

## SENS ANNOUNCEMENT

(the "Announcement")

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### ISSUER

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#### **METAL FABRICATORS ZAMBIA PLC ("ZAMEFA")**

[Incorporated in the Republic of Zambia]

Company registration number: 5079  
Share Code: ZAMEFA  
ISIN: ZM0000000243  
Authorised by: The Board of Directors

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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 Announcement has been approved by:

- i. the Lusaka Securities Exchange
- ii. the Securities and Exchange Commission of Zambia
- iii. Metal Fabricators of Zambia Plc

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### RISK WARNING

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

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

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ISSUED: 28 May 2025



**METAL FABRICATORS OF ZAMBIA PLC**  
 [Company incorporated in the Republic of Zambia]  
 Company Registration Number: 5079  
 Share Code: ZAMEFA  
 ISIN: ZM0000000243  
**["ZAMEFA" or "the Company"]**

In compliance with the Securities Act No. 41 of 2016 and the Listing Requirements of the Lusaka Securities Exchange, Metal Fabricators of Zambia PLC (ZAMEFA) announces its results for the six-month period ("Period") ended 31 March 2025.

**Extract from the Statement of Profit or Loss and other Comprehensive Income**

	<b>Unaudited</b>	Unaudited
	<b>Period ended</b>	Period ended
	<b>31-Mar-2025</b>	31-Mar-2024
	<b>Zmw'000</b>	Zmw'000
<b>Revenue</b>	<b>1 711 175</b>	1 396 720
<b>Gross profit</b>	<b>124 416</b>	123 496
Operating profit	<b>76 666</b>	83 256
Net Finance costs	<b>(24 544)</b>	(20 109)
Net foreign exchange gains/ (losses)	<b>5 110</b>	(24 145)
Reversal of PPE Impairment*	<b>18 460</b>	-
<b>Profit before income tax</b>	<b>75 692</b>	39 002
Income tax	<b>(16 470)</b>	(6 245)
<b>Profit for the period</b>	<b><u>59 222</u></b>	<u>32 757</u>
<b>Earnings per share</b>	<b>2.19**</b>	1.21**

*\*Property, Plant and Equipment*

*\*\* In Zambian Kwacha*

**Extract from the Statement of Financial Position**

	<b>Unaudited As at 31-Mar-2025 Zmw'000</b>	<b>Unaudited As at 31-Mar-2024 Zmw'000</b>
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	178 688	142 796
Deferred tax	-	661
<b>Total non-current assets</b>	<u>178 688</u>	<u>143 457</u>
<b>Current assets</b>		
Other current assets	960 754	570 628
Cash and bank balances	181 702	204 894
<b>Total current assets</b>	<u>1 142 456</u>	<u>775 522</u>
<b>Total assets</b>	<u><u>1 321 144</u></u>	<u><u>918 979</u></u>
<b>Equity and liabilities</b>		
<b>Capital and reserves</b>		
Share capital	271	271
Equity loan	365 000	365 000
Revaluation surplus	114 248	112 188
Accumulated losses	(32 843)	(238 751)
<b>Total equity</b>	<u>446 676</u>	<u>238 708</u>
<b>Non-current liabilities</b>		
Deferred Tax	4,022	-
Retirement benefit obligations	12 310	8 358
<b>Total non-current liabilities</b>	<u>16 332</u>	<u>8 358</u>
<b>Current liabilities</b>		
Trade and other payables	858 136	626 772
Bank overdrafts	-	37 738
Current tax liabilities	-	7 403
<b>Total current liabilities</b>	<u>858 136</u>	<u>671 913</u>
<b>Total liabilities</b>	<u>874 468</u>	<u>680 271</u>
<b>Total equity and liabilities</b>	<u><u>1,321 144</u></u>	<u><u>918 979</u></u>

