expenses	11	(1,387,894)	(794,148)
Operating (loss)/ profit		**(4,165,172)**	**3,067,198**
Finance income	13	1,022,734	2,980,430
Finance costs	13	(661,087)	(1,115)
Net finance income	13	**361,647**	**2,979,315**
(Loss)/profit before tax		**(3,803,525)**	**6,046,513**
Income tax expense	14	(580,188)	(1,205,034)
(Loss)/profit for the year		**(4,383,713)**	**4,841,479**
Other comprehensive income			
Items that will never be reclassified to profit or loss			
Deferred income tax on revaluation reserve	36	221	221
Remeasurements of post-employment benefit obligations	37	(2,305)	(9,813)
Deferred income tax on remeasurements of post-employment benefit obligations	36	692	2,944
Fair value change in investments in subsidiaries	22	(173,782)	(464,207)
Fair value change in investments in associates	23	22,685,093	5,508,327
Fair value change in assets held for sale		732	-
Fair value change in equity	35	714,181	-
Fair value change on royalty right	19	6,272,769	3,586,824
Other comprehensive income, net of tax		**29,497,601**	**8,624,296**
Total comprehensive income		**25,113,888**	**13,465,775**
Earnings per share			
Basic and diluted earnings per share (ZMW)		(27.26)	30.11

The notes on pages 58 to 198 are an integral part of these consolidated and separate financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

				Other reserves				
ZMW'000	Note	Share capital	Share premium	Revaluation reserve	Translation/ fair value reserve	Non-controlling interests	Retained earnings	Total
Balance at 1 January 2023		**1,608**	**2,089,343**	**278,698**	**17,522,138**	**(46,729)**	**(11,936,251)**	**7,908,807**
Loss for the year		-	-	-	-	(228,279)	(3,847,544)	(4,075,823)
Other comprehensive income								
Currency translation – equity accounted investees	23(a)	-	-	-	3,907,834	-	-	3,907,834
Currency translation of foreign denominated subsidiaries	34(ii)	-	-	-	(16,437,514)	-	-	(16,437,514)
Revaluation surplus		-	-	3,794	-	-	-	3,794
Transfer of excess depreciation		-	-	(737)	-	-	737	-
Deferred tax on transfer of excess depreciation	36	-	-	221	-	-	-	221
Fair value change on royalty right	19	-	-	-	3,586,824	-	-	3,586,824
Remeasurements of post-employment benefit obligations	37	-	-	-	-	-	24,134	24,134
Share of associates other comprehensive income	23(a)	-	-	-	-	-	11,529	11,529
Deferred tax on remeasurements of post-employment benefit obligations	36	-	-	-	-	-	2,944	2,944
Total comprehensive income		-	-	3,278	(8,942,856)	(228,279)	(3,808,200)	(12,976,057)
Transaction with owners of the Company – Distributions								
Dividends		-	-	-	-	-	(723,608)	(723,608)
Derecognition		-	-	-	-	733	-	733
		-	-	-	-	99,491	-	99,491
Balance at 31 December 2023		**1,608**	**2,089,343**	**281,976**	**8,579,282**	**(174,784)**	**(16,468,059)**	**(5,690,634)**
Balance at 1 January 2024		**1,608**	**2,089,343**	**281,976**	**8,579,282**	**(174,784)**	**(16,468,059)**	**(5,690,634)**
(Loss)/profit for the year		-	-	-	-	(41,169)	39,887,820	39,846,651
Other comprehensive income								
Currency translation – equity accounted investees	23(a)	-	-	-	10,922,393	-	-	10,922,393
Currency translation of foreign denominated subsidiaries	34(ii)	-	-	-	444,665	-	-	444,665
Transfer of excess depreciation		-	-	(737)	-	-	737	-
Fair value change on royalty right	19	-	-	-	6,272,769	-	-	6,272,769
Remeasurements of post-employment benefit obligations	37	-	-	-	-	-	(2,305)	(2,305)
Deferred tax on transfer of excess depreciation	36	-	-	221	-	-	-	221
Fair value change in equity	35	-	-	714,181	-	-	-	714,181
Share of associates other comprehensive income	23(a)	-	-	-	-	-	(1,558)	(1,558)
Deferred tax on remeasurements of post-employment benefit obligations	36	-	-	-	-	-	692	692
Total comprehensive income		**-**	**-**	**713,665**	**17,639,827**	**(41,169)**	**39,885,386**	**58,197,709**
Transaction with owners of the Company – Distributions								
Dividends		-	-	-	-	-	(243,364)	(243,364)
Derecognition of NCI In Investrust Bank Plc	22(c)	-	-	-	-	252,969	(252,969)	-
Balance at 31 December 2024		**1,608**	**2,089,343**	**995,641**	**26,219,109**	**37,016**	**22,920,994**	**52,263,711**

Retained earnings are the brought forward recognised income, net of expenses, of the Group plus current period profit or loss attributable to shareholders.
The notes on pages 58 to 198 are an integral part of these consolidated and separate financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

				Other Reserves			
	Note	Share capital	Share Premium	Revaluation reserve	Fair value reserve	Retained earnings	Total
		ZMW'000	ZMW'000	ZMW'000	ZMW'000	ZMW'000	ZMW'000
Balance at 1 January 2023		1,608	2,089,343	29,484	15,161,810	7,397,607	24,679,852
Profit for the year		-	-	-	-	4,841,479	4,841,479
Other comprehensive income							
Transfer of excess depreciation		-	-	(737)	-	737	-
Deferred tax on transfer of excess depreciation	36	-	-	221	-	-	221
Change in fair value of investments in subsidiaries	21/22	-	-	-	(464,207)	-	(464,207)
Change in fair value of investments in associates	23	-	-	-	5,508,327	-	5,508,327
Remeasurements of post-employment benefit obligations	37	-	-	-	-	(9,813)	(9,813)
Fair value change on royalty right	19	-	-	-	3,586,824	-	3,586,824
Deferred income tax on remeasurements of post-employment benefit obligations		-	-	-	-	2,944	2,944
Total comprehensive income		-	-	(516)	8,630,944	4,835,347	13,465,775
Transactions with owners of the Company – distributions							
Dividends		-	-	-	-	(723,608)	(723,608)
Balance at 31 December 2023		**1,608**	**2,089,343**	**28,968**	**23,792,754**	**11,509,346**	**37,422,019**
Balance at 1 January 2024		**1,608**	**2,089,343**	**28,968**	**23,792,754**	**11,509,346**	**37,422,019**
Loss for the year		-	-	-	-	(4,383,713)	(4,383,713)
Other comprehensive income							
Transfer of excess depreciation		-	-	(737)	-	737	-
Deferred tax on transfer of excess depreciation	36	-	-	221	-	-	221
Change in fair value of investments in subsidiaries	21/22	-	-	-	(173,782)	-	(173,782)
Change in fair value of investments in associates	23	-	-	-	22,685,093	-	22,685,093
Remeasurements of post-employment benefit obligations	37	-	-	-	-	(2,305)	(2,305)
Fair value change on royalty right	19	-	-	-	6,272,769	-	6,272,769
Fair value change in equity		-	-	714,181	-	-	714,181
Fair value change in assets held for sale	21	-	-	-	732	-	732
Deferred income tax on remeasurements of post-employment benefit obligations	36	-	-	-	-	692	692
Total comprehensive income		**-**	**-**	**713,665**	**28,784,812**	**(4,384,589)**	**25,113,888**
Transactions with owners of the Company – distributions							
Dividends		-	-	-	-	(243,364)	(243,364)
Balance at 31 December 2024		**1,608**	**2,089,343**	**742,633**	**52,577,566**	**6,881,393**	**62,292,543**

Retained earnings are the carried forward recognised income, net of expenses, of the Company plus current period profit or loss attributable to shareholders.
The notes on pages 58 to 198 are an integral part of these consolidated and company financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	31 December 2024 ZMW'000	31 December 2023 ZMW'000
Cash flows from operating activities			
Profit/(loss) before tax from continuing operations		40,417,917	(2,111,593)
Loss before tax from discontinued operations	21(iii)	(3,780)	(758,181)
Adjustments for:			
Depreciation	17	52,702	1,783,108
Amortisation of intangible assets	19	628,841	389,366
Gain on disposal of property, plant and equipment	9	(644)	(233)
Interest income from related parties and term deposits	8,13	(456,276)	(211,452)
Interest expense	13	1,288,381	4,037,815
Impairment of assets – PPE	17/18	37,171	44
Impairment of Intangible assets		66,561	-
Net impairment losses on financial assets	10	26,949	80,165
Impairment of investment in associates	23	4,461,755	-
Mopani investment expense	35	3,859,125	-
Exchange difference on borrowings	35	299,520	-
Other Income from Mopani loan modification	9	(38,881,600)	-
Gain on derecognition of subsidiaries net liabilities	21/22	(9,499,414)	(19,366)
Change in fair value on financial assets at fair value through profit or loss	24	278,500	(1,767,100)
Fair value change on investment property	20	(16,654)	(22,521)
Defined benefits expense	37	4,861	36,853
Movement in provision for environmental rehabilitation	38	39,320	39,822
Other provisions charged to income statement	32	7,761	(67,015)
Share of profit of equity – accounted investees, net of tax	23	(3,327,837)	(2,261,209)
Unrealised foreign currency gain on cash held		(15,303)	-
		(732,144)	**(855,768)**
Change in:			
Inventories		5,763	1,393,938
Trade and other receivables		(1,265,079)	(98,657)
Trade and other payables		(133,486)	(414,818)
Assets and liabilities held for sale		4,531,119	1,008,129
Burden costs for mining		(6,599)	-
Environmental Protection Fund		6,691	(17,322)
Cash generated from operating activities		**2,406,265**	**1,015,502**
Interest paid	35	(318,038)	-
Tax paid	14	(389,277)	(279,789)
Retirement benefits paid	37	(7,174)	(11,078)
Dividends paid		(243,032)	(808,362)
Net cash inflow/(outflow) from operating activities		**1,448,744**	**(83,727)**
Cash flows from investing activities			
Interest received	8,13	139,653	198,637
Dividend received	23	750,029	739,836
Acquisition of property and equipment	17	(113,895)	(754,113)
Acquisition of intangible assets	19	(16,455)	(221)
Proceeds on disposal of property, plant and equipment		729	233
Acquisition of investment property	20	(849)	-
Acquisition of investments in associates	23(a)	(566,340)	(540,849)
Proceeds from term deposits	29	4,450,451	5,340,202
Investments in term deposits	29	(5,345,151)	(4,450,451)
Net cash (used in)/generated from investing activities		**(701,828)**	**533,274**
Cash flows from financing activities			
Minority equity finance	22	-	99,491
Proceeds from borrowings	35	1,162,139	128,733
Repayment of borrowings	35	(1,282,155)	(436,036)
Net cash used in financing activities		**(120,016)**	**(207,812)**
Net increase in cash and cash equivalents		**626,900**	**241,735**
Effects of translation of cash and cash equivalents		(1,220)	(281,464)
Effect of movement in exchange rates on cash held		16,523	4,271
Cash and cash equivalents at 1 January		(116,518)	(81,060)
Cash and cash equivalents at 31 December	30	**525,685**	**(116,518)**
Included in the statement of financial position		506,028	360,356
Included in assets held for sale	21	19,657	(476,874)
Cash and cash equivalent at 31 December		**525,685**	**(116,518)**

The notes on pages 67 to 193 are an integral part of these consolidated and separate financial statements

COMPANY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	31 December 2024 ZMW'000	31 December 2023 ZMW'000
Cash flows from operating activities			
(Loss)/profit before tax		**(3,803,525)**	**6,046,513**
Adjustments for:			
Depreciation	17	12,867	11,276
Amortisation of intangible assets	19	628,765	365,658
Gain on disposal of property, plant and equipment	9	(644)	(233)
Fair value changes of financial assets at fair value through profit or loss	24	278,500	(1,767,100)
Net impairment losses on financial assets	10	265,126	83,055
Defined benefits expense	37	4,861	2,619
Fair value change on investment property	20	(16,654)	(22,521)
Mopani investment expense	35	3,859,125	-
Interest expense	35	340,457	-
Exchange difference on borrowings	35	299,520	-
Interest receivable on loan and held to maturity investments	13,8	(510,201)	(434,433)
Dividend income	8	(786,652)	(739,836)
Royalty income	8	(1,425,969)	(1,201,395)
Provision for environmental rehabilitation charged to the income statement	38	16,791	15,141
Other provisions charged to income statement	32	(15,910)	(67,225)
Unrealised foreign currency gain on cash held		(16,523)	(4,271)
		(870,066)	**2,287,248**
Change in:			
Inventory		-	16,427
Trade and other receivables		1,837,444	(3,440,758)
Trade and other payables		24,513	42,037
Assets held for sale		(39,348)	**-**
Cash used in operating activities		**234,410**	**(1,095,046)**
Interest paid	35	(318,038)	-
Tax paid	14	(386,641)	(276,626)
Dividends received		833,556	801,139
Dividends paid		(243,032)	(808,362)
Royalty received		1,221,882	1,014,511
Retirement benefit paid	37	(7,174)	(4,326)
Net cash generated/(used in) from operating activities		1,334,963	(368,710)
Cash flows from investing activities			
Interest received		536,871	198,637
Acquisition of property, plant and equipment	17	(25,743)	(16,755)
Acquisition of intangible assets	19	(4,659)	(147)
Acquisition of investment property	20	(849)	-
Proceeds on disposal of property, plant and equipment		729	233
Proceeds from term deposits	29	4,411,330	5,340,202
Acquisition of investments in subsidiaries	22	(116,407)	(190,001)
Acquisition of investments in associates	23(a)	(566,340)	(540,849)
Acquisition of assets held for sale		39,348	-
Investments in term deposits	29	(5,345,151)	(4,411,330)
Net cash flows (used in)/generated from investing activities		**(1,070,871)**	**379,990**
Cash flows from financing activities			
Borrowings	35	1,162,139	-
Repayment of borrowings	35	(1,282,155)	-
Net cash used in financing activities		**(120,016)**	**-**
Increase in cash and cash equivalents		**144,076**	**11,280**
Effect of movement in exchange rates on cash held		16,523	4,271
Cash and cash equivalents at 1 January		61,137	45,586
Cash and cash equivalents at 31 December	30	**221,736**	**61,137**

The notes on pages 67 to 193 are an integral part of these consolidated and separate financial statements

NOTES TO THE FINANCIAL STATEMENTS

in thousands of Kwacha

1 Reporting entity

ZCCM Investments Holdings Plc (the "Company" or "ZCCM – IH") is domiciled in Zambia. The Company's registered office is at Stand No. 16806, Alick Nkhata Road, Mass Media Complex Area, P.O Box 30048, Lusaka. These consolidated financial statements comprise the Company, its subsidiaries and investments in associates (together referred to as the 'Group'). The principal activity of the Company is to manage the Zambian Government's stake in the mining sector, as the Zambian Government through the Industrial Development Corporation (IDC), is the principal shareholder of the Company.

The Company's shares are listed on the Lusaka Securities Exchange (LuSE), the London Stock Exchange and Euronext.

2 Basis of preparation

TThe consolidated and company financial statements are prepared in compliance with IFRS® Accounting Standards and its interpretations as issued by the International Accounting Standards Board (IFRS Accounting Standards). The measurement basis applied is the historical cost basis, except where otherwise stated in the accounting policies below. The Consolidated and company financial statements are presented in Zambian Kwacha (ZMW), rounded to the nearest thousand. In accordance with the Company's Act. 2017 of Zambia and Securities' Act of Zambia, the financial statements for the year ended 31 December 2024 have been approved for issue by the Directors. Reference to "financial statements" in this report refers to the Consolidated financial statements.

The preparation of annual consolidated and company financial statements in conformity with IFRS Accounting Standards requires the use of estimates and assumptions. It also requires the Directors to exercise judgement in the process of applying the Group's accounting policies. The areas involving higher degree of judgement or complexity, or where assumptions and estimates are significant to the consolidated and company financial statements are disclosed in Note 4.

Certain comparative information has been reclassified to conform to the current year's presentation.

Going concern assumption

These financial statements have been prepared on a going concern basis.

The Directors have considered the Group and Company's financial position, cash flow forecasts, and available financing facilities, and are satisfied that the Group and Company have adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of approval of the financial statements.

Accordingly, the financial statements have been prepared on a going concern basis. In forming their view, the Directors have assumed that operations will continue in the normal course of business, and that the Group and Company will be able to realise their assets and discharge their liabilities, including contractual obligations, as they fall due.

3 Functional and presentation currency

These Group and Company financial statements are presented in Zambian Kwacha. The functional currency for the Company is Zambian Kwacha. All amounts presented in Kwacha have been rounded to the nearest thousand, unless otherwise indicated.

Several of the Company's equity investments prepare financial statements in US Dollars, which is their functional currency, due to the nature of the industry in which they operate. This has resulted in a foreign currency translation reserve at the Group level. More detail is included in notes 22 and 23.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

4 Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's and Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

(a) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated and company financial statements are included in:

Note 19, 22, 23 and 24 – Determining the fair values of investment in subsidiaries, associates, royalty right and financial assets at fair value through profit or loss based on of significant unobservable inputs.

Valuation of the Group and Company's unquoted investments is an area of judgement which involves the use of significant estimates and assumptions. Management uses various valuation techniques when determining the fair values of unquoted investee companies whose outcome is dependent on several significant unobservable inputs and assumptions as disclosed under Note 19, 22, 23 and 24.

Note 45 (a) v – consolidation: whether the Company has significant influence over an investee or de facto control over an investee.

Management has reassessed its involvement in Rembrandt Properties Limited (49%) in accordance with IFRS 10's control definition and guidance. It has concluded that the Company has significant influence but not outright control. In making its judgement, management considered the following:

- Company's voting rights – the Company's voting rights are limited to 49% but in relation to the dispersion of the voting rights held by other shareholders the Company has a significant right; and
- Relative size – in relation to the extent of recent participation by those shareholders in general meetings, the Company is deemed to have significant influence over the investees.

  Further, management has reassessed its involvement in Mopani Copper Mine Plc (49%) in accordance with IFRS 10's control definition and guidance. It has concluded that the Company has significant influence but not outright control, In making its judgement, management considered the following:

- ZCCM-IH's representation on the board of the investee Company
- Appointment of key management staff
- Number of voting rights.

Following the above assessment, management has determined that the Company's involvement in all its investee companies in accordance with IFRS 10's control definition and guidance has changed from prior year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

4 Use of estimates and judgements (continued)

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 December 2024 is included in the following notes:

- Notes 22, 23 and 24 – measurement of fair value of investee companies; key assumptions about discounted cash flow assumptions;
- Note 32 and 40 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 42 – measurement of ECL allowance for trade receivables and contract assets: key assumptions in determining the weighted-average loss rate.

(b) Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. Significant valuation issues are reported to the Group Audit Committee. This includes the Group finance team that has overall responsibilities for overseeing all significant fair value measurement including level 3 fair values and reports directly to the Chief Financial Officer (CFO).

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information arises such as broker quotes or pricing services, used to measure fair values, then the finance team assesses the evidence obtained from third parties to support the conclusion that such valuations meet the requirement of IFRS Accounting Standard, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

4. Use of estimates and judgements *(continued)*

(c) Determination of ore reserves and life of mine plan

Reserves are estimates of the amount of product that can be economically and legally extracted from the group's properties. Estimating the quantity and/or grade of reserves requires the size, shape and depth of ore bodies or fields to be determined by analysing geological data such as drilling samples. Following this, the quantity of ore that can be extracted in an economical manner is calculated using data regarding the life of mine plans and forecast sales prices (based on current and long-term historical average price trends).

A majority of the groups' property, plant and equipment associated with its mining subsidiaries are depreciated over the estimated lives of the assets on a units-of-production basis. This also includes the timing of repayments of life of mine linked borrowings. The calculation of the units-of-production rate, and therefore the annual depreciation expense could be materially affected by changes in the underlying estimates which are driven by the life of mine plans. Changes in estimates can be the result of actual future production differing from current forecasts of future production, expansion of mineral reserves through exploration activities, differences between estimated and actual costs of mining and differences in the commodity prices used in the estimation of mineral reserves.

Changes in the proven and probable reserves estimates may impact the carrying value of property, plant and equipment, asset retirement obligation provision, recognition of deferred income tax amounts and depreciation expense amount.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 42 – Financial instruments
- Note 20 – Investment property
- Note 22 – Investment in subsidiaries
- Note 23 – Investment in associates; and
- Note 24 – Financial assets at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

5 New or revised Standards or Interpretations

5.1 New and amended standards adopted by the Company and Group

The Group has adopted the applicable new, revised or amended accounting pronouncements as issued by the International and Accounting Standards Board (IASB), which were effective for the Group from 1 January 2024.

The amendments to accounting standards below, effective for the reporting period 1 January 2024 did not have any material impact on the Group's accounting policies and required no retrospective adjustments to the financial statements of the Group.

Amendments to IAS 1 – Non-current liabilities with covenants. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions. These amendments are applicable for annual periods beginning on or after 1January 2024.

Amendment to IFRS 16 – Leases on sale and leaseback. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted. These amendments are applicable for annual periods beginning on or after 1 January 2024.

Amendments to Supplier Finance Arrangements (IAS 7 and IFRS 7). These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis. These amendments are applicable for annual periods beginning on or after 1 January 2024.

5.2 New and amended standards not yet adopted by the Group

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Amendments to IAS 21 Lack of Exchangeability (Amendments to IAS 21). An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations. These amendments are applicable for annual periods beginning on or after 1 January 2025.

Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9, Financial Instruments and IFRS 7, Financial Instruments: Disclosures) clarify financial assets and financial liabilities are recognized and derecognized at settlement date except for regular way purchases or sales of financial assets and financial liabilities meeting conditions for new exception. The new exception permits companies to elect to derecognize certain financial liabilities settled via electronic payment systems earlier than the settlement date. They also provide guidelines to assess contractual cash flow characteristics of financial assets, which apply to all contingent cash flows, including those arising from environmental, social, and governance (ESG)-linked features. These amendments are applicable for annual periods beginning on or after 1 January 2026.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

5 New or revised Standards or Interpretations (continued)

5.2 New and amended standards not yet adopted by the Group *(continued)*

IFRS 18 Presentation and Disclosure in Financial Statements was issued in April 2024 to replace IAS 1 Presentation of Financial Statements. IFRS 18 aims to improve financial reporting by: requiring additional defined subtotals in the statement of profit or loss; requiring disclosures about management-defined performance measures; and adding new principles for the aggregation and disaggregation of items. The IASB did not reconsider all aspects of IAS 1 when developing IFRS 18 but instead focused on the statement of profit or loss. The IASB retained some paragraphs from IAS 1 in IFRS 18 and moved some paragraphs from IAS 1 to IAS 8 Basis of Preparation of Financial Statements and IFRS 7 Financial Instruments: Disclosures. These amendments are applicable for annual periods beginning on or after 1 January 2027.

Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7. Companies face challenges in applying IFRS 9 Financial Instruments to contracts referencing nature-dependent electricity – sometimes referred to as renewable power purchase agreements (PPAs). The International Accounting Standards Board (IASB) has now amended IFRS 9 to address these challenges. The amendments include guidance on:

- the 'own use' exemption for purchasers of electricity under such PPAs;
- and hedge accounting requirements for companies that hedge their purchases or sales of electricity using PPAs.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

Subsidiaries of companies using IFRS® Accounting Standards can substantially reduce their disclosures and focus more on users' needs following the release of IFRS 19 Subsidiaries without Public Accountability: Disclosures, from the International Accounting Standards Board (IASB).

A subsidiary that does not have public accountability, and has a parent that produces consolidated accounts under IFRS Accounting Standards, is permitted to apply IFRS 19.

The IASB has also added new disclosure requirements for certain PPAs to IFRS 7 Financial Instruments: Disclosures

Annual Improvements to IFRS Accounting Standards – Amendments to:

IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;

- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash flows.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

6 Operating segments

(a) Basis for segmentation

The Group has two operational reportable segments, as described below, which are the Group's strategic operations. The strategic operation offers different products and services and are managed separately because they require different technology and marketing strategies.

The group's management committee, consisting of the Chief Executive Officer, the Chief Financial Officer, Chief Investment Officer, Chief Legal Officer, Chief Internal Audit Officer, Chief ICT Officer, Chief Human Resource and Administration Officer, Chief Technical Officer, and Company Secretary, examines the group's performance from an operations perspective and has identified two reportable segments of its business:

1. **Investments** – This comprises of only ZCCM-IH. This is a premiere diversified mining investments and operations Company whose majority owner is Industrial Development Corporation (IDC). The Company's focused interests are investments in Zambia's mining and energy sectors.

2. **Mining and processing** – This comprise of entities actively in the exploration activities, mining of minerals and processing to finished products. The minerals mined include copper, gold, amethyst, manganese, and limestone.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
in thousands of Kwacha

6 Operating segments *(continued)*

(a) Basis for segmentation *(continued)*

The Group's Chief Executive Officer and the management committee reviews internal reports of each division at least quarterly. The following summary describes the operations of each reportable segment.

2024

Segment	Entity	Country of operations	Total revenue	Revenue from Zambia	Revenue from foreign countries	Total segment assets	Non-current assets	Current assets
Investments	ZCCM-IH Plc	Zambia	-	-	-	20,258,869	20,258,869	-
Mining and processing	Mopani Copper Mine Plc*	Zambia	3,086,791	1,218,257	1,868,534	18,132,025	14,598,625	3,533,400
Mining and processing	Limestone Resources Limited	Zambia	72,315	51,358	20,957	118,142	98,885	19,257
Mining and processing	Kabundi Resources Limited	Zambia	-	-	-	22,733	21,754	979
Mining and processing	Zambia Gold Company Limited	Zambia	-	-	-	191,397	191,397	-
Mining and processing	Kariba Minerals Limited	Zambia	49,857	-	49,857	58,681	46,381	12,300
Technical services	Misenge Environmental and Technical Services Limited (Discontinued operation)	Zambia	13,361	13,361	-	16,654	16,654	-
Total from segments			**3,222,324**	**1,282,976**	**1,939,348**	**38,798,501**	**35,232,565**	**3,565,936**
(Less)/add consolida-tion adjustments			(13,361)	(13,361)	-	17,841	17,841	-
Consolidated balance			**3,208,963**	**1,269,615**	**1,939,348**	**38,816,342**	**35,250,406**	**3,565,936**

Note: Segment assets exclude financial instruments, deferred tax assets/liabilities and employee benefit assets

Revenue from foreign countries is distributed as follows:

Country	Foreign revenue - ZMW
Switzerland	1,868,534
Malawi	20,830
Zimbabwe	127
India	49,857
Total	**1,939,348**

Note: Segment assets exclude financial instruments, deferred tax assets/liabilities and employee benefit assets
** Revenues relating to Mopani Copper Mine Plc have been included in the Segment Report for the period up to 20th March 2024 before it was reclassified as an Associate Company.*

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

6 Operating segments *(continued)*

(a) Basis for segmentation *(continued)*

The Group's Chief Executive Officer and the management committee reviews internal reports of each division at least quarterly. The following summary describes the operations of each reportable segment.

2023

Segment	Entity	Country of operations	Total revenue	Revenue from Zambia	Revenue from foreign countries	Total segment assets	Non-current assets	Current assets
Investments	ZCCM-IH Plc	Zambia	23,180	23,180	-	14,579,912	14,579,912	-
Mining and processing	Mopani Copper Mine Plc*	Zambia	11,552,419	2,173,264	9,379,155	19,135,738	15,646,610	3,489,128
Mining and processing	Limestone Resources Limited	Zambia	96,741	75,058	21,683	85,317	57,013	28,304
Mining and processing	Kabundi Resources Limited	Zambia	1,095	1,095	-	13,858	13,008	850
Mining and processing	Zambia Gold Company Limited	Zambia	38,524	38,524	-	211,303	211,303	-
Mining and processing	Kariba Minerals Limited	Zambia	29,868	-	29,868	37,442	28,297	9,145
Technical services	Misenge Environmental and Technical Services Limited (Discontinued operation)	Zambia	20,308	20,308	-	14,095	14,095	-
Total from segments			**11,762,135**	**2,331,429**	**9,430,706**	**34,077,665**	**30,550,238**	**3,527,427**
Less consolidation adjustments			(15,030)	(15,030)	-	-	-	-
Consolidated balance			**11,747,105**	**2,316,399**	**9,430,706**	**34,077,665**	**30,550,238**	**3,527,427**

Note: Segment assets exclude financial instruments, deferred tax assets/liabilities and employee benefit assets

Revenue from foreign countries is distributed as follows:

Country	Foreign revenue - ZMW
Switzerland	9,379,155
Malawi	6,687
Zimbabwe	14,996
India	29,868
Total	**9,430,706**

Note: *Segment assets exclude financial instruments, deferred tax assets/liabilities and employee benefit assets*

6 Segment reporting *(continued)*

(a) Information about reportable segments

Information recorded on each reportable segment is set out below. Segment profit before tax, as included in internal management reports reviewed by the Group's Chief Executive Officer is used to measure performance because management believes that such information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries. Only one segment meets the 10% reportable segment criteria per IFRS 8 - Segment Reporting. The segment results for the Group were as follows:

The segment results for the Group were as follows:
December 2024

	Investments	Mining and processing					Discontinued Operations		
	ZCCM-IH ZMW'000	Mopani Copper Mine Plc *(Held for sale)* ZMW'000	Limestone Resources Limited ZMW'000	Zambia Gold Company Limited ZMW'000	Kabundi Resources Limited ZMW'000	Kariba minerals Limited ZMW'000	Misenge Environmental and Technical Services Limited ZMW'000	Consolidation Adjustments ZMW'000	Consolidated ZMW'000
Revenue from external customers:									
Sales	-	3,086,791	72,315	-	-	49,857	-	-	3,208,963
Services	-	-	-	-	-	-	13,361	(13,361)	-
Total revenue from external customers	**-**	**3,086,791**	**72,315**	**-**	**-**	**49,857**	**13,361**	**(13,361)**	**3,208,963**
Inter-segment revenue	-	-	-	-		-	-		-
Total segment revenue	-	3,086,791	72,315	-	-	49,857	13,361	(13,361)	3,208,963
Consolidated revenue	**-**	**3,086,791**	**72,315**	**-**	**-**	**49,857**	**13,361**	**(13,361)**	**3,208,963**
Cost of sales	-	(3,541,986)	(117,820)	-	(250)	(35,465)	(11,615)	11,615	(3,695,521)
Interest income	205,600	-	-	-	-	-	-	-	205,600
Finance income	1,022,734	-	-	-	-	-	-	69,139	1,091,873
Interest expense	(661,087)	(25,479)	(21,270)	-	-	-	-	(1,042,533)	(1,750,369)
Net (impairment)/recovery of financial assets	(265,126)	-	3,199	-	-	-	1,633	233,345	(26,949)
Personnel expenses	(195,976)	(111,707)	(48,187)	(12,784)	(3,137)	(22,596)	(10,007)	10,007	(394,387)
Depreciation and amortisation expense	(641,632)	(426,003)	(9,242)	(12,693)	(8,219)	(6,144)	(4,407)	17,841	(1,090,499)
Loan modification income	-	35,916,739	-	-	-	-	-	-	35,916,739
Transitional tax offsets income	-	2,964,861	-	-	-	-	-	-	2,964,861
Impairment on investments in associates	-	-	-	-	-	-	-	4,461,755	4,461,755
Consultancy and legal expenses	(200,641)	-	-	-	-	-	-	-	(200,641)
Mopani investment expense	(3,859,125)	-	-	-	-	-	-	-	(3,859,125)
Other income/(expenses)	791,728	(1,234,859)	(12,343)	(73,772)	(186)	15,563	7,665	780,081	257,780
Total profit/ (loss) before tax for reported segments	**(3,803,525)**	**36,628,357**	**(133,348)**	**(99,249)**	**(11,792)**	**1,215**	**(3,370)**	**4,527,889**	**37,090,080**
Income tax credit/(expense)	(580,188)	-	(278)	15,230	(2,381)	131	(410)	410	(567,486)
Share of profit of equity accounted investees	-	-	-	-	-	-	-	3,327,837	3,327,837
Loss from discontinued operations	-	-	-	-	-	-	-	(3,780)	(3,780)
Consolidated profit for the year	**(4,383,713)**	**36,628,357**	**(133,626)**	**(84,019)**	**(14,173)**	**1,346**	**(3,780)**	**7,852,356**	**39,846,651**

