

## **MARKET NOTICE**

### **WITHDRAWAL OF ALTX EAST AFRICA'S EXCHANGE APPROVAL**

Capital Markets Authority of Uganda (CMA) issued a notice in the press dated 21<sup>st</sup> November 2019 in which it cancelled ALTX East Africa's approval to run an exchange in Uganda.

The reasons for this cancellation are not supported by the law. We believe the CMA action itself was illegal, unconstitutional and unfair. A matter contesting the actions of CMA has been filed in court. We are fairly confident that the merits of the case filed are in our favour.

All current investor holdings in our eco-system remain unaffected, however trading on the exchange has temporarily ceased. A request for an immediate stay on CMA's action has also been filed, which would allow the exchange to resume operations while we await a decision on the matter before the court.

Although we would not wish to see the exit of any of our investors, we can understand that, given the action taken by CMA, some investors may want to liquidate their holdings. In order to do so, individual investors must place an order/s on the exchange which will be possible once operations have resumed. In our view however, liquidation in this volatile environment is likely to result in losses on the investments made. Therefore, we urge caution.

Over the last three years, investors on ALTX have benefitted from same-day settlement, direct market access, a smartphone app, mobile remittances and more. We will continue to blaze the trail of innovation in our industry, as we provide accessible and affordable investment opportunities for retail investors small and large.

Investors will be notified of any further developments.

**The Board of Directors, ALTX East Africa**