

CIRCULAR TO SHAREHOLDERS

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

Action Required:

- If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, banker, lawyer, accountant or other professional adviser immediately.
- If you have sold or transferred all your shares in Letshego Holdings Limited (~~Letshago~~ or ~~the Company~~), you should at once hand this Circular to the agent through whom you effected the sale and transfer for transmission to the purchaser or transferee.
- This Circular incorporates listing particulars and is issued in compliance with the Listing Requirements of the Botswana Stock Exchange for the purpose of giving information to the public with regard to the Shareholders of Letshego.



Incorporated in the Republic of Botswana

Registration Number: Co. 98/442

Date of Incorporation: 4 March 1998

ISIN: BW 000 000 0322

(~~the Company~~)

CIRCULAR TO SHAREHOLDERS

in relation to the

PROPOSED SHARE BUY BACK MANDATE OF LETSHEGO TO PURCHASE ITS OWN ORDINARY SHARES OF UP TO TEN PER CENT (10%) OF THE STATED SHARE CAPITAL OF THE COMPANY AND THE SUBSEQUENT REDUCTION OF CAPITAL

("Proposed Share Buy-Back"

and subsequent

"Reduction of Capital")

SECTION 2: CORPORATE INFORMATION

Directors

J A Burbidge (Chairman)	No 12 Monate Resort, Maalgate St, Herolds Bay, George 6529, RSA
A C M Low (Managing Director)	15A, ITowers, CBD, Gaborone, Botswana
J S de Kock	Stellenbosh, RSA
G L Van Heerde	Bellville, 7532, RSA
G Hassam	Plot 13084, Broadhurst, Gaborone, Botswana
I M Mohammed	234 Battersea Bridge Road, SW103AA, London, UK
S D Price	MH3 Marinascape, Dubai, UAE
R Thornton	3 Spring Hope, Jamestown, North Carolina, 27282, USA
H R Karuhanga	Plot 9, Wampewo Avenue, Kololo, Kampala, Uganda

Registered Office

PricewaterhouseCoopers (Pty) Limited
Plot 50371
Fairground Office Park
P.O. Box 294
Gaborone, Botswana

Company Secretary

Mr D Ndebele
Plot 50371
Fairground Office Park
P.O. Box 381
Gaborone, Botswana

Legal Advisors

Armstrongs Attorneys
Acacia House
Central Business District
P.O. Box 1368
Gaborone, Botswana

Auditors

KPMG
Plot 67977
Off Tlokweng Road, Fairground Office Park
P. O. Box 1519
Gaborone, Botswana

Sponsoring Brokers

Stockbrokers Botswana Limited
Plot 74358, Morula Building, Prime Plaza, CBD
Private Bab 00113
Gaborone, Botswana

Transfer Secretaries

PricewaterhouseCoopers (Pty) Limited
Plot 50371, Fairground Office Park
PO Box 294
Gaborone, Botswana

TO: SHAREHOLDERS OF THE COMPANY

Dear Sir/Madam,

PROPOSED SHARE BUY-BACK MANDATE OF LETSHEGO TO PURCHASE ITS OWN ORDINARY SHARES OF UP TO TEN PER CENT (10%) OF THE STATED SHARE CAPITAL OF THE COMPANY AND THE SUBSEQUENT REDUCTION OF CAPITAL

1. INTRODUCTION

- 1.1. The Board is pleased to announce an intention by the Company to seek the Shareholders approval to purchase up to ten per cent (10%) of the stated share capital of the Company and cancel the shares with effect of reducing the share capital at the forthcoming AGM to be held on the 27th of May 2015.
- 1.2. The purpose of this Circular is to provide you with the details of the Proposed Share Buy-Back and the subsequent Reduction of Capital and the resolutions proposed to be passed relating to the Proposed Share Buy-Back and the subsequent Reduction of Capital as set out in the notice of the AGM.
- 1.3. A public notice for the Reduction of Capital has being issued in terms of Section 59 (2) of the Act and will be filed at the Registrar of Companies in terms of Section 66 (5) (b) of the Act in respect of the purchase by the Company of its own shares.

