

Securities Commission of Zimbabwe , Ambassador C. Mutsvangwa AND Lifestyle Holdings Limited & Zimbabwe Stock Exchange H.C.1985/13

In a bid to protect the rights of minority shareholders as Lifestyle Holdings sought to delist from the ZSE, SECZ filed an urgent application for an interdict to stop the company from holding an EGM as well as a Scheme meeting, as the former was in violation of a number of ZSE Listing rules. Further, the Scheme document to be used by members at these meetings lacked proper disclosures. Additionally, the proposed Scheme did not provide for reasonable and adequate payment for the minorities who wished to be paid out in terms of the Scheme. Finally, the investments and legal advisors were all related parties to Lifestyle Holdings to such an extent as to effectively render no independent advisors to the transaction. The company was to all intents and purposes advising itself.

SECZ sought an Order, among other things, to the effect that the ZSE should not delist the shares of Lifestyle Holdings until an array of conditions were met.

The High Court dismissed the matter for lack of urgency and did not go into the merits. Thus the matter was never heard and decided on the merits. SECZ elected not to pursue it further.