



# PROSPECTUS

## 2023

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CARE CO-OPERATIVE SAVINGS AND CREDIT SOCIETY LIMITED

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## 1. DIRECTORS OF CARECOOP

No.:	Name & Professional Qualification	Member Organisation	Board Position	Occupation
1.	John Sinyangwe <b>ACCA, AZICA</b>	General Member	Chairperson	Accountant
2.	Chikwe Mbweeda <b>MBA</b>	Care International	Vice Chairperson	Business and Community Development Specialist
3.	Helen Khunga Chirwa <b>MPH, Bsc</b>	General Member	Secretary	Public Health Nutritionist
4.	Malama Mwila <b>Bsc</b>	Save the Children	Vice Secretary	Advocacy and Campaigns
5.	Kudakwashe Mucheka <b>ACCA, Sage Certified Consultant</b>	CIDRZ	Treasurer	Financial Systems Specialist
6	Isaac Mwape <b>MSc, MCOM, CIMA</b>	General Member	Vice Treasurer	Accountant
7	Monica Mutesa <b>Msc</b>	Path	Board Member	Economist
8.	Angela Phiri Nkole <b>BSc (Hons) Computing, MA</b>	CIDRZ	Board Member	IT Specialist
9	Memory Banda Simwaba <b>MSc, ACCA</b>	NGOCC	Board Member	Accountant
10.	Brenda Kayumba <b>Msc</b>	CIDRZ	Board Member	Project Management Specialist
11.	Elizabeth Makeche Mbao <b>ACCA, FZICA, MBA</b>	CIDRZ	Audit & Risk Committee	Auditor
12.	Matilda Nkashi <b>FCCA, FZICA, MBA</b>	CRS	Audit & Risk Committee	Auditor
13.	Jobrith Mutembo <b>BA.Ed, BA, PPM&amp;E Cert</b>	General Member	Audit & Risk Committee	Educationist & Development Worker



## 2. MANAGEMENT OF CARECOOP

### **Mutinta Shitaze Lumayi**

#### **General Manager**

Joined CareCoop in July 2019. Mutinta is a strategic and dynamic leader with over a decade of experience in the financial services industry driving strategic and operational excellence. She has a track record in sustainable business turnaround strategies which have been instrumental in enhancing productivity, efficiency, and profitability. She holds a Master's Degree in Business Administration, double major Bachelor's Degree in Library and Information Studies with Public Administration from the University of Zambia. Mutinta also holds a post-graduate Professional Diploma in Banking & Finance from the Zambia Institute of Bankers and has obtained a Diploma in Sustainable Development and Responsible Leadership from the prestigious Swedish Institute. She is a Certified Professional in Credit and Fraud Risk Management and is a member of the Zambia Institute of Directors

### **Sydney Kanyata**

#### **Finance & Administration Manager**

Joined CareCoop in June 2020. Sydney is a Chartered Accountant with a career spanning over 15 years in the financial services industry, a member of CIMA and ZICA. Sydney has extensive experience in the management of financial systems and budgets, financial reporting, risk management, accounting and providing financial advice at executive level. Sydney is accountable for overseeing the institution's financial operations to ensure efficiency, service quality, financial performance in terms of profitability and growth as well as the cost-effective management of resources by leading the Finance, Human Resources and Administration teams at CareCoop.



## **Prunella Kapinga Kalela**

### **Business Development Manager**

Joined CareCoop in August 2021. Prunella has over 9 years of experience in the financial services industry. She is vested in strategy formulation and implementation, with particular focus on business growth through product, people, and process innovation, as well as policy formulation, fostering increased profitability while improving risk management practices for sustainable business growth. She holds a Master of Art in Economic Policy Management from the University of Zambia and a Bachelor of Science in Banking and Finance from the Copperbelt University. Prunella is a member of the Zambia institute of Bankers and is a Certified Professional in Credit Management.

## **Fred Musonda**

### **Internal Audit Manager**

Joined CareCoop in November 2016. Fred has over 15 years' experience providing objective risk-based assurance complimenting aspects of governance, risk management and controls. He has aided organisations accomplish their objectives through a systematic, disciplined approach to evaluate and improve control processes. Fred also has experience in financial reporting and corporate financial strategy in financial institutions. He is a Fellow of both the Association of Certified Chartered Accountants (ACCA) and Zambia Institute of Certified Accountants (ZICA). Fred is also a certified Professional in Fraud Risk Management.