2. DEFINITIONS

In this section, unless the context indicates otherwise, the terms in the first column have the meanings assigned to them in the second column. Words importing the singular shall, where applicable, including the plural and vice versa, and words importing the masculine gender shall, where applicable, include the feminine gender and vice versa. Reference to persons shall include corporations.

“Act”	Companies Act, 2003 as may be amended, modified or re-enacted from time to time;
“AGM”	the annual general meeting of the Company to be held on the 27 th of May 2015;
“Director” or the “Board”	the Board of Directors of Letshego;
“BSE”	Botswana Stock Exchange;
“BWP”	the legal tender of the Republic of Botswana in which all monetary amounts in this Circular are expressed;
“Constitution”	the Constitution of Letshego Holdings Limited;
“Circular”	this Circular incorporated in the notice of the AGM including the appendices and Form of Proxy;
“CSDB”	the Central Securities Depository Botswana, a public company with limited liability duly incorporated in accordance with the laws of Botswana and operates as a central depository to the BSE;
“Director”	a person holding office as a director for the time being of the Company;
“EPS”	the earnings per share of the Company;

“Letshego “or the “Company”	Letshego Holdings Limited, a public company incorporated according to the laws of Botswana and listed on the BSE;
“Letshego Shares” or “Shares”	the ordinary shares in Letshego;
“the last practicable date”	the date prior to the date of issue of the Circular being the 27 April 2015;
“Listing Requirements”	Listing Requirements of the BSE;
“Market Day”	a day on which the BSE is open for trading in securities;
“NAV”	Net Asset Value;
“Ordinary Resolution”	the ordinary resolution to be passed by the Shareholders approving the Proposed Share Buy-Back;
“Proposed Share Buy-Back”	proposed share buy-back to purchase the Company’s ordinary shares of up to ten per cent (10 %) of the Company stated share capital ;
“Reduction of Capital”	the proposed reduction of the stated share capital of the Company, pursuant to the Proposed Share Buy Back;
“Registrar of Companies”	means the Registrar of Companies appointed in terms of section 10 of the Act;
“Shareholders”	registered holders of Shares and in respect of the depositors whose securities accounts are credited with Shares with the CSDB, persons whose interests in Shares are held with the CSDB;
“Share Buy Back Mandate”	the general mandate to authorize the Directors to exercise all the powers of the Company to purchase or otherwise acquire its issued Shares upon and subject to the terms of such mandate;
“Special Resolution”	the special resolution to be passed by the Shareholders approving the Capital Reduction; and
“Substantial Shareholder”	a Shareholder who has an interest in five per cent (5%) or more of the total number of issued Shares.

3. **DETAILS OF THE PROPOSED SHARE BUY-BACK AND SUBSEQUENT REDUCTION OF CAPITAL**

3.1. Background

The Directors of Letshego propose to seek a Share Buy Back Mandate from the Shareholders to purchase up to a maximum of ten per cent (10%) of the stated share capital of the Company by way of on-market Share Buy Back (as defined in clause 3.3 below) and pursuant to that cancel the shares and effect a Reduction of Capital on the shares purchased.

3.2. Regulatory Compliance

- 3.2.1. The Proposed Share Buy Back, and the subsequent Reduction of Capital, is subject to compliance with the Listing Requirements, the Act, the Constitution and any prevailing laws, rules, regulations, orders, guidelines, and requirements issued by the relevant authorities.
- 3.2.2. Pursuant to the Act, Letshego may only effect a Proposed Share Buy Back, cancel the shares and implement the Reduction of Capital if:
- 3.2.2.1. The Constitution of the Company expressly permits the Company to cancel its own shares and implement a Reduction of Capital.
- 3.2.2.2. The Board of the Company resolves that the shares concerned shall be cancelled on acquisition and the Reduction of Capital be implemented. The Board passed a resolution on the 24th April 2015 which reads as follows:

%The Directors approve the purchase of up to ten per cent (10%) of the stated share capital of the Company by way of On-Market Share Buy Back.

The Directors resolve that they are not aware of any information that has not been disclosed to shareholders which is material to an assessment of the value of the shares and consideration to be provided for the shares, are unfair to the shareholder whose shares are to be acquired.

The Directors have resolved to cancel the shares purchased and subsequently reduce its share capital in terms of section 59 of the Act.