* Revenues relating to Mopani Copper Mine Plc have been included in the Segment Report for the period up to 20th March 2024 before it was reclassified as an Associate Company.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

6 Segment reporting *(continued)*

(b) Information about reportable segment *(continued)*

December 2024

	Investments	Mining and processing					Discontinued Operations		
	ZCCM-IH *ZMW'000*	Mopani Copper Mine Plc *(held for sale)* *ZMW'000*	Limestone Resources Limited *ZMW'000*	Zambia Gold Company Limited *ZMW'000*	Kariba minerals Limited *ZMW'000*	Kabundi Resources Limited *ZMW'000*	Misenge Environmental and Technical Services Limited *ZMW'000*	Consolidation Adjustments *ZMW'000*	**Consolidated** *ZMW'000*
Segment assets*									
Opening balance	14,579,912	19,135,768	85,317	211,303	37,442	13,858	14,095	-	34,077,695
Additions	31,251	158,064	51,114	95,354	24,228	16,965	8,131	-	385,107
Mineral royalty/right	-	-	-	-	-	-	-	-	-
Movement in inventory	-	44,272	(9,047)	-	3,155	129	-	-	38,509
Property plant and equipment Revaluation	-	-	-	-	-	-	-	-	-
Increase/(Decrease) in environmental asset	-	(780,076)	-	-	-	-	-	-	(780,076)
Disposal	(85)	-	-	-	-	-	-	-	(85)
Depreciation and amortisation	(641,632)	(426,003)	(9,242)	(12,693)	(6,144)	(8,219)	(4,407)	17,841	(1,090,499)
Fair value change	6,289,423	-	-	-	-	-	-	-	6,289,423
Transfer	-	-	-	-	-	-	-	-	-
Impairment of PPE	-	-	-	(102,567)	-	-	(1,165)	-	(103,732)
Closing balance	**20,258,869**	**18,132,025**	**118,142**	**191,397**	**58,681**	**22,733**	**16,654**	**17,841**	**38,816,342**
Equity accounted investees	34,452,165	-	-	-	-	-	-	(10,047,345)	24,404,820
Other assets	12,193,791	4,162,547	122,104	134,942	61,182	47,882	31,626	(22,688,993)	(5,934,919)
Total assets	**66,904,825**	**22,294,572**	**240,246**	**326,339**	**119,863**	**70,615**	**48,280**	**(32,718,497)**	**57,286,243**
Segment liabilities	114,213	2,485,985	-	-	-	-	3,005	-	2,603,203
Other liabilities	4,498,069	24,475,881	422,254	245,201	22,197	18,160	15,547	(27,277,980)	2,419,329
Total liabilities	**4,612,282**	**26,961,866**	**422,254**	**245,201**	**22,197**	**18,160**	**18,552**	**(27,277,980)**	**5,022,532**
Cashflows from operating activities	1,334,963	(7,263,688)	(86,927)	(90,118)	(4,117)	(6,484)	(2,696)	7,567,811	1,464,270
Cashflows from investing activities	(1,070,871)	(3,413,413)	(7,366)	(36,024)	(24,228)	(2,618)	(8,131)	3,860,823	(717,354)
Cashflows from financing activities	(120,016)	10,874,976	116,125	139,068	-	-	-	(11,130,169)	(120,016)

* Segment assets exclude financial instruments, deferred tax assets/liabilities and employee benefit assets.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

6 Segment reporting *(continued)*

(b) **Information about reportable segment** (continued)

December 2023

	Investments	Mining and processing					Technical services			
	ZCCM-IH *ZMW'000*	Mopani Copper Mine Plc *ZMW'000*	Limestone Resources Limited *ZMW'000*	Zambia Gold Company Limited *ZMW'000*	Kabundi Resources Limited *ZMW'000*	Kariba minerals Limited *ZMW'000*	Misenge Environmental and Technical Services Limited *ZMW'000*	Others *(Discontinued operations)*	Consolidation Adjustments *ZMW'000*	Consolidated *ZMW'000*
Revenue from external customers:										
Sales *	23,180	11,552,419	96,741	38,524	1,095	29,868	-	-	-	11,741,827
Services	-	-	-	-	-	-	5,278	-	-	5,278
Total revenue from external customers	**23,180**	**11,552,419**	**96,741**	**38,524**	**1,095**	**29,868**	**5,278**	**-**	**-**	**11,747,105**
Inter-segment revenue	-	-	-	-		-	15,030	-	(15,030)	-
Total segment revenue	23,180	11,552,419	96,741	38,524	1,095	29,868	20,308	-	(15,030)	11,747,105
								-		
Consolidated revenue	**23,180**	**11,552,419**	**96,741**	**38,524**	**1,095**	**29,868**	**20,308**	**-**	**(15,030)**	**11,747,105**
Cost of sales**	(16,878)	(15,084,827)	(139,146)	(28,518)	(1,746)	(22,014)	(13,204)			(15,306,333)
Interest income	434,433	-	-	-	-	-	-	206,224	(206,224)	434,433
Interest expense	-	(2,971,812)	(13,995)	-	-	(1,240)	-	(95,445)	305,741	(2,776,751)
Net (impairment)/recovery of financial assets	(83,055)	-	(2,607)	-	-	-	(3,986)	545,886	(536,403)	(80,165)
Personnel expenses	(157,323)	(1,925,389)	(48,022)	(10,047)	(2,283)	(15,950)	(8,131)	(104,647)	104,647	(2,167,145)
Depreciation and amortisation expense	(13,110)	(1,765,630)	(10,913)	(13,043)	(2,397)	(2,770)	(1,546)	(8,180)	1,421,076	(396,513)
Other income/(expenses)	5,859,266	1,227,364	(62,645)	(11,203)	12,400	10,837	6,040	(1,302,019)	(1,567,473)	4,172,567
Total profit/ (loss) before tax for reported segments	**6,046,513**	**(8,967,875)**	**(180,587)**	**(24,287)**	**7,069**	**(1,269)**	**(519)**	**(758,181)**	**(493,666)**	**(4,372,802)**
Income tax credit/(expense)	(1,205,034)	-	(149)	942	(3,217)	1,817	(408)	-	-	(1,206,049)
Share of profit of equity accounted investees	-	-	-	-	-	-	-	-	2,261,209	2,261,209
Loss from discontinued operations	-	-	-	-	-	-	-	-	(758,181)	(758,181)
Consolidated profit for the year	**4,841,479**	**(8,967,875)**	**(180,736)**	**(23,345)**	**3,852**	**548**	**(927)**	**(758,181)**	**1,009,362**	**(4,075,823)**

*The Group's main customer, Glencore International AG of Switzerland, accounts for 79% of the Group's total revenue.

**Following the IFRS Interpretations Committee's final agenda decision on operating segments regarding the disclosure of material items of income and expenses in terms of IFRS 8.23(f) and IAS 1.97 during the financial year, the Group updated its disclosure of items included in operating profit per segment. The prior year information was updated to align to the current year disclosures.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

6 Segment reporting *(continued)*

(b) Information about reportable segment *(continued)*

December 2023

	Investments	Mining and processing					Technical services			
	ZCCM-IH *ZMW'000*	Mopani Copper Mine Plc *ZMW'000*	Limestone Resources Limited *ZMW'000*	Zambia Gold Company Limited *ZMW'000*	Kariba minerals Limited *ZMW'000*	Kabundi Resources Limited ZMW'000	Misenge Environmental and Technical Services Limited *ZMW'000*	Others *(Discontinued operations)*	Consolidation Adjustments *ZMW'000*	**Consolidated**
Segment assets*										
Opening balance	311,026	20,221,177	103,943	118,459	39,639	8,872	5,220	109,447	-	20,917,783
Additions	16,902	718,550	1,382	266	161	6,647	10,426	9,373	-	763,707
Mineral royalty/right	14,259,000	-	-	133,122	-	-	-	-	-	14,392,122
Movement in inventory	(16,427)	(1,347,552)	187	(27,501)	(3,382)	736	-	(10,933)	-	(1,404,872)
Property plant and equipment Revaluation	-	-	-	-	3,794	-	-	-	-	3,794
Increase/(Decrease) in environmental asset	-	1,309,193	(9,243)	-	-	-	-	-	-	1,299,950
Disposal	-	-	-	-	-	-	-	(5,440)	-	(5,440)
Depreciation and amortisation	(13,110)	(1,765,630)	(10,913)	(13,043)	(2,770)	(2,397)	(1,546)	(8,180)	8,939	(1,808,650)
Fair value change	22,521	-	-	-	-	-	-	-	-	22,521
Transfer	-	-	-	-	-	-	-	(94,267)	-	(94,267)
Impairment of PPE	-	-	(39)	-	-	-	(5)	-	-	(44)
Closing balance	**14,579,912**	**19,135,738**	**85,317**	**211,303**	**37,442**	**13,858**	**14,095**	**-**	**8,939**	**34,086,604**
Equity accounted investees	11,240,080	-	-	-	-	-	-	-	(1,149,140)	10,090,940
Other assets	12,649,090	2,897,253	104,245	115,491	90,274	55,662	38,886	1,593,397	(3,258,005)	14,286,293
Total assets	**38,469,082**	**22,032,991**	**189,562**	**326,794**	**127,716**	**69,520**	**52,981**	**1,593,397**	**(4,398,206)**	**58,463,837**
								-		
Segment liabilities	113,340	4,488,361	-	-	-	-	2,333	-	-	4,604,034
Other liabilities	933,723	58,461,265	103,165	161,643	30,093	5,569	17,140	2,606,990	(2,769,151)	59,550,437
Total liabilities	**1,047,063**	**62,949,626**	**103,165**	**161,643**	**30,093**	**5,569**	**19,473**	**2,606,990**	**(2,769,151)**	**64,154,471**
								-		
Cashflows from operating activities	(368,710)	(1,662,537)	(93,682)	18,599	(4,394)	7,440	(1,323)	4,167	2,016,713	(83,727)
Cashflows from investing activities	379,990	(728,812)	(1,383)	(267)	(146)	(7,488)	(10,427)	(9,373)	911,180	533,274
Cashflows from financing activities	-	2,155,034	132,767	95,247	90,417	-	-	-	(2,681,277)	(207,812)

** Segment assets exclude financial instruments, deferred tax assets/liabilities and employee benefit assets.*

Group reconciliation of reported assets and liabilities

(i) Other assets consist of trade and other receivables, term deposits, cash and cash equivalents.

(ii) Other liability includes tax liabilities, retirement benefits, environmental liability and legal provision.

Elimination adjustments relate to intersegment transactions. The adjustment to other liabilities relates to the elimination of shareholder loans and the reclassification of deferred tax

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

7 Revenue from contracts with customers

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Sales of goods transferred at a point in time	3,274,950	12,176,323	-	23,180
Realisation charges (i)	(65,987)	(434,496)	-	-
Services transferred over time	-	5,278	-	-
	3,208,963	**11,747,105**	**-**	**23,180**

(i) *Realisation charges*
Realisation charges relate to deductions from the purchase price in line with the sales agreement which includes freight and transportation costs.

Disaggregation of revenue by product line:

Revenue by product line:

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Copper cathodes	2,946,044	11,068,316	-	-
Sulphuric acid	58,969	352,050	-	-
Slimes	52,001	114,997	-	-
Limestone	72,315	96,741	-	-
Gold	-	61,461	-	23,180
Amythest	49,857	29,868	-	-
Copper concentrates	-	10,262	-	-
Copper anodes	-	6,793	-	-
Technical services	-	5,278	-	-
Manganese	-	1,095	-	-
Other Goods (Value addition sales)	29,777	244	-	-
Total	**3,208,963**	**11,747,105**	**-**	**23,180**

**The amounts were restated as a result of a prior period error. Refer to note 45 for impact on restatement.*

8 Investment income

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Investment income				
Dividends income	36,623	-	786,652	739,836
Interest income	205,600	187,468	205,600	187,468
Royalty income	1,425,969	1,201,395	1,425,969	1,201,395
Total Investment income	**1,668,192**	**1,388,863**	**2,418,221**	**2,128,699**

During the year, ZCCM-IH (the Company) recorded total royalty and dividend income of ZMW1,426 million (US$54.51 million),(2023: ZMW1,201 million (US$58.48 million)) and ZMW787 million (US$30.27 million), (2023: ZMW740 million (US$36.05 million)) respectively.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

9 Other (expenses)/income

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Management fees and commissions	-	5,083	-	5,378
Fair value adjustment- investment property (Note 20)	16,654	22,521	16,654	22,521
Rental income	10,232	9,955	11,650	10,097
Gain/(loss) on disposal of property, plant and equipment	644	233	644	233
Derecognition of subsidiaries' net liabilities (Note 22(d))	-	19,366	-	-
Derecognition of loan due to modification	(826,279)	-	(826,279)	-
Loan modification income*	35,916,739	-	-	-
Tax obligations write back**	2,964,861	-	-	-
Mopani investment expenses (Note 35)	(3,859,125)	-	(3,859,125)	-
Sundry income	9,638	186,569	4,583	4,071
Total balance	**34,233,364**	**243,727**	**(4,651,873)**	**42,300**

* ***Mopani loan modification income***
For 2024, the amount includes a one-off income arising from the write-down of the loans from Glencore and from Carlisa of ZMW44.72 billion (US$1.71 billion) to ZMW7.85 billion (US$300 million). This write-down resulted in a loan restructuring adjustment of ZMW35.92 billion (US$1.41 billion). The loan modification was part of the finalisation of the transaction agreement.

** ***Tax obligations write back***
The tax obligations write back recognised during the year relates to a combined tax payable position amounting to ZMW2.96 billion (US$117 million) that was written back as part of the finalisation process of the transaction agreement. The combined net tax payable arose from the netting off of withholding tax payable, VAT receivable, income tax payable and mineral royalty tax payable by Mopani. The combined net payable position of Mopani was written off because it is no longer expected to be paid.

10 Net impairment losses on financial assets

Movements on the provision for impairment of loans and receivables are as follows:

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Balance at 1 Jan	1,168,124	1,087,959	1,222,025	1,168,203
Impairment recognised	54,978	325,595	289,956	341,190
Impairment recoveries	(28,029)	(245,430)	(24,830)	(258,135)
Net impairment (release)/expense recognised	**26,949**	**80,165**	**265,126**	**83,055**
Reclassification from assets held for sale	13,881	-	-	-
Derecognition of loan due to modification (Note: 39 b(viii)	902,291	-	902,291	-
Included in assets held under discontinued operations	(5,126)	-	-	(29,233)
Balance at 31 Dec (Note 26)	**2,106,119**	**1,168,124**	**2,389,442**	**1,222,025**

The following significant changes in the gross carrying amounts of trade receivables contributed to the changes in the impairment loss allowance during 2024:

- The repayment of contractual obligations from the financial assets which resulted in a decrease in the trade receivables. As at 31 December 2024, Maamba Energy Limited had fully repaid US$10 million shareholder loan along with the accrued interest of US$2.68 million.
- The modification of contractual cash flows on financial assets which resulted in a decrease in the trade receivables. On 20 March 2024, the terms of the Mopani loan were modified in response to developments under the Strategic Equity Partnership transaction. The modification resulted in a reduction in the interest rate from SOFR + 8% to SOFR + 1%.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

10 Net impairment losses on trade and other receivables (continued)

- A resulting loss of ZMW902 million (being the difference between the carrying amount of the old loan and the fair value of the new loan) has been recognised in profit and loss.

11 Expenses by nature
Profit/(loss) before income tax is stated after charging:

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Cost of sales				
Inventories valuation write (down)/up	1,624,722	1,337,198	-	(5,729)
Mining and mineral processing costs	1,656,533	10,148,519	-	-
Employee costs	152,663	1,373,457	-	-
Depreciation and amortisation*	12,639	1,773,107	-	-
Other cost of sales	248,964	674,052	-	22,607
	3,695,521	**15,306,333**	**-**	**16,878**
Administration expenses				
Depreciation and amortisation	1,090,499	396,513	641,632	376,934
Auditors' remuneration:				
- Audit fees of financial statements	4,233	6,506	1,980	1,285
- Taxation services	870	306	178	117
Employee costs	241,724	793,688	195,976	157,323
Impairment of property, plant and equipment and other assets	102,567	40	-	-
Impairment of investment in associates	4,461,755	-	-	-
Environmental consultancy expenses	8,588	-	8,048	15,030
Provision for environmental rehabilitation	25,599	(1,632)	12,121	(1,632)
Corporate and administration expenses (i)	924,552	669,840	527,959	245,091
	6,860,387	**1,865,261**	**1,387,894**	**794,148**

(i) Corporate and administration expenses include Mopani's administration cost of ZMW268 million (2023: ZMW377 million)

12 Personnel expenses

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Salaries and wages	324,948	2,120,337	184,883	149,831
Retirement benefit costs:				
Defined benefit scheme (Note 37)	4,861	36,853	4,861	2,619
Other Pension Scheme (Note 37)*	57,932	-	-	-
Mukuba Pension Scheme (Note 37)*	4,325	4,967	4,325	3,210
National Social Security Funds (Note 37)*	**2,321**	**4,988**	**1,907**	**1,663**
	394,387	**2,167,145**	**195,976**	**157,323**

*The pension schemes operate as defined contribution plans.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
in thousands of Kwacha

13 Finance income and finance costs

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Interest on borrowings (Note 35)	(340,457)	(2,776,751)	(340,457)	-
Interest on letter of credit and withholding tax	(947,924)	(1,261,064)	-	-
Exchange differences	(457,818)	(419,197)	(320,630)	(1,115)
Unwinding of discount on site restoration	(4,170)	(23,520)	-	-
Finance costs	**(1,750,369)**	**(4,480,532)**	**(661,087)**	**(1,115)**
Interest income from associate companies	256,447	24,707	304,601	246,965
Exchange differences	835,426	2,187,987	718,133	2,733,465
Finance income	**1,091,873**	**2,212,694**	**1,022,734**	**2,980,430**
Net finance income recognised in profit or loss	**(658,496)**	**(2,267,838)**	**361,647**	**2,979,315**

14 Income tax expense

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Amounts recognised in profit or loss:				
Current income tax	(1,022,272)	(328,199)	(1,021,524)	(324,844)
Deferred income tax credit/(charge) (note 36)	454,786	(877,850)	441,336	(880,190)
Income tax expense	**(567,486)**	**(1,206,049)**	**(580,188)**	**(1,205,034)**

The tax on the Group and Company profit before income tax differs from the theoretical amount that would arise using the statutory income tax rate as follows:

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Profit/(loss) before income tax from continuing operations	40,417,917	(2,111,593)	(3,803,525)	6,046,513
Total amount	**40,417,917**	**(2,111,593)**	**(3,803,525)**	**6,046,513**
Tax calculated at rates applicable to profits @ 30% (2023: 30%) Tax effect of:	12,125,375	(633,478)	(1,141,058)	1,813,954
Non-deductible expenses*	2,316,807	2,636,975	1,886,927	(439,349)
Non-taxable income**	(10,988,507)	-	-	-
Income taxed at a lower rate***	(1,498,141)	(173,475)	(165,582)	(173,458)
Non-taxable income from share of profits from associates	(1,426,216)	(678,363)		
Unrecognised deferred tax	38,168	54,390	(99)	3,887
Total income tax expense	**567,486**	**1,206,049**	**580,188**	**1,205,034**

* Included in the Non-deductible are expenses that are not allowable for deduction for tax purposes such as Mopani investment expense and the loan modification expense.

** Included in the Non-taxable income is income that is not subjected to tax such as Mopani's loan modification income.

*** Income taxes at lower rate relates to rental income and dividends taxed at 15% and 0% respectively. Dividend income received from Zambian mines is subject to zero tax. Dividend taxed at 0% tax rate amounted to ZMW303 million (2023: ZMW404 million).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

14 Income tax expense *(Continued)*

Current income tax movement in the statement of financial position

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Opening balance 1 Jan	238,553	190,143	237,376	189,158
Charge for the year	1,022,272	328,199	1,021,524	324,844
Tax paid	(389,277)	(279,789)	(386,641)	(276,626)
Included in assets held for sale	1,222	-	-	-
Closing balance	**872,770**	**238,553**	**872,259**	**237,376**

15 Earnings per share

(a) **Basic earnings per share**

The calculation of basic earnings per share has been calculated based on profit or loss attributable to ordinary shareholders and weighted average number of ordinary shares outstanding.

i) Profit/(loss) attributable to ordinary shareholders (basic)

Group

	31 Dec 2024			31 Dec 2024		
	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
Loss for the year, attributable to ordinary shareholders	39,850,431	(3,780)	39,846,651	(3,317,642)	(758,181)	(4,075,823)

Company

	31 Dec 2024			31 Dec 2023		
	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
Profit for the year, attributable to ordinary shareholders	(4,383,713)	-	(4,383,713)	4,841,479	-	4,841,479

*The amounts were restated as a result of a prior period error. Refer to note 45 for impact on restatement.

ii) Weighted average number of shares (basic)

	31 Dec 2023	31 Dec 2022
Opening balance at 1 January	160,800,286	160,800,286
Closing balance	160,800,286	160,800,286

The weighted average number of shares is determined by taking the number of additional shares issued and multiplying by the number of days the new shares were in issue over the reporting period.

(b) **Diluted earnings per share**

There were no potentially dilutive shares outstanding at 31 December 2024 (2023: nil). Diluted earnings per share are therefore the same as basic earnings per share.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

15 Earnings per share (continued)

(b) Diluted earnings per share (continued)

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Basic and diluted earnings per share	247.80	(25.35)	(27.26)	30.11

16 Dividends per share

A dividend of ZMW 3.29 per share was declared for the year ended 31 December 2024 results. (2023: ZMW 1.51 per share).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
in thousands of Kwacha

17 Property, plant and equipment
Reconciliation of carrying amount

Group

	Land and buildings	Plant and equipment	Vertical and rotary kilns	Mine Development	Motor vehicles	Work in progress	Total
Cost or revaluation							
Balance at 1 January 2023	**738,885**	**10,138,722**	**101,015**	**2,916,355**	**594,107**	**1,286,811**	**15,775,895**
Additions	1,253	8,473	-	-	536	743,851	754,113
Transfers	13,205	13,265	-	-	-	(26,470)	-
Transfer from investment property (Note 20)	16,790	-	-	-	-	-	16,790
Transfer to investment property (Note 20)	(2,116)	-	-	-	-	-	(2,116)
Revaluation	1,081	(7,083)	-	-	(1,971)	-	(7,973)
Increase in environmental asset	-	1,309,193	-	-	-	-	1,309,193
Disposal	-	(5,107)	-	-	(2,333)	-	(7,440)
Reclassified to assets held for sale (Note 21)	(620,012)	(11,331,194)	-	(2,916,355)	(471,903)	(1,886,625)	(17,226,089)
Balance at 31 December 2023	**149,086**	**126,269**	**101,015**	**-**	**118,436**	**117,567**	**612,373**
Balance at 1 January 2024	149,086	126,269	101,015	-	118,436	117,567	612,373
Additions	24,564	23,174	30,767	-	10,467	40,449	129,421
Transfers	845	11,588	-	-	22,200	(34,633)	-
Transfer from investment property (Note 20)	20,210	-	-	-	-	-	20,210
Impairment	-	-	-	-	-	(1,165)	(1,165)
Increase in environmental asset	-	78,213	-	-	-	-	78,213
Disposal	-	-	-	-	(7,290)	-	(7,290)
Reclassified to assets held for sale (Note 21)	(372)	(16,484)	-	-	(7,121)	(1,091)	(25,068)
Balance at 31 December 2024	194,333	222,760	131,782	-	136,692	121,127	806,694
Accumulated depreciation and impairment losses							
Balance at 1 January 2023	**246,551**	**1,913,613**	**50,968**	**809,339**	**159,134**	**111,383**	**3,290,988**
Charge for the year	123,233	1,052,636	4,352	349,341	253,546	-	1,783,108
Impairment	39	5	-	-	-	-	44
Revaluation	(1,372)	(6,840)	-	-	(3,555)	-	(11,767)
Decrease in environmental asset	-	-	9,243	-	-	-	9,243
Disposal	-	(5,107)	-	-	(2,333)	-	(7,440)
Reclassified to assets held for sale (Note 21)	(351,578)	(2,886,441)	-	(1,158,680)	(303,961)	-	(4,700,660)
Balance at 31 December 2023	**16,873**	**67,866**	**64,563**	**-**	**102,831**	**111,383**	**363,516**
Balance at 1 January 2024	16,873	67,866	64,563	-	102,831	111,383	363,516
Charge for the year	10,949	23,022	4,234	-	14,497	-	52,702
Disposal	-	-	-	-	(7,205)	-	(7,205)
Reclassified to assets held for sale (Note 21)	(676)	(5,741)	-	-	(2,025)	-	(8,442)
Balance at 31 December 2024	**27,146**	**85,147**	**68,797**	**-**	**108,098**	**111,383**	**400,571**
Carrying amounts							
Balance at 31 December 2023	**132,213**	**58,403**	**36,452**	**-**	**15,605**	**6,184**	**248,857**
Balance at 31 December 2024	**167,187**	**137,613**	**62,985**	**-**	**28,594**	**9,744**	**406,123**

(i) Impairment
Property, plant and equipment are reviewed for impairment in accordance with note 45 (j)(ii) ZMW1.17 thousand worth of assets were impaired during the year (2023: ZMW44 thousand)

ii. Assets pledged as security
Refer to note 40 (iii) for information on non-current assets pledged as security by the Group.

iii. Leased plant and equipment
The Group did not have any assets under lease as at 31 December 2024 (2023: nil).

iv. Work in progress
Work in progress relates to the Group's property plant and equipment in transit and under construction.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
in thousands of Kwacha

17 Property, plant, and equipment *(continued)*

Reconciliation of carrying amount

Company	Land and buildings	Plant and equipment	Motor vehicles	Work in progress	Total
Cost or revaluation					
Balance at 1 January 2023	**67,706**	**29,197**	**36,362**	**6,541**	**139,806**
Additions	240	1,922	-	14,593	16,755
Transfers	13,205	6,377	-	(19,582)	-
Disposal	-	(5,107)	(2,333)	-	(7,440)
Transfer from investment property (Note 20)	16,790	-	-	-	16,790
Transfer to investment property (Note 20)	(2,116)	-	-	-	(2,116)
Balance at 31 December 2023	**95,825**	**32,389**	**34,029**	**1,552**	**163,795**
Balance at 1 January 2024	95,825	32,389	34,029	1,552	163,795
Additions	1,775	2,200	-	21,768	25,743
Transfers	845	4,508	16,216	(21,569)	-
Disposal	-	-	(7,290)	-	(7,290)
Transfer from investment property (Note 20)	20,210	-	-	-	20,210
Balance at 31 December 2024	**118,655**	**39,097**	**42,955**	**1,751**	**202,458**
Accumulated depreciation and impairment losses					
Balance at 1 January 2023	723	22,526	25,099	987	49,335
Charge for the year	1,704	4,108	5,464	-	11,276
Disposal	-	(5,107)	(2,333)	-	(7,440)
Balance at 31 December 2023	**2,427**	**21,527**	**28,230**	**987**	**53,171**
Balance at 1 January 2024	2,427	21,527	28,230	987	53,171
Charge for the year	2,443	4,905	5,519	-	12,867
Disposal	-	-	(7,205)	-	(7,205)
Balance at 31 December 2024	**4,870**	**26,432**	**26,544**	**987**	**58,833**
Carrying amount					
Balance at 31 December 2023	93,398	10,862	5,799	565	110,624
Balance at 31 December 2024	**113,785**	**12,665**	**16,411**	**764**	**143,625**

Revaluation

The buildings were last revalued on 31 December 2022, by independent registered valuers, Sherwood Greene. Valuations were made based on the Open Market Value. The Company revalues land and buildings every three years. The carrying values of the properties were adjusted to their revalued amounts and the resultant surplus net of deferred income tax was credited to the revaluation surplus in shareholders' equity. Revaluations are done with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value.

The register showing the details of property, as required by section 30 of the Companies Act, 2017 of Zambia, is available for inspection during business hours at the registered office of the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

17 Property, plant and equipment *(continued)*

Revaluation *(Continued)*

The carrying amounts of revalued land and buildings were stated on the historical cost basis, the amounts would be as follows:

	31 Dec 2024	31 Dec 2023
	ZMW,000	**ZMW,000**
Land and buildings		
Cost	38,489	38,489
Accumulated depreciation	(16,693)	(11,110)
Net book amount	**21,796**	**27,379**

18 Exploration and evaluation asset

Reconciliation of carrying amount	Group
Cost	**ZMW'000**
Balance at 1 January 2023	53,161
Additions	-
Balance at 31 December 2023	**53,161**
Balance at 1 January 2023	53,161
Additions	(36,006)
Balance at 31 December 2024	**17,155**
Accumulated depreciation and impairment losses	
Balance at 1 January 2023	1,724
Depreciation adjustment*	-
Balance at 31 December 2023	**1,724**
Balance at 1 January 2024	1,724
Charge for the year	-
Balance at 31 December 2024	**1,724**
Carrying amount	
Balance at 31 December 2023	51,437
Balance at 31 December 2024	**15,431**

Exploration and evaluation assets represent costs capitalized by the Group in relation to diamond drilling, laboratory analysis of drilling core samples, geochemical and geophysical studies as well as costs incurred in acquisition of rights to explore the license area in Kasenseli, Mwinilunga district. The site has been deemed to possess commercial reserves.

During the financial year ended 31 December 2024, part of the mining licence area for Zambia Gold Company Limited was handed back to PCB. Therefore, the carrying value of ZMW51.44 million represented costs incurred on the entire mining licence area. 70% of this cost is attributed to the costs incurred in the mining licence area under PCB valued at ZMW36.01 million. Management determined that the carrying amount of ZMW51.44 million is higher than the recoverable amount of ZMW15.53 million, therefore an impairment amount of ZMW36.01 million was recognised.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

19 Intangible assets

The Group's intangible assets relate to mineral rights and acquired computer software programmes while the company's intangible assets relate to computer software.

Reconciliation of carrying amount:

	Group Mineral rights	Group Computer software	Group /Company Royalty right	Total Group intangible assets	Company Computer software	Total Company intangible assets
Cost						
Balance as at 1 January 2023	3,281,457	9,507	-	3,290,964	8,969	8,969
Additions	133,122	221	-	133,343	147	147
Disposals	-	(1,841)	-	(1,841)	(1,841)	(1,841)
Transfer from Associates (Note 23 (c))	-	-	11,036,000	11,036,000	-	11,036,000
Fair valuation	-	-	3,586,824	3,586,824	-	3,586,824
Classified to assets held for sale	(3,281,457)	-	-	(3,281,457)	-	-
Balance at 31 December 2023	**133,122**	**7,887**	**14,622,824**	**14,763,833**	**7,275**	**14,630,099**
Balance at 1 January 2024	133,122	7,887	14,622,824	14,763,833	7,275	14,630,099
Additions	11,796	4,659	-	16,455	4,659	4,659
Fair valuation	**-**	**-**	**6,272,769**	**6,272,769**	**-**	**6,272,769**
Impairment	(66,561)	-	-	(66,561)	-	-
Classified to assets held for sale	-	(254)	-	(254)	-	-
Balance at 31 December 2024	**78,357**	**12,292**	**20,895,593**	**20,986,242**	**11,934**	**20,907,527**
Amortisation						
Balance as at 1 January 2023	**136,653**	**5,986**	**-**	**142,639**	**5,592**	**5,592**
Disposals	-	(1,841)	-	(1,841)	(1,841)	(1,841)
Amortisation charge	23,623	1,919	363,824	389,366	1,834	365,658
Classified to assets held for sale	(160,276)	-	-	(160,276)	-	-
Balance at 31 December 2023	**-**	**6,064**	**363,824**	**369,888**	**5,585**	**369,409**
Balance as at 1 January 2024	-	6,064	363,824	369,888	5,585	369,409
Amortisation charge	-	2,072	626,769	628,841	1,996	628,765
Classified to assets held for sale	-	(226)	-	(226)	-	-
Balance at 31 December 2024	**-**	**7,910**	**990,593**	**998,503**	**7,581**	**998,174**
Carrying amount						
Balance at 31 December 2023	133,122	1,823	14,259,000	14,393,945	1,690	14,260,690
Balance at 31 December 2024	**78,357**	**4,382**	**19,905,000**	**19,987,739**	**4,353**	**19,909,353**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
in thousands of Kwacha

19 Intangible assets *(continued)*

Royalty right interest

The following table shows the valuation technique used in measuring the fair value of royalty right in Kansanshi Mining Plc as well as the significant unobservable inputs used.

