

REQUEST FOR EXPRESSIONS OF INTEREST (EOI)



ZCCM Investments Holdings Plc
Incorporated in the Republic of Zambia

SECTION I

TERMS OF REFERENCE: PROVISION OF SPONSORING BROKERAGE SERVICES TO ZCCM INVESTMENT HOLDING.

1. 1.0 Introduction

ZCCM Investments Holdings Plc ("ZCCM-IH", the "Company" or the "Issuer") is an investment holding company with significant interests in Zambia's mining industry.

The Company has a primary listing on the Lusaka Securities Exchange, and secondary listings on the Paris Euronext Access and London Stock Exchanges under ISIN number ZM0000000037.

2. Background

2.1 In terms of prevailing Lusaka Securities Exchange ("LuSE") Listings Requirements ("LuSE Listing Rules") and requirements under the **Securities Act No.41 of 2016**, ("the Act") all Issuers must appoint a Sponsoring Broker or Licenced Dealer in the following circumstances:

2.1.1 When the securities of the Issuer are being registered with the Securities and Exchange Commission of Zambia ("SEC Zambia") in compliance with the provisions of the Act;

2.1.2 For all formal communication between the Issuer and SEC Zambia in regard to the continuing obligations imposed on Issuers of registered securities in compliance with The Securities (Registration of Securities)

Rules SI No 164 of 1993 of the Act and other subsidiary legislation under the Act;

- 2.1.3 When the Issuer makes an application to the LuSE for listing which requires the production of listing particulars;
- 2.1.4 Where the LuSE Listings Rules require the appointment of a Sponsoring Broker to give advice to the Issuer on a continuing basis regarding the application of the LuSE Listing Rules, in particular the continuing obligations set out in section 3.
- 2.1.5 When the Issuer is required to submit documentation to the LuSE Listings Committee or LuSE Board;
- 2.1.6 Where the LuSE Listings Rules require a report to the LuSE Listings Committee or LuSE Board in relation to any transaction or matter;
- 2.1.7 Where there is a breach of the Listings Requirements and the LuSE Listings Committee notifies the Issuer that the appointment of a sponsoring broker is required, in order to give advice to the Issuer on the application of the Listings Requirements; or
- 2.1.8 Where the Issuer is required to publish a market announcement or cautionary statement in the local press for purposes of keeping the market and shareholders well informed as regards events and developments surrounding the Issuer, that may have a bearing on the value of the securities, or affect share trading activity or are regarded as price sensitive information;
- 2.1.9 When so requested by the SEC Zambia or the LuSE Listings Committee or LuSE Board.

3. Objectives of the Sponsoring Brokerage Services

The main objectives of seeking the services of the Sponsoring Broker are as follows:

- 3.1. To comply with LuSE listing rules that require ZCCM-IH to appoint a sponsoring broker under the circumstances listed in 'section 2' above.
- 3.2. To assist with and give effect to ZCCM-IH's sponsoring broker requirements.
- 3.3. To provide basic and enhanced Sponsor Services as set out in 'section 4' below.

4. Scope of Work

The Sponsoring Broker expert required shall advise, guide and educate ZCCM-IH on its obligations under the Listing Rules (LRs), Prospectus Rules, Disclosure Requirements and Transparency Rules (DTRs) and the Market Abuse Regime (together, the Listing Obligations). Further, challenge ZCCM-IH and verify statements.

In this regard, the Sponsoring Broker shall, during the tenure of appointment, render all of the services as agreed upon by the parties as follows:

4.1 Basic Sponsor Service incorporates:

- I. Interface with the SEC Zambia on all continuing obligations and corporate actions of the Issuer which require SEC Zambia filing for record or information purposes, review or approval;
- II. Drafting and publication in the Zambian media announcements for compliance with the provisions of the Securities Act and or the LuSE Listings Rules;
- III. Ensuring compliance in terms of the sponsoring broker's declaration, the LuSE Listings Requirements and the relevant schedules;
- IV. Conducting the periodic review and ensuring Listings maintenance requirements;
- V. Undertaking the necessary correspondence with the LuSE in relation to share issues and/or listings and related ongoing matters;
- VI. Assessing and processing Directors' declarations and Directors' dealings in shares;
- VII. Processing changes to the articles of association and share incentive schemes (if any) of ZCCM-IH through the LuSE and SEC Zambia ;
- VIII. Maintaining a weekly share price history for ZCCM-IH as well as monitoring the movement of share prices on a regular basis;
- IX. Attending meetings with the Management of ZCCM-IH, or the Company Secretary, to review matters relating to the listing on the LuSE and providing advice and consultations on other related matters.

4.2 Enhanced Sponsor Service Support

- I. In addition to the Basic Sponsor Service, the Sponsoring Broker will also provide an Enhanced Sponsor Service support that includes consultation on and assistance with the preparation, drafting, review (including checking of financial calculations and financial effects), obtaining LuSE approval and liaising

with printers of ZCCM-IH and the following aspects of the LuSE listing Rules:

- cautionary, profit warning or other sundry announcements;
- notices of annual or general meetings, production of any circular to shareholders.