The Directors undertake that the number of shares acquired when aggregated with shares of the same class held by the Company on the time of acquisition, will not exceed 10 per cent (10%) of the shares of that class previously issued by the Company, excluding shares previously deemed to be cancelled

The Directors undertake to implement the proposed share buy-back in accordance with laws prevailing at the time of purchase, including compliance with the twenty percent (20%) public shareholdings spread as required under the Botswana Stock Exchange Listing Requirements.”

- 3.2.3. The Shareholders will be requested to approve the following resolutions, which will be incorporated in the Notice of Meeting of the AGM to be held on the 27th of May 2015:

“ORDINARY RESOLUTION

Proposed Share Buy Back Scheme of Letshego to purchase its own shares up to ten per cent (10%) of the stated share capital of the Company.

“THAT, subject to the Company’s compliance with all rules, regulations, orders and guidelines made pursuant to the Companies Act, 2003, the provisions of the Company’s Constitution and the Listing Requirements of the BSE, the Company be and is hereby authorized to the fullest extent permitted by law, to buy-back and then cancel at any time such amount of ordinary shares of no par value in the Company as may be determined by the Directors of the Company from time to time through the BSE upon the terms and conditions that may be deemed fit and expedient in the interest of the Company (“Proposed Share Buy Back”) provided that:

- a) *The maximum number of share which have may be purchased and then cancelled by the Company at any point of time pursuant to the Proposed share Buy-Back shall not exceed ten per cent (10 %) of the total stated share capital of the Company for the time being quoted on the BSE.*
- b) *The maximum amount of funds to be allocated by the Company pursuant to the Proposed Share Buy-Back shall not exceed the sum of retained profits of the Company based on its latest financial statements available up to date of a transaction pursuant to the Proposed Share Buy-Back.*

THAT the shares purchased by the Company pursuant to the Proposed Share Buy-Back will be cancelled; and

THAT such authority shall commence upon the passing of this resolution, until the conclusion of the next annual general meeting of the company or the expiry of the period within the next annual general meeting is required by law to be held unless revoked or varied by ordinary resolution of the shareholders of the Company in a general meeting but so as not to prejudice the completion of a purchase made before the expiry date;

AND THAT the Directors of the Company be and are hereby authorized to take all steps as are necessary or expedient to implement or give effect to the Proposed Share Buy-Back with full powers to amend and/or assert to any conditions, modifications, variations or amendments (if any) as may be imposed by the relevant governmental/regulatory authorities from time to time and with full power to do all such acts and things thereafter in accordance with the Companies Act, 2003, the provisions of the Company's constitution and the requirements of the BSE and all other relevant governmental/regulatory authorities."

"SPECIAL RESOLUTION

Reduction of Capital of Letshego's Shares pursuant to the approval of the Share Buy Back Mandate

THAT, subject to the shareholders of Letshego approving the Share Buy Back Mandate and it being implemented, accordingly the Company be and is hereby authorized in terms of section 59 of the Companies Act to reduce its stated share capital as may be determined by the Directors of the Company from time to time upon the terms and conditions that may be deemed fit and expedient in the interest of the Company ("Reduction of Capital") provided that:

- a) *only a limit of 218,490,166 shares shall be reduced from a stated share capital of 2,184,901,665 shares such that post reduction the stated share capital would be 1 966 411 499 shares; and*
- b) *the reduction of capital will not result in the Company failing the solvency test as prescribed in terms of the Act.*

THAT such authority shall commence upon the passing of this resolution, until the conclusion of the next annual general meeting of the company or the expiry of the period within the next annual general meeting is required by law to be held unless revoked or varied by special resolution of the shareholders of the Company in a general meeting or extraordinary general meeting but so as not to prejudice the completion of the Reduction of Capital made before the expiry date;

AND THAT the Directors of the Company be and are hereby authorized to take all steps as are necessary or expedient to implement or give effect to the Reduction of Capital with full powers to amend and/or assert to any conditions, modifications, variations or amendments (if any) as may be imposed by the relevant governmental/regulatory authorities from time to time and with full power to do all such acts and things thereafter in accordance with the Companies Act, 2003, the provisions of the Company's constitution and the requirements of the BSE and all other relevant governmental/regulatory authorities."