Royalty right	Valuation technique	Significant unobservable inputs and key assumptions	Inter-relationship between key unobservable inputs and fair value measurement
Kansanshi Mining Plc	**Discounted cash flows:** It is an income approach to valuation and the most widely used valuation methodology. It computes the value of a business by calculating the present value of anticipated future cash flows generated by the business. The expected net cash flows are discounted using risk adjusted discount rates.	• ***Target participation capital structure*** - Debt to total capitalisation (2024:11.0%, 2023: 11.0%). - Equity to total capitalisation (2024:89.0%, 2023:89.0%) • ***Cost of debt*** - Cost of debt (2024: 4.5%, 2023: 4.5%) - Effective tax rate (2024: 30%, 2023: 30%) - After tax cost of debt (2024: 3.2%, 2023: 3.2%) • ***Cost of equity*** - Risk free rate (2024: 4.58%, 2023: 3.88%) - Market risk premium (2024: 8.54%, 2023: 9.7%) - Levered beta (2024: 0.56, 2023: 0.7). - Cost of equity (2024:9.3%, 2023: 10.7%) • ***WACC (2024: 8.65%, 2023: 9.88%)*** • **Key assumptions considered were as follows:** - Mineral Royalty tax is assumed as follows for copper (a sliding scale – from 4% to 10%, with the higher bands being: 10% for Cu price over US$7,000/t. Mineral royalty is treated as deductible from income tax from 2024 onwards. - The MRT for gold revenue is assumed at a fixed rate of 6% and is treated as deductible from income tax from 2024 onwards. - Copper price forecasts for 2025-2027 are US$9,459/ton, US$10,122 / ton and US$10,570/ton respectively. Gold price forecasts for 2025-2027 are US$2,793/oz, US$2,815/oz and US$2,609/oz respectively. From 2028 onwards, a flat rate of US$9,211/ton was used for copper and US$2,190/oz was used for gold. * - Capex expenditure has been projected at US$1.1 billion to be invested by 2029. This excludes sustaining capex which is expected to account for an additional US$900 million over 2025-2029. - Life of mine was estimated to be 22 years with a further 3-year processing.	The estimated fair value would increase/(decrease) if: • Equity to total capitalisation were (lower)/higher • The cost of debt were (higher)/lower • The cost of equity were (higher) /lower. • The copper price increased / (reduced). • WACC lower/(higher)

*Gold only contributed 12% to the revenues of Kansanshi for the year ended 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

19 Intangible assets (continued)

Royalty right interest *(continued)*

A sensitivity analysis table of the equity value, which is based on the discount rate and long-term copper price over the life of mine indicating reasonably possible changes at the reporting date to one of the relevant valuation assumptions, holding other assumptions constant, would have affected the value of the investment by the amounts shown below:

Equity Value Sensitivity Analysis						
		Long-Term Copper Price (US$ /lb)				
		3.76	3.97	4.18	4.39	4.61
		Long-Term Gold Price (US$/oz)				
		1,971	2,081	2,190	2,300	2,409
WACC	6.9%	20,953,000	21,707,000	22,462,000	23,216,000	23,971,000
	7.8%	19,725,000	20,422,000	21,120,000	21,818,000	22,516,000
	8.7%	18,612,000	19,258,000	19,905,000	20,551,000	21,198,000
	9.5%	17,600,000	18,200,000	18,800,000	19,401,000	20,001,000
	10.4%	16,678,000	17,237,000	17,795,000	18,353,000	18,911,000

The fair value ranges from ZMW18.2 billion (2023: ZMW13.7 billion) to ZMW21.8 billion (2023: ZMW15.7 billion) with the calculated equity value being ZMW19.9 billion (2023: ZMW14.3 billion).

The fair value of the Company's investment in Kansanshi of ZMW19.9 billion (2023: ZMW14.3 billion) has been categorised as a level 3 fair value based on the inputs to the valuation technique used.

20 Investment property

(i) Reconciliation of carrying amounts

	Group & Company	
	31 Dec 2023	31 Dec 2022
Balance at 1 January	208,598	200,751
Additions	849	-
Transfer from property, plant and equipment (Note 17)	-	2,116
Transfer to property, plant and equipment (Note 17)	(20,210)	(16,790)
Change in fair value (Note 9)	16,654	22,521
Closing balance	**205,891**	**208,598**

(ii) Amounts recognised in profit or loss for investment properties.

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Rental income from operating leases (note 9)	10,221	9,955	11,650	10,097
Direct operating expenses from property that generated rental income	(2,198)	(3,466)	(2,918)	(3,466)
Net rental Income	**8,023**	**6,489**	**8,732**	**6,631**

(iii) Leasing arrangements

The investment properties are leased to tenants under operating leases with rentals payable quarterly. Lease income from operating leases where the group is a lessor is recognised in income on a straight-line basis over the lease term. There are no variable lease payments that depend on an index or rate. Where considered necessary to reduce credit risk, the Group may obtain three months rental deposit for the term of the lease.

Minimum lease payments receivable on leases of investment properties are as follows:

	Group and Company	
	31 Dec 2024	31 Dec 2023
Within 1 year	8,366	7,405

(i) Measurement of fair value

Investment properties, principally office buildings and residential apartments, are held for long-term rental yields. They are carried at fair value. Changes in fair values are presented in profit or loss as part of other income.

Fair value hierarchy

The fair value of investment property for the Company was determined, as at 31 December 2024 by Sherwood Green Property Consultants, who are independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

20 Investment property *(continued)*

(iv) **Measurement of fair value** *(continued)*

Fair value hierarchy *(continued)*

The fair value measurement for investment property of ZMW206 million (2023: ZMW209 million) has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Valuation techniques and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of investment property, as well as the significant unobservable inputs used:

Valuation technique	Significant unobservable inputs	Inter-relationships between Key unobservable inputs and fair value measurement
The investment method of valuation was applied for valuation of the investment properties. In the Investment Method, the annual rental income presently received or expected over a period of time for the lease of the property is estimated and deducted there from the expenses or outgoings incidental to the ownership of the property to obtain the net annual rental value. This net annual income is then capitalised by an appropriate capitalisation rate or years' purchase figure to arrive at the present capital value of the property. In addition, the direct comparison method of valuation was also applied for residential properties. In the direct comparison method, a number of similar properties called comparable are assembled and analysed preferably within the vicinity. The analysis involves comparing relevant aspects of the subject property with the comparable such as the condition, location, design, accessibility and amenities in the area among others. Weights in terms of figures or percentages are assigned to determine a fair rate to be applied to the subject property.	• Expected market rental growth (3 - 5%. Weighted average 4%) (2024: 4%, 2023: 4%) • Void periods (average 6 months after the end of each lease) (2024: 6 months, 2023: 6 months) • Occupancy rate (90-95%, weighted average 90%) (2024: 90%, 2023: 90%) • Rent-free periods (1-month period on new leases) (2024: 1 month, 2023: 1 month) • Risk-adjusted discount rates (9% - 10.5%. weighted average 10%) (2024: 10% 2023: 10%). • Land value assessment, a rate per acre of K1,000,000 was adopted. • Capitalization rate ranging 9% - 12% has been applied. • Costs associated with managing and maintaining a property or building range from 15% -20%.	• The estimated fair value would increase or (decrease) if: • expected market rental growth were higher (lower); • void periods were shorter (longer); • the occupancy rate were higher (lower): • Rent-free periods were shorter (longer); or • The risk-adjusted discount rate were lower (higher).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

21 Assets classified as held for sale

i) Description

Reconciliation of carrying amount for the Company;

Company		
	31 Dec 2024	31 Dec 2023
Balance at 1 Jan	-	145,700
Additions	72,856	-
Impairment	-	-
Change in fair value	732	(145,700)
Balance at 31 Dec	**73,588**	**-**

Investrust Bank Plc

Rembrandt Properties Limited ("Rembrandt"), a Special Purpose vehicle (SPV), was established through a partnership involving ZCCM-IH (49% stake), Urban Brands Asset Management (25.5%), and Sims Capital Limited (25.5%). The entity was specifically created for the development of the Leopards Square Hotel, a boutique hotel featuring 74 rooms in Woodlands, Lusaka.

On 4th September 2024, ZCCM-IH issued a public call for Expressions of Interest (EOI) through national newspapers and social media, announcing its intention to divest from Rembrandt as part of its strategic realignment towards core investments in mining, energy, and mineral beneficiation. Subsequently, on 4th December 2024, the Board of ZCCM-IH approved Management's proposal to exit from its investment in Rembrandt.

The results of Rembrandt are presented separately in the financial statements as a discontinued operation in line with IFRS 5 – Non-current Assets Held for Sale and Discontinued operations.

Misenge Environmental and Technical Services Limited

As part of ZCCM-IH Plc's strategic review and performance assessment, Misenge Environmental and Technical Services Limited (METs) has been classified as a discontinued operation in the consolidated financial statements for the year ended 31 December 2024.

The results of METs are presented separately in the financial statements as a discontinued operation in line with IFRS 5 – Non-current Assets Held for Sale and Discontinued operations.

Suspension and Liquidation of Investrust Bank Plc

During the financial year ended 31 December 2024, the Bank of Zambia ("BoZ") exercised regulatory authority over Investrust Bank Plc ("Investrust"). On 2 April 2024, the Lusaka Securities Exchange ("LuSE") issued a notice halting the trading of Investrust's securities, and subsequently, on 24 April 2024, LuSE formally suspended the listing of Investrust Bank Plc.

Further, on 8 July 2024, BOZ issued a Notice on the Resolution of Investrust, in accordance with Section 127 of the Banking and Financial Services Act, 2017. The notice confirmed that Investrust had been placed under compulsory liquidation to address residual matters. As part of the resolution process, BOZ appointed a Liquidation Manager to oversee and administer the liquidation process.

The Company continues to monitor developments regarding the liquidation process and, ensuring appropriate disclosures in line with applicable financial reporting standards.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

21 Assets classified as held for sale

(i) Description

Reconciliation of carrying amount for the Company;

	Company	
	31 Dec 2024	31 Dec 2023
Balance at 1 Jan	-	145,700
Additions	72,856	-
Impairment	**-**	**-**
Change in fair value	**732**	**(145,700)**
Balance at 31 Dec	**73,588**	**-**

Rembrandt Properties Limited

Rembrandt Properties Limited ("Rembrandt"), a Special Purpose vehicle (SPV), was established through a partnership involving ZCCM-IH (49% stake), Urban Brands Asset Management (25.5%), and Sims Capital Limited (25.5%). The entity was specifically created for the development of the Leopards Square Hotel, a boutique hotel featuring 74 rooms in Woodlands, Lusaka.

On 4th September 2024, ZCCM-IH issued a public call for Expressions of Interest (EOI) through national newspapers and social media, announcing its intention to divest from Rembrandt as part of its strategic realignment towards core investments in mining, energy, and mineral beneficiation. Subsequently, on 4th December 2024, the Board of ZCCM-IH approved Management's proposal to exit from its investment in Rembrandt.

The results of Rembrandt are presented separately in the financial statements as a discontinued operation in line with IFRS 5 – Non-current Assets Held for Sale and Discontinued operations.

Misenge Environmental and Technical Services Limited

As part of ZCCM-IH Plc's strategic review and performance assessment, Misenge Environmental and Technical Services Limited (METs) has been classified as a discontinued operation in the consolidated financial statements for the year ended 31 December 2024.

The results of METs are presented separately in the financial statements as a discontinued operation in line with IFRS 5 – Non-current Assets Held for Sale and Discontinued operations.

Suspension and Liquidation of Investrust Bank Plc

During the financial year ended 31 December 2024, the Bank of Zambia ("BoZ") exercised regulatory authority over Investrust Bank Plc ("Investrust"). On 2 April 2024, the Lusaka Securities Exchange ("LuSE") issued a notice halting the trading of Investrust's securities, and subsequently, on 24 April 2024, LuSE formally suspended the listing of Investrust Bank Plc.

Further, on 8 July 2024, BOZ issued a Notice on the Resolution of Investrust, in accordance with Section 127 of the Banking and Financial Services Act, 2017. The notice confirmed that Investrust had been placed under compulsory liquidation to address residual matters. As part of the resolution process, BOZ appointed a Liquidation Manager to oversee and administer the liquidation process.

The Company continues to monitor developments regarding the liquidation process and, ensuring appropriate disclosures in line with applicable financial reporting standards.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of kwacha

21 Assets classified as held for sale *(continued)*

(ii) The assets and liabilities of the investments classified as held for sale are as follows:

31 Dec 2024	Group		Company
	Assets	Liabilities	Fair value
Rembrandt Properties Limited	43,860	-	43,860
Misenge Environmental and Technical Services Ltd	48,280	(14,305)	29,728
Total	**92,140**	**(14,305)**	**73,588**

31 Dec 2023	Group		Company
	Assets	Liabilities	Fair value
Mopani Copper Mines Plc	22,032,991	(60,173,129)	-
Investrust Bank Plc	1,593,397	(2,503,825)	-
Total	**23,626,388**	**(62,676,954)**	**-**

iii) Financial performance and cash flow information

The financial performance and cashflow information presented for the year ended 31 December 2024:

	Misenge Environmental and Technical Services Limited
	31 Dec 2024
Revenue	13,361
Cost of sales and expenses	(16,731)
Profit/(loss) before income tax	**(3,370)**
Income tax expense	(410)
Profit/(loss) after income tax	**(3,780)**
Net cash inflow/(outflow) from operating activities	**(2,696)**
Net cash (outflow) from investing activities	(8,131)
Net cash (outflow) from financing activities	-
Net cash inflow/(outflow)	**(10,827)**

	Misenge Environmental and Technical Services Limited	Group
	31 Dec 2024	
Assets classified as held for sale		
Property, plant, and equipment	16,626	16,626
Trade and other receivables	10,731	10,731
Other assets	1,266	1,266
Cash and cash equivalents	19,657	19,657
Total assets of disposal group held for sale	**48,280**	**48,280**
Liabilities directly associated with assets classified as held for sale		
Trade and other payables	(18,552)	(18,552)
Less intercompany eliminations on consolidation	-	4,247
Total liabilities directly associated with assets classified as held for sale	**(18,552)**	**(14,305)**
Net assets held for sale	**29,728**	

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of kwacha

21 Assets classified as held for sale (continued)

(iii) Financial performance and cash flow information (continued)

The financial performance and cashflow information presented for the year ended 31 December 2023:

	Investrust Bank Plc	Total
	31 Dec 2023	**31 Dec 2023**
Revenue	188,822	188,822
Other income	13,977	13,977
Cost of sales and expenses	(960,980)	(960,980)
Loss before income tax	**(758,181)**	**(758,181)**
Income tax expense	-	-
Loss for the year	**(758,181)**	**(758,181)**
Loss attributable to non-controlling interest	**(216,840)**	**(216,840)**
Net cash inflow from operating activities	569,594	569,594
Net cash (outflow) from investing activities	(9,373)	(9,373)
Net cash inflow/(outflow) from financing activities	-	-
Net cash in flow	**560,221**	**560,221**

The following assets and liabilities were reclassified as discontinued operations as at 31 December 2024:

	Misenge Environmental and Technical Services Ltd	Total
Assets classified as held for sale		
Property, plant, and equipment	16,626	16,626
Intangible assets	28	28
Trade and other receivables	10,731	10,731
Other assets	1,238	1,238
Cash and cash equivalents	19,657	19,657
Total assets of disposal group held for sale	**48,280**	**48,280**
Liabilities directly associated with assets classified as held for sale		
Equity	-	-
Provisions	(3,005)	(3,005)
Trade and other payables	(15,547)	(15,547)
Total liabilities directly associated with assets classified as held for sale	**(18,552)**	**(18,552)**

For segment reporting purposes, Misenge Environmental and Technical Services Limited has been classified under assets held for sale and discontinued operations.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of kwacha

21 Assets classified as held for sale (continued)

(iii) Financial performance and cash flow information (continued)

The following assets and liabilities were reclassified as held for sale as at 31 December 2023;

	Mopani Copper Mines Plc	Investrust Bank Plc	Total
Assets classified as held for sale			
Property, plant, and equipment	12,525,429	-	12,525,429
Intangible assets	3,121,181	-	3,121,181
Trade and other receivables	2,691,333	28,161	2,719,494
Term deposits	-	1,005,015	1,005,015
Inventories	3,489,128	-	3,489,128
Other assets	147,553	-	147,553
Cash and cash equivalents	58,367	560,221	618,588
Total assets of disposal group held for sale	**22,032,991**	**1,593,397**	**23,626,388**
Liabilities directly associated with assets classified as held for sale			
Borrowings	(43,518,156)	-	(43,518,156)
Provisions for environmental rehabilitation	(3,263,137)	-	(3,263,137)
Bank Overdraft	(1,095,462)	-	(1,095,462)
Trade and other payables	(12,296,374)	(2,503,825)	(14,800,199)
Total liabilities directly associated with assets classified as held for sale	**(60,173,129)**	**(2,503,825)**	**(62,676,954)**
Net liabilities held for sale	**(38,140,138)**	**(910,428)**	**(39,050,566)**
Accumulated non-controlling Interest	**-**	**(252,969)**	**(252,969)**

For segment reporting purposes, Investrust Bank Plc included in the assets held for sale above, was classified under investments segment as part of other assets in 2023. Mopani Copper Mines Plc has been classified under the mining and processing segment.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of kwacha

21 Assets classified as held for sale (continued)

(iv) Reclassification of asset from held for sale to investments in associates

ZCCM-IH Plc held a controlling interest in Mopani until the shareholders approved the Strategic Equity Transaction at an Extraordinary Meeting held on Friday 23 February 2024. This new partnership resulted in International Resources Holdings RSC Limited ("IRH"), through its wholly owned subsidiary, Delta Mining Limited ("Delta") acquiring a 51% stake in Mopani which diluted ZCCM-IH's stake from 100% to 49%. As a result, Mopani was reclassified as an associate in accordance with IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures.

Upon the reclassification, Mopani was derecognised from the Group's Statement of Financial Position as a subsidiary and recognised as part of the Group's investment in associates on 20th March 2024.

	Mopani Copper Mines Plc 20 Mar 2024	Total 20 Mar 2024
Property, plant, and equipment	14,598,625	14,598,625
Environmental protection fund	147,728	147,728
Inventories	3,533,399	3,533,399
Receivables	2,378,985	2,378,985
Cash and Bank	1,635,834	1,635,834
Total assets on reclassification	**22,294,571**	**22,294,571**
Borrowings	(7,738,900)	(7,738,900)
Mopani Intercompany Loan	(2,452,218)	(2,452,218)
Rehabilitation and restoration provisions	(2,356,069)	(2,356,069)
Retirement Benefits Provision	(129,916)	(129,916)
Taxation and other payables	(13,456,454)	(13,456,454)
Total Liabilities	**(26,133,557)**	**(26,133,557)**
Gain on disposal	**3,838,986**	**3,838,986**
Investments in associates @49%	**4,750,000**	**4,750,000**
Gain on reclassification	**8,588,986**	**8,588,986**

	Mopani Copper Mines Plc	Investrust Bank Plc	Total
Gain on derecognition	8,588,986	910,428	9,499,414
Total gain on derecognition	**8,588,986**	**910,428**	**9,499,414**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of kwacha

22 Investment in subsidiaries

The following are considered when determining whether the Company has control over the investee companies:

- ZCCM-IH's representation on the board of the investee company
- Appointment of key management staff
- Number of voting rights.

Currently all subsidiaries are wholly owned by ZCCM-IH except for Zambia Gold Company Limited which is in its development stage. During the year, ZCCM-IH appointed key management personnel for the investee company, funds and exercised control over its operations and activities. ZCCM-IH is deemed to exercise control over the entity.

Set out below is a list of subsidiaries:

December 2024

Company	Country of incorporation	Principal place of business	Held % Interest	Opening carrying amount	Addition	Conversion of loan	Change in fair value	Closing carrying amount
Misenge Environmental and Technical Services	Zambia	Kalulushi	100	33,508	-	(33,508)	-	-
Kariba Minerals Limited	Zambia	Mapatizya	100	99,624	-	-	(1,958)	97,666
Kabundi Resources Limited	Zambia	Serenje	100	64,850	-	-	(12,395)	52,455
Limestone Resources Limited	Zambia	Ndola	100	-	116,326	-	(116,326)	-
Zambia Gold Company limited	Zambia	Lusaka	51%	84,402	81	-	(43,103)	41,380
Central African Cement Company limited	Zambia	Lusaka	49%	-	-	-	-	-
				282,384	**116,407**	**(33,508)**	**(173,782)**	**191,501**

December 2023

Company	Country of incorporation	Principal place of business	Held % Interest	Opening carrying amount	Addition	Impairment	Change in fair value	Closing carrying amount
Mopani Copper Mine Plc	Zambia	Kitwe	*100*	-	-	-	-	-
Misenge Environmental and Technical Services	Zambia	Kalulushi	*100*	45,323	-	-	(11,815)	33,508
Kariba Minerals Limited	Zambia	Mapatizya	*100*	-	93,568	5,839	217	99,624
Kabundi Resources Limited	Zambia	Serenje	*100*	85,927	-	-	(21,077)	64,850
Limestone Resources Limited	Zambia	Ndola	*100*	172,553	94,521	-	(267,074)	-
Zambia Gold Company Limited	Zambia	Lusaka	*51*	99,811	1,912	-	(17,321)	84,402
Central African Cement Company Limited	Zambia	Lusaka	*49*	1,437	-	-	(1,437)	-
				405,051	**190,001**	**5,839**	**(318,507)**	**282,384**

Capital Contributions

- During the year 2024, ZCCM-IH Plc made equity contributions to Limestone Resources Limited amounting to ZMW116 million.
- In 2023, ZCCM-IH Plc made equity contributions to Kariba Minerals Limited, Limestone Resources Limited and Zambia Gold Company Limited amounting to ZMW93.57 million, ZMW94.52 million and ZMW1.91 million respectively.

The capital contribution was aimed at strengthening balance sheets and improve the operations of the respective companies.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of kwacha

22 Investment in subsidiaries *(continued)*

(a) Reconciliation of carrying amounts

	Company	
	31 Dec 2024	31 Dec 2023
Balance at 1 January	282,384	405,051
Additions	116,407	190,001
Change in fair through other comprehensive income	(173,782)	(318,507)
Transfer to assets held for sale	(33,508)	-
Conversion of loan to equity	-	5,839
Closing Balance	**191,501**	**282,384**

In line with the accounting policy for investments in subsidiaries, to carry all its investments at fair value, the Company performs annual fair valuation of its investments in subsidiaries and fair value gain/(loss) is recognised. The fair value gain/(loss) is recognised in the other comprehensive income (OCI). During the year, a fair value movement of ZMW173.78 million was recognised (2023: ZMW318.51 million). Valuation techniques used are disclosed in note 22 (b).

(b) Measurement of fair value

During the year ZCCM – IH Plc engaged an independent expert Stockbrokers Zambia ("SBZ") to perform the valuation of the investments held at the year end. SBZ performed a full valuation and provided an independent valuation opinion in accordance with IFRS 13: "Fair Value Measurement" and IFRS 9: "Financial Instruments".

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
in thousands of kwacha

22 Investment in subsidiaries *(continued)*

(b) Measurement of fair value *(continued)*

Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of investment in subsidiaries as well as the significant unobservable inputs used.

Subsidiary	Valuation technique	Significant inputs and key assumptions	Inter-relationship between Key unobservable inputs and fair value measurement
Limestone Resources Limited	Net asset value approach	▪ Availability of the Kiln ▪ Cost of materials used in the production of lime	The estimated fair value would increase/(decrease) if: ▪ Availability of the Kiln increase/(decrease) ▪ Cost of materials used in the production of lime (increase)/decrease
Misenge Environmental and Technical Services	Net asset value approach	▪ The level of activity from the environmental and radiation safety services ▪ The level of activity from the analytical services ▪ The level of activity from the engineering services	The estimated fair value would increase/(decrease) if: ▪ The level of activity from the environmental and radiation safety services increase/(decrease) ▪ The level of activity from the analytical services increase/(decrease) ▪ The level of activity from the engineering services increase/(decrease)
Kariba Minerals Limited	Net asset value approach	▪ The grade of amethyst being mined ▪ The level of mining activity affects the operational costs	The estimated fair value would increase/(decrease) if: ▪ The grade of amethyst being mined increase/(decrease) ▪ The level of mining activity affects the operational costs increase/(decrease)
Kabundi Resources Limited	Net asset value approach	▪ The level of mining activity being performed ▪ The level of mining activity affects the operational costs	The estimated fair value would increase/(decrease) if: ▪ The level of mining activity being performed ▪ The level of mining activity affects the operational costs

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of kwacha

22 Investment in subsidiaries *(continued)*

(b) Measurement of fair value *(continued)*

Valuation technique and significant unobservable inputs *(continued)*

Subsidiary	Valuation technique	Significant unobservable inputs and key assumptions	Inter-relationship between Key unobservable inputs and fair value measurement
Zambia Gold Company Limited	Net asset value approach	• The level of mining activity being performed • Operational costs incurred which are marginally related to mining activities	The estimated fair value would increase/(decrease) if: • The level of mining activity being performed increase/(decrease) • Operational costs incurred which are marginally related to mining activities (Increase)/decrease

Investments in subsidiaries have been measured at fair value as follows:

	Company	
Company investments in subsidiaries analysis	**31-Dec 2024**	**31-Dec 2023**
Misenge Environmental and Technical Services	-	33,508
Kariba Minerals Limited	97,666	99,624
Kabundi Resources Limited	52,455	64,850
Limestone Resources Limited	-	-
Zambia Gold Company Limited	41,380	84,402
Total	**191,501**	**282,384**

Fair value hierarchy

The fair value measurement for the Company's investment in subsidiaries of ZMW192 million (2023: ZMW 282 million) has been categorised as a level 3 fair value based on the inputs to the valuation technique used. The following table shows a reconciliation from the opening balances to the closing balances for level 2 and 3 fair values.

December 2024	Level 2	Level 3	Total
Balance at 1 January	-	282,384	282,384
Additions	-	116,407	116,407
Transfer to assets held for sale	-	(33,508)	(33,508)
Change in fair value	-	(173,782)	(173,782)
Balance at 31 December		**191,501**	**191,501**

December 2023	Level 2	Level 3	Total
Balance at 1 January	-	405,051	405,051
Additions	-	195,840	195,840
Change in fair value	-	(318,507)	(318,507)
Balance at 31 December	**-**	**282,384**	**282,384**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of kwacha

22 Investment in subsidiaries *(continued)*

(c) Non-controlling interest

The Group's material non-controlling interests (NCI) relates to Zambia Gold Company Limited as shown below:

Name	Proportion of ownership interests and voting rights held by the NCI		Total comprehensive income allocated to NCI		Accumulated NCI	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Investrust Bank Plc	28.6%	28.6%	-	(216,840)	-	(252,969)
Zambia Gold Company Limited	49%	49%	(41,169)	(11,439)	37,016	78,185
Total			**(41,169)**	**(228,279)**	**37,016**	**(174,784)**

Summarised financial information for Zambia Gold Company limited, before intragroup eliminations, is set out below:

2024	31 Dec 2024 Zambia Gold Company Limited
Non-current assets	191,397
Current assets	134,942
Total assets	**326,339**
Non-current liabilities	212,514
Current liabilities	32,687
Total liabilities	**245,201**
Equity attributable to owners of the parent	**41,380**
Equity attributable non-controlling interests	**39,758**
Revenue	-
Other income	327
Loss for the year attributable to owners of the parent	(42,850)
Loss for the year attributable to NCI	(41,169)
Loss for the year	**(84,019)**
Net cash from operating activities	(90,118)
Net cash used in investing activities	(36,024)
Net cash from financing activities	139,068
Net cash inflow	**12,926**

The Group includes three subsidiaries, Investrust Bank Plc, Zambia Gold Company Limited and Central Cement Company Limited, with material non-controlling interests (NCI):

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

22 Investment in subsidiaries *(continued)*

(c) Non-controlling interest *(continued)*

2023	31 Dec 2023	31 Dec 2023
	Investrust Bank Plc	Zambia Gold Company Limited
Non-current assets	-	211,303
Current assets	1,593,397	115,491
Total assets	**1,593,397**	**326,794**
Non-current liabilities	-	15,313
Current liabilities	2,503,825	146,330
Total liabilities	**2,503,825**	**161,643**
Equity attributable to owners of the parent	**(657,459)**	**86,966**
Equity attributable non-controlling interests	**(252,969)**	**78,185**
Revenue	188,822	38,524
Other income	13,977	-
Loss for the year attributable to owners of the parent	(541,341)	(11,906)
Loss for the year attributable to NCI	(216,840)	(11,439)
Loss for the year	**(758,181)**	**(23,345)**
Net cash used in operating activities	569,594	18,599
Net cash used in investing activities	(9,373)	(267)
Net cash from financing activities	-	95,247
Net cash out flow	**560,221**	**113,579**

(d) Derecognition of Investrust Bank Plc from the Group's Financial Statements

During the financial year ended 31 December 2024, the Bank of Zambia ("BoZ") exercised regulatory authority over Investrust Bank Plc ("Investrust"). On 2 April 2024, the Lusaka Securities Exchange ("LuSE") issued a notice halting the trading of Investrust's securities, and subsequently, on 24 April 2024, LuSE formally suspended the listing of Investrust Bank Plc.

Further, on 8 July 2024, BOZ issued a Notice on the Resolution of Investrust, in accordance with Section 127 of the Banking and Financial Services Act, 2017. The notice confirmed that Investrust had been placed under compulsory liquidation to address residual matters. As part of the resolution process, BOZ appointed a Liquidation Manager to oversee and administer the liquidation process. ZCCM-IH's shareholding was also cancelled.

The Company continues to monitor developments regarding the liquidation process and, ensuring appropriate disclosures in line with applicable financial reporting standards.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of kwacha

22 Investment in subsidiaries *(continued)*

(d) Derecognition of Investrust Bank Plc from the Group's Financial Statements *(continued)*

	31 Dec 2024	31 Dec 2024
	Investrust Bank Plc	Total
Term deposits	1,005,015	1,005,015
Trade and other receivables	28,161	28,161
Cash and cash equivalents	560,221	560,221
Trade and other payables	(2,503,825)	(2,503,825)
Net liabilities derecognised	**(910,428)**	**(910,428)**
NCI accumulated NCI (22 (c))	**(252,969)**	**(252,969)**

In 2023, a wholly owned subsidiary of ZCCM-IH, Mushe Milling Limited was declared insolvent and ceased its operations. The Board of Directors resolved that Mushe be liquidated and a notice for a meeting to wind up the company voluntarily be issued. Following the decision by the Directors of Mushe, the remainder of the assets and liabilities were derecognised and written off.

The table below shows the assets and liabilities derecognised in 2023.

