

**SENS ANNOUNCEMENT**  
(the “Notice” or “Announcement”)

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**ISSUER**

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**AECI MINING EXPLOSIVES PLC**  
[Incorporated in the Republic of Zambia]

Company registration number: 2736  
Share Code: AECI  
ISIN: ZM0000000284  
Authorised by: Warren Pritchard – Finance Director

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**SPONSOR**

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

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**APPROVAL**

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The captioned Notice or Announcement has been approved by:

- i. the Lusaka Securities Exchange
- ii. the Securities and Exchange Commission
- iii. Stockbrokers Zambia Limited

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**RISK WARNING**

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

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

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**ISSUED: 9 March 2023**



**AECI MINING EXPLOSIVES PLC**  
 [Incorporated in the Republic of Zambia as a public company]  
 Registration number: 2736  
 Share Code: AECI  
 ISIN: ZM0000000284  
 “AECI” or “the Company”

## RESULTS FOR THE YEAR ENDED 31 December 2022

In compliance with the Securities Act No. 41 of 2016 and the Listings Requirements of the Lusaka Securities Exchange, AECI MINING EXPLOSIVES PLC announces the audited results for the year ended 31 December 2022.

SUMMARY STATEMENT OF COMPREHENSIVE INCOME	<b>2022</b>	2021
ZMW'000	<b>Year</b>	Year
	<b>Audited</b>	Audited
Revenue	904,386	983,762
Profit before tax	40,714	113,783
Income tax expenses	(17,061)	(13,917)
<b>Profit for the period</b>	<b>23,653</b>	<b>99,866</b>
Basic and diluted earnings per share (ZMW)	1.16	4.89
SUMMARY STATEMENT OF FINANCIAL POSITION	<b>2022</b>	2021
ZMW'000	<b>Year</b>	Year
	<b>Audited</b>	Audited
<b>ASSETS</b>		
Non-current assets	67,156	71,789
Current assets	528,827	430,160
<b>Total assets</b>	<b>595,983</b>	<b>501,949</b>
Total equity and reserves	455,123	415,302
Non-current liabilities	17,685	21,423
Current liabilities	123,175	65,224
<b>Total equity and liabilities</b>	<b>595,983</b>	<b>501,949</b>

SUMMARY STATEMENT OF CASH FLOWS	2022 Year Audited	2021 Year Audited
ZMW'000		
Cash utilised in operating activities	(13,367)	(23,230)
Cash flows from investing activities	(1,290)	4
Cash flows from financing activities	(18,727)	(125,383)
Total cash movement for the year	(33,384)	(148,609)
Cash at the beginning of the year	68,792	235,923
Effects of exchange rate movement on cash balances	5,219	(18,522)
Total cash at end of year	40,627	68,792

SUMMARY STATEMENT OF CHANGES IN EQUITY	2022 Year Audited	2021 Year Audited
ZMW'000		
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	58,177	(67,115)
Dividends paid	(18,356)	(127,337)
Equity at beginning of period	415,302	609,754
EQUITY AT THE END OF THE PERIOD	455,123	415,302
Made up as follows:		
Ordinary share capital	204	204
Reserves:		
- Foreign currency translation differences	261,391	227,104
- Other reserves		
Retained Earnings	193,528	187,994
	455,123	415,302

## REVIEW OF RESULTS

Revenue reported for the year ending 31 December 2022 decreased by 8% to ZMW 904.4 million (2021: ZMW 983.8 million). Revenue figures were impacted by a drop in export sales. Material margins decreased as a result of decreased revenue. Material margin percentages were adversely affected by increased raw material prices.

The company achieved a net profit after taxation of ZMW 23.7 million (2021: ZMW 99.9 million), a decrease of 76% from 2021.

The reported numbers for revenue and net profit after tax were significantly impacted by the appreciation in the value of the Kwacha compared to 2021.

Fixed costs were managed to compensate to a certain extent for the loss of margin.

## EARNINGS PER SHARE

Earnings per share are calculated using the profit for the year of ZMW 23.7 million (2021: ZMW 99.9 million) and the number of issued shares of 20,407 million (2021: 20,407 million). Earnings per share for the year were ZMW 1.16 compared to ZMW 4.89 in 2021.

## DIVIDENDS

The Board of Directors have not recommended the payment of a dividend in respect of the financial year ended 31 December 2022.

This decision not to declare a dividend was taken after careful consideration of the current level of activity within the business, current cash on hand and future requirements for business working capital, which includes short term expected cash costs as well as medium-term capital requirements.

## OUTLOOK

Conditions in the local and global economy remain very challenging. Reduced productivity in the mining industry, especially in the export markets, and continuous fluctuations of the ZMW/USD exchange rate will have a significant influence on year-end results.

**By Order of the Board**

**Warren Pritchard**  
**Finance Director**

**Issued in Lusaka, Zambia on 9 March 2023**

<b>Lusaka Securities Exchange Sponsoring Broker</b>	
 <b>STOCKBROKERS ZAMBIA LIMITED</b>	<b>T</b>   +260-211-232456 <b>E</b>   <a href="mailto:advisory@sbz.com.zm">advisory@sbz.com.zm</a> <b>W</b>   <a href="http://www.sbz.com.zm">www.sbz.com.zm</a>  Stockbrokers Zambia Limited (SBZ) is a founder member of the Lusaka Securities Exchange and is regulated by the Securities and Exchange Commission of Zambia

**First Issued on 9 March 2023**