



# ZCCM Investment Holdings PLC: Stock Performance Summary

January 2022 to December 2022



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Securities

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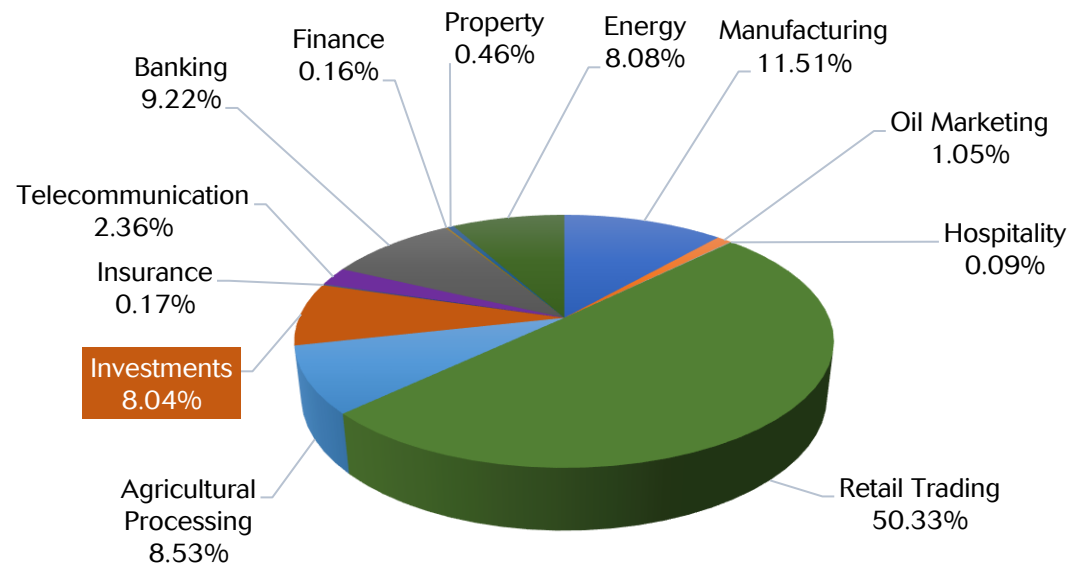
# ZCCM-IH Stock Performance Summary: 2022

- The ZCCM Investment Holdings (“ZCCM-IH” or “the Company”) Stock (“the Stock”) maintained its 2022 opening price of ZMW37.98, ranking it third on the Lusaka Stock Exchange (“LuSE” or “the Exchange”) according to price.
- Currently, the Company’s market capitalization is ZMW6.1 billion (USD335.97 million), the third highest on the LuSE following Shoprite Holdings PLC and Copperbelt Energy Corporation Limited. It is the only investment holding company on the LuSE.

## Stock Analysis:

- ZCCM-IH’s Earnings per Share for the period ended 2021 (based on the 2021 unaudited financials) was 12.2, consequently the Company’s Price to Earnings ratio (“P/E”) is 3.11. Whilst this stock may be perceived as relatively expensive, its P/E ratio implies this is not the case. At a P/E of 3.11, this is below the LuSE average of 10.5, implying that it is indeed a ‘cheap’ stock, when the EPS of the Company is taken into consideration.
- Considering the mining sector constitutes a significant portion of the Zambian economy and the sector’s growth potential; this ratio can be attributable to the Company being perceived by the public as a purely mining centric company. In addition to its other investments, ZCCM-IH is the most accessible conduit for the public to invest directly into the mining sector.
- As ZCCM-IH is the primary conduit investors can invest in the mining sector, under these conditions the Stock is believed to be of considerable value. Further, the trading statistics indicate that all shares traded at market. This indicates that all sellers were willing to sell at market. This can be considered evidence of the Stock’s value, in light of the Company’s delayed issuance of financial statements and payment of dividends for the financial years 2020 and 2021. As Investors opted not to exit by selling below market.
- The Stock’s activity points towards most investors opting to hold the Stock in anticipation of realizing its value, a sign that they anticipate significant growth in shareholder value.