	31 Dec 2023 Mushe Milling Limited	31 Dec 2023 Central African Cement Limited	31 Dec 2023 Total
Property, plant and equipment	5,296	-	5,296
Inventories	144	-	144
Cash and cash equivalents	571	-	571
Retirement benefits	(1,932)	-	(1,932)
Trade and other payables	(22,864)	-	(22,864)
Provisions	(1,187)	-	(1,187)
Current tax liabilities	(127)	-	(127)
Non-controlling interest	-	733	733
Net liabilities derecognised	**(20,099)**	**733**	**(19,366)**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

23 Investment in associates

(a) Reconciliation of carrying amounts

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Balance at 1 January	10,090,940	15,174,862	11,240,080	16,256,411
Share of profit/(loss) of equity accounted associates	3,327,837	2,261,209	-	-
Share of other comprehensive income	(1,558)	11,529	-	-
Dividend received	(750,029)	(739,836)	-	-
Additions	566,340	540,849	566,340	540,849
Transfer to intangible assets (Note 19)	-	(11,036,000)	-	(11,036,000)
Transfer from associate to receivable	-	(29,507)	-	(29,507)
Transfer from associate to assets held for sale (Note 21(ii))	(39,348)	-	(39,348)	-
Additions	4,750,000	-	-	-
Impairment of investments in associates* (Note 23 (a) (i/ii))	(4,461,755)	-	-	-
Change in fair value (unrealised)	-	-	22,685,093	5,508,327
Currency translation adjustment	10,922,393	3,907,834	-	-
Total Balance	**24,404,820**	**10,090,940**	**34,452,165**	**11,240,080**

Investments in associates are measured at fair value in the Company's statement of financial position. In the consolidated financial statements, investments in associates are equity - accounted. The increase in fair value from ZMW 11.24 million to ZMW34.45 million is mainly due to the reclassification of Mopani from investments in subsidiary to investment in associate coupled with unrealised capital gains from ZCCM-IH's investment in CEC Plc and other investee companies.

Mopani Copper Mines Plc:
During the financial year ended 31 December 2024, ZCCM Investments Holdings Plc (ZCCM-IH) entered into a strategic equity partnership with Delta Mining Limited (Delta), a subsidiary of International Resource Holdings (IRH). This partnership involved Delta acquiring a 51% shareholding in Mopani Copper Mines Plc (Mopani) through an investment of up to US$1.1 billion. Consequently, ZCCM-IH's ownership stake in Mopani was adjusted from 100% to 49%. The investment by Delta comprises US$620 million in new equity capital, up to US$100 million for settling existing third-party letters of credit, and up to US$380 million in shareholder loans. This infusion of capital is aimed at enhancing Mopani's operational capacity and financial stability. The Strategic Partnership was approved by ZCCM-IH shareholders during an Extraordinary General Meeting held on 23 February 2024. This collaboration is anticipated to unlock the long-term sustainability of Mopani's operations, contributing significantly to the revitalization of Zambia's Copperbelt region. The investment has been reclassified from a subsidiary to an investment in associate.

Copperbelt Energy Corporation Plc:
During the year ZCCM-IH has increased its stake in Copperbelt Energy Corporations Plc to 32.41% from the previous 31.07%

Lubambe Copper Mines Plc:
Lubambe Copper Mines Investment (2024): ZCCM-IH reached an agreement with Jinchengxin Mining Management Company Ltd (JCHX) to acquire an additional 10% shareholding in Lubambe Copper Mines Ltd, increasing its ownership from 20% to 30% in the subsequent period. There was no consideration paid for the additional

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of kwacha

23 Investment in associates *(continued)*

(a) Reconciliation of carrying amounts *(continued)*

Impairment of investments in associates

(i) **Mopani Copper Mines Plc**

During the financial year ended 31 December 2024, management performed an assessment of the impairment of ZCCM-IH's investment in Mopani Copper Mines Plc (MCM) in accordance with IAS 36 Impairment of Assets and IAS 28 Investments in Associates and Joint Ventures.

As at the reporting date, the carrying amount of the investment in MCM was assessed for indicators of impairment. The assessment was triggered by an objective impairment indicator which arose from a significant decline in recoverable amount of the investment in MCM.

ZCCM-IH's management annually performs an assessment of the recoverable amount of its investment in associates. The key assumptions used in the assessment and determination of the recoverable amount of the investment in MCM are disclosed in Note 23 (c), Measurement of fair value.

Based on the assessment, an impairment loss of ZMW2.06 billion was recognised in the statement of profit or loss, reducing the carrying amount of the investment in the MCM from ZMW10.74 billion to its recoverable amount of ZMW8.62 million as at 31 December 2024.

(ii) **Konkola Copper Mines Plc**

During the financial year ended 31 December 2024, management performed an assessment of the impairment of ZCCM-IH's investment in Konkola Copper Mines Plc (KCM) in accordance with IAS 36 Impairment of Assets and IAS 28 Investments in Associates and Joint Ventures.

As at the reporting date, the carrying amount of the investment in KCM was assessed for indicators of impairment. The assessment was triggered by an objective impairment indicator which arose from a significant decline in the recoverable amount of the investment in KCM.

ZCCM-IH's management annually performs an assessment of the recoverable amount of its investment in associates. They key assumptions used in the assessment and determination of the recoverable amount of the investment in KCM are disclosed in Note 23 (c), Measurement of fair value.

Based on the assessment, an impairment loss of ZMW2.40 billion was recognised in the statement of profit or loss, reducing the carrying amount of the investment in the KCM from ZMW4.76 billion to its recoverable amount of ZMW2.36 million as at 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
in thousands of kwacha

23 Investment in associates *(continued)*

(b) Reconciliation of carrying amounts *(continued)*

Company

Name	Principal place of business	Ownership interest	Fair value of ownership interest ZMW' million	Functional currency
Konkola Copper Mines Plc	Zambia	20.60%	2,359	US$
Kansanshi Mining Plc	Zambia	20.00%	-	US$
Copperbelt Energy Corporation Plc	Zambia	32.41%	7,289	US$
Mopani Copper Mines Plc	Zambia	49.00%	8,682	US$
CNMC Luanshya Copper Mining limited	Zambia	20.00%	6,939	US$
Maamba Energy Limited	Zambia	35.00%	7,621	US$
Lubambe Copper Mines Limited	Zambia	30.00%	Nil	US$
Mingomba Mining Limited	Zambia	20.00%	1,563	US$

The following are considered when determining the level of control or influence over the investee companies:

- ZCCM-IH's representation on the Board of the investee company
- Appointment of key management staff
- Number of voting rights

Currently ZCCM-IH appoints directors in line with its percentage holding on all the Boards of its associates except for Kansanshi Mining Plc, and as such it exercise's significant influence over them.

Many of the investee companies have United States Dollars (US$) as their functional currency, due to the nature of the mining industry, although all investee companies are domiciled in Zambia.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
in thousands of kwacha

23 Investment in associates *(continued)*

(b) Investment in associates' analysis

Nature of business relationship and strategic impact on ZCCM-IH's activities

Name	Nature of business relationship	Strategic impact on ZCCM-IH's activities
Konkola Copper Mines Plc	KCM is Zambia's largest integrated copper producer, with an entire production value chain comprising of open pit and underground mines, concentrators, a state-of-the-art smelter, a tailings leach plant and a refinery.	Strategic to ZCCM-IH's focus on enhancing Zambia's mining sector.
Kansanshi Mining Plc	Kansanshi is Zambia's largest copper producer.	Strategic to ZCCM-IH's focus on enhancing Zambia's mining sector.
Copperbelt Energy Corporation Plc	CEC Plc is a power generation, transmission, distribution and supply company.	Strategic to ZCCM-IH's focus on enhancing Zambia's mining and energy sectors.
Mopani Copper Mines Pic	Mopani is a copper mine comprising underground mines, a concentrator, a smelter, a refinery, underground mines, open pits, a concentrator and a cobalt plant.	Strategic to ZCCM-IH's focus on enhancing Zambia's mining sector.
CNMC Luanshya Copper Mining limited	CNMC is a copper producing mine.	Strategic to ZCCM-IH's focus on enhancing Zambia's mining sector.
Maamba Energy Limited	Maamba is largest coal mining company in Zambia. Maamba has a coal power plants that contributes power to the national grid.	Strategic to ZCCM-IH's focus on enhancing Zambia's energy sectors.
Lubambe Copper Mines Limited	Lubambe Copper Mine is an underground mining operation.	Strategic to ZCCM-IH's focus on enhancing Zambia's mining sector.
Mingomba Mining Limited	Mingomba is currently undertaking an extensive exploration programme on its license to develop it into a fully-fledged copper mine.	Strategic to ZCCM-IH's focus on enhancing Zambia's mining sector.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

23 Investment in associates (continued)

(b) Investment in associates' analysis (continued)

Group

Summary of financial information for material equity accounted investees.

Where the equity accounted value is zero, no further losses are recognised by ZCCM-IH as there is no obligation to settle any liabilities. The equity accounted value was zero for Lubambe Copper Mines Limited as at 31 December 2024. There was no profit or loss from discontinued operations.

Dec-24													
Investee companies	Accounting year end	Country of incorporation	% interest held	Assets Current	Non-Current Assets	Liabilities Current	Liabilities Non-Current	Net assets Value	Revenues	Profit/ (Loss)	Share of profit/(loss)	Share of profit/(loss) not recognised	Share of net assets
				ZMW'000	ZMW'000	ZMW'000	ZMW'000	ZMW'000	ZMW'000	ZMW'000	ZMW'000	ZMW'000	ZMW'000
Konkola Copper Mines Plc	31-Mar	Zambia	20.60%	12,690,435	47,686,965	(2,543,678)	(34,717,005)	23,116,717	10,778,856	12,152,529	2,503,421	-	2,359,000
Copperbelt Energy Corporation Plc	31-Dec	Zambia	32.41%	9,653,619	14,313,301	(2,971,658)	(8,283,835)	12,711,427	14,322,710	2,534,803	821,530	-	4,119,773
Mopani Copper Mines Plc	31-Dec	Zambia	49.0%	13,944,943	38,092,074	(10,003,641)	(20,113,557)	21,919,819	13,145,078	(3,489,692)	(1,709,949)		8,682,000
CNMC Luanshya Copper Mine Plc	31-Dec	Zambia	20.0%	10,191,482	4,273,210	(4,347,145)	(509,490)	9,608,057	11,758,119	3,916,505	783,301	-	1,921,611
Maamba Energy Limited	31-Mar	Zambia	35.0%	9,273,841	12,431,547	(1,209,009)	(4,365,770)	16,130,609	6,323,317	3,071,614	1,075,065	-	5,645,713
Lubambe Copper Mines Limited	31-Dec	Zambia	30.0%	2,012,664	5,458,648	(3,349,436)	(30,430,964)	(26,309,088)	3,896,237	(2,706,705)	-	(812,012)	-
Rembrandt Properties Limited	31-Dec	Zambia	49.0%	-	-	-	-	-	-	-	-	-	-
Mingomba Mining Limited	31-Dec	Zambia	20.0%	632,260	7,885,897	(123,091)	(11,450)	8,383,616	-	(727,657)	(145,531)	-	1,676,723
Total				**58,399,244**	**130,141,642**	**(24,547,658)**	**(98,432,071)**	**65,561,157**	**60,224,317**	**14,751,397**	**3,327,837**	**(812,012)**	**24,404,820**

The financial statements of the Company and associates used in the preparation of the current consolidated financial statements have the same reporting date of 31 December except for Maamba Energy Limited and Konkola Copper Mines Plc. For the two-investee companies with different reporting date from that of the Company, their financial information has been adjusted to align to the reporting date of the consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

23 Investment in associates *(continued)*

(b) Investment in associates' analysis *(continued)*

Group

Summary of financial information for material equity accounted investees.

Dec-22	Accounting year end	Country of incorporation	% Interest held	Current Assets	Non-Current Assets	Current Liabilities	Non-Current Liabilities	Net asset value	Revenues	Profit/(Loss)	Share of profit/(loss)	Share of profit/(loss) not recognised	Share of net assets
				ZMW'000	ZMW'000	ZMW'000	ZMW'000	ZMW'000	ZMW'000	ZMW'000	ZMW'000	ZMW'000	ZMW'000
Copperbelt Energy Corporation Plc	31-Dec	Zambia	31.07%	4,631,023	12,764,059	(1,093,634)	(5,597,083)	10,704,365	7,845,760	2,825,126	877,767	-	3,325,846
CNMC Luanshya Copper Mine Plc	31-Dec	Zambia	20.00%	5,418,840	4,345,211	(3,234,867)	(247,733)	6,281,451	8,492,866	2,929,081	585,816	-	1,256,290
Maamba Energy Limited	31-Mar	Zambia	35.00%	8,816,113	12,170,941	(2,657,654)	(6,495,708)	11,833,692	5,001,542	2,566,315	898,210	-	4,141,792
Lubambe Copper Mines Limited	31-Dec	Zambia	20.00%	1,782,150	5,683,344	(3,563,927)	(22,544,188)	(18,642,621)	2,516,011	(3,055,266)	-	(611,053)	-
Rembrandt Properties Limited	31-Dec	Zambia	49.00%	5,774	156,648	(37,643)	(44,476)	80,303	14,768	(2,468)	(1,209)	-	39,348
Mingomba Mining Limited	31-Dec	Zambia	20.00%	5,808	6,652,908	(20,396)	-	6,638,320	-	(496,875)	(99,375)	-	1,327,664
Totals				**20,659,708**	**41,773,111**	**(10,608,121)**	**(34,929,188)**	**16,895,510**	**23,870,947**	**4,765,913**	**2,261,209**	**(611,053)**	**10,090,940**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

23 Investment in associates *(continued)*

(b) Investments in associates' analysis *(continued)*

Company

Summary of fair values for equity accounted investees held by the Company:

		% Interest	31 Dec 2024	% Interest	31 Dec 2023
Copperbelt Energy Corporation Plc	c(i)	32.41	7,288,625	31.07	3,579,268
Maamba Energy Limited	c(ii)	35	7,621,000	35	5,066,300
CNMC Luanshya Copper Mines Plc	c(iii)	20	6,939,000	20	1,227,500
Mopani Copper Mines Plc	c(iv)	49	8,682,000	100	-
Konkola Copper Mines Plc	c(v)	20.6	2,359,000	20.6	-
Lubambe Copper Mine Limited	c(vi)	30	-	20	-
Rembrandt Properties Limited	c(vii)	49	-	49	39,348
Mingomba Mining Limited	c(viii)	20	1,562,540	20	1,327,664
			34,452,165		**11,240,080**

(c) Measurement of fair value

Fair value hierarchy

The fair values of the Company's investment in associates were determined by Stockbrokers Zambia, an external independent fair valuation expert, having appropriate recognised professional qualifications and experience. The independent valuers provide the fair value of the Company's associates annually. The fair value moved from ZMW11.24 billion in December 2023 to ZMW34.45 billion in December 2024.

The fair value measurement for the Company's investment in associates of ZMW27.16 billion (2023: ZMW7.66 billion) has been categorised as a level 3 fair value based on the inputs to the valuation technique used (see Note 4 (b)).

The new Strategic Equity Partnership has increased the fair value of ZCCM-IH Plc's shareholding in Mopani Copper Mines Plc to ZMW8.68 billion. The increase in the fair value is because of the infusion of capital in Mopani which is aimed at enhancing the operational capacity and financial stability of the mine.

Copperbelt Energy Corporation Plc, ZMW7.29 billion (2023: ZMW3.58 billion) has been categorised as a level 1 based on quoted market prices.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

23 Investment in associates *(continued)*

(c) Measurement of fair value (continued)

The following table shows a reconciliation from the opening balances to the closing balances for level 1 and 3 fair values.

Company

	Level 1	Level 3	Total
Balance at 1 January 2024			
Copperbelt Energy Corporation Plc	3,579,268	-	**3,579,268**
CNMC Luanshya Copper Mine Plc	-	1,227,500	**1,227,500**
Maamba Energy Limited	-	5,066,300	**5,066,300**
Rembrandt Properties Ltd	-	39,348	**39,348**
Mingomba Mining Limited	-	1,327,664	**1,327,664**
	3,579,268	**7,660,812**	**11,240,080**
Fair value movement			
Copperbelt Energy Corporation Plc	3,391,983	-	**3,391,983**
Konkola Copper Mines Plc	-	2,359,000	**2,359,000**
Mopani Copper Mines Plc	-	3,932,000	**3,932,000**
CNMC Luanshya Copper Mine Plc	-	5,711,500	**5,711,500**
Mingomba Mining Limited		(14,090)	**(14,090)**
Maamba Energy Limited	-	2,554,700	**2,554,700**
	3,391,983	**14,543,110**	**17,935,093**
Additions/ Transfer			
Copperbelt Energy Corporation Plc	317,374	-	**317,374**
Mopani Copper Mines Plc	-	4,750,000	**4,750,000**
Rembrandt Properties Ltd	-	(39,348)	**(39,348)**
Mingomba Mining Limited	-	248,966	**248,966**
	317,374	**4,959,618**	**5,276,992**
Balance at 31 December 2024			
Mopani Copper Mines Plc	-	8,682,000	**8,682,000**
Konkola Copper Mines Plc	-	2,359,000	**2,359,000**
Copperbelt Energy Corporation Plc	7,288,625	-	**7,288,625**
CNMC Luanshya Copper Mine Plc	-	6,939,000	**6,939,000**
Maamba Energy Limited	-	7,621,000	**7,621,000**
Mingomba Mining Limited	-	1,562,540	**1,562,540**
	7,288,625	**27,163,540**	**34,452,165**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

23 Investment in associates *(continued)*

(c) Measurement of fair value *(continued)*

Company

	Level 1	Level 3	Total
Balance at 1 January 2023			
Kansanshi Mining Plc	-	11,036,000	**11,036,000**
Copperbelt Energy Corporation Plc	1,480,987	-	**1,480,987**
CNMC Luanshya Copper Mine Plc	-	744,000	**744,000**
Maamba Energy Limited	-	2,965,600	**2,965,600**
Rembrandt Properties Ltd	-	20,324	**20,324**
Consolidated Gold Company of Zambia Limited	-	9,500	**9,500**
	1,480,987	**14,775,424**	**16,256,411**
Fair value movement			
Kansanshi Mining Plc	-	-	**-**
Copperbelt Energy Corporation Plc	1,557,423	-	**1,557,423**
CNMC Luanshya Copper Mine Plc	-	483,500	**483,500**
Rembrandt Properties Ltd	-	19,024	**19,024**
Maamba Energy Limited	-	2,100,700	**2,100,700**
	1,557,423	**2,603,224**	**4,160,647**
Additions/ Transfer			
Copperbelt Energy Corporation Plc	540,858	-	**540,858**
Consolidated Gold Company of Zambia Limited	-	(9,500)	**(9,500)**
Mingomba Mining Limited	-	1,327,664	**1,327,664**
Kansanshi Mining Plc	-	(11,036,000)	**(11,036,000)**
	540,858	**(9,717,836)**	**(9,176,978)**
Balance at 31 December 2023			
Copperbelt Energy Corporation Plc	3,579,268	-	**3,579,268**
CNMC Luanshya Copper Mine Plc	-	1,227,500	**1,227,500**
Maamba Energy Limited	-	5,066,300	**5,066,300**
Rembrandt Properties Ltd	-	39,348	**39,348**
Mingomba Mining Limited	-	1,327,664	**1,327,664**
	3,579,268	**7,660,812**	**11,240,080**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

23 Investment in associates *(continued)*

(c) Measurement of fair value *(continued)*

Valuation technique and significant unobservable inputs
The following table shows the valuation technique used in measuring the fair value of investment in associates as well as the significant unobservable inputs used.

Associate	Valuation technique	Significant unobservable inputs and key assumptions	Inter-relationship between Key unobservable inputs and fair value measurement
Maamba Energy Limited (C(ii))	**Discounted cash flows:** It is an income approach to valuation and the most widely used valuation methodology. It computes the value of a business by calculating the present value of anticipated future cash flows generated by the business. The expected net cash flows are discounted using risk adjusted discount rates. There has been no changes to the valuation technique applied in the prior year. **Relative valuation:** The relative valuation methodology values a company using market-based multiples, including operational and asset-based metrics. DCF accounts for 75% of the fair valuation and the relative valuation accounts for 25%.	• ***Target participation capital structure*** - Debt to total capitalisation (2024: 36.7%, 2023: 36.7%) - *Equity to total capitalisation* (2024:63.4%, 2023: 63.4%) • ***Cost of debt*** - Cost of debt (2024: 10.00%, 2023: 11.90%) - Effective tax rate (2024:30 %, 2023: 30%) - After tax cost of debt (2024: 7.00%, 2023: 8.34%) • ***Cost of equity*** - Risk free rate (2024:4.60 %, 2023: 3.88 %) - Market risk premium (2024: 16.4 %, 2023: 19.2 %) - Unlevered beta (2024: 0.64, 2023: 0.53) - Cost of equity (2024: 19.3%, 2023: 18.2%) • ***WACC (2024: 14.80, 2023: 13.20%)*** • ***The assumptions considered were as follows:*** - PPA is valid until 2036 - The MRT on coal is projected at 5% throughout the forecast period - Maamba also pays an ERB fee which is 0.07% of turnover of coal used in the power plant and the coal that is sold to the market - Plant Availability is assumed to be 85.78% throughout the remaining life of PPA. Plant availability is reduced by 10.38% to allow for major rehabilitation works. - Capital expenditure for the construction of new plant is assumed at US$637 million - Projected to produce an annual average of 1.9 million MWH - Projected to mine an annual average of 447,000 tonnes of high-grade coal - Projected to mine an annual average of 1.52 million tonnes of thermal coal	The estimated fair value would increase /(decrease) if: • Equity to total capitalisation were (lower)/higher • Cost of debt were lower/(higher) • The cost of equity were lower/(higher) • Coal sales prices increase/(decrease) • Capital expenditure decrease/ (increase)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of kwacha

23 Investment in associates *(continued)*

(c) Measurement of fair value *(continued)*

Valuation technique and significant unobservable inputs *(continued)*
The following table shows the valuation technique used in measuring the fair value of investment in associates as well as the significant unobservable inputs used.

Associate	Valuation technique	Significant unobservable inputs and key assumptions	Inter-relationship between Key unobservable inputs and fair value measurement
CNMC Luanshya Copper Mines Plc ((C(iii))	**Discounted cash flows:** It is an income approach to valuation and the most widely used valuation methodology. It computes the value of a business by calculating the present value of anticipated future cash flows generated by the business. The expected net cash flows are discounted using risk adjusted discount rates. **Relative valuation:** The relative valuation methodology values a company using market-based multiples, including operational and asset-based metrics. DCF accounts for 75% of the fair valuation and the relative valuation accounts for 25%.	• ***Target participation capital structure*** - Debt to total capitalisation (2024: 38.70%, 2023: 26.00%) - Equity *to total capitalisation* (2024: 61.30%, 2023: 74.00%) • ***Cost of debt*** - Cost of debt (2024: 7.00%, 2023: 7.00%) - Effective tax rate (2024: 30%, 2023: 30%) - After tax cost of debt (2024: 4.90%, 2023: 4.90%) • ***Cost of equity*** - Risk free rate (2024: 4.58%, 2023: 3.88%) - Market risk premium (2024: 8.54%, 2023: 9.72%) - Levered beta (2024: 1.95, 2023: 1.10). - Cost of equity (2024:21.20%, 2023: 14.54%) • ***WACC (2024: 14.89%, 2023: 12.03%)*** • **Key assumptions considered were as follows:** - Mineral Royalty tax is assumed as follows for copper (a sliding scale – from 4% to 10%, with the higher bands being: 10% for Cu price over US$7,000/t. Mineral royalty is treated as deductible from income tax from 2024 onwards. - The MRT for gold revenue is assumed at a fixed rate of 6% and is treated as deductible from income tax from 2024 onwards. - Copper price forecasts for 2025-2027 are US$9,459/ton, US$10,122 /ton and US$10,570/ton respectively. Gold price forecasts for 2025-2027 are US$2,793/oz, US$2,815/oz and US$2,609/oz respectively. From 2028 onwards, a flat rate of US$9,211/ton was used for copper and US$2,190/oz was used for gold. - Capex expenditure has been projected at US$606 million over the life of mine. - Life of mine was estimated to be 25 years.	The estimated fair value would increase/(decrease) if: • Equity to total capitalisation were (lower)/higher • The cost of debt were lower/ (higher) • The cost of equity were lower/ (higher). • Copper/gold prices were higher/ (lower) • Capital expenditure decrease/ (increase)

23 Investment in associates *(continued)*

(c) Measurement of fair value *(continued)*

Valuation technique and significant unobservable inputs *(continued)*
The following table shows the valuation technique used in measuring the fair value of investment in associates as well as the significant unobservable inputs used.

Associate	Valuation technique	Significant unobservable inputs and key assumptions	Inter-relationship between Key unobservable inputs and fair value measurement
Mopani Copper Mines Plc ((C(iv))	**Discounted cash flows:** It is an income approach to valuation and the most widely used valuation methodology. It computes the value of a business by calculating the present value of anticipated future cash flows generated by the business. The expected net cash flows are discounted using risk adjusted discount rates. **Relative valuation:** The relative valuation methodology values a company using market-based multiples, including operational and asset-based metrics. DCF accounts for 75% of the fair valuation and the relative valuation accounts for 25%.	• ***Target participation capital structure*** - Debt to total capitalisation (2024: 36.00%, 2023: 26.2%) - Equity to total capitalisation (2024: 64.00%, 2023: 73.80%) • ***Cost of debt*** - Cost of debt (2024: 10.30%, 2023: 10.30%) - Effective tax rate (2024: 30%, 2023: 30%) - After tax cost of debt (2024: 7.20%, 2023: 7.20%) • ***Cost of equity*** - Risk free rate (2024: 4.6%, 2023: 3.9%) - Market risk premium (2024: 8.5%, 2023: 9.7%) - Levered beta (2024: 1.88, 2023: 1.53). - Cost of equity (2024:20.60%, 2023: 18.44%) • ***WACC (2024: 15.80%, 2023: 15.50%)*** • **Key assumptions considered were as follows:** - Mineral Royalty tax is assumed as follows for copper (a sliding scale – from 4% to 10%, with the higher bands being: 10% for Cu price over US$7,000/t. Mineral royalty is treated as deductible from income tax from 2024 onwards. - The MRT for gold revenue is assumed at a fixed rate of 6% and is treated as deductible from income tax from 2024 onwards. - Copper price forecasts for 2025-2027 are US$9,459/ton, US$10,122 / ton and US$10,570/ton respectively. Gold price forecasts for 2025-2027 are US$2,793/oz, US$2,815/oz and US$2,609/oz respectively. From 2028 onwards, a flat rate of US$9,211/ton was used for copper and US$2,190/oz was used for gold. - Capex expenditure has been projected at US$1.84 billion from 2025 to 2029 and the Life of mine was estimated to be 23 years	The estimated fair value would increase/(decrease) if: • Equity to total capitalisation were (lower)/higher • The cost of debt were lower/ (higher) • The cost of equity were lower/ (higher) • Copper/gold prices were higher/ (lower) • Capital expenditure decrease/ (increase)

in thousands of kwacha

23 Investment in associates *(continued)*

(c) Measurement of fair value *(continued*

Valuation technique and significant unobservable inputs *(continued)*

The following table shows the valuation technique used in measuring the fair value of investment in associates as well as the significant unobservable inputs used.

Associate	Valuation technique	Significant unobservable inputs and key assumptions	Inter-relationship between Key unobservable inputs and fair value measurement
Konkola Copper Mines Plc ((C(v))	**Discounted cash flows:** It is an income approach to valuation and the most widely used valuation methodology. It computes the value of a business by calculating the present value of anticipated future cash flows generated by the business. The expected net cash flows are discounted using risk adjusted discount rates. DCF accounts for 75% of the fair valuation and the relative valuation accounts for 25%.	• ***Target participation capital structure*** - Debt to total capitalisation (2024: 39.00%) - Equity *to total capitalisation* (2024: 61.00%) • ***Cost of debt*** - Cost of debt (2024: 10.00%) - Effective tax rate (2024: 30%) - After tax cost of debt (2024: 7.00%) • ***Cost of equity*** - Risk free rate (2024: 4.58%) - Market risk premium (2024: 8.54%) - Levered beta (2024: 1.72). - Cost of equity (2024:14.50%) • ***WACC (2024: 14.50%, 2023: 0.0%)*** • **Key assumptions considered were as follows:** - Mineral Royalty tax is assumed as follows for copper (a sliding scale – from 4% to 10%, with the higher bands being: 10% for Cu price over US$7,000/t. Mineral royalty is treated as deductible from income tax from 2024 onwards. - The MRT for gold revenue is assumed at a fixed rate of 6% and is treated as deductible from income tax from 2024 onwards. - Copper price forecasts for 2025-2027 are US$9,459/ton, US$10,122 /ton and US$10,570/ton respectively. From 2028 onwards, a flat rate of US$9,211/ton was used for copper. - Capex expenditure has been projected at US$1 billion over the life of mine - Life of mine was estimated to be 30 years.	The estimated fair value would increase/(decrease) if: • Equity to total capitalisation were (lower)/higher • The cost of debt were lower/ (higher) • The cost of equity were lower/ (higher) • Copper prices were higher/ (lower) • Capital expenditure decrease/ (increase)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
in thousands of Kwacha

23 Investment in associates *(continued)*

(c) Measurement of fair value *(continued)*

(i) **Copperbelt Energy Corporation Plc (CEC)**

CEC is listed on Lusaka Securities Exchange (LuSE) and consequently the valuation was based on the spot price and has been categorised as level 1 as shown below:

	Mark to market	
	31-Dec	31-Dec
	2024	2023
Details		
Spot price per share at 31 December (ZMW)	13.84	7.09
Number of issued shares owned	526,634,783	504,833,325
Market value (ZMW'000)	**7,288,625**	**3,579,268**

CEC is categorised as level 1 based on the quoted market price on the Lusaka Securities Exchange.

(ii) **Maamba Energy Limited**

A sensitivity analysis table of the equity value, which is based on the discount rate and MRT/ERB fees over the life of power plant indicating reasonably possible changes at the reporting date to one of the relevant valuation assumptions, holding other assumptions constant, would have affected the value of the investment by the amounts shown below:

2024

		MRT AND ERB FEES				
		5.1%	5.4%	5.7%	6.0%	6.3%
WACC	13.3%	8,121,000	8,250,000	8,379,000	8,508,000	8,637,000
	14.0%	7,986,000	8,122,000	8,259,000	8,365,000	8,531,000
	14.8%	7,352,000	7,486,000	7,621,000	7,755,000	7,890,000
	15.5%	6,456,000	6,606,000	6,708,000	6,833,000	6,959,000
	16.3%	6,381,000	6,512,000	6,644,000	6,777,000	6,909,000

The equity value ranges from ZMW6.6 billion (2023: ZMW4.9 billion) to ZMW8.4 billion (2023: ZMW5.2 billion) with the calculated equity value being ZMW7.6 billion (2023: ZMW5.1 billion).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

23 Investment in associates *(continued)*

(c) Measurement of fair value *(continued)*

(ii) Maamba Energy Limited *(continued)*

2023

	MRT AND ERB FEES					
		5.1%	5.4%	5.7%	6.0%	6.3%
WACC	13.1%	5,385,000	5,382,000	5,379,000	5,376,000	5,374,000
	13.9%	5,224,000	5,222,000	5,219,000	5,216,000	5,213,000
	14.6%	5,072,000	5,069,000	5,066,300	5,064,000	5,061,000
	15.3%	4,927,000	4,924,000	4,922,000	4,919,000	4,916,000
	16.0%	4,789,000	4,786,000	4,784,000	4,781,000	4,779,000

The equity value ranges from ZMW4.9 billion (2022: ZMW2.8 billion) to ZMW5.2 billion (2022: ZMW3.1 billion) with the calculated equity value being ZMW5.1 billion (2022: ZMW3.0 billion).

