



HWANGE COLLIERY COMPANY LIMITED

TRADING UPDATE FOR THE THREE MONTHS ENDED 31 MARCH 2023

The Administrator of the Company wishes to advise that the Company remains under administration in terms of the Reconstruction of State-Indebted Companies Act [Chapter 24:27] of Zimbabwe. The Company's listing on the Zimbabwe Stock Exchange also remains suspended.

Economic environment

The operating economic environment for the quarter under review was stable. The market was buoyed by a strong demand for both thermal and raw coal that positively pushed sales.

Trading performance for the three months ended 31 March 2023

Total coal mined for the year-to-date increased by 92.73% compared to same period last year.

- Production volumes of Hwange Power Station (HPS) coal increased to 494 820 tonnes in comparison to 398 728 tonnes in the same period in 2022.
- Productions volumes of Hwange Coking Coal (HCC) and Hwange Industrial Coal (HIC) increased to 773 771 tonnes in comparison to 259 489 tonnes in the same period in 2022.

Total tonnes sold for the 3 months increased from 683 896 to 1 064 014 tonnes compared to same period last year.

- HPS sales volumes increased to 414 428 tonnes compared to 360 698 tonnes for the same period in 2022.
- HCC and HIC sales volumes increased to 649 585 tonnes compared to 323 198 for the same period in 2022.

Financial Performance for the three months ended 31 March 2023

The year-to-date revenue for the 3 months ended 31 March 2023 increased from ZWL 3.3 billion same period last year to ZWL 39.4 billion in historical terms. This was largely due to an increase in production and regular product price adjustments in line with market value.

Outlook

The Company has a thrust in 2023 to grow its market share of coking coal sales in neighbouring countries. Advanced plans to develop dedicated solutions for the delivery of coking coal and coke products in the region are underway.

By Order of the Administrator



Chrispen Ncube (Mr.)

Company Secretary

16 May 2023