5. Deliverables

- I. Inception Report
- II. Drafting, obtain ZCCM-IH and regulatory approval of necessary announcements and publish within times stipulated by LuSE;
- III. Timeously advise ZCCM-IH of the necessary information and documentation that will be required to discharge its mandate;
- IV. Advise ZCCM-IH or its representatives of the work done and progress made in the execution of the work set under the scope; and
- V. Provide ZCCM-IH with a detailed trail of approved announcements published through the LuSE on an annual basis. The report should be submitted both in soft and hard copies.
- VI. Yearly Draft Report
- VII. Yearly Final report

6. Firm's Competencies

- i) The firm satisfies the requirements of the relevant Listing Obligations
- ii) the firm has established procedures to enable the company comply with relevant Listing Obligations on an ongoing basis
- iii) Demonstrated experience in handling of complex Brokerage functions on behalf of listed companies on LuSE for over five years, three of which should be recent.
- iv) Demonstrate the ability to understand sponsoring broker responsibilities and obligations of the LuSE and SEC regulations.
- v) Demonstrate ability to notify ZCCM-IH if become aware that a company is failing or has failed to comply with its Listing Obligations
- vi) Digitally competent to meet the demands of the transforming business world ZCCM-IH operates in.

7. Key Staff Qualifications

To carry out the above-mentioned assignment, the team should comprise the following minimum professional staff and their qualifications:

Team Leader

- i) Minimum of a Bachelor's degree in Business Administration, Finance, Law or any related commercial discipline such as ACCA, CFA or CIMA.
- ii) understands their responsibilities and obligations under the Listing Obligations
- iii) confirm that the Team Leader has established procedures which provide a reasonable basis for them to make proper judgements on an ongoing basis as to the financial position and prospects of the company and its group
- iv)
- v) Not less than 5 years' experience in stockbroking, investment banking management or similar firm.

Team Members (2)

- i) Minimum of a Degree in Business Studies, Law and/or relevant professional course such as ACCA, CFA or CIMA;
- ii) Two years' experience in conducting corporate actions for listed companies.
- iii) The team members should combine the relevant skills in: Communication with shareholders, other stakeholders and Liaising with the stock exchange.

8. Consultant's Obligations

The consultant shall be responsible for own:

- i) Transport, accommodation and other necessary items to ensure the work is conducted smoothly;
- ii) Computers and related equipment for use by its staff;
- iii) Stationery and other related materials for producing reports for the assignment.

9. Obligations of ZCCM-IH

The Company undertakes that it shall:

- i) Make available any information relating to as may be required by the Sponsoring Broker.
- ii) Make available in a timely manner, sufficient funds to enable the Sponsoring Broker out its work as needed.
- iii) Provide in a timely manner necessary information and documentation required to undertake the work prescribed above.

10. Fees and Expenses

The fee structure will be a fixed retainer fee excluding any reimbursable expenses.

11. Duration of Assignment

It is expected that the firm will be engaged for an initial period of three (03) years renewable based on yearly satisfactory performance.

SECTION II – TECHNICAL REQUIREMENTS

Eligible firms must provide information that indicates **experience, capacity/Qualifications**, and **capability** to undertake the assignment outlined herein, within the specified timelines. As part of this, the consultant is expected to provide an indication of cost estimating related studies and engagements that the firm has undertaken in the past. This will be considered in the assessment of the consultant's cost estimating related experience profile.

ZCCM-IH now invites eligible environmental consulting firms to **indicate their interest** in providing the above services. **Interested firms must provide information to demonstrate that they are qualified to perform the services (brochures, description of similar assignments, experience in similar conditions etc.).**

Interested consultants may obtain further information at the address below during office hours between 08:00 - 13:00 hours and between 14:00 – 17:00 hours local time from Monday to Friday.

SECTION III

TERMS AND CONDITIONS IN ACCORDANCE WITH CLAUSE 41 OF THE PUBLIC PROCUREMENT ACT (PPA) NO. 8 OF 2020

(1) Subject to subsection (2), a procuring entity shall use open national selection in the procurement of consulting services.

(2) A procuring entity shall use open international selection where— (a) the consulting services are not available under competitive price and other conditions from at least three suppliers in the Republic; or (b) regional or international participation is required in accordance with an agreement entered into by the Government.

(3) Participation in open national selection **shall be limited to citizen bidders** and in the absence of successful citizen bids, **to local bidders**.

(4) **Participation in open international selection shall be open to all bidders**, including citizen bidders, local bidders and foreign bidders.

(5) Where open international selection is used a bid notice shall, in addition to the requirements under section 17, be published in any regional or international media and on the website of the procuring entity and the website set up by the Authority.

(6) A foreign bidder who participates in open international selection under subsection (4) **shall partner with a citizen bidder.**

A consultant will be selected using Quality and Cost Based Selection (QCBS) method. Interested consultants must submit one (01) original and three (03) **hard copies** of the Expression of Interest to the address below not later than **Wednesday, 6th July 2022, at 17:00 hours.**

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