(iii) CNMC Luanshya Copper Mines Plc

A sensitivity analysis table of the equity value, which is based on the discount rate and long-term average copper price over the life of mine indicating reasonably possible changes at the reporting date to one of the relevant valuation assumptions, holding other assumptions constant, would have affected the value of the investment by the amounts shown below:

2024

Equity Value Sensitivity Analysis						
		Long-Term Copper Price (US$/lb)				
		3.65	3.85	4.18	4.39	4.61
WACC	11.6%	7,409,000	7,896,000	8,402,000	8,908,000	9,433,000
	13.6%	7,334,000	7,804,000	8,291,000	8,770,000	9,284,000
	14.89%	6,157,000	6,540,000	6,939,000	7,336,000	7,749,000
	17.6%	5,805,000	6,148,000	6,523,000	6,889,000	7,267,000
	19.6%	5,765,000	6,107,000	6,460,000	6,814,000	7,179,000

The equity value ranges from ZMW6.1 billion (2023: ZMW0.9 billion) to ZMW8.8 billion (2023: ZMW1.5 billion) with the calculated equity value being ZMW6.9 billion (2023: ZMW1.2 billion).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

23 Investment in associates *(continued)*

(c) Measurement of fair value *(continued)*

(iii) CNMC Luanshya Copper Mines Plc *(continued)*

2023

Equity Value Sensitivity Analysis						
		Long-Term Copper Price (US$/lb)				
		3.40	3.58	3.77	3.95	4.15
WACC	13.4%	801,000	1,048,000	1,308,000	1,568,000	1,841,000
	14.1%	772,000	1,013,000	1,268,000	1,522,000	1,790,000
	14.9%	743,000	979,000	1,227,500	1,476,000	1,737,000
	15.6%	715,000	946,000	1,189,000	1,432,000	1,687,000
	16.4%	688,000	913,000	1,151,000	1,388,000	1,637,000

The equity value ranges from ZMW0.9 billion (2022: ZMW0.6 billion) to ZMW1.5 billion (2022: ZMW0.9 billion) with the calculated equity value being ZMW1.2 billion (2022: ZMW0.7 billion).

(iv) Mopani Copper Mines Plc

A sensitivity analysis table of the equity value, which is based on the discount rate and long-term average copper price over the life of mine indicating reasonably possible changes at the reporting date to one of the relevant valuation assumptions, holding other assumptions constant, would have affected the value of the investment by the amounts shown below:

2024

Equity Value Sensitivity Analysis						
		Long-Term Copper Price (US$/lb)				
		3.65	3.85	4.18	4.39	4.61
WACC	8.7%	4,319,000	8,122,000	12,011,000	15,849,000	19,842,000
	11.2%	3,053,000	6,363,000	9,754,000	13,103,000	16,591,000
	13.7%	2,437,000	5,520,000	8,682,000	11,807,000	15,062,000
	16.2%	1,853,000	4,729,000	7,683,000	10,602,000	13,644,000
	18.7%	726,000	3,224,000	5,794,000	8,337,000	10,988,000

The equity value ranges from ZMW4.7 billion to ZMW13.1 billion with the calculated equity value being ZMW8.7 billion.

(v) Konkola Copper Mines Plc (KCM)

A sensitivity analysis table of the equity value, which is based on the discount rate and long-term average copper price over the life of mine indicating reasonably possible changes at the reporting date to one of the relevant valuation assumptions, holding other assumptions constant, would have affected the value of the investment by the amounts shown below:

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

23 Investment in associates *(continued)*

(c) Measurement of fair value *(continued)*

(v) Konkola Copper Mines Plc (KCM) *(continued)*

Equity Value Sensitivity Analysis						
		Long-Term Copper Price (US$/lb)				
		3.65	3.85	4.18	4.39	4.61
WACC	8.7%	632,000	2,037,000	3,443,000	4,848,000	6,254,000
	11.2%	232,000	1,555,000	2,878,000	4,202,000	5,525,000
	13.7%	(135,000)	1,112,000	2,359,000	3,606,000	4,854,000
	16.2%	(472,000)	705,000	1,881,000	3,057,000	4,234,000
	18.7%	(781,000)	330,000	1,441,000	2,551,000	3,662,000

The equity value ranges from ZMW0.7 billion (2023: Nil) to ZMW4.2 billion (2023: Nil) with the calculated equity value being ZMW2.4 million (2023: Nil).

(vi) Lubambe Copper Mine Limited

The equity value is nil (negative equity value is limited to a zero-value due to the limited liability nature of the investee company) (2023: nil).

(vii) Rembrandt Properties Limited

The equity value is **ZMW40.30 million** (2023: ZMW39.35 million)

Associate	Valuation technique	Significant inputs and key assumptions	Inter-relationship between Key unobservable inputs and fair value measurement
Rembrandt Properties Limited (c(vii))	Net asset value approach	• Average accommodation occupancy rate • Average conference occupancy rate • Basic room rental rate • Hotel land rent	The estimated fair value would increase/(decrease) if: • Average accommodation occupancy rate increase/(decrease) • Average conference occupancy rate increase/(decrease) • Basic room rental rate increase/(decrease) • Hotel land rent (Increase)/decrease

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

23 Investment in associates *(continued)*

(c) Measurement of fair value *(continued)*

(viii) Mingomba Mining Limited

The equity value is **ZMW1.56 billion** (2023: ZMW1.3 billion).

Associate	Valuation technique	Significant inputs and key assumptions	Inter-relationship between Key unobservable inputs and fair value measurement
Mingomba Mining Limited (c(viii))	Net asset value approach	• The level of activity on drilling to delineate the mineral ore deposit • The level on activity on mining geology	The estimated fair value would increase/(decrease) if: • The level of activity on drilling to delineate the mineral ore deposit increase/(decrease) • The level on activity on mining geology Increase/(decrease)

24 Financial assets at fair value through profit or loss

Group and Company

(a) Reconciliation of carrying amounts

	31 Dec 2024	31 Dec 2023
Balance at 1 January	3,019,500	1,252,400
Changes in fair value (unrealised)	(278,500)	1,767,100
	2,741,000	**3,019,500**

Financial assets at fair value through profit or loss include the following:

		31 Dec 2024	31 Dec 2023
Unlisted equities – at fair value			
Chibuluma Mines Plc	b(i)	-	-
Chambishi Metals PLC	b(ii)	-	-
NFC Africa Mine PLC	b(iii)	2,741,000	3,019,500
		2,741,000	**3,019,500**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

24 Financial assets at fair value through profit or loss *(continued)*

(b) Measurement of fair value

Fair value hierarchy

The fair value for the Company's financial investments at fair value through profit or loss was determined by Stockbrokers Zambia ("SBZ"), an external independent valuer, having appropriate recognised professional qualifications and recent experience of the financial investments being valued. The independent valuers provide the fair value of these investments annually.

The fair value measurement for the Company's investments of ZMW 2.74 billion (2023: ZMW 3.02 billion) has been categorised as a level 3 fair value based on the inputs to the valuation technique used.

Level 3 fair value

The following table shows a reconciliation from the opening balances to the closing balances for level 3 fair values.

Group and Company

31 Dec 2024	Level 3	Total
Balance at 1 January	3,019,500	3,019,500
Net change in fair value	(278,500)	(278,500)
Balance at 31 December	**2,741,000**	**2,741,000**
31 Dec 2023	**Level 3**	**Total**
Balance at 1 January	1,252,400	1,252,400
Net change in fair value	1,767,100	1,767,100
Balance at 31 December	**3,019,500**	**3,019,500**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in thousands of Kwacha

24 Financial assets at fair value through profit or loss *(continued)*

(a) Measurement of fair value *(continued)*

Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of investment in fair value through profit or loss (FVTPL) as well as the significant unobservable inputs used.

Associate	Valuation technique	Significant unobservable inputs and key assumptions	Inter-relationship between Key unobservable inputs and fair value measurement
NFC Africa Mine (b(iii)	**Discounted cash flows:** It is an income approach to valuation and the most widely used valuation methodology. It computes the value of a business by calculating the present value of anticipated future cash flows generated by the business. The expected net cash flows are discounted using risk adjusted discount rates. **Relative valuation:** The relative valuation methodology values a company using market-based multiples, including operational and asset-based metrics.	• ***Target participation capital structure*** - Debt to total capitalisation (2024:42.9%, 2023: 26.2%). - Equity to total capitalisation (2024:57.1%, 2023:73.8%) • ***Cost of debt*** - Cost of debt (2024: 10.6%, 2023: 10.0%) - Effective tax rate (2024: 30%, 2023: 30%) - After tax cost of debt (2024: 7.4%, 2023: 7.0%) • ***Cost of equity*** - Risk free rate (2024: 4.6%, 2023: 3.9%) - Market risk premium (2024: 8.5%, 2023: 9.72%) - Levered beta (2024: 2.06, 2023: 1.53). - Cost of equity (2024:22.2%, 2023: 18.7%) • ***WACC (2024: 15.8%, 2023: 15.6%)*** • **Key assumptions considered were as follows:** - Mineral Royalty tax is assumed as follows for copper (a sliding scale – from 4% to 10%, with the higher bands being: 10% for Cu price over US$7,000/t. Mineral royalty is treated as deductible from income tax from 2024 onwards. - The MRT for gold revenue is assumed at a fixed rate of 6% and is treated as deductible from income tax from 2024 onwards. - Copper price forecasts for 2025-2027 are US$9,459/ton, US$10,122/ton and US$10,570/ton respectively. Gold price forecasts for 2025-2027 are US$2,793/oz, US$2,815/oz and US$2,609/oz respectively. From 2028 onwards, a flat rate of US$9,211/ton was used for copper and US$2,190/oz was used for gold. - Capex expenditure has been projected at US$74.7 million, US$48.6 million and US$50.7 million for 2025 to 2027 respectively. Thereafter, 6 % of sales has been assumed - Life of mine was estimated to be 10 years.	The estimated fair value would increase/(decrease) if: • Equity to total capitalisation were (lower)/higher • Cost of debt were lower/(higher) • The cost of equity were lower/(higher) • Copper price were higher/(lower) • Capital expenditure were higher/(lower)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

24 Financial assets at fair value through profit or loss *(continued)*

(i) Chibuluma Mines Plc

The equity value is nil (negative equity value is limited to a zero-value due to the limited liability nature of the investee company) (2023: nil).

(ii) Chambishi Metals Plc

The equity value is nil (negative equity value is limited to a zero-value due to the limited liability nature of the investee company) (2023: nil).

(iii) NFC Africa Mines Plc

A sensitivity analysis table of the equity value, which is based on the discount rate and long-term average copper price over the life of mine indicating reasonably possible changes at the reporting date to one of the relevant valuation assumptions, holding other assumptions constant, would have affected the value of the investment by the amounts shown below:

2024

Equity Value Sensitivity Analysis						
		Long-Term Average Copper Price (US$/lb)				
		3.77	3.97	4.18	4.39	4.61
WACC	11.6%	3,502,000	3,669,000	3,840,000	4,011,000	4,188,000
	13.6%	3,305,000	3,465,000	3,629,000	3,786,000	3,961,000
	15.6%	2,692,000	2,825,000	**2,741,000**	3,096,000	3,234,000
	17.6%	2,027,000	2,124,000	2,232,000	2,336,000	2,441,000
	19.6%	1,951,000	2,050,000	2,152,000	2,253,000	2,356,000

The equity value ranges from ZMW2.1 billion (2023: ZMW2.6 billion) to ZMW3.8 billion (2023: ZMW3.5 billion with the calculated equity value being ZMW2.7 billion (2023: ZMW3.0 billion.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

24 Financial assets at fair value through profit or loss *(continued)*

(iii) NFC African Mines Plc *(continued)*

2023

Equity Value Sensitivity Analysis						
		Long-Term Average Copper Price (US$/lb)				
		3.39	**3.58**	**3.77**	**3.95**	**4.14**
WACC	**11.6%**	3,378,000	3,557,000	3,736,000	3,915,000	4,094,000
	13.6%	3,049,000	3,200,000	3,352,000	3,504,000	3,656,000
	15.6%	2,761,000	2,890,000	**3,019,500**	3,149,000	3,278,000
	17.6%	2,509,000	2,619,000	2,730,000	2,840,000	2,951,000
	19.6%	2,286,000	2,381,000	2,476,000	2,571,000	2,665,000

The equity value ranges from ZMW2.6 billion (2022: ZMW1 billion) to ZMW3.5 billion (2022: ZMW1.6 billion) with the calculated equity value being ZMW3 billion (2022: ZMW1.3 billion).

25 Inventories

	Group	
	31 Dec 2024	**31 Dec 2023**
Consumable stores	19,243	11,686
Production stock	6,700	14,659
Stockpiles	4,569	4,440
Gemstones	2,024	7,514
Balance at 31 December	**32,536**	**38,299**

The cost of inventories recognised as an expense and included in the cost of sales amounted to ZMW658 million (2023: ZMW2,145 million). The expensed amounts include ZMW nil (2023: ZMW2,072 million) relating to Mopani.

Assets pledged as security

Refer to note 40 (iii) for information on current assets pledged as security by the Group.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

26 Trade and other receivables

Group
Dec 2024

Current	Gross	Expected credit loss/ Impairment	Net
Trade receivables	32,774	(5,233)	27,541
Dividend receivable	78,066	(78,066)	-
Amounts due from related parties (note 39b (viii))	1,163,894	(316,649)	847,245
Other receivables	138,777	(43,855)	94,922
Total current receivables	**1,413,511**	**(443,803)**	**969,708**
Non-current			
Other receivables	11,508	-	11,508
Amounts due from related parties (note 39b(viii))	4,203,859	(1,662,316)	2,541,543
Total non-current receivables	**4,215,367**	**(1,662,316)**	**2,553,051**
Total balance	**5,628,878**	**(2,106,119)**	**3,522,759**

Trade and other receivables have been further classified as financial and non-financial assets as follows:

Group

Dec 2024

	Gross	Expected credit loss/ Impairment	Net
Financial assets			
Trade receivables	32,774	(5,233)	27,541
Treasury interest receivable	25,058	(1,488)	23,570
Management fees receivable	12,309	(12,309)	-
Rental income receivable	7,412	(6,791)	621
Dividend receivable	78,066	(78,066)	-
Amounts due from related parties	5,367,753	(1,978,965)	3,388,788
Price participation receivable	9,182	(9,182)	-
Total financial assets	**5,532,554**	**(2,092,034)**	**3,440,520**
Non-financial assets			
Prepayments	31,959	(11,483)	20,476
VAT receivable	39,400	(153)	39,247
Other receivables *	24,965	(2,449)	22,516
Total non-financial assets	**96,324**	**(14,085)**	**82,239**
Total balance	**5,628,878**	**(2,106,119)**	**3,522,759**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

26 Trade and other receivables *(continued)*

Group

Dec 2023

Current	Gross	Expected credit loss/ Impairment	Net
Trade receivables	51,455	(12,601)	38,854
Dividend receivable	124,970	(78,066)	46,904
Amounts due from related parties (note 39b (viii))	497,669	(312,926)	184,743
Other receivables	123,521	(54,853)	68,668
Total current receivables	**797,615**	**(458,446)**	**339,169**
Non-current			
Amounts due from related parties (note 39b (viii))	2,338,515	(709,678)	1,628,837
Total non-current receivables	**2,338,515**	**(709,678)**	**1,628,837**
Total balance	**3,136,130**	**(1,168,124)**	**1,968,006**

Trade and other receivables have been further classified as financial and non-financial assets as follows:

Group

Dec 2023

	Gross	Expected credit loss/Impairment	Net
Financial assets			
Trade receivables	51,455	(12,601)	38,854
Treasury interest receivable	20,680	(4,311)	16,369
Management fees receivable	12,309	(12,309)	-
Rental income receivable	6,983	(6,614)	369
Dividend receivable	124,970	(78,066)	46,904
Amounts due from related parties	2,836,184	(1,022,604)	1,813,580
Price participation receivable	9,182	(9,182)	-
Total financial assets	**3,061,763**	**(1,145,687)**	**1,916,076**
Non-financial assets			
Prepayments	12,789	(217)	12,572
VAT receivable	22,614	(655)	21,959
Other receivables *	38,964	(21,565)	17,399
Total non-financial assets	**74,367**	**(22,437)**	**51,930**
Total balance	**3,136,130**	**(1,168,124)**	**1,968,006**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

26 Trade and other receivables *(continued)*

Company

December 2024

Current	Gross	Expected credit loss/Impairment	Net
Trade receivables	24,951	(1,123)	23,828
Amounts due from related parties (note 39b (viii))	1,216,065	(368,123)	847,942
Dividend receivable	78,066	(78,066)	-
Price participation receivable	9,182	(9,182)	-
Other receivables	84,579	(34,673)	49,906
Total current assets	**1,412,843**	**(491,167)**	**921,676**
Non-current			
Other receivables	11,508	-	11,508
Amounts due from related parties (note 39b (viii))	4,585,906	(1,898,275)	2,687,631
Total non-current assets	**4,597,414**	**(1,898,275)**	**2,699,139**
Total balance	**6,010,257**	**(2,389,442)**	**3,620,815**

Trade and other receivables have been further classified as financial and non-financial assets as follows:

Company

December 2024

	Gross	Expected credit loss/Impairment	Net
Financial assets			
Trade receivables	24,951	(1,123)	23,828
Treasury interest receivable	25,058	(1,488)	23,570
Management fees receivable	12,309	(12,309)	-
Rental income receivable	7,412	(6,791)	621
Dividend receivable	78,066	(78,066)	-
Amounts due from related parties (note 39b (viii))	5,801,971	(2,266,398)	3,535,573
Price participation receivable (note 39b (viii))	9,182	(9,182)	-
Trade Receivables (Other)	17,337	(11,219)	6,118
Total financial assets	**5,976,286**	**(2,386,576)**	**3,589,710**
Non-financial assets			
Prepayments	6,486	(264)	6,222
VAT receivable	3,753	(153)	3,600
Other receivables *	23,732	(2,449)	21,283
Total non-financial assets	**33,971**	**(2,866)**	**31,105**
Total balance	**6,010,257**	**(2,389,442)**	**3,620,815**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

26 Trade and other receivables *(continued)*

Company
December 2023

Current	Gross	Expected credit loss/ Impairment	Net
Trade receivables	42,072	(19,283)	22,789
Other receivables	60,341	(26,554)	33,787
Price participation receivable (note 39b (viii))	9,182	(9,182)	-
Amounts due from related parties (note 39b (viii))	549,188	(364,400)	184,788
Dividend receivable	124,970	(78,066)	46,904
Total current assets	**785,753**	**(497,485)**	**288,268**
Non-current			
Amounts due from related parties (note 39b (viii))	5,311,011	(724,540)	4,586,471
Total non-current assets	**5,311,011**	**(724,540)**	**4,586,471**
Total assets balance	**6,096,764**	**(1,222,025)**	**4,874,739**

Trade and other receivables have been further classified as financial and non-financial assets as follows:

Company
December 2023

	Gross	Expected credit loss/ Impairment	Net
Financial assets			
Trade receivables	42,072	(19,283)	22,789
Treasury interest receivable	20,680	(4,311)	16,369
Management fees receivable	12,309	(12,309)	-
Rental income receivable	6,983	(6,614)	369
Price participation receivable	9,182	(9,182)	-
Dividend receivable	124,970	(78,066)	46,904
Amounts due from related parties (note 39b (vii))	5,860,199	(1,088,940)	4,771,259
Total financial assets	**6,076,395**	**(1,218,705)**	**4,857,690**
Non-financial assets			
Prepayments	942	(217)	725
VAT receivable	2,848	(655)	2,193
Other receivables *	16,579	(2,448)	14,131
Total non-financial assets	**20,369**	**(3,320)**	**17,049**
Total assets balance	**6,096,764**	**(1,222,025)**	**4,874,739**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

26 Trade and other receivables *(continued)*

*** Other receivables analysis**

Group	31 Dec 24			31 Dec 23		
	Gross	Impairment	Net	Gross	Impairment	Net
Staff receivables	22,751	(235)	22,516	14,365	(234)	14,131
Other sundry debtors	2,214	(2,214)	-	24,599	(21,331)	3,268
	24,965	**(2,449)**	**22,516**	**38,964**	**(21,565)**	**17,399**

Company	31 Dec 2024			31 Dec 2023		
	Gross	Impair-ment	Net	Gross	Impair-ment	Net
Staff receivables	21,518	(235)	21,283	14,365	(234)	14,131
Other sundry debtors	2,214	(2,214)	-	2,214	(2,214)	-
	23,732	**(2,449)**	**21,283**	**16,579**	**(2,448)**	**14,131**

27 Environmental Protection Fund

	Group	
	31 Dec 2024	31 Dec 2023
Environmental protection fund deposit	369	7,060
	369	**7,060**

For the financial year ended 31 December 2024 the Environmental Protection Fund deposit relates to the subsidiaries Limestone Resources Limited, Zambia Gold Company Limited and Kabundi Resources Limited. This is recoverable from Government or can be offset against future liabilities as assessed by the Government. The Environmental Protection Fund deposit is an advance payment for the estimated future decommissioning and closure costs to be incurred at the closure of the mine sites. The Mines and Minerals Regulations, 1998 (Statutory Instrument No.102 of 1998) provide for the payment of contributions by mine owners into the Environmental Protection Fund designed to provide for environmental restoration of defunct sites. The Group contributes into the Environmental Protection Fund and the contributions paid into the Fund are based on the environmental assessment carried out by environmental experts. The funds are not accessible and are only available at the time of restoration. The contributions are only due based on further assessment made by the Government in line with the Act.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

28 Burden of costs for mining

	Group	
	31 Dec 2024	31 Dec 2023
Burden of costs for mining	6,599	-
	6,599	**-**

In the mining industry, the burden of costs is a significant factor influencing financial performance and reporting. The matching concept, a core accounting principle, requires that expenses be recorded in the same period as the revenues they help generate. For a mining company, this ensures that costs are aligned with the income derived from mineral extraction and sales, providing a clearer picture of profitability.

For Zambia Gold Company Limited and other ZCCM-IH's mining investee companies, adhering to the matching concept helps balance the burden of costs across the operational timeline. By aligning expenditures with the revenue they support, financial statements present a more realistic view of profitability and operational performance. This approach not only aids in regulatory compliance but also supports better decision-making by management and investors.

The burden costs for mining amounted to ZMW6.6 million (2023: ZMW Nil) relates to direct cost of sales expenses incurred to which there were no sales made. The costs comprise of ZMW1.9 million Kasenseli labour costs, ZMW3 million cost of mining and ZMW1.7 million fuel for mining activities. These amounts have been capitalised and will be depreciated over the life of the mining licence.

29 Long term bonds and short-term deposits

Term deposits relate to fixed deposits placed in various banks and long-term bonds.

The movement in term deposits is as follows:

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Current				
Balance at 1 January	4,450,451	5,340,202	4,411,330	5,340,202
Matured during the period	(4,450,451)	(5,340,202)	(4,411,330)	(5,340,202)
Additions	5,015,626	4,450,451	5,015,626	4,411,330
	5,015,626	**4,450,451**	**5,015,626**	**4,411,330**
Non-current				
Balance at 1 January	-	-	-	-
Matured during the period	-	-	-	-
Additions *	329,525	-	329,525	-
	329,525	**-**	**329,525**	**-**
Total	**5,345,151**	**4,450,451**	**5,345,151**	**4,411,330**

*As at 31 December 2024, ZCCM-IH held investments in government bonds with a total carrying value of ZMW50 million. The tenure of the government bonds is 3 years. The bonds carry yields of 21.5% and 20% per annum.
* As at 31 December 2024, ZCCM-IH held investments in the CEC renewable bond with a total carry value of ZMW279.53 million. The tenure of the bond is 15 years. The bond carries an interest rate of 8.23%.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

30 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise the following:

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Cash and bank	525,663	360,204	221,719	61,119
Cash in hand	22	152	17	18
Cash and cash equivalents in the statement of financial position	**525,685**	**360,356**	**221,736**	**61,137**
Under assets held for sale (Note 21)	-	(476,874)	-	-
Cash and cash equivalents at 31 Dec	**525,685**	**(116,518)**	**221,736**	**61,137**

Assets pledged as security
Refer to note 39 (iii) for information on current assets pledged as security by the Group.

31 Trade and other payables

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Current				
Trade payables	43,371	220,715	7,804	43,639
Other payables	136,231	92,041	95,329	34,649
Total current liabilities	**179,602**	**312,756**	**103,133**	**78,288**

Trade and other payables have been further classified as financial and non-financial liabilities as follows:

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Financial liabilities				
Trade payables	43,371	220,715	7,804	43,639
Other payables:				
Treasury security deposits	52,994	2,949	52,994	2,949
Accrued expenses	18,591	5,026	18,591	5,026
Rental payables	1,625	1,278	1,625	1,278
IDC - Intercompany	245	931	245	931
Other environmental payables	489	464	489	489
Total financial liabilities	**117,315**	**231,363**	**81,748**	**54,312**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

31 Trade and other payables *(continued)*

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Non-financial Liabilities				
Other payables:				
Statutory liabilities	1,695	1,283	1,695	1,283
Staff payables	5,858	9,193	5,858	9,193
Dividends received in advance*	10,724	10,724	10,724	10,724
Dividend payable	3,108	2,776	3,108	2,776
Other payables	40,902	57,417	-	-
Total non-financial liabilities	**62,287**	**81,393**	**21,385**	**23,976**
Total liabilities balance	**179,602**	**312,756**	**103,133**	**78,288**

(i) *The carrying amount of the current payables and accrued expenses approximate their fair values due to the short-term nature and low impact of discounting.*

(ii) *Statutory liabilities relate to Pay As You Earn (PAYE), National Pension Scheme Authority (NAPSA), Mineral Royalty Tax and Value Added Tax (VAT).*

*****Dividends received in advance relates to dividends received from investee companies which are not payable but will be offset against future dividends*

32 Provisions

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Legal provisions (i)	3,625	5,036	3,625	5,036
Provisions – others (ii)	46,046	39,207	21,926	36,425
	49,671	**44,243**	**25,551**	**41,461**
i) Legal provision				
Opening balance	5,036	85,332	5,036	85,332
Addition	-	-	-	-
Payments/reversal	(1,411)	(80,296)	(1,411)	(80,296)
Closing balance	**3,625**	**5,036**	**3,625**	**5,036**
ii) Provisions other				
Opening balance	39,207	402,357	36,425	23,354
Addition/(reduction)	81,897	38,501	58,226	35,719
Amounts used during the period	(72,725)	(25,220)	(72,725)	(22,648)
Translation (Note 34)	-	160,435	-	-
Reclassified to held for sale (Note 21)	(2,333)	(536,866)	-	-
Closing balance	**46,046**	**39,207**	**21,926**	**36,425**
Total provision closing balance	**49,671**	**44,243**	**25,551**	**41,461**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

32 Provisions *(continued)*

Legal provision

i) The legal provision arises mainly from several legal cases involving the Group. These cases relate to various legacy matters of the old ZCCM Limited, mostly relating to employee cases and sale of houses. The legal provisions amount is premised on claims against the Company before the courts of law and the likelihood of a matter going in favour of the claimant as determined by the legal team. Legal provisions are payable within 12 months.

Other provisions

ii) Other provisions comprise of consultancy fees regarding various investments projects, as well as staff related provisions which includes gratuity and leave pay. Provisions other are payable within 12 months. Gratuity disclosed as part of provisions is based on the employee contracts and is fixed per contract as a rate of the total salary (known percentage of the agreed basic salary in the contract).

iii) The makeup of provisions other balances are:

Provisions other

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Staff costs provision	37,076	14,697	12,956	11,915
Consultancy fees provision	8,970	24,510	8,970	24,510
Total	**46,046**	**39,207**	**21,926**	**36,425**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

33 Share capital and premium

(i) *Ordinary shares*

Group and Company					
	Class A shares		Class B shares	Total	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2023
Balance at 31 Dec	969	969	639	1,608	1,608

Class "A" Ordinary Shares and Class "B" Ordinary Shares all rank pari passu in all respects.

Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share.

The Company has authorised class A and B shares of 96,976,669 and 63,873,617 respectively of ZMW0.01 each. Both class A and B shareholders have a right to vote, appoint directors, chairperson and receive a dividend.

(ii) *Number of shares*

In thousands of shares	Class A shares		Class B shares		Total	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
In issue at 31 December – fully paid	96,927	96,927	63,873	63,873	160,800	160,800
Authorised – par value ZMW0.01	**120,000**	**120,000**	**80,000**	**80,000**	**200,000**	**200,000**

(iii) *Share premium*

	Class A shares		Class B shares		Total	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Ordinary shares	1,259,407	1,259,407	829,936	829,936	2,089,343	2,089,343
	1,259,407	1,259,407	829,936	829,936	2,089,343	2,089,343

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

33 Share capital and premium

(i) *Ordinary shares*

Group and Company						
	Class A shares		Class B shares		Total	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Balance at 31 Dec	969	969	639	639	1,608	1,608

Class "A" Ordinary Shares and Class "B" Ordinary Shares all rank pari passu in all respects.

Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share.

The Company has authorised class A and B shares of 96,976,669 and 63,873,617 respectively of ZMW0.01 each. Both class A and B shareholders have a right to vote, appoint directors, chairperson and receive a dividend.

(ii) *Number of shares*

In thousands of shares	Class A shares		Class B shares		Total	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
In issue at 31 December – fully paid	96,927	96,927	63,873	63,873	160,800	160,800
Authorised – par value ZMW0.01	**120,000**	**120,000**	**80,000**	**80,000**	**200,000**	**200,000**

(iii) *Share premium*

	Class A shares		Class B shares		Total	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Ordinary shares	1,259,407	1,259,407	829,936	829,936	2,089,343	2,089,343
	1,259,407	1,259,407	829,936	829,936	2,089,343	2,089,343

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

34 Other reserves

(i) *Revaluation reserve*

The revaluation reserve arises from the periodic revaluation of items of property, plant and equipment, and represents the excess of the revalued amount over the carrying value of the property, plant and equipment at the date of revaluation. The reserves are non-distributable to the shareholders and are recognised net of deferred income tax. Deferred tax arising in respect of the revaluation of property, plant and equipment has been charged directly against revaluation reserves in accordance with IAS 12: Income Taxes.

(ii) *Translation reserves of foreign denominated subsidiaries*

The translation reserve arises from the translation of the results of the investments in subsidiaries and equity accounted investees whose functional and presentation currency is the US Dollar. The 2024 and prior year translation reserves relate solely to Mopani Copper Mines Plc (Mopani) whose functional and presentation currency is the United States Dollar. Following the reclassification of Mopani from subsidiary to associate, no translation reserve balance is included in the consolidated assets and liabilities as at 31 December 2024. Subsidiary translation reserve movement for the year were as follows:

	ZMW'000	ZMW'000
	20 Mar 2024*	31 Dec 2023
Trade and other receivables	(1,078)	904,155
Environmental protection fund	175	42,858
Cash and cash equivalents	26,047	(281,464)
Borrowings	432,871	(12,707,437)
Retirement benefits	(154)	(69,146)
Provisions for environmental rehabilitation	35,243	(815,048)
Trade and other payables	(44,945)	(3,350,997)
Current tax liabilities	-	-
Provisions	(3,494)	(160,435)
Total	**444,665**	**(16,437,514)**

*For the year ended 31 December 2024, foreign exchange translations related to Mopani were calculated using the prevailing exchange rates at the cut-off date of 20 March 2024. 20 March 2024 is the cut-off date for the finalisation of the transaction between ZCCM-IH and International Resource Holdings RSC Limited. Subsequent to 20th March 2024, Mopani was reclassified from subsidiary to associate and its assets and liabilities reported as a single line item in the balance sheet as at 31 December 2024.

(iii) *Fair value reserve*

Fair value reserve comprises the cumulative net change in the fair value through other comprehensive income financial assets until the assets are derecognised or impaired. The reserves are distributable upon realisation. Where a revalued financial asset is sold, the portion of the reserve that relates to that financial asset, which is effectively realised, is reduced from the investment revaluation reserve and is recognised in profit or loss. Where a revalued financial asset is impaired, the portion of the reserve that relates to that financial asset is recognised in retained earnings. (See note 45 (d (ii)).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

35 Borrowings

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Borrowings	538,449	-	538,449	-
Non-current				
Borrowings	2,808,418	-	2,808,418	-
Total borrowings	**3,346,867**	**-**	**3,346,867**	-

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Additions (GRZ Loan)	1,162,139	128,733	1,162,139	-
Fair value change on other shareholders equity	(714,181)	-	(714,181)	-
Mopani investment expense (Note 9)	3,859,125	-	3,859,125	
Repayments	(1,282,155)	(436,036)	(1,282,155)	-
Interest on borrowing (Note 13)	340,457	2,776,751	340,457	-
Interest paid	(318,038)	-	(318,038)	-
Exchange difference due to translation (included in reserves) (note 34 (ii))	-	12,707,438	-	-
Exchange difference recognised in the P&L	299,520	-	299,520	-
Reclassified to held for sale (Note 21)	-	(43,518,156)	-	-
Closing balance	**3,346,867**	**-**	**3,346,867**	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

35 Borrowings *(continued)*

The Table below provides further information on the borrowings of ZCCM-IH Plc.