LuSE Sector Split (Including Shoprite)  
Dec 2022



Performance Overview

	Price (ZMW)	Volume	Number of Trades	Turnover (ZMW)
Number	No Price Changes	14,716	135	558,915.64
Ranking	3	19	15	14

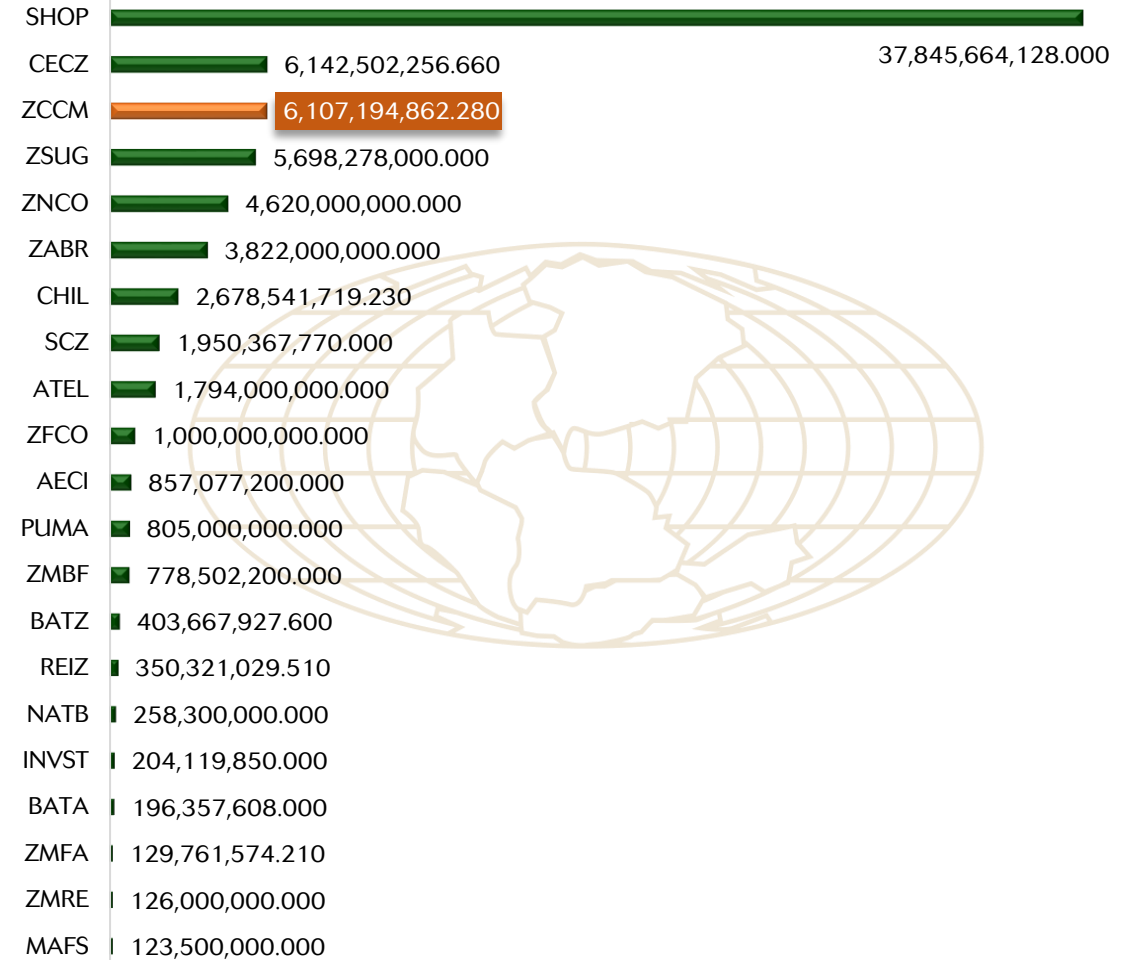
# Stock Trading Statistics: January to December 2022

