



MARKET ANNOUNCEMENT

LUSAKA CLEARING AND SETTLEMENT AGENCY LTD (LCSA)

Dear Market Participants

This Notice serves to inform you that the Lusaka Securities Exchange Plc (LuSE) incorporated a wholly owned subsidiary called the Lusaka Clearing and Settlement Agency Ltd (LCSA) which will perform all Clearing and Settlement functions for the Exchange. The incorporation was aimed at aligning with international standards and the regulatory directives issued by the Securities Exchange Commission (SEC) to separate and operationalize the Central Share Depository (CSD).

The LCSA has since received a license from the SEC to provide depository services that include automated delivery, clearing and settlement services as well as custody and note trustee services. The LCSA is further mandated by the Association of Numbering Agency to be the sole numbering agency for issuance of ISIN codes for securities in Zambia.

With the incorporation of the LCSA, the LuSE is optimistic about fostering market integrity and lowering counterparty risks within the capital markets while at the same time ensuring that the LCSA effectively carries out its key role of being the settlement agent for Equity, Corporate Bonds and secondary trading of Government Bonds.

For more information on the functions of the LCSA, please visit the LCSA website on <https://www.luse.co.zm/lcsa/>

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**Nicholas Kabaso
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