	Glencore Loan	MOF Loan	Total
	31 Dec 2024	**31 Dec 2024**	**31 Dec 2024**
Additions (GRZ Loan)	-	1,162,139	1,162,139
Fair value change on other shareholders equity	-	(714,181)	(714,181)
Mopani investment expense (Note 35 (ii))	3,859,125	-	3,859,125
Repayments	(1,282,155)	-	(1,282,155)
Interest on borrowing (Note 13)	318,038	22,419	340,457
Interest paid	(318,038)	-	(318,038)
Exchange difference due to translation (included in reserves) (note 33 (ii))	234,232	65,288	299,520
Closing balance	**2,811,202**	**535,665**	**3,346,867**

(i) US$150 Million Glencore Payment Covenant Between GRZ and ZCCM-IH

During the financial year ended 31 December 2024, ZCCM Investments Holdings Plc ("ZCCM-IH" or "the Company") entered into a Loan Facility Agreement with the Government of the Republic of Zambia (GRZ) through the Ministry of Finance and National Planning, in which GRZ provided an interest-free loan of US$172 million to ZCCM-IH. The purpose of this loan is to facilitate the repayment of ZCCM-IH's liability to Glencore under the Tripartite Agreement involving ZCCM-IH, Glencore and Standard Chartered Bank Zambia Limited.

The key terms of the GRZ Loan Facility are as follows:

- The loan facility is designated solely for the repayment of the outstanding loan and accrued interest owed to Glencore.
- GRZ made an initial disbursement covering four months of repayments, with subsequent monthly drawdowns available to ZCCM-IH.
- The loan is incrementally recognized in ZCCM-IH's financial position over five years, based on disbursements made by GRZ to settle Glencore's liability.
- The loan is interest-free and carries no finance charges.
- ZCCM-IH shall repay the loan from dividends earned from Mopani Copper Mines Plc ("MCM") over a period of ten (10) years, following a five (5)-year grace period.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

35 Borrowings *(continued)*

(i) Tripartite Agreement – US$135 Million Payment to Glencore

On 20 March 2024, ZCCM-IH executed a Tripartite Agreement with Glencore and Standard Chartered Bank to facilitate structured repayments to Glencore. Tripartite agreement outlines the terms of the repayment of $150million by ZCCM IH to Glencore. This agreement was entered into per the specific condition that was included in the Investment agreement referred to as the "Glencore Payment Covenant."

ZCCM-IH made a payment of $15 million on 19 March 2024 towards the $150million liability and on this date, the liability was recognised in the financial records of ZCCM-IH. The US$135 million loan obligation to Glencore is governed by the terms and conditions outlined in the Tripartite Agreement, which include the following provisions:

- Royalty Payment Allocation:
  - ZCCM-IH is required to deposit quarterly royalty payments received from Kansanshi Mining Plc ("KMP") into a designated account held at Standard Chartered Bank. The royalty payment period is from 31 March 2024 to 30 June 2028.
  - Quarterly Payments to Glencore: Standard Chartered Bank is mandated to disburse payments to Glencore on a quarterly basis from the designated account.
  - The agreed amount payable to Glencore is US$7.5 million per quarter, plus accrued interest as per the Agreement.
  - ZCCM-IH is required to top up the designated account if the funds available are insufficient to meet the quarterly payment obligations to Glencore.
  - Grace Period for Default: In the event of non-payment, a 90-day grace period is provided before an event of default is formally declared.

Interest Type	Rate
Normal Interest Rate	7.5% margin plus the Central Bank benchmark rate (90-day tenor)
Default Interest (If Default is Not Waived)	12.5% (7.5% + 5.0%)
Default Interest (If Default is Waived or Remediated)	10% (7.5% + 2.5%)

The Tripartite Agreement includes security conditions that govern the repayment process are as follows

- ZCCM-IH Royalty Account:
  - ZCCM-IH holds a designated account at Standard Chartered Bank, where all royalty payments from Kansanshi Mining Plc are deposited.
  - In the event that ZCCM-IH is unable to secure sufficient funds for its quarterly payments, Standard Chartered Bank will directly transfer royalties due to ZCCM-IH to Glencore as a settlement mechanism.

As of 31 December 2024, ZCCM-HI's financial statements reflect the ongoing financial obligations arising from the Tripartite Agreement and GRZ Loan Facility Agreement. These commitments are aligned with the Company's strategic financial restructuring objectives and are expected to contribute to long-term financial stability while fulfilling its obligations to Glencore, GRZ, and other stakeholders.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

36 Deferred tax

Group

Deferred tax arises as a result of differences between the carrying amounts of assets and liabilities presented in the statement of financial position determined in accordance with the International Financial Reporting Standards (IFRSs), and their carrying amounts determined in accordance with the Income Tax Act. Deferred tax is regarded as an obligation/asset that will be payable or recoverable at a future date when the carrying amount of the asset/liability is recovered/settled.

Deferred income tax was calculated using the enacted income tax rate of 30% (2023: 30%).

Group	Balance 1 Jan 2023	Recognised in profit or loss	Recognised OCI	Balance 31 Dec 2023	Recognised in profit or loss	Recognised in OCI	Balance 31 Dec 2024
Movement in temporary differences during the year							
Deferred tax asset							
Provision for gratuity and leave pay	(2,900)	(890)	-	(3,790)	(499)	-	**(4,289)**
Other provisions	(12,838)	(11,171)	-	(24,009)	(9,857)	-	**(33,866)**
Bad debt provision	(259,550)	(25,088)	-	(284,638)	(76,763)	-	**(361,401)**
Legal Provision	(25,528)	24,017	-	(1,511)	423	-	**(1,088)**
Environmental provision	(11,807)	(4,204)	-	(16,011)	(5,037)	-	**(21,048)**
Unrealised exchange losses	(87,625)	(1,981)	-	(89,606)	(29,015)	-	**(118,621)**
Supply chain tax losses	(405)	-	-	(405)	-	-	**(405)**
Mopani Investment Expense - Provision	-	-	-	-	-	-	**-**
Tax losses	(136,331)	136,331	-	-	6,601	-	**6,601**
	(536,984)	**117,014**	**-**	**(419,970)**	**(114,147)**	**-**	**(534,117)**
Deferred tax liability							
Property, plant, and equipment	35,723	6,344	-	42,067	(5,768)	-	**36,299**
Property, plant, and equipment – Revaluation	1,236	-	(221)	1,015	-	(221)	**794**
Unrealised exchange gains	362,684	753,980	-	1,116,664	(335,565)	-	**781,099**
Employee provision	14,489	512	(2,944)	12,057	694	(692)	**12,059**
	414,132	**760,836**	**(3,165)**	**1,171,803**	**(340,639)**	**(913)**	**830,251**
Deferred tax (asset)/liability	**(122,852)**	**877,850**	**(3,165)**	**751,833**	**(454,786)**	**(913)**	**296,134**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

36 Deferred tax *(continued)*

Deferred tax on foreign currency reserve
The translation reserves which arise from consolidation (reporting) are not recognised. There is no group tax registration in Zambia, hence translation reserves will not result in any tax obligations at any time. All taxes recognised at group level are a summation of individual entity's tax obligations/claims.

Deferred income tax assets are recognised for provisions to the extent that the future related tax benefits will be realised. There were no unrecognised deferred tax assets during the period.

Company

Deferred income tax assets are recognised for provisions to the extent that the future related tax benefits will be realised. There were no unrecognised deferred tax assets during the period. Deferred income tax assets and liabilities are attributable to the following items:

Company	Balance 1 Jan 2023	Recognised in profit or loss	Recognised OCI	Balance 31 Dec 2023	Recognised in profit or loss	Recognised OCI	Balance 31 Dec 2024
Movement in temporary differences during the year							
Deferred tax asset							
Property, plant and equipment	(6,110)	3,735	-	(2,375)	365	-	(2,010)
Provision for gratuity and leave pay	(2,933)	(444)	-	(3,377)	(295)	-	(3,672)
Other provisions	(396)	396	-	-	(2,685)	-	(2,685)
Bad debt Provision	(363,880)	(24,917)	-	(388,797)	(79,538)	-	(468,335)
Legal provision	(25,528)	24,017	-	(1,511)	423	-	(1,088)
Employee provision	(2,783)	512	(2,944)	(5,215)	694	(692)	(5,213)
Environmental provision	(11,807)	(4,542)	-	(16,349)	(5,037)	-	(21,386)
Tax losses	(140,391)	139,986	-	(405)	-	-	(405)
	(553,828)	**138,743**	**(2,944)**	**(418,029)**	**(86,073)**	**(692)**	**(504,794)**
Deferred tax liability							
Property, plant and equipment – revaluation	9,755	-	(221)	9,534	-	(221)	9,313
Unrealised exchange gains	361,514	753,179	-	1,114,693	(335,566)	-	779,127
Unrealised exchange losses	(76,407)	(11,732)	-	(88,139)	(19,697)	-	(107,836)
Change in investment property	-	-	-	-	-	-	-
	(294,862)	**741,447**	**(221)**	**1,036,088**	**(355,263)**	**(221)**	**680,604**
Deferred tax (asset)/liability	**(258,966)**	**880,190**	**(3,165)**	**618,059**	**(441,336)**	**(913)**	**175,810**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

36 Deferred tax *(continued)*

(i) **Group defined contribution plan**

A defined contribution plan is a pension plan under which the Group pays fixed contributions into the fund. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior years. The Company's contributions to the defined contribution schemes are charged to profit or loss in the year to which they relate. The Group has no further obligation once contributions have been paid.

(ii) **Group defined benefit obligation**

Under the terms of employment, permanent employees of the Group are entitled to post employment gratuity benefits. The benefits are defined benefit in nature based on the members' length of service and their salary at the earlier of retirement or death or termination from employment. This scheme is unfunded, and the Group only pays a benefit upon retirement of an individual qualifying for the benefit.

The regulator, Pensions and Insurance Authority, does not regulate gratuity schemes such as this one. However, companies that opt to provide an additional and separate unfunded gratuity benefit for their employees are required to operate within the governing covenants and agreements with their employees. Taxation of this scheme falls under the framework and administration of this arrangement, including decisions as to whether to prefund the benefit costs or amend the arrangement design.

The Group's accrued liability in respect of each employee is the present value of the benefits in respect of service completed to the valuation date but based on projected earnings to retirement or date of payment. The total accrued liability (or the required provision) at the valuation date is a summation of the accrued liability in respect of each employee.

Key risks

The plan typically exposes the Group to actuarial risks such as: interest rate risk, salary risk and liquidity risk.

Interest rate risk	The plan liabilities are calculated using a discount rate set with reference to Zambian government bond yields. A decrease in government bonds will increase the plan liabilities.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.
Liquidity risk	The plan is unfunded. There is a risk that resources might not be available when needed to pay the benefits that have become due.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

37 Retirement benefits *(continued)*

(a) The amounts recognised in the statement of financial position are determined as follows:

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Present value of unfunded obligations	17,373	17,381	17,373	17,381

(b) Movement in the defined benefit obligation over the year is as follows:

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Balance at 1 January	17,381	322,071	17,381	9,275
Charge for the period – expense	4,861	36,853	4,861	2,619
Charge for the period – other comprehensive income	2,305	(24,134)	2,305	9,813
Benefits paid during the year	(7,174)	(11,078)	(7,174)	(4,326)
Reclassified to trade and other payables	-	(245,715)	-	-
Foreign currency translation	-	69,146	-	-
Reclassified as held for sale	-	(129,762)	-	-
Closing balance – 31 December	**17,373**	**17,381**	**17,373**	**17,381**

Non-current liability	17,373	17,381	17,373	17,381
	17,373	**17,381**	**17,373**	**17,381**

(c) Recognised in profit or loss

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Current service cost	1,373	13,414	1,373	648
Interest cost	3,488	23,439	3,488	1,971
Personnel expenses (Note 12)	**4,861**	**36,853**	**4,861**	**2,619**

(d) Recognised in equity

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Experience adjustment	409	(27,510)	409	6,437
Demographic assumptions	7,208	7,208	7,208	7,208
Financial assumptions	(5,312)	(3,832)	(5,312)	(3,832)
Total	**2,305**	**(24,134)**	**2,305**	**9,813**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

37 Retirement benefits *(continued)*

(a) **The amounts recognised in the statement of financial position are determined as follows:**

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Present value of unfunded obligations	17,373	17,381	17,373	17,381

(b) **Movement in the defined benefit obligation over the year is as follows:**

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Balance at 1 January	17,381	322,071	17,381	9,275
Charge for the period – expense	4,861	36,853	4,861	2,619
Charge for the period – other comprehensive income	2,305	(24,134)	2,305	9,813
Benefits paid during the year	(7,174)	(11,078)	(7,174)	(4,326)
Reclassified to trade and other payables	-	(245,715)	-	-
Foreign currency translation	-	69,146	-	-
Reclassified as held for sale	-	(129,762)	-	-
Closing balance – 31 December	**17,373**	**17,381**	**17,373**	**17,381**

Non-current liability	17,373	17,381	17,373	17,381
	17,373	**17,381**	**17,373**	**17,381**

(c) **Recognised in profit or loss**

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Current service cost	1,373	13,414	1,373	648
Interest cost	3,488	23,439	3,488	1,971
Personnel expenses (Note 12)	**4,861**	**36,853**	**4,861**	**2,619**

(d) **Recognised in equity**

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Experience adjustment	409	(27,510)	409	6,437
Demographic assumptions	7,208	7,208	7,208	7,208
Financial assumptions	(5,312)	(3,832)	(5,312)	(3,832)
Total	**2,305**	**(24,134)**	**2,305**	**9,813**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

37 Retirement benefits *(continued)*

Group defined benefit plans

(e) Actuarial assumptions

Critical assumptions are made by the actuary in determining the present value of retirement benefit obligation including the discount rate. The carrying amount of the provision and the key assumptions made in estimating the provision were as follows:

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Discount rate	22.00%	26.95%	22.00%	23.00%
Benefit increase rate	-	16.59%	-	16.59%
Future salary increases	**9.5%**	**10.0%**	**9.5%**	**11%**

The liability and actuarial assumptions are based on the actuarial valuation report as at 31 December 2024.

(f) **Sensitivity analysis**

The results of the actuarial valuation are sensitive to changes in the financial assumptions than changes in the demographic assumptions. In preparing the sensitivity analysis of the results to the discount rate used, the actuary relied on calculations of the duration of the liability. Based on this methodology, the results of the sensitivity analysis are summarized in the table below:

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	Present value of obligation	Present value of obligation	Present value of obligation	Present value of obligation
	ZMW'000	**ZMW'000**	**ZMW'000**	**ZMW'000**
1% increase in discount rate	(1,179)	(4,660)	(1,178)	(1,221)
1% decrease in discount rate	1,312	5,095	1,313	1,359
1% increase in salary rate	1,444	5,876	1,445	1,494
1% decrease in salary rate	(1,304)	(5,398)	(1,303)	(1,352)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

37 Retirement benefits *(continued)*

(f) Sensitivity analysis *(continued)*

Since all the benefits payable under the plan are salary related, the sensitivity of the liability to a change in the salary escalation assumption is not expected to be materially different.

Effect on Company cash flows

The arrangement is unfunded and the Company pays benefits from general revenues as and when they arise. The timing of the benefit payments from the plan will be influenced by the age at which employees retire from the Company.

38 Provisions for environmental rehabilitation

	Group		Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Balance at 1 January	112,751	1,221,068	54,498	39,357
Charge for the year	25,599	(471)	12,121	(1,632)
Increase/(decrease) in environmental provision charged to environmental assets	93,739	1,299,950	-	-
Exchange movement	10,205	16,773	4,670	16,773
Unwinding of discount	3,516	23,520	-	-
Amount paid	-	-	-	-
Translation - included in reserves	-	815,048	-	-
Reclassified to held for sale (Note 21)	-	(3,263,137)	-	-
Balance at 31 December	**245,810**	**112,751**	**71,289**	**54,498**

The year-end balance represents restoration, rehabilitation and environmental provisions for the Company and its subsidiaries; Limestone Company Limited ("Limestone"), Kabundi Resources Limited ("Kabundi") and Kariba Minerals Limited ("Kariba"). The Company's provision is as a result of inherited environmental obligations from the old ZCCM Limited combined with environmental disturbances from mining operations at Limestone, Kabundi and Kariba.

The provisions have been assessed to cost ZMW245.81 million as at 31 December 2024 as compared to ZMW112.75 million as at 31 December 2023. The increase in the provision for environmental rehabilitation in 2024 as compared to 2023 was mainly resulting from the updated risk assessment from Kariba, Kabundi and Limestone.

The provision represents the best estimate of the expenditure required to settle the obligations to rehabilitate environmental disturbances caused by mining operations. Mining companies are expected to make contributions to the Environmental Protection Fund, controlled by the Department of Mines and Mineral Development. Contributions made towards the fund reduces the environmental provision obligation. At the end of useful life of the mine, mining companies are obligated to rehabilitate the damage to the environment and all payments made to the Environmental Protection Fund will be reimbursed towards this rehabilitation.

The valuation for the environmental restoration provision at 31 December 2024 for the Company and subsidiaries were performed by independent consultants.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

38 Provisions for environmental rehabilitation *(continued)*

Assumptions
The following assumptions were consindered: Inflation rate of 10% (2023: 7%), Discount rate of 4.38% (2023: 3.84%) and time to settle of 5 to 25 years when cashflows are expected to be incurred.

Based on this assessment, there was an increase in the liability for the Asset Retirement Obligation (ARO) after an inflation factor of 10% (2023: 7%) of approximately ZMW18.6 million (US$0.46 million) (2023:ZMW118 million (US$4.38 million)). The discount factor of 4.38% was applied in 2024 (2023: 3.84%). The increase in the restoration provision in the current year is principally attributable to exchange movements.

An impact of a 10% movement in the inflation rate results into ZMW0.194 million (2023: ZMW0.12 million) change in the retirement and remediation liability while a 10% movement in the discount rate results into a ZMW0.002 million (2023: ZMW0.02 million) change in the liability and corresponding mineral properties asset. For each mining area, the ARO cash outflows have been estimated to occur after the end of the mining over a period which is between 5 to 25 years.

39 Related party transactions

a) **Parent and ultimate controlling party**

The Group is controlled by the Government of the Republic of Zambia through the Zambian Industrial Development Corporation (IDC) (60.3%) and Ministry of Finance (17.2%) which owns a total of 77.5% of the Company's shares.

b) **Related party transactions**

(i) **Dividend paid to parent company**

Name	Type	Ownership interest	Place of incorporation	31 Dec 2024	31 Dec 2023
				ZMW million	ZMW million
Industrial Development Corporation	Ultimate parent entity and controlling party	60.3%	Zambia	146	436

(ii) **Loan amount payable to Ministry of Finance**

Name	Type	Ownership interest	Place of incorporation	31 Dec 2024	31 Dec 2023
				ZMW million	ZMW million
Ministry of Finance	Shareholder	17.3%	N/a	1,226	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

39 b) Related party transactions *(continued)*

(iii) **Key management personnel compensation**

	Group		Company	
	2024	**2023**	**2024**	**2023**
Item				
Executive Director's fees and Emoluments	6,901	10,605	6,901	4,694
Non-executive Director's Fees	26,726	26,477	13,499	10,465
Total	**33,627**	**37,082**	**20,400**	**15,159**

Key management compensation relates to Director's in the Company and its subsidiaries. Directors' emoluments include sitting allowances and salaries.

(iv) **Dividend income from related parties**

Company

Relationship	31 Dec 2024	31 Dec 2023
Kansanshi Mining Plc (Associate)	-	170,745
CNMC Luanshya Copper Mines Plc (Associate)	266,560	233,568
Copperbelt Energy Corporation Plc (Associate)	483,469	335,523
NFC Africa Mining Plc – (Other investee)	36,623	-
Total dividends (Note 8)	**786,652**	**739,836**

(v) **Interest income from related parties**

Company

Relationship	31 Dec 2024	31 Dec 2023
Maamba Energy Limited (Associate)	62,369	56,504
Konkola Copper Mines Plc (Associate)	607	832
Limestone Resources Limited (Subsidiary)	21,239	14,070
Rembrandt Properties Limited (Associate)	5,509	5,501
Zambia Gold Company Limited (Subsidiary)	6,631	-
Mingomba Mining Limited (Associate)	9,920	-
Mopani Copper Mines Plc (Associate)	196,668	168,728
Total interest income	**302,943**	**245,635**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

39 b) Related party transactions *(continued)*

(vi) Management fees income from related parties

Company

Relationship	31 Dec 2024	31 Dec 2023
Lubambe Copper Mines (Associate)	-	5,072
Kariba Minerals Limited (Subsidiary)	-	11
Zambia Gold Company Limited (Subsidiary)	-	295
Total management fees (note 9)	**-**	**5,378**

(vii) Royalty income from related parties

Company

Relationship	31 Dec 2024	31 Dec 2023
Kansanshi Mining Plc (Associate)	1,425,969	1,201,395

(viii) Amounts due from related parties

Group 2024

	Relationship	Gross	Impairment	Carrying amount
Konkola Copper Mines Plc (iv)	Associate	310,916	(310,916)	-
Mingomba Mining Limited	Associate	464,148	(1,573)	462,575
Royalty receivable (Kansanshi Mining Plc)	Associate	388,830	(4,160)	384,670
Sub total		**1,163,894**	**(316,649)**	**847,245**
Maamba Energy Limited (i)	Associate	612,307	(2,075)	610,232
Lubambe Copper Mines Limited (ii)	Associate	701,493	(701,493)	-
Mopani Copper Mines Plc (viii)	Associate	2,843,235	(911,924)	1,931,311
Rembrandt Properties Limited	Associate	46,824	(46,824)	-
Sub total		**4,203,859**	**(1,662,316)**	**2,541,543**
Price participation receivable (KCM)	Associate	9,182	(9,182)	-
Dividends receivable (KCM)	Associate	78,066	(78,066)	-
Sub total		**87,248**	**(87,248)**	**-**
Total amounts due from related parties		**5,455,001**	**(2,066,213)**	**3,388,788**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

39 b) Related party transactions *(continued)*

(viii) Amounts due from related parties *(continued)*

Group 2023

	Relationship	Gross	Impairment	Carrying amount
Konkola Copper Mines Plc (iv)	Associate	309,420	(309,420)	-
Royalty receivable (Kansanshi Mining Plc)	Associate	185,397	(3,506)	181,891
Royalty receivable (Consolidated Gold Company Limited)	Associate	2,852	-	2,852
Sub total		**497,669**	**(312,926)**	**184,743**
Maamba Energy Limited (i)	Associate	1,595,707	(7,978)	1,587,729
Lubambe Copper Mines Limited (ii)	Associate	701,493	(701,493)	-
Rembrandt Properties Limited	Associate	41,315	(207)	41,108
Sub total		**2,338,515**	**(709,678)**	**1,628,837**
Price participation receivable (KCM)	Associate	9,182	(9,182)	-
Dividends receivable from Kansanshi	Associate	124,970	(78,066)	46,904
Sub total		**134,152**	**(87,248)**	**46,904**
Total amounts due from related parties		**2,970,336**	**(1,109,852)**	**1,860,484**

Company
December 2024

	Relationship	Gross	Impairment	Carrying amount
Misenge Environmental and Technical Services Limited (iii)	Subsidiary	5,321	(4,624)	697
Konkola Copper Mine Plc (iv)	Associate	310,916	(310,916)	-
Limestone resources limited (vii)	Subsidiary	46,850	(46,850)	-
Mingomba Mining Limited	Associate	464,148	(1,573)	462,575
Royalty receivable (Kansanshi)	Associate	388,830	(4,160)	384,670
Sub total		**1,216,065**	**(368,123)**	**847,942**
Maamba Energy Limited (i)	Associate	612,307	(2,075)	610,232
Lubambe Copper Mine Limited (ii)	Associate	701,493	(701,493)	-
Mopani Copper Mines Plc (viii)	Associate	2,843,235	(911,924)	1,931,311
Rembrandt Properties Limited (vi)	Associate	46,824	(46,824)	-
Zambia Gold Limited	Subsidiary	146,585	(497)	146,088
Limestone Resources Limited (vii)	Subsidiary	235,462	(235,462)	-
Sub total		**4,585,906**	**(1,898,275)**	**2,687,631**
Mushe Milling Company Limited (v)	Subsidiary	73,965	(73,965)	-
Price participation receivable (KCM)	Associate	9,182	(9,182)	-
Dividends receivable (KCM)	Associate	78,066	(78,066)	-
Sub total		**161,213**	**(161,213)**	**-**
Total amounts due from related parties		**5,963,184**	**(2,427,611)**	**3,535,573**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

39 b) Related party transactions *(continued)*

(viii) Amounts due from related parties *(continued)*

Company

December 2023

	Gross	Impairment	Carrying amount
Misenge Environmental and Technical Services Limited (iii)	Subsidiary	(4,624)	45
Konkola Copper Mine Plc (iv)	Associate	(309,420)	-
Limestone Resources Limited (vii)	Subsidiary	(46,850)	-
Royalty receivable (Kansanshi)	Associate	(3,506)	184,743
Sub total		**(364,400)**	**184,788**
Maamba Energy Limited (i)	Associate	(7,978)	1,587,729
Lubambe Copper Mine Limited (ii)	Associate	(701,493)	-
Mopani Copper Mines Plc (viii)	Subsidiary	(13,882)	2,762,615
Rembrandt (vi)	Associate	(207)	41,108
Limestone Resources Limited (vii)	Associate	(980)	195,019
Sub total		**(724,540)**	**4,586,471**
Mushe Milling Company Limited (v)	Subsidiary	(73,965)	-
Price participation receivable (KCM)	Associate	(9,182)	-
Dividends receivable (Kansanshi)	Associate	(78,066)	46,904
Sub total		**(161,213)**	**46,904**
Total amounts due from related parties		**(1,250,153)**	**4,818,163**

(i) *Maamba Energy Limited (MEL)*

Shareholder loans to Maamba Energy Limited (MEL)

On 17 June 2015, ZCCM-IH advanced an inter-company loan of ZMW 321.15 million (US$26.345 million) to Maamba Collieries Limited (MCL) as part of its equity contribution towards the implementation of the Integrated Mining Project and the development of a 300MW Thermal Power Plant. The loan carries an annual interest rate of 6% and is repayable in five equal annual instalments, commencing one year after the commercial operational date of 27 July 2017. The loan is subordinated to third-party lenders who financed the Maamba Project. During the year, the full project finance facility owed to commercial lenders was settled, and MCL continued to make repayments towards the ZCCM-IH shareholder loan.

In addition, on 25 March 2019, ZCCM-IH extended a short-term liquidity support facility of ZMW 220.5 million (US$10 million) to MCL. The facility was repayable within 60 days from the date of disbursement or upon receipt of payment from ZESCO for power sales. This shareholder loan was also subordinated to the project finance loans, unsecured, and carried an interest rate of 6% per annum. As at 31 December 2024, MEL had fully repaid the US$10 million shareholder loan along with the accrued interest of US$2.68 million to ZCCM-IH.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

39 b) Related party transactions *(continued)*

(vii) Amounts due from related parties *(continued)*

(ii) *Lubambe Copper Mines Limited*

On 9 November 2023, ZCCM-IH amended the inter-company loan agreement with Lubambe Copper Mines Limited. The principal amount outstanding for the loan is ZMW701 million (US$103.7 million). The loan is fully impaired by ZCCM-IH Plc.

(iii) *Misenge Environmental and Technical Services Limited*

The loan amount outstanding from Misenge Environmental and Technical Services Limited is totalling ZMW4.25 million. The loan is fully impaired by ZCCM-IH Plc.

(iv) *Konkola Copper Mine Plc (KCM)*

ZCCM Investments Holdings Plc ("ZCCM-IH") has provided significant financial support to Konkola Copper Mines Plc ("KCM") through a combination of loan facilities and guarantees.

Following the appointment of a Provisional Liquidator for KCM by the High Court, ZCCM-IH advanced ZMW166.57 million (US$10 million) to KCM through the office of the Provisional Liquidator. Subsequently, on 23 August 2019, an additional loan amounting to ZMW208.21 million (US$12.5 million) was extended to KCM. The latter facility carries an annual interest rate of 6% and total outstanding balance at year end is ZMW64.81 million (US$2.66 million).

In addition to the above loans, ZCCM-IH also issued a corporate guarantee of ZMW220 million (US$10 million) to Zambia National Commercial Bank Plc ("ZANACO") to secure a working capital facility for KCM. The guarantee remained in effect until 30 November 2023. Due to KCM's financial constraints, it was unable to meet its repayment obligations, prompting ZANACO to call on the guarantee. ZCCM-IH honoured the guarantee and settled the full amount of US$10 million. This corporate guarantee was backed by a Promissory Note issued by the Ministry of Finance in favour of ZCCM-IH, and ZCCM-IH has formally requested reimbursement of the guaranteed amount.

On 28 June 2024, the High Court of Lusaka, under Cause No. 2019/HP/0761, approved and sanctioned a Scheme of Arrangement between KCM and its Scheme Creditors. The repayment of the outstanding loans to ZCCM-IH now falls under the terms of this Court-Sanctioned Scheme. As at 31 December 2024, the total outstanding balance from these loan facilities stood at ZMW310.92 million (US$12.66 million).

(v) *Mushe Milling Company*

On 12 December 2019, ZCCM-IH and Mushe Milling Company Limited entered into a loan facility agreement amounting to ZMW20.48 million. The facility was attracting interest computed as the Bank of Zambia average commercial lending rate plus 2% per annum. Payment of interest was to commence six months from the date of the facility. The principal repayment of the loan had a moratorium of 12 months, thereafter, the principal was to be paid in 24 equal monthly instalments. The loan is fully impaired and written off.

On 7th September 2021, ZCCM-IH and Mushe Milling Company Limited entered into a loan facility agreement amounting to ZMW6.29 million. The facility was attracting interest computed as the Bank of Zambia average commercial lending rate plus 2% per annum. Payment of interest was to commence six months from the date of the facility. The principal repayment of the loan had a moratorium of 12 months, thereafter, the principal to be paid in 24 equal monthly instalments. The loan is fully impaired and written off. The liquidation of Mushe Milling Company Limited began in 2023 and is still in progress.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

39 b) Related party transactions *(continued)*

(vii) Amounts due from related parties *(Continued)*

(vi) *Rembrandt Properties Limited*

On 1 September 2022, ZCCM-IH extended a term loan facility of ZMW29.5 million to support the company's working capital requirements, with a repayment due date of 20 August 2023. Subsequently, on 29 December 2022, an additional shareholder loan of ZMW4.84 million was granted, repayable by 30 November 2023. Both facilities accrue interest at the 364-day Bank of Zambia treasury bill yield rate as of 1 September 2022, plus a margin of 1%. The loans are secured by a combined 25.5% shareholding—equally pledged by the other shareholders of Rembrandt, Urban Brands and Sims Capital.

As at 31 December 2024, Rembrandt had not fulfilled its repayment obligations on either facility. Consequently, ZCCM-IH is actively pursuing appropriate measures to enforce its rights over the pledged security in accordance with the shareholder loan agreement.

(vii) *Limestone Resources Limited*

On 7 July 2022, ZCCM-IH entered a Preference Share Subscription Agreement with Limestone Resources Limited (LRL), under which ZCCM-IH subscribed to Redeemable Preference Shares (RPS) valued at ZMW174.86 million (US$6.79 million). The RPS carry a fixed interest rate of 10% per annum and were initially set to mature in July 2024, with the maturity date subsequently extended to July 2025.