## Price Changes:

- The ZCCM-IH stock throughout the course of 2022 maintained its opening price of ZMW37.98 and ranking as third according to price.
- This stagnant price is an indicator of the Stock's illiquidity. Retail investors regardless of the small volumes they trade, the frequency of their trades stimulate market activity. This would primarily drive price changes in the market, as opposed to a few large trades.
- This inactivity from retail investors can be attributed to the relatively high stock price, when compared to the rest of the Exchange. Retail investors tend to prioritize volume of shares, as such, the pricier the stock the lower the volume they would attain. This coupled with the hold approach of existing investors, results in the stock seeing little activity.



## Market Capitalization Ranking December 2022 (ZMW)



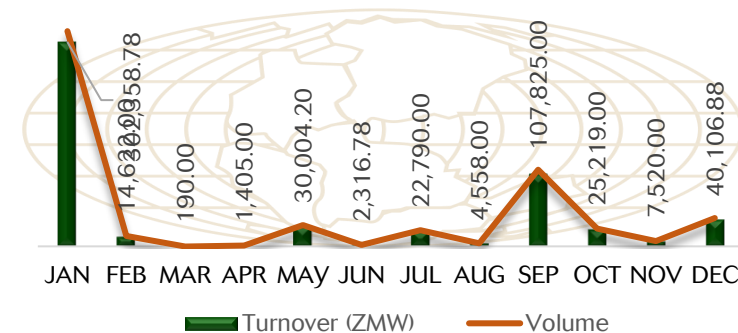
# Stock Trading Statistics: January to December 2022

## Trades and Volumes:

- Over the period January 2022 to December 2022 there were 135 trades resulting in 14,716 shares traded over the exchange and a turnover of ZMW558,915.64. The Stock saw the most activity in January with 7,961 shares traded and the least activity was recorded in March with only 5 shares traded.
- This activity was likely underpinned by the amount of attention the Company received over the course of 2022. As it is likely some of these events resulted in an increase in both bids and offers on the Exchange:
  - In December 2021, ZCCM-IH announced the appointment of the new Board Chairperson, Dolika Banda and new board Directors. This marked a new slate for the Company, following the fining of the Board of Directors in 2021 by the LuSE. It is likely this instilled some positive market sentiment concerning the Company and encouraged trades in January 2022.
  - In February 2022, ZCCM-IH announced that the Earnings per Share was set to be 594% higher for the group and 273% higher for the Company. It is likely this was interpreted by the market as a sign of a potential dividend payout. This increased trading activity as potential investors sought to qualify for the prospective dividend whilst existing investors were able to exit following a probable increase in offers. .

- In May 2022 it was reported that there was a 3.8% increase in refined copper export earnings in the first quarter. This coupled with copper prices reaching an all time high of USD10,512 per metric tonne in May, likely encouraged some trading activity.
- The Euronext sanctioning in October likely reduced investor confidence in the Stock and consequently trading activity, spilling into November.
- December saw some positive activity following the release of 2022 interim and unaudited 2021 financials as well as the Annual General Meeting, wherein a dividend of ZMW0.53 per share was announced.

