

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

**ISSUER**



**MINING EXPLOSIVES**

**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

**SPONSOR**



**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**

The captioned Notice or Announcement has been approved by:

- i. the Lusaka Securities Exchange
- ii. the Securities and Exchange Commission
- iii. AECI Mining Explosives Plc

**RISK WARNING**

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

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

**ISSUED: 25 September 2024**



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

## INTERIM RESULTS FOR THE PERIOD ENDED 30 JUNE 2024

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 unaudited interim results for the half-year ended 30 June 2024.

<b>SUMMARY STATEMENT OF COMPREHENSIVE INCOME</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>
	<b>First half</b>	<b>First half</b>	<b>Year</b>
<b>ZMW'000</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Audited</b>
<b>Revenue</b>	597 258	429 692	903 429
<b>Profit before tax</b>	25 345	35 541	(19 737)
Income tax expense	(15 755)	-	(12 095)
<b>Profit for the period</b>	<b>9 590</b>	<b>35 541</b>	<b>(31 832)</b>
<b>Basic and diluted (losses) earnings per share (ZMW)</b>	0.47	1.74	-1.56

<b>SUMMARY STATEMENT OF FINANCIAL POSITION</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>
	<b>First half</b>	<b>First half</b>	<b>Year</b>
<b>ZMW'000</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Audited</b>
<b>ASSETS</b>			
<b>Non-current assets</b>	63 525	54 342	92 111
<b>Current assets</b>	679 500	579 318	601 485
<b>Total assets</b>	<b>743 025</b>	<b>633 660</b>	<b>693 596</b>
Total equity and reserves	571 429	478 076	584 324
Non-current liabilities	16 054	13 386	17 059
Current liabilities	155 542	142 198	92 213
<b>Total equity and liabilities</b>	<b>743 025</b>	<b>633 660</b>	<b>693 596</b>

SUMMARY STATEMENT OF CASH FLOWS	2024	2023	2023
	First half	First half	Year
ZMW'000	Unaudited	Unaudited	Audited
Cash generated in operating activities	78 984	7 095	45 203
Cash flows (used in) generated from investing activities	(197)	-	2
Cash flows used in financing activities	(97)	-	(711)
<b>Total cash movement for the period</b>	<b>78 690</b>	<b>7 095</b>	<b>44 494</b>
Cash at the beginning of the period	99 827	40 627	40 627
Effects of exchange rate movement on cash balances	(4 810)	(983)	14 706
<b>Total cash at end of period</b>	<b>173 707</b>	<b>46 739</b>	<b>99 827</b>

SUMMARY STATEMENT OF CHANGES IN EQUITY	2024	2023	2023
	First half	First half	Year
ZMW'000	Unaudited	Unaudited	Audited
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>(12 895)</b>	<b>22 953</b>	<b>129 201</b>
Equity at beginning of period	584 324	455 123	455 123
<b>EQUITY AT THE END OF THE PERIOD</b>	<b>571 429</b>	<b>478 076</b>	<b>584 324</b>
<b>Made up as follows:</b>			
Ordinary share capital	204	204	204
Foreign currency translation reserves	399 582	248 802	422 067
Retained Earnings	171 643	229 070	162 053
	<b>571 429</b>	<b>478 076</b>	<b>584 324</b>

## REVIEW OF INTERIM RESULTS

Revenue achieved during the six months period ending 30 June 2024 amounted to ZMW 597.3 million (2023: ZMW 429.7 million). This 39% increase is due to both the 4.5% better performance in underlying activity in United States Dollar (USD) terms and the depreciation of the Zambian Kwacha (ZMW) against the USD by 33.1% compared to the corresponding period last year. Local sales increased by 42.1% supported by 33.2% increase in export sales in the first half of 2024 compared to the corresponding period in the prior year. Cost of sales increased by 35.6% compared to the corresponding period in the prior year mainly due to Kwacha depreciation. The material margin for the period, at 30.9%, remained flat compared to what was achieved in the corresponding period in 2023.

The company achieved a net profit before taxation of ZMW 25.3 million (2023: ZMW 35.5 million), a decrease of 28.7% from the corresponding period in 2023.

Net profit before taxation for the period included ZMW 17.6 million forex loss compared to a gain of ZMW 16.1 million for the same period in 2023, a swing of ZMW 33.7 million.

The reported numbers for revenue and net profit before tax were impacted by the depreciation in the value of the Kwacha to the US Dollar since June 2023. The average exchange rate used in 2024 was 25.661 against the rate of 19.286 in 2023.

Operating costs were well managed to stay within the expected range.

The ZMW 15.8 million tax expense is a deferred tax movement for the period. The Company recorded current tax loss for the period.

## EARNINGS PER SHARE

Earnings per share are calculated using the profit for the period of ZMW 9.6 million (2023: ZMW 35.5 million) and the number of issued shares of 20.407 million (2023: 20.407 million). Earnings per share reported in June 2024 were ZMW 0.47 compared to earnings per share ZMW 1.74 in June 2023.

## DIVIDENDS

The Board of Directors have decided not to declare an interim dividend for the period ending 30 June 2024. No interim dividend was declared for the same period in 2023.

The decision not to declare an interim dividend was taken after careful consideration of the current level of activity within the business and future requirements for business working capital.

## OUTLOOK

Conditions in the local and global economy remain very challenging. However, there is hope of increased productivity in the local mining industry after announced changes in shareholding structures of key mining houses. Continuous fluctuations of the ZMW/USD exchange rate are expected have a significant influence on year-end results.

**By Order of the Board**

**Choice Corporate Services  
Company Secretary**

**Issued in Lusaka, Zambia on 25 September 2024**

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<b>STOCKBROKERS ZAMBIA LIMITED</b>	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 25 September 2024**