As at 31 December 2024, the total amount receivable from LRL stood at ZMW235.46 million and has been fully impaired.

(viii) *Mopani Copper Mines Plc*

On 19 January 2023, ZCCM Investments Holdings Plc ("ZCCM-IH") entered into a Bridge Facility Agreement with Mopani Copper Mines Plc ("Mopani") amounting to ZMW2.45 billion (US$100.35 million) to provide immediate working capital support during the process of engaging a Strategic Equity Partner. The facility was intended as a short-term recapitalisation measure to sustain Mopani's operations.

On 20 March 2024, the terms of the loan were modified in response to developments under the SEP transaction. The modification included:

- A reduction in the interest rate from SOFR + 8% to SOFR + 1%; and
- An extension of the maturity date from 31 December 2035 to 31 December 2036.

This change was accounted for under IFRS 9 as an extinguishment of the original financial liability. Consequently:

- The original loan was derecognised;
- A new liability was recognised at its fair value of US$97 million; and
- A resulting loss of US$32.0 million (being the difference between the carrying amount of the old loan and the fair value of the new loan) has been recognised in profit and loss (note 10). Following the successful completion of the SEP process, ZCCM-IH received a partial repayment of US$14 million.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

40 Contingent liabilities

(i) **Maamba contingent liabilities**

ZCCM-IH, being a co-owner of Maamba Energy Limited (MEL) with Nava Bharat (Singapore) PTE Ltd (NBS), was in 2017 required to contribute ZMW 162 million (US$9.75 million) in form of a shareholder loan towards Maamba's Base Project Equity according to its shareholding ratio of 35%. However, NBS contributed the whole amount including the US$9.75million share for ZCCM-IH.

As a result, it was resolved that ZCCM-IH refunds NBS, interest free, the excess contribution through offset of ZMW 27.1 million (US$1.23 million) interest payment which was due to ZCCM-IH from Maamba on the initial outstanding shareholder loan of 31 May 2015. The balance of ZMW 141.68 million (US$8.52 million) was to be paid by Maamba to NBS from future dividends of Maamba, payable to ZCCM-IH.

ZMW 27.1 million (US$1.23 million) was paid to NBS in 2017, however, no dividends have been received from Maamba since 2017 to settle the balance. ZCCM-IH has determined that in the absence of dividends from Maamba it has no present obligation to settle the outstanding balance.

For this reason, ZMW 187.9million (US$8.52 million) due to NBS has not been recognised in these financial statements.

(ii) **Trafigura Legal Claim**

ZCCM Investments Holdings Plc ("ZCCM-IH" or "the Company") is currently involved in arbitration proceedings initiated by Trafigura Pte Ltd ("Trafigura") before the London Court of International Arbitration (LCIA). The claim arises from an alleged obligation under an on-demand guarantee (the "Guarantee") provided by ZCCM-IH in connection with prepayment agreements between Trafigura and

Konkola Copper Mines Plc ("KCM") for the supply of copper concentrates.
Trafigura is seeking the following reliefs from ZCCM-IH:

i. Payment of US$82,81 million plus late payment interest or, alternatively, damages;

ii. Any pre-award interest accrued by the date of the arbitration award;

iii. Reimbursement of legal and arbitration costs; and

iv. Any further relief as deemed appropriate by the Tribunal.

ZCCM-IH has vigorously disputed the claim and filed a comprehensive defence against this clam. As of 31 December 2024, the arbitration proceedings are ongoing, and the ultimate outcome remains uncertain. While ZCCM-IH considers the claim to be without merit and continues to robustly defend its position, there is a possibility that an adverse ruling could expose the Company to material financial liabilities.

Given the complexities and uncertainties associated with arbitration, no provision has been recognized in these financial statements, as the probability and quantum of any potential obligation cannot be reliably estimated at this stage. The Board of Directors continues to closely monitor the developments of the case.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

40 Contingent liabilities *(continued)*

(iii) **Assets pledged as security**

For the year ending 31 December 2024, there were no assets pledged as security (2023: ZMW 22.48 billion) relates to Mopani. The assets pledged as security were specifically for Mopani's liabilities. The carrying amounts of assets pledged as security for the borrowings and included assets held for sale were:

		31 Dec 2024	31 Dec 2023
Assets	Notes		
Property, plant, and equipment	17	-	12,525,429
Intangible assets	19	-	3,121,181
Trade and other receivables	26	-	3,137,572
Environmental protection fund	28	-	147,553
Inventories	25	-	3,489,128
Term deposits	29	-	-
Cash and cash equivalents	30	-	58,367
Total assets		**-**	**22,479,230**

41 Commitments

(i) Capital expenditure authorised by the Board of directors at the reporting date but not yet contracted for is as follows:

	Group		Company	
	31Dec 2024	31Dec 2023	31Dec 2024	31 Dec 2023
Property, plant and equipment*	47,834	5,113,296	47,834	43,835
	47,834	5,113,296	47,834	43,835

* The 2024 financial year capital commitments relate to ZCCM-IH. *For the 2023 financial year, included in capital commitments is a balance of ZMW5.07 billion (US$247 million) relating to Mopani authorised by the Board but not yet contracted as at 31 December 2023.*

(ii) **Maamba Energy Limited Commitments**

Shareholders are referred to the announcement dated 10th July 2024, in which the Board of ZCCM Investments Holdings Plc ("ZCCM-IH" or the "Company") informed shareholders and the market that Maamba Energy Limited ("MEL"), formerly Maamba Energies Limited, had reached an agreement with anchor lenders to finance the construction and installation of an additional 300-megawatt power plant at MEL ("the Project").

The total estimated cost of the Project is US$ 400 million, of which approximately US$ 300 million will be financed through a consortium of lenders. ZCCM-IH is expected to contribute USD 15 million toward the debt portion in the form of a loan, with a tenor of 10.25 years from the start of construction, including a 3.25-year moratorium. The loan will bear interest at a rate of 9% per annum. As of 31 December 2024, ZCCM-IH has advanced a total of US$ 5 million.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

41 Commitments *(continued)*

(ii) **Maamba Energy Limited Commitments** (continued)

Additionally, US$ 100 million will be provided as equity by the shareholders, Nava Bharat Singapore Pte Limited ("NBS") and ZCCM-IH, in proportion to their respective shareholding in MEL, which stands at 65% and 35%, respectively. This translates to an equity contribution of US$ 65 million from NBS and US$ 35 million from ZCCM-IH. As of 31 December 2024, no equity contributions have been advanced.
The disbursements towards the equity contribution will commence in June 2025.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

42 Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Market risk (see (a))
- Credit risk (see (b))
- Liquidity risk (see (c))

i) Risk management framework

The Company's Board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of directors has established the audit and risk committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports quarterly to the Board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(a) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) ***Exposure to currency risk***

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. The Group is affected by foreign exchange movements because it has assets and income which are denominated in currencies other than the Company's functional currency, which is the Zambian Kwacha.

Management's policy to manage foreign currency risk is to hold both functional and foreign currency fixed deposits with various banks which act as a natural hedge for foreign currency obligations. Hedging techniques such as currency swap are also used to manage currency risk. The Group did not enter into any transactions that required currency swap technique during the year and the prior year.

Comparative amounts have been reclassified for consistency with the current year's presentation. These reclassifications had no effect on previously reported net income or equity.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

42 Financial risk management *(continued)*

(a) Market risk *(continued)*

(i) ***Exposure to currency risk*** *(continued)*

The summary quantitative data about the Group's exposure to foreign currency risk at the end of the reporting period, expressed in Zambian Kwacha is detailed in the table below.

Group

2024	ZMW equivalent of US$ and other foreign currencies	US$'000
Cash and cash equivalents	101,731	3,639
Trade and other receivables	1,603,565	57,367
Short term deposits	5,090,150	182,100
Long term bonds	329,525	11,789
Borrowings	(3,346,867)	(119,734)
Net exposure	**3,778,104**	**135,161**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

42 Financial risk management *(continued)*

(a) Market risk *(continued)*

(i) ***Exposure to currency risk*** *(continued)*

The summary quantitative data about the Group's exposure to foreign currency risk at the end of the reporting period, expressed in Zambian Kwacha is detailed in the table below.

Group

2023	ZMW equivalent of US$ and other foreign currencies	US$ Amounts	ZMW equivalent of EUR and other foreign currencies	EUR Amount	ZMW equivalent of GBP and other foreign currencies	GBP Amount	ZMW equivalent of RAND and other foreign currencies	RAND Amount	ZMW equivalent of PULA and other foreign currencies	PULA Amount
Cash and cash equivalents	180,414	7,007	-	-	-	-	12	9	-	-
Trade and other receivables	1,831,666	71,142	-	-	-	-	35	25	-	-
Term deposits	4,023,712	156,282	-	-	-	-	-	-	-	-
Assets held for sale	157,163	6,104	11,302	397	6,117	186	64	46	83	60
Borrowings	-	-	-	-	-	-	-	-	-	-
Bank overdraft	-	-	-	-	-	-	-	-		
Trade and other payables	(108,524)	(4,215)	-	-	-	-	-	-	-	-
Liabilities directly associated with assets classified as held for sale	(54,506,470)	(2,117,044)	(11,968)	(420)	(5,892)	(180)	(452)	(326)	-	-
Net exposure	**(48,422,039)**	**(1,880,724)**	**(666)**	**(23)**	**225**	**6**	**(341)**	**(246)**	**83**	**60**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

42 Financial risk management *(continued)*

(a) Market risk *(continued)*

(i) Exposure to currency risk *(continued)*

The summary quantitative data about the Company's exposure to foreign currency risk at the end of the reporting period, expressed in Zambian Kwacha is detailed in the table below.

Dec 2024	ZMW equivalent of US$ and other foreign currencies	US$'000
Cash and cash equivalents	101,731	3,639
Trade and other receivables	3,534,876	126,460
Short term deposits	5,090,150	182,100
Long term bonds	329,525	11,789
Borrowings	(3,346,867)	(119,734)
Trade and other payables	-	-
Net exposure	**5,709,415**	**204,254**

Dec 2023	ZMW equivalent of US$ and other foreign currencies	US$'000
Cash and cash equivalents	49,574	1,925
Trade and other receivables	4,777,010	185,540
Term deposits	4,023,712	156,282
Trade and other payables	(32,128)	(1,248)
Net exposure	**8,818,168**	**342,499**

*Comparative amounts have been reclassified for consistency with the current year's presentation. These reclassifications had no effect on previous reported net income or equity

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

42 Financial risk management *(continued)*

(a) Market risk *(continued)*

(i) Exposure to currency risk *(continued)*

The following significant exchange rates have been applied during the year:

	Average rate		Reporting date spot rate	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Kwacha				
US$ 1	26.1528	20.52413	27.9525	25.7465

Sensitivity analysis

A 10 percent strengthening of the Kwacha against the US Dollar at 31 December 2024 would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The analysis is performed on the same basis for 31 December 2023.

	Equity and profit or loss	
	Group	Company
31 Dec 2024		
ZMW	344,858	2,879,105
31 Dec 2023		
ZMW	(4,842,274)	2,001,890

A 10 percent weakening of the Kwacha against the US Dollar at 31 December 2024 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

42 Financial risk management *(continued)*

(a) Market risk *(continued)*

(ii) Exposure to interest rate risk

The Group's operations are subject to cash flow variability due to the risk of interest rate fluctuations to the extent that interest-earning assets (including investments) and interest-bearing liabilities mature or reprice at different times and/or in differing amounts. In the case of floating rate assets and liabilities the Group is also exposed to basis risk, which is the difference in repricing characteristics of the various floating rate indices. Asset-liability risk management activities are conducted in the context of the Group's sensitivity to cash flow variability attributable to interest rate changes.

Group	31 December 2024				31 December 2023			
	Total	Zero rate instruments	Floating rate instruments	Fixed rate instruments	Total	Zero rate instruments	Floating rate instruments	Fixed rate instruments
Assets								
Cash and cash equivalents	525,685	525,685	-	-	360,356	360,356	-	-
Trade and other receivables*	3,440,520	1,363,121	-	2,077,399	1,899,338	270,501	-	1,628,837
Assets held for sale	-	-		-	1,661,908	656,893	-	1,005,015
Long term bonds	329,525	-	-	329,525	-	-	-	-
Short term deposits	5,015,626	-	-	5,015,626	4,450,451	-	-	4,450,451
Total assets	**9,311,356**	**1,888,806**	**-**	**7,422,550**	**8,372,053**	**1,287,750**	**-**	**7,084,303**
Liabilities								
Borrowings	(3,346,867)	-	(3,346,867)	-	-	-	-	-
Trade and other payables*	(117,315)	(117,315)	-	-	(177,076)	(177,076)	-	-
Liabilities directly associated with assets classified as held for sale	-	-	-	-	(56,466,686)	(11,354,896)	(43,518,155)	(1,593,635)
Total liabilities	**(3,464,182)**	**(117,315)**	**(3,346,867)**	**-**	**(56,643,762)**	**(11,531,972)**	**(43,518,155)**	**(1,593,635)**
Gap	**5,847,174**	**1,771,491**	**(3,346,867)**	**7,422,550**	**(48,271,709)**	**(10,244,222)**	**(43,518,155)**	**5,490,668**

The interest rate gap is measured on an ongoing basis to assess the impact of the exposure after which corrective measures are deliberated. These may include contract renegotiation and use of money market options to hedge against significant change in variable interest rates.

**Trade and other receivables/payables, excludes prepayments and statutory obligations and contract liabilities respectively. Statutory liabilities are imposed by law while contract liabilities represent an obligation to deliver a good or service rather than cash or other assets in settlement. Therefore, these do not meet the definition of financial instruments and have been excluded from the table above.*

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

42 Financial risk management *(continued)*

(a) Market risk *(continued)*

(ii) Exposure to interest rate risk *(continued)*

Company

	31 December 2024				31 December 2023			
	Total	Zero rate instruments	Floating rate instruments	Fixed rate instruments	Total	Zero rate instruments	Floating rate instruments	Fixed rate instruments
Assets								
Cash and cash equivalents	221,736	221,736	-	-	61,137	61,137	-	-
Trade and other receivables*	3,589,710	438,181	1,931,311	1,220,218	4,581,312	243,605	2,762,615	1,575,092
Long term bonds	329,525	-	-	329,525	-	-	-	-
Short term deposits	5,015,626	-	-	5,015,626	4,411,330	-	-	4,411,330
Total assets	**9,156,597**	**659,917**	**1,931,311**	**6,565,369**	**9,053,779**	**304,742**	**2,762,615**	**5,986,422**
Liabilities								
Borrowings	(3,346,867)	-	(3,346,867)	-	-	-	-	-
Trade and other payables*	(81,748)	(81,748)	-	-	(25,643)	(25,643)	-	-
Total liabilities	**(3,428,615)**	**(81,748)**	**(3,346,867)**	**-**	**(25,643)**	**(25,643)**	**-**	**-**
Gap	**5,727,982**	**578,169**	**(1,415,556)**	**6,565,369**	**9,028,136**	**279,099**	**2,762,615**	**5,986,422**

**Trade and other receivables/payables, excludes prepayments and statutory obligations and contract liabilities respectively. Statutory liabilities are imposed by law while contract liabilities represent an obligation to deliver a good or service rather than cash or other assets in settlement. Therefore, these do not meet the definition of financial instruments and have been excluded from the table above.*

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

42 Financial risk management *(continued)*

(a) Market risk *(continued)*

(ii) ***Exposure to interest rate risk*** *(continued)*

Risks arising from the interest rate benchmark reform

The key risks for the Group arising from the transition are:

- **Interest rate basis risk**: There are two elements to this risk as outlined below:

  If the bilateral negotiations with the Group's counterparties are not successfully concluded before the cessation of IBORs, there are significant uncertainties with regard to the interest rate that would apply. This gives rise to additional interest rate risk that was not anticipated when the contracts were entered into and is not captured by our interest rate risk management strategy. For example, in some cases the fall-back clauses in IBOR loan contracts may result in the interest rate becoming fixed for the remaining term at the last IBOR quote. The Group is working closely with all counterparties to avoid this from occurring, however if this does arise, the Group's interest rate risk management policy will apply as normal and may result in closing out or entering into new interest rate swaps to maintain the mix of floating rate and fixed rate debt.

- **Interest rate risk basis** may arise if a non-derivative instrument held to manage the interest risk on the non-derivative instrument transition to alternative benchmark rates at different times. The Group will monitor this risk against its risk management policy which has been updated to allow for temporary mismatches of up to 12 months and transact additional basis interest rate swaps if required.

- **Liquidity risk:** There are fundamental differences between IBORs and the various alternative benchmark rates which the Company will be adopting. IBORs are forward looking term rates published for a period (e.g. 3 months) at the beginning of that period and include an inter-bank credit spread, whereas alternative benchmark rates are typically risk-free overnight rates published at the end of the overnight period with no embedded credit spread. These differences will result in additional uncertainty regarding floating rate interest payments which will require additional liquidity management. The Group's liquidity risk management policy has been updated to ensure sufficient liquid resources to accommodate unexpected increases in overnight rates.

- **Accounting**: If transition to alternative benchmark rates for certain contracts is finalised in a manner that does not permit the application of the reliefs introduced in the Phase 2 amendments, this could lead to volatility in the profit or loss if nonderivative financial instruments are modified or derecognised. The Group is aiming to agree changes to contracts that would allow IFRS 9 reliefs to apply.

- **Litigation risk**: If no agreement is reached to implement the interest rate benchmark reform on existing contracts, (e.g., arising from differing interpretation of existing fallback terms), there is a risk of prolonged disputes with counterparties which could give rise to additional legal and other costs. The Group is working closely with all counterparties to avoid this from occurring.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

42 Financial risk management *(continued)*

(a) Market risk *(continued)*

(ii) Exposure to interest rate risk *(continued)*

Interest rate risk

The Group's interest rate risk arises primarily from the interest received on short term deposits and variable interest long term borrowings. This exposes the Group to cash flow interest risk.

Cash flow sensitivity analysis of variable rate instrument

A reasonable possible change of 100 basis points in interest rates at the reporting date would have increased /(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange, remain constant.

Group

Effect in thousands of Kwacha	Profit or loss	
	Increase	Decrease
31 Dec 2024		
Variable rate instruments	3,347	(3,347)
31 Dec 2023		
Variable rate instruments	43,518	(43,518)

Company

31 Dec 2024		
Variable rate instruments	1,416	(1,416)
31 Dec 2023		
Variable rate instruments	(2,763)	2,763

The Group's investments in corporate term deposits, all of which are fixed rate and are measured at amortised cost exposes the Group to cash flow interest rate risk. The tenure of the investments is mostly less than 1 year. At 31 December 2024, an increase/decrease of 100 basis points would not have resulted in a decrease/increase in the Consolidated and company post tax profit and equity of ZMW534.81 million (December 2023: ZMW483.5 million).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

42 Financial risk management *(continued)*

(a) Market risk *(continued)*

(iii) Price risk

The Group is exposed to equity securities price risk because of investments in quoted and unquoted shares classified as financial assets at fair value through profit or loss. To manage its price risk arising from investments in equity and debt securities, the Group diversifies its portfolio, in accordance with limits set by the Group. All quoted shares held by the Group are traded on the Lusaka Securities Exchange. Further, management of the Group monitors the proportion of equity securities in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Investment Committee of the Board.

The primary goal of the Group's investment strategy is to maximise investment returns and to improve its returns in general. Management is assisted by external advisers in this regard.

At 31 December 2024, if the LuSE Index had increased/decreased by five percent with all other variables held constant and all the Group's equity instruments moved according to the historical correlation to the index, consolidated equity and profit or loss would have been ZMW364.43 million (2023: ZMW178.96 million) higher/lower.

Commodity price risk

General corporate hedging unrelated to any specific project is not undertaken by the Group. The Group also does not issue or acquire derivative instruments for trading purposes.

The Group is subject to price risk from fluctuations in the market prices of copper and gold. The impact of a 10% movement on commodity prices with all other variables held constant, consolidated equity and profit or loss would have been ZMW0.81 billion higher/lower (2023: ZMW1.16 billion higher/lower)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

42 Financial risk management *(continued)*

(b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's from cash and cash equivalents, term deposits with banks, as well as trade and other receivables. Credit risk is managed on a Group basis.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each counterparty. However, management also considers the factors that may influence the credit risk of its counterparty base, including the default risk associated with the industry.

(i) Risk management

The Group through risk and audit committee has established a credit procedure under which each new customer or counterparty is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references. Sale limits are established for each customer and monitored regularly by line management.

(ii) Security

To limit the amount of credit exposure to financial institution for term deposits, the Group obtains collateral from financial institutions which are rated "B" and below. As at 31 December 2024, ZMM507.25 million (December 2023: ZMW680.77 million) of term deposits, collateral was held in the form of treasury bills and government bonds. Due to the short-term nature of collateral held for term deposits, their carrying amounts approximates their fair values. No collateral is obtained as security for trade and other receivables. Instead, the Group requests for advance payments where necessary to reduce credit risk on some customers.

The amount that best represents the Group's and Company's maximum exposure to credit risk at 31 December 2024 is made up as follows:

	Group		Company	
	31-Dec 2024	31-Dec 2023	31-Dec 2024	31-Dec 2023
Cash and cash equivalents	525,685	360,356	221,736	61,137
Trade and other receivables	3,440,520	1,899,338	3,589,710	4,581,312
Long term bonds	329,525	-	329,525	-
Term deposits and other financial assets at amortised costs	5,015,626	4,450,451	5,015,626	4,411,330
	9,311,356	**6,710,145**	**9,156,597**	**9,053,779**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

42 Financial risk management *(continued)*

(b) Credit risk *(continued)*

(iii) Impairment of financial assets

The Group applies the Simplified Approach to assess and measure expected credit losses (ECLs) for cash and cash equivalents, financial instruments at amortised costs and contract assets. The simplified approach entails recognising the ECL on the lifetime of the balance due to the Group. It involves the calculation of the loss rates to categories of the third parties that is then applied to the balance. The categorization is done both per unique characteristics and time the balances are outstanding.

The loss rates are derived using the Group's own historical credit loss experience and adjust for both current and forward-looking information. The information is evaluated for its appropriateness in light of market changes so as to remain relevant and provide valid assessment results. To calculate ECL, trade and other receivables are grouped based on shared credit risk characteristics and the days past due.

The Group's historical credit loss experience does not indicate significant different loss patterns for the various customer segments. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers. Historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified long term consensus copper price of $3/lb or 6,615/MT, gross domestic product projected growth of 4% for Zambia, inflation rate for Zambia projected to trend around 8% and 10%, The group considers these factors in which it sells its goods and services to be the most relevant and, accordingly, adjusts the historical loss rates based on expected changes in these factors.

The Group's historical credit loss experience does not show significantly different loss patterns for the various customer segments. Therefore, the grouping of trade receivables is not disaggregated into further risk profiles other than days past due.

There were no changes in the estimating techniques or significant assumptions made as at the reporting period.

The loss allowance as at reporting date was determined as follows:

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

42 Financial risk management *(continued)*

(b) Credit risk *(continued)*

(iii) Impairment of financial assets (continued)

Trade and other receivables (Excludes prepayments and statutory receivables)

Group

31 December 2024

	Gross	Lifetime expected credit loss	Net	Estimated rate of Default (%)
Not due	4,142,127	(709,512)	3,432,615	17.13
Past due 30 - 60 days	2,753	(1,231)	1,522	44.72
Past due 61 – 90 days	5,237	(2,283)	2,954	43.59
Past due 91 - 120 days	6,521	(4,983)	1,538	76.42
Over 121 days	1,375,916	(1,374,025)	1,891	99.86
	5,532,554	**(2,092,034)**	**3,440,520**	

31 December 2023				
	Gross	Lifetime expected credit loss	Net	Estimated rate of Default (%)
Not due	1,935,205	(14,090)	1,921,115	0.73
Past due 30 - 60 days	2,657	(1,231)	1,426	46.33
Past due 61 – 90 days	5,237	(2,283)	2,954	43.59
Past due 91 - 120 days	6,006	(4,983)	1,023	82.97
Over 121 days	1,147,202	(1,144,659)	2,543	99.78
	3,096,307	**(1,167,246)**	**1,929,061**	

Company

Dec 2024

	Gross	Lifetime expected credit loss	Net	Estimated rate of Default (%)
Not due	4,553,748	(964,649)	3,589,099	21.18
Past due 30 - 60 days	1,140	(1,044)	96	91.58
Past due 61 - 90 days	841	(841)	-	100.00
Past due 91 - 120 days	736	(221)	515	30.03
Over 121days	1,419,821	(1,419,821)	-	100.00
	5,976,286	**(2,386,576)**	**3,589,710**	

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

42 Financial risk management *(continued)*

(b) Credit risk *(continued)*

(iii) Impairment of financial assets (continued)

Company
Dec 2023

	Gross	Lifetime expected credit loss	Net	Estimated rate of Default (%)
Not due	4,782,194	(28,592)	4,753,602	0.58
Past due 30 - 60 days	1,044	(1,044)	-	100.00
Past due 61 - 90 days	841	(841)	-	100.00
Past due 91 - 120 days	221	(221)	-	100.00
Over 121days	1,190,455	(1,190,455)	-	100.00
	5,974,755	**(1,221,153)**	**4,753,602**	

No trade receivables have been written off during the year.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

The loss allowance recognised is categorised as follows:

	Group		Company	
	2024	2023	2024	2023
	ZMW'000	ZMW'000	ZMW'000	ZMW'000
Performing debtors	29,614	23,144	27,282	22,267
Non-performing debtors	310,607	318,046	284,756	318,923
	340,221	**341,190**	**312,038**	**341,190**

Cash and cash equivalents

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial. To limit the amount of credit exposure to financial institution for cash and cash equivalent, cash and cash equivalents are held with banks which are rated A.

Term deposits and other financial assets

Term deposits and other financial assets at amortised cost relate to staff debtors which are considered to have a low risk of default and the counterparts have a strong capacity to meet their contractual cash flow obligations in the near term.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

42 Financial risk management *(continued)*

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Management monitors rolling forecasts of the Group's liquidity reserve on the basis of expected cash flows. The Group maintains the level of its cash flow and cash equivalents and other highly marketable debt investments at an amount in excess of expected cash outflows on financial liabilities through cash flow forecasts.

(i) *Financing arrangements*

The Group had no undrawn borrowing facilities at the end of the reporting period (2023: Nil).

(ii) *Maturities of financial liabilities*

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include estimated interest payments and exclude the impact of netting agreements. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Group

	Carrying amount	Contractual amount	Within 1 year	2 -5 years
At 31 December 2024				
Financial liabilities				
Borrowings	3,346,867	4,858,848	538,449	2,808,418
Trade and other payables	117,315	117,315	117,315	-
Liabilities directly associated with assets classified as held for sale	-	-	-	-
	3,464,182	4,976,163	655,764	2,808,418
At 31 December 2023				
Financial liabilities				
Borrowings	-	-	-	-
Overdraft	-	-	-	-
Trade and other payables	177,076	177,076	177,076	-
Liabilities directly associated with assets classified as held for sale	56,466,686	57,294,412	57,294,412	-
	56,643,762	57,471,488	57,471,488	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

42 Financial risk management *(continued)*

(c) Liquidity risk *(continued)*

(ii) *Maturities of financial liabilities (continued)*

Company

	Carrying amount	Contractual amount	Within 1 year	2 - 5 years
At 31 Dec 2024				
Financial liabilities				
Borrowings	3,346,867	4,858,848	538,449	2,808,418
Trade and other payables	81,748	81,748	81,748	-
	3,428,615	**4,940,596**	**620,197**	2,808,418
	Carrying amount	Contractual amount	Within1 year	2 - 5 years
At 31 Dec 20223				
Financial liabilities				
Borrowings	-	-	-	-
Trade and other payables	25,643	25,643	25,643	-
	25,643	**25,643**	**25,643**	-

(i) **Capital management**

The scope of the Group management framework covers the Group's total equity reported in its financial statements.

The Group's and Company objectives when managing capital are to safeguard their ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the number of dividends paid to shareholders, issue new capital or sell assets to reduce debt.

The Board's policy is to implement a sound financial strategy that ensures financial independence and maintains adequate capital to sustain the long terms objectives of the Group and to meet its operational and capital budget.

The Group monitors capital on the basis of the average gearing ratio in the industry, in Zambia which currently stands at below 50% of equity. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as equity plus net debt. The gearing ratios at 31 Dec 2024 and 31 Dec 2023 were as follows:

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

42 Financial risk management *(continued)*

(c) Liquidity risk *(continued)*

(i) **Capital management** *(continued)*

	Group		Company	
	31Dec 2024	31Dec 2023	31Dec 2024	31 Dec 2023
Borrowings	3,346,867	-	3,346,867	-
Bank overdraft	-	-	-	-
Less: cash and cash equivalents	(525,685)	(360,356)	(221,736)	(61,137)
Net debt	2,821,182	(360,356)	3,125,131	(61,137)
Total equity	52,263,711	(5,690,633)	62,292,543	37,422,019
Total capital	55,084,893	(6,050,989)	65,417,674	37,360,882
Gearing ratio	**5.12%**	**5.96%**	**4.78%**	**0%**

The interest rates used to discount estimated cash flows when applicable are based on the government yield curve at the reporting date plus an appropriate credit spread, and are as follows:

	31Dec 2024	31 Dec 2023
Loans and borrowings	16.5%	14.21%

There has been no change in management of capital during the year.

(ii) Fair value estimation

The Group classifies its financial assets in the following measurement categories:

(i) those to be measured subsequently at fair value (either through OCI or through profit or loss): and

(ii) those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. Financial liabilities are recorded initially at fair value and subsequently measured at amortised cost using the effective interest rate method except for derivative instruments that continue to be measured at fair value.

Comparative amounts have been reclassified for consistency with the current year's presentation. These reclassifications had no effect on previously reported net income or equity.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

42 Financial risk management *(continued)*

(c) Liquidity risk *(continued)*

(ii) Fair value estimation *(continued)*

The fair value of the financial assets and liabilities carried at amortised cost including cash and cash equivalents, trade and other receivables, term deposits, borrowings and trade and other payables are considered to approximate their respective carrying values due to their short-term nature and negligible credit losses.

Group – 2024	Financial assets at FVTPL	Financial assets at amortised cost	Financial liabilities at amortised cost
Financial assets at fair value through profit or loss	2,741,000	-	-
Cash and cash equivalents	-	525,685	-
Trade and other receivables -current	-	887,469	-
Trade and other receivables non - current	-	2,505,570	-
Long term bonds	-	304,799	-
Short term deposits	-	5,015,626	-
Assets classified as held for sale	(73,588)	(73,588)	-
Financial liabilities			
Borrowings	-	-	(3,569,621)
Trade and other payables	-	-	(117,315)
	2,814,588	**9,165,561**	**(3,686,936)**

Group – 2023	Financial assets at FVTPL	Financial assets at amortised cost	Financial liabilities at amortised cost
Financial assets at fair value through profit or loss	3,019,500	-	-
Cash and cash equivalents	-	360,356	-
Trade and other receivables -current	-	287,239	-
Trade and other receivables non - current	-	1,152,561	-
Term deposits	-	4,411,330	-
Assets classified as held for sale	584	1,661,324	-
Financial liabilities			
Bank overdraft	-	-	-
Trade and other payables	-	-	(177,076)
Liabilities directly associated with assets classified as held for sale	-	-	(56,466,686)
	3,020,084	**7,872,810**	**(56,643,762)**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

42 Financial risk management *(continued)*

(c) Liquidity risk *(continued)*

(ii) Fair value estimation *(continued)*

Company – 2024	Financial assets at FVTPL	Financial assets at FVTOCI	Financial assets at amortised cost	Financial liabilities at amortised cost
Financial assets at fair value through profit or loss	2,741,000	-	-	-
Investments in associates	-	34,452,165	-	-
Investments in subsidiaries	-	191,501	-	-
Cash and cash equivalents	-	-	221,736	-
Trade and other receivables -current	-	-	890,571	-
Trade and other receivables non - current	-	-	2,640,150	-
Assets classified as held for sale	73,588	-	-	-
Long term bonds	-	-	304,799	-
Short term deposits	-	-	5,015,626	-
Financial liabilities				
Borrowings*	-	-	-	(3,569,621)
Trade and other payables	-	-	-	(81,748)
	2,814,588	**34,643,666**	**9,072,882**	**(3,651,369)**

Company – 2023	Financial assets at FVTPL	Financial assets at FVTOCI	Financial assets at amortised cost	Financial liabilities at amortised cost
Financial assets at fair value through profit or loss	3,019,500		-	-
Investments in associates	-	11,240,080	-	-
Investments in subsidiaries	-	282,384	-	-
Cash and cash equivalents	-		61,137	-
Trade and other receivables -current	-		271,219	-
Trade and other receivables non - current			3,932,391	
Term deposits	-		4,411,330	-
Financial liabilities				
Trade and other payables	-	-	-	(25,643)
	3,019,500	**11,522,464**	**8,676,077**	**(25,643)**

Valuation techniques and sensitivity analysis are included in note 23 and 24.
The fair value of the financial assets and liabilities carried at amortised cost including cash and cash *equivalents*, trade and other receivables, term deposits, borrowings and trade and other payables are considered to approximate their respective carrying values due to their short-term nature and negligible credit losses.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

43 Subsequent events

(i) Additional Purchase of Shares in CEC Plc

Subsequent to the year end, ZCCM-IH Plc purchased additional shares in CEC Plc which increased the shareholding from 32.41% to 32.64%. This reinforces ZCCM-IH's commitment to powering Zambia's industrial and mining sectors.