3.3. Manner of Share Buy Back

The Proposed Share Buy Back will be made by way of one or more on-markets Share Buy Back Transaction (~~%On Market Share Buy Back+~~) transacted on the BSE trading system, from time to time, through one or more duly licensed stockbrokers appointed by the Company for that purpose.

3.4. Purchase Price

3.4.1. The purchase price (excluding brokerage, commission, applicable value added tax and other related expenses) to be paid for the Shares will be determined by the Letshego committee constituted for the purposes of effecting Share Buy Backs. The purchase price to be paid for the Shares pursuant to the Share Buy Back must not exceed 5% of the Average Closing Price of the Shares (as defined below in clause 3.4.2) excluding related expenses of the purchase or acquisition, the (~~%Maximum Price+~~).

3.4.2. ~~%Average Closing Price+~~ means the average of the last dealt prices of a Share for the five consecutive Market Days on which the Shares are transacted on the BSE immediately preceding the date of the On-Market Share Buy Back by the Company and deemed to be adjusted, in accordance with the Listing Requirements, for any corporate action that occurs after the relevant five-day period.

3.5. Duration of Authority

The authority for the Proposed Share Buy-Back and the Reduction of Capital will be effective immediately upon the passing of the ordinary and special resolutions in relation to the Proposed Share Buy Back and the Reduction of Capital respectively and will continue to be in force until:

3.5.1. the date on which the next AGM of the Company is held or required by law to be held unless renewed by an ordinary or special resolution as the case may be, either unconditionally or conditionally; or

3.5.2. the Shareholders of the Company revoke or vary the authority; or

3.5.3. the date on which purchases and acquisitions of Shares pursuant to the Share Buy Back Mandate are carried out to the full extend mandated and the Reduction of Capital is implemented accordingly

whichever is the earliest.

3.6. Maximum Number of Shares to be Acquired

As at the date of this Circular, the ordinary share capital of the Company is 2,184,901,665. The maximum number of shares that will be acquired will not exceed 218,490,166 consisting of ten per cent (10%) of the entire issued share capital of the Company.

3.7. Maximum Amount of Funds to be Allocated and Source of Funds

The Company may use internal or external sources of funds of the Letshego Group to finance the share buy backs. The Directors do not propose to exercise the Share Buy Back Mandate to such extent that it would materially affect the working capital requirements, financial flexibility or investment ability of the Letshego Group. The Share Buy Back will not exceed BWP 561 519 726. This amount has been determined on the basis of a purchase of 218 490 166 shares at an illustrative price of BWP 2.57 per share. The full illustrative effects are set out at paragraph 6.1.4 below.

3.8. Treatment of Shares Purchased

In accordance with the Act, the Board has resolved to cancel the purchased Shares and the Company will make an announcement on the day the cancellation is made, providing the details of the number of shares cancelled, the date of the cancellation and the outstanding paid-up share capital after cancellation. The cancellation of the shares will result in a Reduction of Capital.

3.9. Rights attached to cancelled shares

The rights attached to the cancelled shares in relation to voting, dividends and participation in any other distribution or otherwise shall cease to exist and will not be taken into account in calculating the number or percentage of shares or a class of shares of the Company for any purposes including the determination of substantial shareholdings, take-overs, notices, the requisitioning of meetings, quorums for meetings and the results of a vote on resolutions(s) at meetings.

3.10. Market Price of Letshego Shares

3.10.1. The highest and lowest traded prices Letshego Shares on the BSE for each quarter over the previous two years are as follows:

	Aggregate volume traded	Highest (thebe)	Lowest (thebe)
QUARTER 2014			
JAN-MARCH	99,238,746	241	224
APRIL-JUNE	52,750,974	226	198
JULY-SEPT	45,694,820	266	235
OCT-DEC	63,866,449	280	265
QUARTER 2015			
JAN-MARCH	75,623,799	266	235

