

## 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:	Roseta M. Chabala – Managing 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 Announcement has been approved by:

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

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### DISCLAIMER AND 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: 16 November 2018**



## METAL FABRICATORS OF ZAMBIA PLC

Company incorporated in the Republic of Zambia

Company Registration Number: 5079

Share Code: ZAMEFA

ISIN: ZM0000000243

["Zamefa"]

### TRADING STATEMENT

The Board of Directors of Zamefa (the "Board") advise the Shareholders that for the financial year ended 30th September 2018, the basic earnings per share and head line earnings per share are both expected to be between 390% to 410% lower than those of the prior year for both the group and for the Company.

This reduction is primarily due to the ongoing slow settlement of export duty and VAT refunds by the Zambia Revenue Authority and slow payments for product by ZESCO. These slow settlements materially increased the borrowing requirements of the company beyond sustainable levels and the group was forced to curtail its operations to remain within its available levels of credit. Due to the extensive dollar borrowing position, unrealised foreign exchange losses were incurred from the re-measurement of the company and group's net foreign currency denominated liabilities due to the weakening of the Zambian kwacha against the US dollar during the year.

The financial performance for the next financial year is expected to improve provided that the burden placed on the company's working capital by the current VAT system is relieved by the implementation of the General Sales Tax ("GST") system and the group can return to a more normal level of operating activity.

The Company expects its results for the financial year ended 30th September 2018 to be released on SENS and published in the local press on or about 19 November 2018. Accordingly, shareholders are advised to exercise caution when dealing in the Company's securities until publication of the results.

#### By Order of the Board

**BDO Zambia Limited – Company Secretaries**

**Issued in Lusaka, Zambia on 16 November 2018**

#### Lusaka Securities Exchange Sponsoring Broker



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**First Issued on 16 November 2018**