(ii) Disbursement of US$5 million to Maamba Energy Limited

On 2 April 2025, an amount of US$ 5 million was disbursed to Maamba Energy Limited by ZCCM-IH in accordance with the approval granted by the Board of Directors. The disbursement of the US$ 5 million is the second tranche for ZCCM-IH to invest US$ 15 million in debt financing for the Maamba Phase II expansion project. The disbursement is consistent with ZCCM-IH's strategic focus which revolves around Zambia's mining and energy sectors.

(iii) ZCCM-IH Board approval of shareholder loan to Limestone Resources Limited

On 28 March 2025, the Board of Directors of ZCCM-IH approved the short-term funding request from Limestone Resources Limited. ZCCM-IH will extend a shareholder loan of US$ 2.96 million to Limestone repayable one year after disbursement at an interest rate of 9.0%. ZCCM-IH's Management has committed to have the shareholder loan disbursed to Limestone.

(iv) Sino Great Co. Ltd.

On 19 May 2025, ZCCM Investments Holdings Plc ("ZCCM-IH") entered a strategic partnership with Jiangsu Sino Great Co. Ltd. and Wonderful Group of Companies Limited to co-invest in the development of an integrated phosphate fertiliser project in Zambia.

The total investment commitment by ZCCM-IH amounts to US$ 50 million, comprising:

- US$ 37.8 million for a 30% equity stake in the project company; and
- US$ 12.2 million in project debt financing.

The integrated project will include a phosphate mine, a 300,000 tonnes per annum Monoammonium Phosphate (MAP) plant, and a 40 MW thermal power plant.
The transaction is subject to fulfilment of standard conditions precedent, including regulatory approvals, execution of definitive agreements, transfer of funds, issuance of shares, and the provision of a corporate guarantee by the Wonderful Group. The debt facility carries a 12-month moratorium on interest and principal repayments, followed by equal quarterly instalments over four years, with interest accruing quarterly on a 360-day year basis.

(v) Funding Commitment to Mingomba Mining Limited

On 19 May 2025, the Board of Directors of ZCCM Investments Holdings Plc ("ZCCM-IH") approved a funding commitment of up to USD 10 million for the 2025 financial year towards Mingomba Mining Limited, in line with the approved 2025 Annual Work Program and Exploration Budget.

The above transactions have been classified as a non-adjusting event after the reporting period under **IAS 10** and is disclosed for its strategic and financial significance.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

44 Basis of measurement

The consolidated and company financial statements have been prepared on the historical cost basis except for the following items which are measured on an alternative basis on each reporting date.

Items	Measurement basis
Financial assets at fair value through profit or loss	Fair value
Investments in associates (Company)	Fair value
Retirement benefits	Present value of the defined obligation
Investment property	Fair value
Investment in subsidiary (Company)	Fair value
Royalty right	Fair value

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

45 Material accounting policies

The Group has consistently applied the following accounting policies to all periods presented in these financial statements. Certain comparative amounts in the statement of profit or loss and OCI have been re-presented, to ensure consistency (see Note 7,8 and 13).

Set out below is an index of the significant/material accounting policies, the details of which are available on the pages that follow:

(a)	Basis of consolidation
(b)	Foreign currency
(c)	Discontinued operation
(d)	Financial instruments
(e)	Property, plant and equipment
(f)	Investment property
(g)	Intangible assets
(h)	Assets held for sale
(i)	Inventories
(j)	Impairment
(k)	Employee benefits
(l)	Provisions and contingent liabilities
(m)	Revenue from contracts with customers
(n)	Investments income and expenses
(o)	Finance income and costs
(p)	Exploration costs
(q)	Income tax
(r)	Earnings per share
(s)	Segment reporting
(t)	Share capital
(u)	Dividend
(v)	Mine Developments
(w)	Environmental restoration

(a) Basis of consolidation

(i) Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if they are related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss. Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

45 Material accounting policies *(continued)*

(a) Basis of consolidation *(continued)*

(i) Business combinations *(continued)*

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards) and relate to past services, then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based value of the replacement awards compared with the market-based value of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date when control ceases.

In the company financial statements, investments in subsidiaries are classified as fair value through other comprehensive income (OCI).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

45 Material accounting policies *(continued)*

(a) Basis of consolidation *(continued)*

(iii) Non-controlling interests (NCI)

The group recognises non-controlling interests in an acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

(iv) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related Non-controlling interests (NCI) and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(v) Interest in equity accounted investees

The Group's interest in equity accounted investees comprise interests in associates.

Associates are those entities in which the Group has significant influence, but not control or joint control over the financial and operating policies. Interests in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

In the company financial statements investments in associates is subsequently measured at fair value. These are classified as fair value through other comprehensive income.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, including any long-term interests that form part thereof is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

(vi) Transactions eliminated on consolidation

Intra-group balances and transactions, fair value changes recognised in respect of its investment in subsidiaries and associates, and any unrealised income and expenses arising from intra group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

45 Material accounting policies *(continued)*

(a) Basis of consolidation *(continued)*

(i) ***Transactions eliminated on consolidation (continued)***

losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(vii) Remeasurement of previously held equity interest – Step up Acquisition

A step acquisition occurs when a shareholder obtains control over an entity by acquiring an additional interest in that entity. If that entity is a business, the group's previously held equity interest is remeasured to fair value at the date the controlling interest is acquired. The remeasurement of the previously held equity interest is recognized in Profit or loss. Any amounts previously recorded in other comprehensive income relating to the investee is reclassified and included in the calculation of the gain or loss as of the acquisition date.

(viii) Reporting date

The financial statements of the Company and subsidiaries used in the preparation of the current consolidated financial statements have the same reporting date of 31 December. When the end of the reporting date of the Company is different from that of the subsidiary or associates, the Company consolidates the financial information of the subsidiaries or associates using the most recent financial statements of the subsidiaries or associates adjusted for the effects of significant transactions or events that occur between the date of those financial statements and the date of the consolidated financial statements.

(ix) Price Participation Fee

Price Participation fees are variable amount, if any, to be credited to the seller as an additional income based on variations in the Payable Copper Price, if, as and when reflected in Benchmark Reference Terms from time to time. The price participation fees are recognised once conditions indicate that additional income is to be received, based on prevailing prices over the agreed period, and that its been agreed with other parties involved, in this case the buyer.

(b) Foreign currency

(i) **Foreign currency transactions**

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in foreign currency are translated to the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss and presented within finance costs.

However, foreign currency differences arising from the translation of the following items are recognised in other comprehensive income:

- An investment in equity securities designated as at FVOCI (except on impairment, in which case foreign currency differences that have been recognised in other comprehensive income are reclassified to profit or loss).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

45 Material accounting policies *(continued)*

(b) Foreign currency (continued)

(i) *Foreign currency transactions* (continued)

- Foreign currency differences which arise on the translation of investee companies (which have a different functional currency) are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

(c) Discontinued operation

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:
- represents a separate major line of business or geographic area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale. When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is re-presented as if the operation had been discontinued from the start of the comparative year.

(d) Financial instruments

(i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

45 Material accounting policies *(continued)*

(d) Financial instruments *(continued)*

(ii) Classification and subsequent measurement *(continued)*

Financial assets (continued)

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows;
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual. cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

45 Material accounting policies *(continued)*

(e) Financial instruments *(continued)*

(iii) Classification and subsequent measurement *(continued)*

Financial assets – Business model assessment

The Group assesses the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management.
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed.
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

45 Material accounting policies *(continued)*

(d) Financial instruments *(continued)*

(iv) Classification and subsequent measurement *(continued)*

Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

45 Material accounting policies *(continued)*

(d) Financial instruments *(continued)*

(ii) Classification and subsequent measurement *(continued)*

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(v) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(vi) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously. No set offs have been effected in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

45 Material accounting policies *(continued)*

(e) Property, plant and equipment

(i) *Recognition and measurement*

All items of property, plant and equipment are measured at cost save for land and buildings are which are measured at revalued amounts for the Company. For subsidiaries, property plant and equipment are measured at cost less accumulated depreciation and others at revalued amounts as applicable (see note 17 for full disclosure). Cost includes capitalised borrowing costs, less accumulated depreciation, and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs.

Capital work in progress relates to items of property, plant and equipment that are under construction and are yet to be commissioned for use. Work in progress is measured at the costs incurred in relation to the construction up to the reporting date. Capital work in progress is not depreciated.

The Group's policy is to revalue regularly to ensure that the carrying amount does not differ materially from the fair value. The revaluation differences are recognised in other comprehensive income and accumulated in equity "revaluation reserve" unless the revaluation difference represents the reversal of a revaluation decrease previously recognised as an expense, in which case the revaluation difference is recognised in profit or loss. A decrease arising as a result of a revaluation is recognised as an expense to the extent that it exceeds any amount previously credited to the revaluation surplus relating to the same asset. The revaluation surplus included in equity is transferred directly to retained earnings when the asset is used by the Group. The amount of the surplus transferred is the difference between depreciation charge based on the revalued carrying amount of the assets and the depreciation charge based on the original cost.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment, and is recognised net within other income/other expenses in profit or loss. When revalued assets are sold, any related amount included in the revaluation reserve is transferred to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

45 Material accounting policies *(continued)*

(e) Property, plant and equipment *(continued)*

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.

Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

The estimated useful lives for the current and comparative years are as follows:

• Property	20 years
• Leasehold land and buildings	Life of mine
• Motor vehicles	3 - 5 years
• Plant and equipment	3 - 7 years
• Vertical and rotary kiln	15 years
• Rotary kiln	12 years
• Mineral properties	Unit of production method
• Mine Development	Unit of production method

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(iv) Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified accordingly. Any gain arising on this remeasurement is recognised in profit or loss to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognised in other Comprehensive Income (OCI) and presented in the revaluation reserve. Any loss is recognised in profit or loss. However, to the extent that an amount is included in the revaluation surplus for that property, the loss is recognised in other comprehensive income and reduces the revaluation surplus within equity.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

45 Material accounting policies *(continued)*

(f) Investment property

Investment property is property held to earn rental income or capital appreciation or for both, but not for sale in the ordinary course of business, use for the production or supply of goods or services or for administrative purposes. Investment property is initially measured at cost and subsequently at fair value with any change therein recognised in the profit or loss.

Any gain or loss on the disposal of investment property (calculated as the difference between the net proceeds and the carrying amount of the item) is recognised in profit or loss. When investment property that was previously classified as property, plant and equipment is sold, any related amount that is included in the revaluation reserve is transferred to retained earnings.

(g) Intangible assets

(i) Recognition and measurement

Intangible assets

Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less any accumulated amortisation. The group's intangible assets comprises of acquired computer software programmes. Costs associated with maintaining software programmes are recognised as an expense as incurred.

Royalty right

Royalty rights have finite useful lives and are measured at fair value less any accumulated amortisation. The group's Royalty right comprises the converted dividend right in Kansanshi Mining Plc to a right to receive 3.1% life of mine royalty.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill are recognised in profit or loss as incurred.

(iii) Amortisation and impairment

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is recognised in profit or loss.

The estimated useful lives of the Group's computer software are three to five years.

The estimated useful life of the royalty right interest is over the life of the mine.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(iv) *Derecognition*

Intangible assets are derecognised when an asset is sold, exchanged or abandoned and therefore, removed from the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

45 Material accounting policies *(continued)*

(h) Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets or investment property, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

(i) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in, first-out principle. In the case of manufactured inventories, cost includes an appropriate share of production overheads based on normal operating capacity.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

45 Material accounting policies *(continued)*

(j) Impairment

(i) **Non-derivative financial assets**

Financial instruments and contract assets

The Group recognises loss allowances for ECLs on:

- financial assets measured at amortised cost;
- debt investments measured at FVOCI; and
- contract assets.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when: the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

45 Material accounting policies *(continued)*

(j) Impairment *(continued)*

(i) Non-derivative financial assets *(continued)*

Financial instruments and contract assets

12-month ECLs are the portion of ECLs that result from default events that are possible within the. 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

45 Material accounting policies *(continued)*

(j) Impairment *(continued)*

(i) Non-derivative financial assets *(continued)*

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

(ii) Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than, investment property, inventories and deferred tax assets) to determine whether there is any indication of impairment. Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

Determining whether goodwill is impaired requires an estimation of the present value of future cash flows generated from the cash generating units to which the goodwill has been allocated. The present value calculation requires an estimation of the future cash flows expected to arise and a suitable discount rate in order to calculate present value.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

45 Material accounting policies *(continued)*

(j) Impairment *(continued)*

(iii) Exploration and evaluation assets

Exploration costs are incurred to discover mineral resources. Evaluation costs are incurred to assess the technical feasibility and commercial viability of resources found.

Exploration and evaluation expenditure is charged to the income statement as incurred, except in the following circumstances in which case the expenditure may be capitalised:
- the existence of a commercially viable mineral deposit has been established
- the exploration and evaluation activity is within an area of interest that was previously acquired.

A regular review of each area of interest is undertaken to determine the appropriateness of continuing to carry forward costs in relation to that area. Capitalised costs are only carried forward to the extent that they are expected to be recovered through successful exploration of the area of interest.

Impairment tests for all non-financial assets (including exploration and evaluation assets) are performed when there is an indication of impairment. Tests of impairment are performed in line with what has been stated in Note 45 j (ii).

(iv) Environmental protection fund assets

The environmental protection fund asset, recognised within property, plant and equipment is depreciated over the life of mine.

Impairment tests for all non-financial assets (including environmental protection fund assets) are performed when there is an indication of impairment. Tests of impairment are performed in line with what has been stated in Note 45 j (ii**).**

(v) Burden costs of mining

Burden costs of mining refer to the costs incurred for removing overburden or waste material to access mineral ore, which are capitalized when they provide probable future economic benefits.

Impairment tests for all non-financial assets (including burden costs of mining) are performed when there is an indication of impairment. Tests of impairment are performed in line with what has been stated in Note 45 j (ii).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

45 Material accounting policies *(continued)*

(k) Employee benefits

(i) *Short -term employee benefits*

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(ii) *Defined contribution plans*

Obligations for contribution to defined contribution plans are expensed in the profit or loss as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or reduction in future payments is available. The Group and all its employees also contribute to the National Pension Scheme Authority, which is a defined contribution scheme.

(iii) *Defined benefit plans*

The Group provides for retirement benefits (i.e. a defined benefit plan) for all permanent employees in accordance with established pension scheme rules as well as the provisions of Statutory Instrument No. 119 of the Laws of Zambia. A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The cost of providing the defined benefit plan is determined annually using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting period.

The discount rate is required to be determined with reference to the corporate bond yield. However, due to the non-availability of an active developed market for corporate bonds the discount rate applicable is the yield at the reporting date on the Government of the Republic of Zambia's bonds that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

45 Material accounting policies *(continued)*

(k) Employee benefits *(continued)*

(iii) *Defined benefit plans (continued)*

The defined benefit obligation recognised by the Group, in respect of its defined benefit pension plan, is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods and discounting that benefit to determine its present value, then deducting the fair value of any plan assets. When the calculations above result in a benefit to the Group, the recognised asset is limited to the net total of any cumulative unrecognised actuarial losses and past service costs and the present value of any economic benefits available in the form of any refunds from the plan or reductions in future contributions to the plan. An economic benefit is available to the Group if it is realisable during the life of the plan or on settlement of the plan liabilities.

Actuarial gains and losses arising from changes in actuarial assumptions are charged or credited to other comprehensive income when they arise. These gains or losses are recognised in full in the year they occur.

Past service costs are recognised immediately in the profit or loss, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

(iv) *Other entitlements*

Some employees are on fixed term contracts and are entitled to gratuity. These are recognised when they accrue to employees. An estimate is made for the liability for such entitlements as a result of services rendered by employees up to the reporting date.

The estimated monetary liability for employees' accrued annual leave entitlement at the reporting date is recognised as an expense accrual.

(l) **Provisions and contingent liabilities**

Provisions are determined by discounting the expected future cash flows at a pre – tax rate that reflects current market assessment of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(i) Environmental rehabilitation and restoration

In accordance with applicable legal requirements, a provision for site restoration in respect of contaminated land, and the related expense, is recognised when the land is contaminated.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

45 Material accounting policies *(continued)*

(l) **Provisions and contingent liabilities** *(continued)*

1. **Environmental rehabilitation and restoration** *(continued)*

Changes in the measurement of an existing decommissioning, restoration and similar liability that result from changes in the estimated timing or amount of the outflow of resources embodying economic benefits required to settle the obligation, or a change in the discount rate, is accounted for in accordance with:

i. changes in the liability alter the revaluation surplus or deficit previously recognised on that asset, so that:

1. a decrease in the liability is (subject to (b)) be recognised in other comprehensive income and increase the revaluation surplus within equity, except that it is recognised in profit or loss to the extent that it reverses a revaluation deficit on the asset that was previously recognised in profit or loss;

2. an increase in the liability is recognised in profit or loss, except that it shall be recognised in other comprehensive income and reduce the revaluation surplus within equity to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

ii. in the event that a decrease in the liability exceeds the carrying amount that would have been recognised had the asset been carried under the cost model, the excess is recognised immediately in profit or loss.

iii. a change in the liability is an indication that the asset may have to be revalued in order to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. Any such revaluation is taken into consideration in determining the amounts to be recognised in profit or loss or in other comprehensive income under If a revaluation is necessary, all assets of that class are revalued.

The adjusted depreciable amount of the asset is depreciated over its useful life. Therefore, once the related asset has reached the end of its useful life, all subsequent changes in the liability shall be recognised in profit or loss as they occur. This applies under both the cost model and the revaluation model.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

45 Material accounting policies *(continued)*

(l) Provisions and contingent liabilities *(continued)*

1. **Financial guarantee contracts**

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

the amount determined in accordance with the expected credit loss model under IFRS 9 Financial Instruments, and

the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of IFRS 15 Revenue from Contracts with Customers.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

2. **Contingent liabilities**

All possible obligations whose outcomes are dependent on whether some uncertain future event occurs, or a present obligation but payment is not probable, or the amount cannot be measured reliably are considered as Contingent liabilities. These contingent liabilities are reviewed on a regular basis and were appropriate an estimate is made of the potential financial impact on the Group. As at 31 December 2023 and 2024, no potential liability was recognised.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

45 Material accounting policies *(continued)*

(m) Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer.

The following provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Type of product/ service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition policies
Sale of goods	Customers obtain control of the products when the goods are delivered. Invoices are generated and revenue is recognised at that point in time. Invoices are payable within 30 days.	Revenue is recognised in the period in which the Group has delivered products to the customer, the customer has full discretion over the channel and price to sell the products, and there are no unfulfilled obligations that could affect the customers' acceptance of the products. Delivery does not occur until the products have been accepted by the customers.
Services rendered	The Group is involved in provision of environmental consultancy services, analytical services, surveying services and radiation safety. Revenue from providing services is recognised in the accounting period in which the services are rendered.	Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided, because the customer receives and uses the benefits simultaneously.

Contract assets primarily relate to the Group's right to consideration for the work completed but not billed at the reporting date on the customer contracts. The Group had no contract assets as at year end. Contract liabilities primarily relate to the advance consideration received from the customer for which revenue is recognised when the goods and services are provided. The Group had no contract liabilities as at year end.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

45 Material accounting policies *(continued)*

(n) Investment income and expenses

The Group's investments income and expenses costs include:

Dividends receivables;
Royalty receivables;
Interest income; and
Interest expense.

Dividends are recognised as revenue in the period in which the right to receive payment is established, which in the case of quoted securities is usually the ex-dividend date.

Royalty income is recognised as revenue in the period in which it is earned.

Interest income or expense is recognised using the effective interest method.

(o) Finance income and finance costs

The Group's finance income and finance costs include

Gain or loss on financial assets at fair value through profit or loss;
The foreign currency gain or loss on financial assets and financial liabilities;
Unwinding income or expense on price participation fees;
Unwinding expense on environmental provision; and
Borrowing costs.

All borrowing costs are recognised in the profit or loss using the effective interest method.

Borrowing costs attributable to fixed assets during construction are capitalised

(p) Exploration costs

The Group is involved in exploration and evaluation of mineral resources including, oil and gas and other similar non – regenerative resources in specific licence areas where the Group has legal rights. This process also involves the determination of both the technical feasibility and commercial viability of extracting the mineral resource.

General exploration and associated costs incurred in connection with exploration and evaluation of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource is demonstratable, are expensed in the period in which they are incurred. Exploration and associated costs for projects which are commercially viable, and it is considered that future economic benefits will flow to the Company are capitalised.

Accounting for exploration and evaluation expenditures
Exploration and evaluation expenditures are measured at cost on initial recognition. Costs directly associated with commercially viable exploration project are capitalised until the determination of reserves is evaluated. If it is determined that commercial discovery has not been achieved, these costs are charged to expenses.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

45 Material accounting policies *(continued)*

(p) Exploration costs *(continued)*

Depreciation of exploration and evaluation assets
Exploration and evaluation asset are depreciated using a straight-line method over a period of five years.

After recognition, the exploration and evaluation assets are measured using the cost model in IAS 16 Property, plant and equipment.

(q) Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

(i) *Current tax*

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

(ii) *Deferred tax*

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;`
- temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when probability of future taxable profit improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

45 Material accounting policies *(continued)*

(q) Income tax *(continued)*

(ii) Deferred tax *(continued)*

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

(iii) Tax exposures

In determining the amount of current and deferred tax, the Group considers the impact of tax exposures, including whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities would impact tax expense in the period in which such a determination is made.

(r) Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options.

(s) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Group's Chief Executive Officer to make decisions about resources to be allocated to the segment and to assess its performance.

(t) Share capital

(ii) Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognised as a deduction from equity.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

In thousands of Kwacha

45 Material accounting policies *(continued)*

(u) Dividends

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders. When dividends are proposed they are presented in a separate column in the statement of changes in equity.

(w) Mine development costs

Exploration and associated costs relating to non-specific projects or properties are expensed in the period in which they are incurred. Significant property acquisition costs and development costs relating to specific properties for which economically recoverable reserves are believed to exist are deferred until the project to which they relate is sold, abandoned, or placed into production. No costs are deferred on a property believed to be impaired in value. Mine development and property acquisition costs, including costs incurred during production to expand ore reserves within existing mine operations, are deferred, and amortised over the life of the mines. Reviews are undertaken regularly to evaluate the carrying values of operating mines and development properties. If it is determined that the net recoverable amount is significantly lower than the carrying value, and the impairment in value is likely to be permanent, a write-down to the net recoverable amount is made by a charge to profit or loss.

Environmental restoration

Provision is made for costs associated with the restoration and rehabilitation of mining sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of the extractive industry and are normally accrued to reflect the Company's obligations at that time. Additional disturbances that arise due to further development/construction at the mine are recognised as additions or charges to the corresponding assets and rehabilitation liability when they occur.

Changes in the estimated timing of rehabilitation or changes to the estimated future costs are dealt with prospectively by recognising an adjustment to the rehabilitation liability and a corresponding adjustment to the asset to which it relates, if the initial estimate was originally recognised as part of an asset measured in accordance with IAS 16. If the related asset is measured using the revaluation model, a decrease in the liability shall be recognised in other comprehensive income and an increase in the liability shall be recognised in profit or loss, except that it shall be recognised in other comprehensive income. Any reduction in the rehabilitation liability and, therefore, any deduction from the asset to which it relates, may not exceed the carrying amount of that asset. If it does, any excess over the carrying value is taken immediately to the statement of profit or loss and other comprehensive income.

Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognised in the statement of profit or loss and other comprehensive income as part of finance costs. For closed sites, changes to estimated costs are recognised immediately in the statement of profit or loss and other comprehensive income. The Company is required to make contributions to the government for future rehabilitation work relating to its production activities. The contributions are based on an environmental assessment that is performed by environmental auditors. The Company records a liability for the future contributions to be made to the government based on the environmental disturbances incurred to date per the environmental auditor's assessment with a corresponding charge to profit or loss.

CORPORATE INFORMATION

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Appendix

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

(Unaudited)

	31-Dec 2024	31-Dec 2023
	US$'000	**US$'000**
Assets		
Property, plant and equipment	14,529	9,666
Exploration and evaluation asset	552	1,998
Intangible assets	715,061	559,064
Investment property	7,366	8,102
Investment in associates	873,082	391,934
Financial assets at fair value through profit or loss	98,059	117,278
Trade and other receivables	91,335	63,264
Environmental Protection Fund	13	274
Term deposits	11,789	-
Non-current assets	**1,811,786**	**1,151,580**
Inventories	1,164	1,488
Trade and other receivables	34,691	13,173
Assets held for sale	3,296	917,654
Term deposits	179,434	172,857
Burden costs for mining	236	-
Cash and cash equivalents	18,806	13,996
Current assets	**237,627**	**1,119,168**
Total assets	**2,049,413**	**2,270,748**
Equity		
Share capital	58	62
Share premium	74,746	81,151
Other reserves	973,607	343,949
Retained earnings	819,998	(639,401)
Equity attributable to shareholders	**1,868,409**	**(214,239)**
Non-controlling interest	**1,324**	**(6,789)**
Total Equity	**1,869,733**	**(221,028)**
Liabilities		
Borrowings	100,471	-
Deferred tax liability	10,594	29,201
Retirement benefits	622	675
Provisions for environmental rehabilitation	8,794	4,379
Non-current liabilities	**120,481**	**34,255**
Borrowings	19,263	-
Trade and other payables	6,425	12,148
Liabilities associated with assets classified as held for sale	512	2,434,387
Provisions	1,776	1,721
Current tax liabilities	31,223	9,265
Current liabilities	**59,199**	**2,457,521**
Total liabilities	**179,680**	**2,491,776**
Total equity and liabilities	**2,049,413**	**2,270,748**

Appendix

COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

(Unaudited)

	31-Dec 2024	31-Dec 2023
	US$'000	**US$'000**
Assets		
Property, plant and equipment	5,138	4,297
Intangible assets	712,257	553,888
Investment property	7,366	8,102
Investments in subsidiaries	6,851	10,968
Investment in associates	1,232,525	436,567
Term deposits	11,789	-
Financial assets at fair value through P&L	98,059	117,278
Trade and other receivables	96,562	178,140
Non-current assets	**2,170,547**	**1,309,240**
Trade and other receivables	32,972	11,196
Assets held for sale	2,633	-
Term deposits	179,434	171,337
Cash and cash equivalents	7,933	2,375
Current assets	**222,972**	**184,908**
Total assets	**2,393,519**	**1,494,148**
Equity		
Share capital	58	62
Share premium	74,746	81,151
Other reserves	1,907,529	925,297
Retained earnings	246,182	446,969
Equity attributable to shareholders	**2,228,515**	**1,453,479**
Liabilities		
Borrowings	100,471	-
Deferred tax liability	6,290	24,006
Retirement benefits	622	675
Provisions for environmental rehabilitation	2,550	2,117
Non-current liabilities	**109,933**	**26,798**
Borrowings	19,263	-
Trade and other payables	3,690	3,041
Provisions	913	1,610
Current tax liabilities	31,205	9,220
Current liabilities	**55,071**	**13,871**
Total liabilities	**165,004**	**40,669**
Total equity and liabilities	**2,393,519**	**1,494,148**

Appendix

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

(Unaudited)

	31-Dec 2024	31-Dec 2023
	US$'000	**US$'000**
Revenue from customer with contracts	122,701	572,356
Cost of sales	(141,305)	(745,772)
Gross loss	**(18,604)**	**(173,416)**
Investment income	63,786	67,670
Net investment income	**63,786**	**67,670**
Other income	1,308,978	11,875
Fair value adjustment financial asset at fair value through profit or loss	(10,649)	86,099
Gain on reclassification of investee company	363,228	-
Net impairment losses on financial assets	(1,030)	(3,906)
Administration expenses	(262,320)	(90,881)
Operating profit/(loss)	**1,443,389**	**(102,559)**
Finance income	41,750	107,809
Finance costs	(66,929)	(218,306)
Net finance income	(25,179)	(110,497)
Share of profit of equity-accounted investees, net of tax	127,246	110,173
Profit/(loss) before tax	**1,545,456**	**(102,883)**
Income tax (expense)/credit	(21,699)	(58,762)
Profit/(loss) from continuing operations	**1,523,757**	**(161,645)**
Loss from discontinued operations	(145)	(36,941)
Profit/(loss) for the year	**1,523,612**	**(198,586)**
Other comprehensive income		
Items that will never be reclassified to profit or loss		
Revaluation on property, plant and equipment	-	185
Deferred tax on revaluation reserve	8	11
Actuarial gain on defined benefit pension plans	(88)	1,176
Deferred tax on defined benefit actuarial loss	26	143
Royalty right fair valuation	239,851	174,761

Appendix

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Equity-accounted investees- share of other comprehensive income	(60)	562
Fair value change on Other Shareholders Equity	27,308	-
	267,045	**176,838**
Items that are or may be reclassified to profit or loss		
Foreign currency translation differences - equity - accounted investees	417,638	190,402
Foreign currency translation differences - Subsidiaries investees	17,003	(800,887)
	434,641	**(610,485)**
Other comprehensive income, net of tax	**701,686**	**(433,647)**
Total comprehensive income	**2,225,298**	**(632,233)**

Appendix

COMPANY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

(Unaudited)

	31-Dec 2024 US$'000	31-Dec 2023 US$'000
Investment income	92,465	103,717
Revenue from contracts with customers	-	1,129
Cost of sales	-	(822)
Other (expenses)/income	(177,873)	2,061
Fair value adjustment financial asset at fair value through profit or loss	(10,649)	86,099
Net impairment losses on financial assets	(10,138)	(4,047)
Administration expenses	(53,069)	(38,693)
Operating (loss)/profit	**(159,264)**	**149,444**
Finance income	39,106	145,216
Finance costs	(25,278)	(54)
Net finance income/(cost)	**13,828**	**145,162**
(Loss)/profit before tax	(145,436)	294,606
Income tax expense	(22,185)	(58,713)
(Loss)/profit for the year	**(167,621)**	**235,893**
Other comprehensive income		
Items that will never be reclassified to profit or loss		
Deferred tax on amortisation of revaluation reserve	8	11
Actuarial (loss)/gain on defined benefit pension plans	(88)	(478)
Deferred tax on defined benefit actuarial/(loss) gain	26	143
Fair value change in Investments in subsidiaries	(6,645)	(22,618)
Fair value change in Investments in associates	867,408	268,383
Fair value change in investments in assets held	28	-
Fair value change on other shareholders equity	27,308	-
Royalty right fair valuation	239,851	174,761
Other comprehensive income, net of tax	**1,127,896**	**420,202**
Total comprehensive (loss)/income	**960,275**	**656,095**

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