3.10.2. The highest and lowest traded prices Letshego Shares on the BSE for the past 12 months are as follows:

	Aggregate Volume Traded	Highest (thebe)	Lowest (thebe)
2014			
MAY	22,865,140	217	203
JUNE	28,704,612	226	198
JULY	14,497,511	251	235
AUGUST	13,672,224	260	251
SEPTEMBER	17,525,085	266	254
OCTOBER	16,825,259	275	270
NOVEMBER	27,702,453	273	268
DECEMBER	19,338,737	267	265
2015			
JANUARY	15,550,557	266	247
FEBRUARY	15,242,034	249	239
MARCH	44,831,208	241	235
APRIL *	27,743,425	263	243

*as at 24th April 2015
(Source: BSE)

3.10.3. The highest and lowest traded prices Letshego Shares on the BSE for the past 30 days are as follows:

Date 2015	Aggregated volumes traded	Highest (thebe)	Lowest (thebe)
15 MARCH			
16 MARCH	-	-	-
17 MARCH	9,002,680	235	237
18 MARCH	-	-	-
19 MARCH	43,239	235	235
20 MARCH	12,478	234	235
23 MARCH	8,333	235	235
24 MARCH	8,057,635	235	235
25 MARCH	1,000	235	235
26 MARCH	464,318	235	235
27 MARCH	2,044,064	240	240
30 MARCH	-	-	-
31 MARCH	2,634,340	241	241
1 APRIL	9,807,762	244	243
07 APRIL	390,018	245	245
08 APRIL	4421	245	245
09 APRIL	7,100	246	246
10 APRIL	-	-	-
13 APRIL	16,500,00	255	255
14 APRIL	-	-	-
15 APRIL	7,400	256	256
16 APRIL	300	256	256
17 APRIL	16,306	260	260
20 APRIL	1,005,429	261	261
21 APRIL	1,600	263	263
22 APRIL	1,013	263	263
23 APRIL	2,076	263	263
24 APRIL	-	-	-
27 APRIL	10,623,000	290	290

3.10.4. the last traded price of Letshego Shares on the BSE on 27 April 2015 being the latest practicable date prior to the printing of this Circular .

3.11. Purchases, Cancellation, Resale of Shares and Reduction of Capital Made in the Preceding Twelve (12) Months

Letshego has not purchased any of its own shares in the preceding twelve (12) months and therefore, there is no retaining, cancellation or resale of its own shares during the same period.

3.12. Public Shareholding Spread of Letshego

- 3.12.1. Based on our Register of Directorsq Shareholdings, Register of Substantial Shareholders and the Share Register as at 27 April 2015, the public shareholding spread of Letshego was 76.8% of the stated share capital. Assuming that the Proposed Share Buy-Back is carried out in full and Letshego Shares so purchased are all retained, our public shareholding spread would be 74.2% (assuming the shares are purchased from public shareholders other than our existing Directors and Substantial Shareholders pursuant to the Proposed Share Buy-Back).
- 3.12.2. The public shareholding spread of Letshego as at the Last Practicable Date prior to the printing of this Circular was 76.8%.
- 3.12.3. Our Board undertakes to implement the Proposed Share Buy-Back in accordance with laws prevailing at the time of purchase, including compliance with the twenty (20%) public shareholdings spread as required under the Listing Requirements.

3.13. Potential Advantages and Disadvantages of the Proposed Share Buy-Back and the Reduction of Capital

3.13.1. Potential Advantages

3.13.1.1. Improves Shareholder Value-

The benefit of the Proposed Share Buy Back is that the Letshego can improve shareholder value by leveraging its balance sheet to improve returns on equity and earnings per share.

3.13.1.2. Shareholder Perception-

The act of Letshego acquiring its own shares without re-issuing the shares is a signal to investors that the Company has excess capital, which it does. This is therefore attractive to other investors that they should invest in Letshego which could further improve the price of the Shares.

3.13.2. Potential Disadvantages

The Proposed Share Buy Back, if implemented, in full or in part, will use some of the group's cash and borrowings to purchase shares rather than to on-lend to customers.

- 3.13.3. Notwithstanding the above, the Board is of view that the Proposed Share Buy Back is not expected to have any material disadvantage to the Shareholder as it will be implemented only after careful consideration of the financial resources of Letshego and the resultant impact on Letshego and the Shareholders of the Company.

