

SENS ANNOUNCEMENT
(the "Notice" or "Announcement")

ISSUER



CAVMONT CAPITAL HOLDINGS ZAMBIA PLC ["CAVMONT"]
[Incorporated in the Republic of Zambia]

Company registration number: 41902
Share Code: CCHZ
ISIN: ZM0000000227
Authorised by Rita Mapara - Ndhlovu – Company Secretary

SPONSOR



STOCKBROKERS ZAMBIA LIMITED

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: 6 August 2020



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["Cavmont" or "the Company"]

GENERAL OFFER AND PROPOSED DELISTING

1. Introduction

Further to the cautionary announcement released on the Stock Exchange News Service ("SENS") of the LUSE on 8 July 2020, and the transaction announcement released on SENS on 6 August 2020, shareholders of CCHZ are informed that CCHZ has received a non-binding expression of interest from Capricorn Group Limited ("CGP"), the majority shareholder of CCHZ, in terms of which CGP intends to make an offer to acquire all of the outstanding ordinary shares in CCHZ not currently held by CGP ("Offer Shares"), subject to the Delisting Resolution as set out in paragraph 2 below. ("Intended Conditional Offer").

The amount offered in terms of the Intended Conditional Offer is cash only consideration of ZMW2 per Offer Share ("Offer Price"), subject to the successful passing of the Delisting Resolution as set out in paragraph 2 below.

CGP indicated that it intends to apply for the voluntary liquidation of CCHZ following the closing date of the Intended Conditional Offer, to be specified in the circular as set out in paragraph 4 below.

CCHZ will establish an independent committee of the board of directors for purposes of the Intended Conditional Offer and related matters, including, evaluating the terms and conditions of the Intended Conditional Offer and advising Shareholders thereon as required in terms of the Listing Requirements of the LuSE.

2. The Delisting Resolution

The Intended Conditional Offer is conditional pursuant to the Delisting Resolution being passed.

For the Delisting Resolution to be passed:

- the board will invite shareholders to vote on the delisting of CCHZ in terms of section 1.14 (a) of the Listing Requirements of LuSE;
- the board will issue a circular communicating the Intended Conditional Offer; and
- CCHZ's minority shareholders must pass such ordinary resolution by the requisite majority (more than 50% of all shareholders present or represented by proxy at the general meeting, excluding CGP as the controlling shareholder, its associates, and any party acting in concert, and/or any other party which the LuSE deems appropriate, all of whom may not be counted) to delist CCHZ in terms of the Listing Requirements of LUSE at a duly constituted general meeting (as is provided for in the Companies Act No. 10 of 2017 of the laws of Zambia and the Articles of Association of CCHZ).

("Delisting Resolution")

The Intended Conditional Offer will be open for acceptance provided that the Delisting Resolution is passed successfully and the Intended Conditional Offer is declared unconditional by CGP.

If the Delisting Resolution fails, the Intended Conditional Offer will not be made to shareholders.

3. Independent Expert and Fair and Reasonable Opinion

The Board will appoint an Independent Expert, as required in terms of section 1.14 of the Listing Requirements of LuSE, to express an opinion on whether the Intended Conditional Offer and the Offer Price are fair and reasonable to shareholders ("Independent Expert Report"). The Independent Expert's Report will be detailed in the circular.

4. Circular and Shareholder approval

A circular, as required in terms of section 1.14 of the Listing Requirements of the LUSE, containing the full details of the proposal to delist and accompanying the offer, incorporating a notice convening the required CCHZ general meeting, the fairness opinion and other required documentation, will be distributed to shareholders in due course. The salient dates and times of the transaction, including the date of the shareholders meeting, will be announced on SENS in due course.

By Order of the Board

Rita Mapara- Ndhlovu
Company Secretary

Issued in Lusaka, Zambia on 6 August 2020

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First Issued on 06 August 2020