### 3. COMPANY LAWYERS, AUDITORS AND REGISTERED OFFICE

Shamwana and Company,  
Advocates and Notaries  
Cedar Road, Woodlands  
P.O Box 36187  
Lusaka  
Zambia

PKF Zambia Chartered Accountants  
P.O Box 31290  
Lusaka  
Zambia

Care Cooperative Savings and Credit Society Limited  
Plot No. 9696 Chudleigh, Off Munali Road,  
PO Box 37948, Lusaka, Zambia

### 4. COMMERCIAL BANKERS

Absa Bank Zambia Plc  
P.O Box 31936,  
Lusaka  
Zambia

First National Bank Zambia,  
Manda Hill Branch  
P.O Box 36187  
Lusaka  
Zambia

### 5. SHARE OFFER

Share offer of 20,295 shares held by Care Cooperative Savings and Credit Society Limited to its members at an offer price of ZMW 542 per share, of which ZMW50 is the nominal value of one Share.

Care Coop is offering shares to all its eligible members on an equal basis as required by the Cooperative Act and Care Coop By-Laws. The Shares may be subscribed for during the period commencing during the month of June 2023 and ending on 30 November 2023 (the Offering Period) in accordance with the terms and conditions described in this Prospectus.

### 6. OFFER PERIOD

Subscription period June 2023 – November 2023



## 7. SHARE TRADING

Care Coop will not apply for the listing and the admission to trading of all its shares on any Stock Exchange, as the laws under which Care Coop is incorporated do not allow it to trade as such. The initial Offer is being made to Care Coop eligible members only on an equal basis, and there will not be public offering of the Shares. In an event that the initial Offering is not fully subscribed, Care Coop will extend an additional Offer to eligible members to up take the remaining Shares on an equal basis until they are fully subscribed.

Care Coop reserves the right to cancel the Offering or change the terms and conditions thereof as described in this Prospectus.

## 8. PURPOSE OF THE SHARE OFFER

1. **To strategically position Care Coop for growth**
  - a. Building scale in existing business
2. **Infrastructure upgrade**
  - a. To diversify the investment portfolio to include real estate
3. **To enable CareCoop members own equity of CareCoop**

## 9. BACKGROUND OF THE SHARE OFFER

CareCoop general assembly approved a diversification strategy to expand its asset and income bases. As a result, a real estate project for a commercial office building that will be developed at the CareCoop premises was put in place. The funds raised from this share float are meant to fund the project and organically grow existing business.

The infrastructure upgrade project involves development of a double storey office Block. The lettable floor is 750 square metres and the floor to house CareCoop offices is also 750 square metres. We anticipate the net rental rate to be in the modest region of \$9 to \$12 per square metre and the cost of construction and estimated amount to be spent on the project ranges between \$1.65 million to \$2.00 million.

Funds Currently available: We have set aside funds amounting to ZMW 11.00 million which are invested in a combination of Treasury Bills and Government Bonds. These will be injected into the project as they mature. The total funds generated from the first share offer which closed in September 2019 was ZMW 12.00 million. This was the last time CareCoop issued a share offer. The projected total expenditure for the project is ZMW 40.00 million. A variance of ZMW 29.00 million is what requires funding from the proposed share offer.



## 10. WHY YOU SHOULD BUY SHARES

- ✓ We have a legacy built over three decades and now plan to redefine and build the future of the Coop together with our members.
- ✓ The project undertaking will play a pivotal role in transforming the outlook, strength, and balance sheet of the Coop.
- ✓ This lays the foundation of greater returns to come for our shareholders as we set ourselves to become the engine of SACCOS in the country.
- ✓ It's a smarter way to grow your wealth.
- ✓ Historical dividend has been higher than what is declared on the stock market.
- ✓ The investment provides potential for significant capital appreciation over time.

