

Mr. Philippe Bibard
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To: Mr. Fredson Yamba - Vice Chairman
ZCCM Investment Holdings Plc
ZCCM-IH Office Park
Stand No. 16806 Alick Nkhata Road
Mass Media Complex Area
P.O. Box 30048
Lusaka
Zambia

12 July 2017

Dear Mr Yamba,

RE: ZCCM INVESTMENT HOLDINGS PLC (THE “COMPANY”)

I am writing to you on behalf of the minority shareholders of the Company, to express serious concerns over the performance, corporate governance and future prospects of the Company, in the hope of accelerating some changes in the management of the Company for the benefit of all shareholders.

For several years the Company has failed to fulfil its significant potential.

The 2016 Annual Report for the financial year ending 31 March 2016, which was provided to shareholders on 15 June 2017, almost a full year after the applicable deadlines, reveals that the Company has lost more than ZMK 3,899m (USD 740m) in the previous two years and net cash has fallen by ZMK 248m (USD 47m) in that period to a deficit of ZMK 186m (USD 35m).

These results stem from stagnated revenues and poor dividend streams, the write off of more than ZMK 1,509m (USD 287m) of bad accounts receivable in 2015 and the Company being forced to recognise a loss in 2016 of over ZMK 2,210m (USD 420m) due to losses accruing in its associated companies.

These results clearly demonstrate that the current management team have failed to establish and implement a successful strategy for the Company, and a new path is urgently required in order to stabilise the Company's finances in the near term and provide a platform from which the Company can grow and shareholders such as ourselves can see a meaningful return on their investment.

In particular, the Company needs the resources to capitalise on investment opportunities when they arise. Rather than allocate resources for these opportunities, management have wasted the Company's resources by injecting capital into its failing subsidiary Ndola Lime Company, and pursuing activities such as the underwriting of Investrust Bank plc's rights issue in February 2016.

Our concerns over the competence of the current management team do not end with the poor financial performance of the Company. It is also apparent that the Company does not have adequate corporate governance systems in place, and shareholders are not being provided with timely information to enable them to make an informed assessment of their investment.

The fact that the 2016 Annual Report has been released almost a year late and shareholders are being asked to attend an AGM on 14 July 2017 in respect of the financial year ending 31 March 2016, when in fact we should now be in receipt of the 2017 Annual Report and discussing the 2017 financial year, is unacceptable.

This is not a one off, as we note that semi-annual reports have not been filed within the three month period required by French laws that are applicable to the Company as a result of its Euronext Paris listing (for example the results for the six months ended 30 September 2016 were published on 23 January 2017) and it would appear highly unlikely that the Company will publish its 2017 Annual Report within the applicable deadlines of the Lusaka Stock Exchange and the aforementioned French laws.

Furthermore, the Company only made two announcements during the 2016 financial year, and six announcements during the 2017 financial year in relation to matters other than director changes, the publication of results (or delays in doing so) or invitations to investor days, which raises concerns over whether the Company is complying with its obligations to make timely and adequate disclosures under applicable regulations, including the EU's Market Abuse Regulation.

These failings open the Company up to a risk of significant fines (or other sanctions) and damaging the Company's reputation and they must therefore be put to an end.

In light of the very poor performance, the delays give us serious rise to suspect that the real reason behind these constant delays and public company reporting violations is to postpone disclosing these horrific results to the market, in the hope that the company will be able to generate some more positive news in the interim.

It is clear that a change in the Company's management team is required, that a new strategy for the Company must be implemented and that the Company's corporate governance processes must be improved.

Please let me know what steps you intend to take in this regard, and how minority shareholders will be involved in this process. Ignoring these issues or preventing minority shareholders from having a say in this process will not be accepted.

We are obtaining legal advice to look into all the corporate governance aspects of the running of the company.

We remain convinced that the Company can succeed and provide meaningful returns for all stakeholders, including the wider Zambian economy, but this will only be achieved if decisive action is taken now.

As we are going to have the Annual General Meeting of the company this coming Friday, July 14th, 2017, we kindly ask you to add this letter and its contents before the attending shareholders, as we believe its relevant and important to all the shareholders of ZCCM-IH.

I look forward to hearing how you intend to deal with the issues I have raised.

Yours sincerely

Philippe Bibard



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