**Statement of changes in equity**

	<b>Share capital</b>	<b>Equity Loan</b>	<b>Revaluation reserve</b>	<b>Accumulated loss</b>	<b>Total</b>
	<b>Zmw'000</b>	<b>Zmw'000</b>	<b>Zmw'000</b>	<b>Zmw'000</b>	<b>Zmw'000</b>
<b>Period ended 31-March-2025</b>					
At start of the period	271	365 000	114 248	(92 065)	387 454
Profit for the period	-	-	-	59 222	59 222
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At end of the period	<b>271</b>	<b>365 000</b>	<b>114 248</b>	<b>(32 843)</b>	<b>446 676</b>

	Unaudited Period ended 31-Mar-2025 Zmw'000	Unaudited Period ended 31-Mar-2024 Zmw'000
<b>Statements of cash flows</b>		
<b>Cash flows from operating activities</b>		
Cash used in operations	(122 101)	(5 594)
Net Interest paid	(24 544)	(20 109)
Income tax paid	(35 857)	(8 000)
	<u>(182 502)</u>	<u>(33 703)</u>
<b>Net cash used in operating activities</b>	<b>(182 502)</b>	<b>(33 703)</b>
Net cash outflow from investing activities	(5 332)	(2 509)
	<u>(5 332)</u>	<u>(2 509)</u>
Net decrease in cash and cash equivalents	(187 834)	(36 212)
	<u>(187 834)</u>	<u>(36 212)</u>
<b>Movement in cash and cash equivalents</b>		
Cash at start of the period	369 536	203 368
Net decrease in cash and cash equivalents	(187 834)	(36 212)
	<u>(187 834)</u>	<u>(36 212)</u>
Cash at end of the period	181 702	167 156
	<u>181 702</u>	<u>167 156</u>
Comprising of:		
Cash and bank balance	181 702	204 894
Bank Overdraft	-	(37 738)
	<u>-</u>	<u>(37 738)</u>
Net cash and cash equivalents	181 702	167 156
	<u>181 702</u>	<u>167 156</u>

## Summary of operating results

	Unaudited	Unaudited
	Period ended 31-Mar-2025	Period ended 31-Mar-2024
	Zmw '000	Zmw '000
Revenue	1 711 175	1 396 720
Gross profit	124 416	123 496
Operating profit	76 666	83 256
Profit for the period	59 222	32 757

## Commentary

Revenue increased by 23%, from Zmw1 397 million in the comparative period of the prior year, to Zmw1 711 million for the current six-month period to 31 March 2025 due to:

- The Company's higher revenue generation in United States Dollars ("USD"), which combined with the depreciation of the Zambian Kwacha against the USD, contributed to higher Zmw revenue for the period under review.
- The pass-through effect of the higher copper prices that prevailed in the first half ("H1 2025") of the financial year
- The positive change in product mix.

The gross profit for the current period increased by 0,74% compared to the gross profit of the comparative period. The main reason for the difference between the rate of growth in the revenue and the rate of growth in the gross profit is the pass-through effect of higher copper prices mentioned above. The operating profit for the period at **Zmw77 million** was 8% lower than in the comparative period of the prior year (H1 2024: Zmw83 million) mainly due to the effect of the depreciation of the Zambian Kwacha against the USD on USD denominated operating expenses and inflation.

Through consistent good working capital management, the Company continued to have a net foreign asset during H1 2025 which resulted in a foreign exchange profit of **Zmw5 million** (H1 2024: Loss of Zmw24 million). Finance costs of **Zmw24.5 million** (H1 2024: Zmw20.1 million) were 22% higher than those of the comparative period, due to the higher funding requirement on the back of the higher copper price and the negative effect of a weakening Zambian Kwacha on the USD denominated funding.

The Company's net cash position at the end of the first half of the current financial year decreased to **Zmw182 million** from the prior year end (Sept 2024: Zmw370 million) due to the continued investment in working capital. The Company's gearing ratio at **66%** (H1 2024: 74%) remains above the Company's targeted gearing and the Company still has an accumulated loss of **Zmw33 million**.

The Company's earnings per share for the period under review was **Zmw2.19** (H1 2024: Zmw1.21).

## By Order of the Board

BDO Zambia Limited – Company Secretaries

Issued in Lusaka, Zambia on 28 May 2025

### Lusaka Securities Exchange Sponsoring Broker



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

First Issued on 28 May 2025