

PRESS RELEASE

For immediate release



LETSHEGO GHANA SAVINGS AND LOANS DIVERSIFIES FUNDING WITH SUCCESSFUL LOCAL CURRENCY BOND ISSUANCE WORTH GHS100 MILLION

- **Issue of GHS100million dual issuance offer**
- **2-year fixed rate note due 2026**
- **4-year floating rate note due 2028**

Accra, Ghana – On 16 April 2024, Letshego Ghana Savings and Loans Plc (“Letshego Ghana” or “the Issuer”) has successfully listed its latest Bond on the Ghana Stock Exchange on 20th March 2024 to the value of GHS100million. This is the first issuance under the inclusive finance brand’s expanded GHS500 million Medium-Term Note Programme, demonstrating the company’s commitment to supporting the growth of local capital markets while diversifying its funding base by accessing local capital and investors.

Despite challenging macroeconomic conditions characterized by a relatively high interest rate environment, Letshego Ghana’s bond garnered an impressive response from a diverse pool of investors, including banks, pension funds, asset managers, and insurance schemes. The issuance secured approximately ninety-four (94) bids, with around 16% from new investors. The order book peaked at GHS141 million at offer close, positively reflecting an oversubscription of 1.41 times.

Overall, the success of this issuance reaffirms Letshego Ghana’s standing as a trusted corporate bond issuer in Ghana’s active capital market. It also highlights the growing significance of domestic capital markets as an alternative funding source for corporate issuers.

The transaction was priced at 22% for the 2-year fixed rate note, while the 4-year floating rate note was priced at 182-day T-bill rate plus a margin of 100 basis points. The transaction marks the Issuer’s foray into the capital markets since 2021 and mirrors Letshego Ghana’s strong credit profile and capacity to deliver appropriate and inclusive financial services to individuals and small business owners across the country.

Commenting the bond issuance, Country Chief Executive Officer of Letshego, Nii Amankra Tetteh, noted, “This successful funding round is a testament to the confidence and trust placed in the Letshego Ghana brand by our investors. With this funding injection, we can provide increased access to inclusive finance solutions for more Ghanaians and demonstrate economic and social impact in communities across Ghana, through productive lending. We appreciate the ongoing support of our investors, who remain valuable partners as we fulfil our brand purpose to improve more lives in Ghana.”

Letshego Ghana’s Chief Finance Officer, Poelo Mkpayah added, “The success of this bond issuance evidences the company’s strong financial and business fundamentals. Letshego

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Ghana remains committed to maintaining global standards in corporate governance while delivering long term sustainable value for all our stakeholders.”

Stanbic Bank Ghana LTD and Black Star Brokerage Limited were joint lead arrangers and cosponsoring brokers to the issue.

Ends.

For further information on the issued Notes and the 500 million Medium-Term Note Programme, contact:

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About Letshego Ghana Savings and Loans PLC

Letshego Ghana Savings and Loans PLC (“Letshego Ghana”) is a leading savings and loans company in Ghana’s Non-Bank Financial Institutions sector licensed by the Bank of Ghana to provide financial services. Letshego Ghana was established in 2010 under the name African Financial Services (GH) Limited, a subsidiary of the AFB Group, and later rebranded as African Finance Business Ghana Limited (“AFB Ghana”) in 2013. The Company has since grown steadily to a staff complement of over 120 employees, spread across 16 outlets and serving over five (5) million customers through strategic partnerships, innovative technology, and digital delivery channels.

In 2016, AFB Ghana was wholly acquired by Letshego Africa Holdings Limited, Africa’s largest payroll lender, headquartered in Botswana. Letshego Africa Holdings Limited is an African multinational, first opening its doors in Botswana more than 21 years ago by offering loans to government employees. The Group supports public and private sector individual customers as well as micro and small entrepreneurs. Letshego Africa Holdings Limited has operations in eleven (11) Sub-Saharan African markets including Eswatini, Kenya, Lesotho, Mozambique, Namibia, Nigeria, Rwanda, Tanzania, Botswana, Uganda, and Ghana.

In August 2023, Letshego Ghana secured a BBB - (GH) rating with a stable outlook, from CGCR Ratings (an affiliate of Moody’s Investors Service).