## 11. HOW TO BUY SHARES

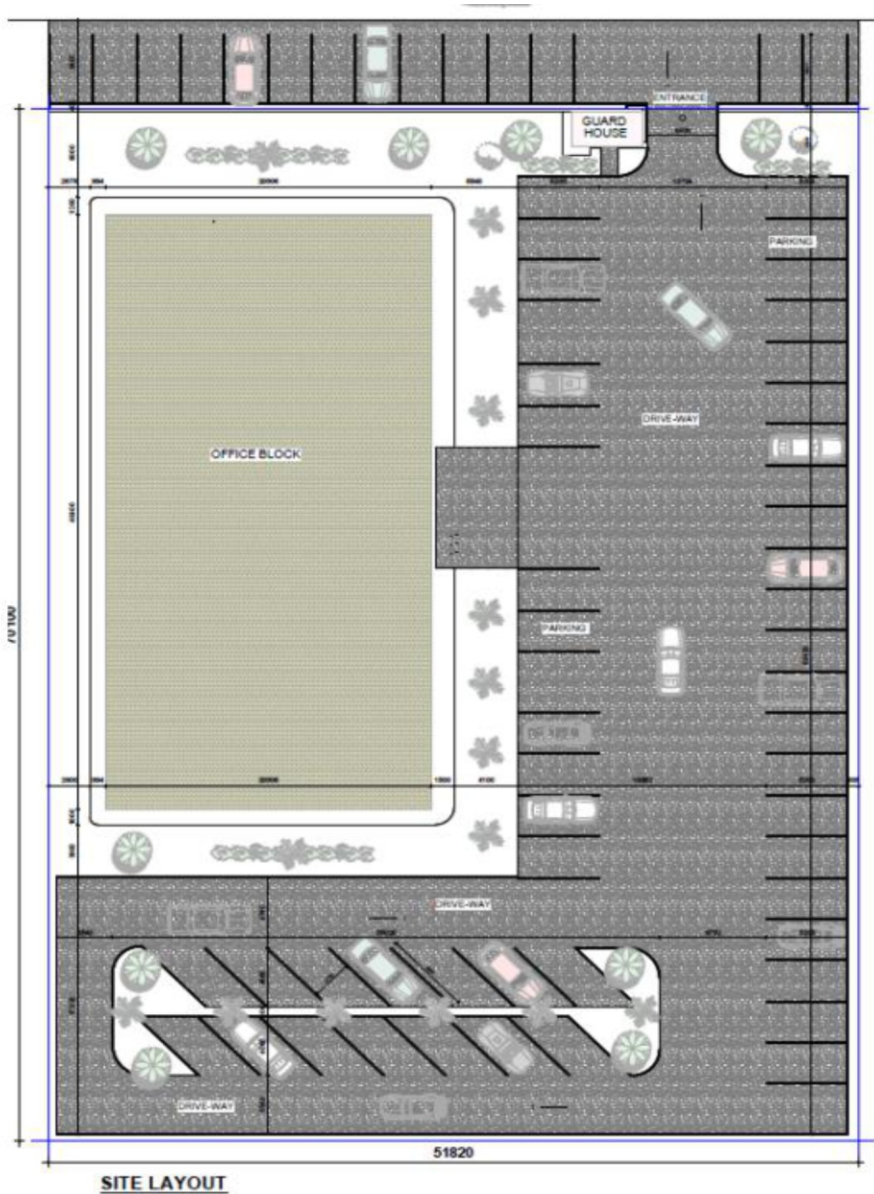
CareCoop eligible members who wish to purchase shares can do so through completing the necessary subscription form. The form can be accessed through our website or the annex of this Prospectus.





## 12. SITE LAYOUT FOR PROPOSED OFFICE BLOCK DEVELOPMENT

The figures below show impressions of the proposed site layout for the office block to be constructed. The impression assumes demotion of existing infrastructure:







## PROPOSED IMPRESSIONS





## PROPOSED IMPRESSIONS





## **13. HISTORY, NATURE OF BUSINESS AND PROSPECTS OF CARECOOP**

### **13.1. History of CareCoop**

Over 28 years ago, Care Cooperative Savings and Credit Society Limited (CareCoop) began providing savings and loans to its members. Our longevity is a testament to our innovation and our ability to evolve with our members. Over time, we have transformed from a small Cooperative of 50 members drawn from only three member organisations, Care International, Plan International and Pulse Holdings Limited, to being a leading Savings and Credit Cooperative (SACCO) in the country drawing more than 6, 500 members from more than 100 member organisations. We are a member centric SACCO with a compelling competitive advantage. We lend funds to our members for various projects and activities including education, home ownership, renewable energy and support local small and medium-sized businesses run by our members.

