

SENS ANNOUNCEMENT
(the “Notice” or “Announcement”)

ISSUER



Company registration number: 67813

Share Code: MFIN

ISIN: ZM0000000391

Authorised by: Kafula Mwiche – Company Secretary

SPONSOR



Stockbrokers Zambia Limited

[Member of the Lusaka Securities Exchange]

[Regulated and licensed by the Securities and Exchange Commission of Zambia]

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APPROVAL

The captioned Notice or Announcement has been approved by:

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

RISK WARNING

The Notice or 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.

ISSUED: 31 March 2021



Incorporated in the Republic of Zambia

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["MFS"]

FURTHER CAUTIONARY ANNOUNCEMENT

Shareholders are referred to the Cautionary Announcement and market update published on 24 December 2020 ("**the Announcement**") wherein the Board of Madison Financial Services Plc ("MFS") ("**the Board**") informed the shareholders and the market that Lawrence Sikutwa & Associates Limited ("**LSA**") and ZFI Holdings Limited ("**ZFI**"), the two largest shareholders in MFS, had separately executed Share Purchase Agreements ("**the SPAs**") with XYLEM Trading (Pty) Limited ("**XTL**").

XTL was, therefore, in the processes of acquiring the combined shareholding of LSA and ZFI in MFS, which amounts to 72.05 % of the issued ordinary shares of MFS as at the Effective Date, subject to the terms and conditions as set out in the Announcement ("**the Transaction**").

The Board wishes to inform the shareholders and the market that the Transaction as contemplated in the Announcement has not been completed as anticipated and has, therefore, lapsed and been discontinued.

Furthermore, the Board wishes to inform the shareholders and the market that the Company will continue to explore and identify assets that would be earmarked and considered for disposal to raise capital to meet some of the group's liabilities as mandated by the shareholders at the EGM concluded on 18 May 2020.

Accordingly, the cautionary announcement first issued on 3rd April 2020 is hereby renewed and remains in place and shareholders are advised to continue exercising caution when dealing in MFS shares until the final announcement is made.

By Order of the Board

Kafula Mwiche

Company Secretary

Issued in Lusaka, Zambia on 31 March 2021



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First Issued on 3 April 2020