



ANNOUNCEMENT OF THE INVESTIGATION INTO THE BREACHES OF THE LISTINGS RULES BY MADISON FINANCIAL SERVICES PLC

The Lusaka Securities Exchange Plc (LuSE/Exchange) conducted an investigation into suspected breaches of the LuSE Listings Rules by Madison Financial Services Plc (MFS).

The Listing Committee, after considering all the relevant submissions from the Company, found that the Company was in breach of the following:

- i) Breach of Section 8.62 of the Listings Rules for failure to prepare the Financial Statements in compliance with IFRS. The particular breach relates to the Inadequate Disclosure of the Management Services Agreement between MFS and Lawrence Sikutwa Associates (LSA) and the Inadequate Disclosure of the Madison General Insurance Limited (MGen) Guarantee to Chakaka Village Limited in the Annual Financial Statements as a Related Party Transaction.
- ii) Breach of Section 7.A.17 for lack of disclosure of the Madison General Insurance Limited (MGen) Guarantee to Chakaka Village Limited in the Prospectus.
- iii) Breach of Section 3.4 for failure to publish a cautionary announcement in relation to the default on the Madison General Insurance Limited (MGen) Guarantee to Chakaka Village Limited.
- iv) Breach of Section 3.19 of the Listings Rules for failure to publish and distribute the 2019, 2020 and 2021 Annual Financial Statements in accordance with the timelines provided for in Section 3.

The Listing Committee having found MFS in breach of the aforementioned imposed a private censure for breaches of all the forgoing sanctions and imposed a fine on the Company.

LuSE Secretariat
17th February 2023