Operating under the Cooperative statute of 1998, CareCoop offers affordable financial services and products that drive social economic wellbeing of our members and society. There are various loan products with varying pricing and tenures to offer our members various options that meet their financial needs and status. Our maximum loan amount is currently capped at ZMW 500,000.00.

CareCoop is wholly owned by shareholding members. We have a total number of 1,708 shareholders holding a total of 48, 000 shares. We are considered wealth builders because our members save monthly, earn interest, borrow from us, and all profits made go right back to our members as dividends.

### **13.2. Nature Of Business**

CareCoop is a member-owned SACCO whose purpose is to pool savings from members and use the funds to provide them with affordable credit. That means, our members can save and borrow.

Our approach is driven by a member-led policy that guides the business decisions we take on a day-to-day basis. We represent a real financial and investment alternative for our members who are also aligned to our values. Members make a prescribed minimum monthly contribution (saving) through their employers and/or self-service. This money is used as a member saving, investment, or collateral portfolio for loans.



### 13.3. Main Customers

CareCoop members are its customers. The members are drawn from more than 100 member organisations comprising, NGOs, select international Private organisations and general members (former employees of our member organisations).

We are a SACCO which demonstrates a clear chain of accountability between the members and the Board. Members are the reason we exist. They count on us to understand their needs and to work in their best interest.

### 13.4. Network

CareCoop operates at one office based at its head office located on Plot No. 9696, Chudleigh, Off Munali Road. The office premises is wholly owned by CareCoop.

### 13.5. Competitors

CareCoop competitors are mainly institutions that provide the same or similar services to their customers. These include SACCOs in the same line of business, Commercial Banks, Mobile Network Operators through their Fintech services, Microfinance Institutions, and Village banking groups. CareCoop however endeavours to continuously enhance its value proposition to its members to differentiate itself from competitors by providing an affordable and convenient approach to financial solutions that respond directly to the needs of its members.

### 13.6. Staff And Labour

Our staff compliment is 22 against an approved structure of 23. We invest in our people to ensure that we have a highly competent, professional and customer centred team serving our valued members. Historically, all labour relations have been very good.

### 13.7. Information Systems

Internal control systems are in place with monthly, quarterly, and annual management and financial reports prepared and availed as per requirement. CareCoop also maintains asset records with all asset risk insurance cover in place. The core banking system being used is Ms Dynamics Navision, but a system migration is currently underway to SavingsPlus, a system that is aimed at improving efficiency in service delivery, drive adoption and usage of services digitally and reducing disputes arising from a highly manual and paper driven reconciliation process.



## 14. Prospective Opportunities

SACCOs generally are one of the leading sources of finance as they provide members with informal access to financial services. CareCoop has ambitious prospects of adopting technology and digital solutions for enhanced/innovative service delivery and boosting financial inclusion.

CareCoop has noted growing demand for its products and services from both existing and new markets. This presents an opportunity for growth and there is a deliberate plan to tap into this market and grow the business for the benefit of the members and shareholders. There is a direct correlation between business growth and capacity, as such, a plan has been put in place to ensure internal capacity is built to handle the envisaged business growth.

## 15. FINANCIAL INFORMATION

Audited Financials for the previous three (3) years and projected financial statements for the years 2023 to 2026 are attached as **Annexure I**.

### 15.1. Historical and Projected Dividends

The table below sets out abridged Audited results of CareCoop for the past three (3) years as extracted from the Audited financial statements and the projected profits and dividends for 2023 to 2026:

Care Cooperative Savings & Credit Society Ltd Dividend Per Share for 2020-2026							
Year	2026p	2025p	2024p	2023p	2022	2021	2020
Surplus-ZMW	10,076,002	9,363,503	6,598,006	6,378,381	7,435,534	5,764,712	4,682,821
Dividend-ZMW	6,549,401	6,086,277	4,288,704	4,145,948	4,833,097	3,747,063	3,043,834
Number of Shares	107,618	107,618	90,951	63,276	42,981	42,829	42,780
Dividend Per Share-ZMW	61	57	47	66	112	87	71

\*\* The years denoted "p" refer to projected profits and dividends for those periods (2023-2026) while 2020-2022 are extracts from the CareCoop audited financial statements for the periods.



