

DEAL ANNOUNCEMENT

Enko Capital invests in Madison Financial Services, a leading financial services group in Zambia

Enko Capital Managers (“ECM”) announced today that Enko Africa Private Equity Fund (“EAPEF”), a pan-African private equity fund managed by ECM, has acquired a minority stake in Madison Financial Services PLC (“MFS Plc”), a leading insurance-based financial services group in Zambia.

Founded in 1992 as the first private insurance company in Zambia, MFS Plc operates general and life insurance businesses along with asset management and microfinance activities in Zambia and a general insurance business in Tanzania. The group generates US\$64 million in revenues and has a strong brand name and client base, ranking in the top three players in both general and life insurance. It operates 31 branches in Zambia and five in Tanzania, and employs about 400 staff in Zambia. In 2014, it successfully listed on the Lusaka Stock Exchange, building on its valuable brand name, its extensive footprint in the country and the confidence of its customer and investor base.

In an increasingly competitive domestic insurance industry, MFS Plc has experienced impressive growth in revenues over the past three years by an average annual rate of 16% and has nearly tripled its operating profits over the same period. The company is recognized as a well-established player in Zambia’s insurance sector with a solid market presence, and is ideally positioned to meet the rapidly-expanding demand for a range of financial consumer products, including insurance, pension administration and investment services, property development, micro, small and medium enterprise loans.

“MFS Plc is a high-quality business with a strong and diversified operating model coupled with an experienced management team” said Ralph Gilchrist, Partner at ECM. “This is a landmark first investment for the Enko Africa Private Equity Fund and we are proud to enter into this long-term partnership with MFS Plc. We are looking forward to creating value together and supporting the high growth potential of the company”.

“We are pleased to have made our first investment in Zambia, a country with good growth prospects, strong macroeconomic fundamentals and that has just witnessed a peaceful political transition” said Cyrille Nkontchou, Managing Partner at ECM.

Dr. Lawrence Sikutwa, Group Executive Chairman of MFS Plc, said, “We are delighted that Enko has chosen to partner with us and we believe that Enko’s regional expertise and close engagement will contribute to enhancing further the development of the Group.”

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About Enko Capital Managers

Enko Capital Managers Ltd, investment manager of the Enko Africa Private Equity Fund, a US\$48.25 million investment fund, is part of the Enko Capital group, a dedicated African-focused asset management firm, which oversees investments in both public and private equity markets. EAPEF looks to make investments in growth-oriented, mid-market companies of between US\$7-15 million across the African continent and aims at being actively involved in the creation of value in its portfolio companies.

About Madison Financial Services

Madison Financial Services PLC (“MFS Plc”) is a diversified financial services holding which groups Madison General Insurance, Madison Life Insurance, Madison Finance Company and Madison Asset Management Company in Zambia as well as MGen Tanzania Insurance Company based in Tanzania. Through its various entities, it is involved in general insurance, life insurance, pension fund management, micro-lending to individuals employed by corporate entities and to micro, small and medium size businesses, deposit taking, asset management, property development and stockbroking.