ZCCM-IH Stock Performance  
Jan to Dec 2022



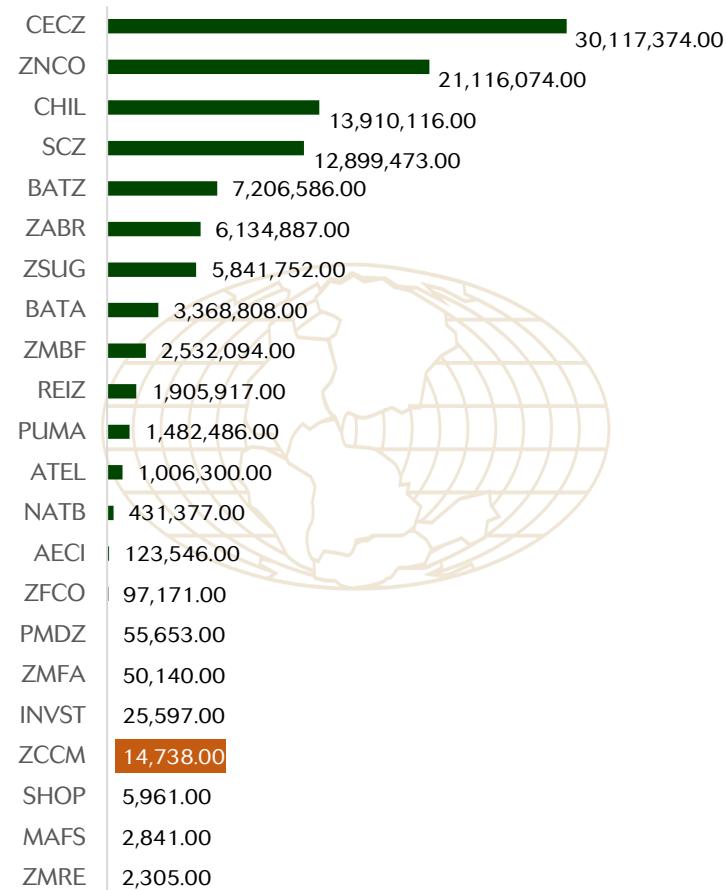
STATISTIC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Trades	10	6	2	4	31	4	17	16	13	11	7	14	135
Turnover	302,358.78	14,622.00	190.00	1,405.00	30,004.20	2,316.78	22,790.00	4,558.00	107,825.00	25,219.00	7,520.00	40,106.88	558,915.64
Volume	7,961.00	385.00	5.00	37.00	790.00	61.00	600.00	120.00	2,839.00	664.00	198.00	1,056.00	14,716.00

# LuSE Trading Statistics: January to December 2022

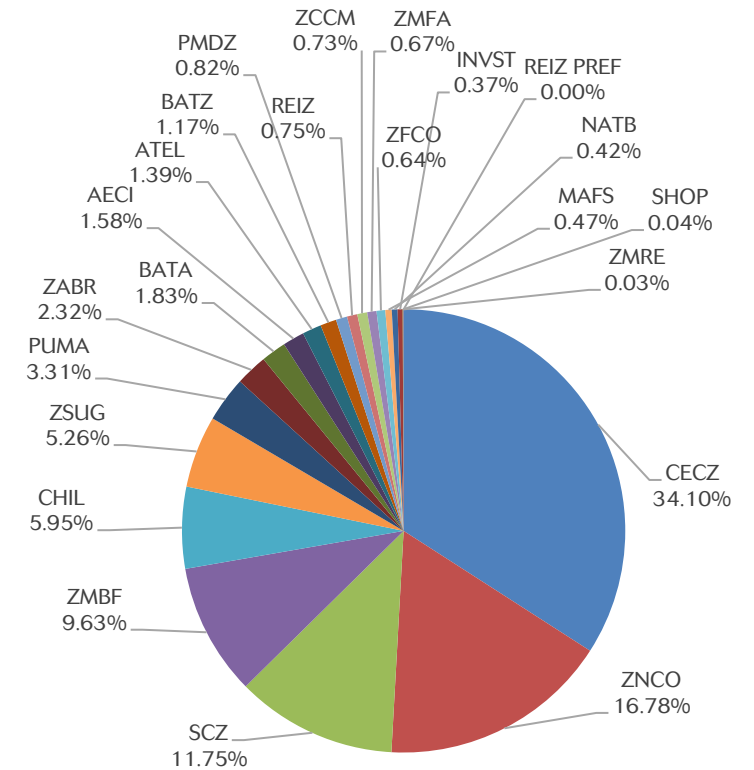
Cumulative Turnover Ranking  
2022



Cumulative Volume Ranking  
2022



Cumulative Trade Distribution  
2022





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