## 15.2. Assumptions for the Forecast

The forecasts presented are based on the following assumption:

- ✓ The projected financials are based on expected business growth, both from the core business as well as the diversified asset base because of the construction project.
- ✓ Dividends are expected to slightly decline during the first two years of the project as CareCoop's total number of shares will increase from 42,981 (the basis upon which the 2022 dividend was paid) to 63,276 in the year 2023, 90,951 in 2024 and 107,618 in 2025 while no increase is expected in 2026.
- ✓ The business is expected to experience a steady growth trajectory from 2025 to 2026 and subsequent years. This projection is based on the business growth envisaged to be supported by the construction project as the investment will play a significant role in positioning CareCoop for extensive growth.
- ✓ Shareholders are expected to receive increased dividends year on year from 2025 onwards.

Investing in Shares involves risks. While every care has been taken to ensure that this Prospectus presents a fair and complete overview of the risks related to CareCoop, its operations and Shares, the value of any investment in the shares may be adversely affected by circumstances that are either not evident at the date hereof or not reflected in this Prospectus.

## 15.3. Dividend Policy

Whilst it is CareCoop's desire to maintain a consistent increasing dividend pay-out to its shareholders, Directors have regard to the organisation's financial situation and anticipated financial needs. As such, the existing dividend policy has been to ensure that appropriation of annual net profits considers all these factors, and the appropriation as provided for in clause **6.5.1 of the CareCoop By laws** is summarized below:

Total Surplus Distribution	
Description	Distribution
Dividend Declaration	65%
Capital Funds	10%
General Reserves	20%
Education Fund	5%
Total	100%

Historically, CareCoop has paid a dividend to its shareholders annually. These are paid immediately after approval of the audited financial statements during the CareCoop Annual General Meeting (AGM) in March. Dividends are paid to those shareholders on the register on a date declared by the Directors.



## 11. SUMMARY OF SELECT BY-LAW PROVISIONS RELATING TO SHAREHOLDERS

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The below extracts from the CareCoop By laws guide the treatment of shares and shareholders of the Coop:

**a. Voting Rights of Shareholders**

On a show of hands or through the electronic voting platform, all shareholders present either in person or virtually at a general meeting shall have one vote.

**b. Right to Dividend**

CareCoop shareholders will have the right to dividends when they are declared by the Cooperative.

**c. Dividend Declaration**

Dividends will be declared at an annual general meeting and paid thereafter.

**d. Right to Stand for a Position on the Board and Supervisory Committee**

CareCoop shareholders will have the right to stand for Board membership and to be elected or nominated onto the Supervisory Committee of the CareCoop Board of Directors.

**e. Shares not Attachable**

The shares or other interests of a member in the capital of CareCoop shall not be liable to attachment or sale under decree or order of any court in respect of any debt or liability incurred by a member.

**f. Transfer of Shares**

All transfer of shares shall be effected by transfer in writing using a prescribed Share Transfer Form. The Form shall be duly signed by both transferee and transferor. The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the Register in respect thereof.

A transfer fee may be charged for registration of a transfer. The Directors may from time to time determine the amount charged.

**g. Death of Shareholder**

Upon the unfortunate demise of a shareholder, all the shares shall be liquidated and paid to the administrator of the estate.





## 12. TERMS AND CONDITIONS OF THE SHARE OFFER

**The following are the terms and conditions of the share offer:**

- ✔ Applications may only be made on the relevant application form which will accompany this prospectus and must be completed in accordance with the provisions of this prospectus and the instructions set out in the relevant application form. Copies or reproductions of the application form will not be accepted.
- ✔ Applications are irrevocable and may not be withdrawn once received.
- ✔ All alterations on the application form must be authenticated by the full signature of the applicant.
- ✔ CareCoop reserves the right to accept any application, in whole or in part, about incomplete or incorrectly completed application forms.
- ✔ Shares may not be applied for in the name of a minor or deceased estate.
- ✔ Applicants may be called upon for evidence of their authority or capacity to sign the application form.
- ✔ CareCoop reserve the right to alter, relax or waive any of the terms and conditions with respect to the making of applications as it, in its sole discretion, may deem fit.





## APPENDIX 1: CARECOOP HISTORICAL (2020-2022) AND PROJECTED (2023-2026) FINANCIAL STATEMENTS

CARE COOPERATIVE SAVINGS AND CREDIT SOCIETY LIMITED FINANCIAL STATEMENTS							
STATEMENT OF INCOME AND EXPENDITURE AND OTHER COMPREHENSIVE INCOME							
	2026p ZMW	2025p ZMW	2024p ZMW	2023p ZMW	2022 ZMW	2021 ZMW	2020 ZMW
Interest income	44,577,876	39,727,956	34,202,055	31,690,040	29,990,137	23,176,718	17,160,599
Fee income	1,514,871	1,377,155	1,251,960	1,110,645	950,509	750,870	789,804
Interest expense	(11,469,295)	(9,557,746)	(8,688,860)	(7,898,963)	(7,790,390)	(5,885,742)	(4,728,337)
Impairment of loans and advances	(1,742,400)	(1,452,000)	(1,320,000)	(1,350,000)	(2,273,829)	(2,218,329)	(154,016)
<b>Operating surplus</b>	<b>32,881,052</b>	<b>30,095,365</b>	<b>25,445,155</b>	<b>23,551,722</b>	<b>20,876,427</b>	<b>15,823,517</b>	<b>13,068,050</b>
Fair value gain on investment property	-	-	-	-	329,679	382,589	276,337
Administrative expenses	(22,673,752)	(20,617,955)	(18,732,687)	(17,220,194)	(13,643,873)	(11,314,493)	(11,145,591)
Finance costs	(380,000)	(340,000)	(320,000)	(320,000)	(308,613)	(325,846)	(365,067)
<b>Net operating surplus</b>	<b>9,827,300</b>	<b>9,137,410</b>	<b>6,392,468</b>	<b>6,011,528</b>	<b>6,464,043</b>	<b>3,817,808</b>	<b>1,300,729</b>
Other income	248,702	226,093	205,539	366,853	971,491	1,751,361	3,392,092
<b>Surplus for the year</b>	<b>10,076,002</b>	<b>9,363,503</b>	<b>6,598,006</b>	<b>6,378,381</b>	<b>7,435,534</b>	<b>5,569,169</b>	<b>4,692,821</b>
Surplus on revaluation of property, plant and equipment	-	-	-	-	-	195,543	174,633
<b>Total comprehensive surplus for the year</b>	<b>10,076,002</b>	<b>9,363,503</b>	<b>6,598,006</b>	<b>6,378,381</b>	<b>7,435,534</b>	<b>5,764,712</b>	<b>4,862,821</b>
<b>Dividends:</b>							
<b>Paid dividends for the year</b>	<b>(6,549,401)</b>	<b>(6,086,277)</b>	<b>(4,288,704)</b>	<b>(4,145,948)</b>	<b>(4,833,097)</b>	<b>(3,619,960)</b>	<b>(3,043,834)</b>
STATEMENT OF FINANCIAL POSITION							
	2026p ZMW	2025p ZMW	2024p ZMW	2023p ZMW	2022 ZMW	2021 ZMW	2020 ZMW
<b>ASSETS</b>							
Fixed Assets	51,601,000	52,101,000	36,601,000	22,909,189	7,275,532	6,770,139	6,544,726
Cash and bank balances	2,951,000	3,075,000	2,951,000	2,562,000	16,985,160	4,692,963	4,251,736
Loans and advances	198,233,000	168,191,000	145,971,125	114,665,001	87,651,999	99,612,903	99,818,921
Other financial assets	-	-	-	8,000,000	16,011,478	6,007,532	3,000,000
Other receivables	1,130,000	1,030,000	850,000	830,000	631,774	356,097	250,878
<b>Total assets</b>	<b>253,915,000</b>	<b>224,397,000</b>	<b>186,373,125</b>	<b>148,966,190</b>	<b>128,555,943</b>	<b>117,439,634</b>	<b>113,866,261</b>
<b>EQUITY AND LIABILITIES</b>							
<b>Capital and reserves</b>							
Members' shares	9,910,000	9,910,000	7,789,000	5,422,850	2,149,050	2,141,550	2,139,121
Share premium	39,648,000	39,648,000	31,332,000	20,267,000	12,540,685	12,470,220	12,459,097
Retained earnings	6,549,401	6,086,277	4,288,704	4,145,948	4,833,097	3,619,960	3,043,834
Reserves	3,794,000	567,000	(2,710,000)	(5,019,000)	(7,468,460)	(10,187,155)	4,382,970
	59,901,401	56,211,277	40,699,704	24,816,798	12,054,372	8,044,575	22,025,022
<b>Liabilities</b>							
Members' saving	187,685,599	162,244,723	140,891,420	119,777,392	113,068,361	106,279,343	88,395,310
Provisions	-	-	-	-	-	-	-
Lease liability	-	-	-	-	30,849	30,854	-
Other payables	6,328,000	5,941,000	4,782,000	4,372,000	3,402,361	3,084,662	3,445,929
	194,013,599	168,185,723	145,673,420	124,149,392	116,501,571	109,395,059	91,841,239
<b>Total equity and liabilities</b>	<b>253,915,000</b>	<b>224,397,000</b>	<b>186,373,125</b>	<b>148,966,190</b>	<b>128,555,943</b>	<b>117,439,634</b>	<b>113,866,261</b>
STATEMENT OF CASHFLOWS							
	2026p ZMW	2025p ZMW	2024p ZMW	2023p ZMW	2022 ZMW	2021 ZMW	2020 ZMW
Net cash used in operating activities	(19,678,998)	(11,877,599)	(15,010,231)	(10,949,209)	(19,471,063)	(10,510,731)	(8,055,518)
Net cash inflow/(outflow) from investing activities	200,399	(15,500,000)	(15,000,000)	(16,350,000)	(10,542,147)	(3,348,622)	(1,931,451)
Net cash inflow from financing activities	19,354,599	27,501,598	30,399,231	12,876,049	3,363,281	14,300,580	11,209,541
<b>Increase in cash and cash equivalents</b>	<b>(124,000)</b>	<b>124,000</b>	<b>389,000</b>	<b>(14,423,160)</b>	<b>12,292,197</b>	<b>441,227</b>	<b>1,222,572</b>
Cash and cash equivalents at the beginning of the year	3,075,000	2,951,000	2,562,000	16,985,160	4,692,963	4,251,736	3,029,164
<b>Cash and cash equivalents at the end of the year</b>	<b>2,951,000</b>	<b>3,075,000</b>	<b>2,951,000</b>	<b>16,985,160</b>	<b>16,985,160</b>	<b>4,692,963</b>	<b>4,251,736</b>



## Notes and Assumptions

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- ✓ The years denoted “p” refer to projected profits and dividends for those periods (2023-2026), while 2020-2022 are extracts from the CareCoop audited financial statements for the periods.
- ✓ Inflation is expected to range between 7%-10% over the planning period-2023-2026 and is expected to decelerate from 9.9% in 2023 to 7% by 2026.
- ✓ Revenues will be sustained by the growth anticipated in the core business.
- ✓ Interest on Investments income is only assumed for the year 2023 as the period 2024-2026 has no excess funds for investments. Funds will be reserved for loan disbursement to our members in line with the projected growth in the core business.
- ✓ Rental Income is only assumed for the year 2023, a conservative expectation during the construction phase.
- ✓ CareCoop will continue to reward depositors at estimated rate of 6% to 7%, with a total amount of ZMW38 million expected to be paid out by the year 2026.
- ✓ To support the growth of the core business, Administration and Support costs are estimated to grow by 10% each year and CareCoop will leverage digital technology to scale the business at low cost.
- ✓ Assets are growing by 98% from 2022 to 2026 driven by the growth in core business and the construction of new offices.
- ✓ Share float to raise funds for the core business and real estate construction project from 2023 to 2025 which will result in CareCoop's total number of shares increasing from 42,981 to 63,276 in the year 2023, 90,951 in 2024 and 107,618 in 2025.
- ✓ Savings balances will grow by 68% over the project period 2022-2026.
- ✓ Member shares will increase by 368% in 2025 and remain unchanged in 2026.
- ✓ Share premium is increasing by 216% with the issue of shares to finance the building project and is increasing from ZMW12.54 million to ZMW39.65 million.
- ✓ Reserves will increase from negative ZMW7.27 million to positive ZMW3.80 million in 2026



## Care Cooperative Savings and Credit Society Limited

### SHARE SUBSCRIPTION

Share subscription for shares in terms of the offer of 20,295 shares held by Care Cooperative Savings and Credit Society Limited hereinafter referred to as "CareCoop" to its members at an offer price of ZMK542 per share.

**Please refer to the instructions overleaf before completing this form and initial on the instruction page.**

Total number of shares applied for (in words) *:					
Total number of shares applied for in figures only – not words *:					
Mode of payment (tick one box only) *:	<input type="checkbox"/> Savings	<input type="checkbox"/> Bank Cheque	<input type="checkbox"/> Bank Transfer/PoS	<input type="checkbox"/> ZAZU	<input type="checkbox"/> Share Financing Loan
Member's Name (As appearing on your NRC) *:					
Occupation:			Physical Address:		
NRC No:			Postal Address:		
Membership No:			Organisation:		
Contact No:			Alternative Contact No:		
Email Address (Personal):			Alternative Email Address:		
<b>Bank Account Details</b>					
Bank Name:			Bank Branch:		
Account Holder Full Name:			Account No:		

#### Declaration

- I ..... the undersigned, confirm that I have full legal capacity to contract and, having read the prospectus, hereby irrevocably apply for and request you to accept my application for the abovementioned number of shares in CareCoop at ZMK542 per share.
- I have read and understood the terms and conditions as set out in the prospectus as well as the instructions listed on the share subscription form.
- I also declare that the information given above is true and correct to the best of my knowledge.

Signature: \_\_\_\_\_

Dated: \_\_\_\_\_

Turn to the next page for instructions.

## Instructions

1. Applications may only be made on this application form.
2. Applications are irrevocable and may not be withdrawn once submitted to CareCoop.
3. Applications made by an individual member or existing shareholder for shares in excess of 20% of the total shares in issue by CareCoop will not be accepted.
4. Please refer to the terms and conditions of the offer set out in section 12 of the prospectus. Applicants should consult CareCoop through the CareCoop official communication channels in case of doubt as to the correct completion of this form.
5. If payment is made by bank deposit or bank transfer into the CareCoop bank account, members must ensure that a narration is included on their deposits of full names and member number or NRC numbers. Applications in such cases must be accompanied by proof of payment for the said cash deposit or bank transfer.
6. Applications for which payment is made by cheque deposit must also be accompanied by cheque deposit slip as proof of payment.
7. All bank transfers/deposits and/or cheque payments must be made through the CareCoop shares account held with Absa Bank Zambia Plc, Account number 1492742, Longacres Branch.
8. If any cheque or bank transfer is dishonored, CareCoop may, at their discretion, regard the relevant application as invalid or take such other steps in regard thereto as it may deem fit.
9. All alterations on the application form must be authenticated by full signature.
10. Confirmations of entitlement to shares by means of share certificates will be issued for all successful subscribers within Sixty (60) days of purchase. Members who may not have received their certificates may contact CareCoop through its official communication channels.
11. Payments made through member savings held by CareCoop must be accompanied by a savings withdrawal instruction which may be downloaded from the CareCoop website [www.carecoop.org](http://www.carecoop.org) and must take into consideration all loans secured by savings with excess funds only available for the said purchase.
12. CareCoop reserves the right to reject an application whose savings withdrawal request for the financing of the share purchase is unsuccessful due to insufficient savings or unavailability of savings securing outstanding loans.
13. CareCoop loan terms and conditions shall apply to payments made by loan financing. These will depend on the loan type/amount applied for and any other consideration under the CareCoop loan Ts&Cs.
14. The application form and payment or proof thereof are to be received by not later than 30 November 2023. NO LATE APPLICATIONS WILL BE ACCEPTED UNLESS AN EXTENSION IS GIVEN BY CARECOOP.
15. The application form, when completed with all supporting documentation where applicable, should be sent to [shares@carecoop.co.zm](mailto:shares@carecoop.co.zm) or physically delivered to the CareCoop offices at plot 9696 Chudleigh, Off Munal Road.

### For office use only

Name of applicant:	Total shares applied for:	Total shares allotted:	Total payment:

Mode of payment: ☐ Savings ☐ Bank Cheque ☐ Bank Transfer/PoS ☐ Zazu ☐ Share Financing Loan

Prepared by ..... Date ..... Signature .....

Verified by ..... Date ..... Signature .....

Share Allotment by ..... Date ..... Signature .....

Receiving agent's stamp:

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