4. **RATIONALE FOR THE PROPOSED SHARE BUY-BACK AND SUBSEQUENT REDUCTION OF CAPITAL**

The Board strives to increase Shareholder's value, Share Buy Backs and a Reduction of Capital are one of the ways through which Shareholder's value may be enhanced. Share Buy Backs and the Reduction of Capital are intended to be made as and when the Directors believe them to be of benefit to the Company and/or the Shareholders.

5. EFFECTS OF THE PROPOSED SHARE BUY BACK

The effects of the Propose Share Buy Back are as follows:

5.1. Share Capital

- 5.1.1. Assuming the Proposed Share Buy-Back is carried out up to ten per cent (10%) of the existing stated share capital of Letshego, the number of Letshego Shares allowed to be purchased by the Company is 218,490,166.
- 5.1.2. The Proposed Share Buy-Back will reduce the stated share capital when the shares are cancelled after the Share Buy Back.

5.2. Cash flow

The Proposed Share Buy-Back is not expected to be implemented to the extent that it will adversely affect the cash flow of Letshego. The exact effect on the cash flow of Letshego will depend on the quantum and prices of Letshego Shares so purchased. Prior to executing any Reduction of Capital, the Directors will in accordance with the Act pass a resolution in terms of Section 59 of the Act confirming that the Reduction of Capital will satisfy the solvency test.

5.3. Dividends

- 5.3.1. The Proposed Share Buy-Back is not expected to have an impact on the policy of the Board in recommending dividends, if any, to our Shareholders.
- 5.3.2. The Proposed Share Buy Back may reduce the amount of distributable reserves available for dividends. However, assuming the Proposed Share Buy Back is implemented in full and Letshego's quantum of dividends is maintained at historical level, the Proposed Share Buy Back will have the effect of increasing the dividend rate of Letshego as a result of the reduction in the issued and paid-up share capital of Letshego.

5.4. Tax implications

The Proposed Share Buy-Back is not expected to have any tax implications.

6. FINANCIAL EFFECTS OF THE SHARE BUY BACK

- 6.1. The financial effects of the Proposed Share Buy Back on Letshego will depend on, inter alia, whether the Shares are purchased or acquired out of profits and/or capital of the Company, the number of Shares purchased or acquired, the price paid for such Shares. The financial effects on the audited financial accounts of Letshego will depend, inter alia, on the factors set out below:

6.1.1. Purchase or Acquisition out of Profits and/or Capital

Under the Act, purchases or acquisition of Shares by the Company may be made out of the Company's profits and/or capital. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding brokerage, commission, applicable vat and other related expenses) will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

6.1.2. Number of Shares Acquired or Purchased

Based on 2,184,901,665 issued Shares as at the Last Practicable Date, and assuming no further Shares are issued or repurchased, on or prior to the AGM, the purchase by the Company of up to the maximum limit of 10% of its issued Shares will result in the purchase or acquisition of 218,490,166 Shares.

6.1.3. Maximum Price Paid for Shares Acquired or Purchased

Assuming that the Company purchases or acquires the 218,490,166 Shares at the Maximum Price of BWP 2.57 for each Share (being the price equivalent to 105% of the average last dealt prices of the Shares for the five consecutive Market Days on which the Shares were traded on the BSE immediately preceding the Last Practicable Date), the maximum amount of funds required for such Share Buy Back is approximately BWP 561 519 726.

6.1.4. Illustrative Financial Effects

For illustrative purposes only, the financial effects of the purchase or acquisition of Shares by the Company pursuant to the Share Buy Back Mandate on the audited financial statements of Letshego for the financial period ended 31 December 2014 are set out below and assumes the following:

- 6.1.4.1. Based on the issued share capital of the Company as at the Last Practicable Date of 2,184,901,665 Shares and assuming no further Shares are issued on or prior to the AGM, the purchase of 10% of its issued Shares will result in the purchase of 218,490,166 Shares.
- 6.1.4.2. The Company made purchases of 218,490,166 Shares at the Maximum Price of BWP 2.57 for each Share (being the price equivalent to 105% of the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the BSE immediately preceding the Last Practicable Date), and the maximum amount of funds required for the purchase or acquisition of 218,490,166 Shares is approximately BWP 561 519 726.62 million.
- 6.1.4.3. The purchase or acquisition of the Shares will be made out of the capital and retained earnings of the Company. The financial effects are explained below:

Market Purchases of up to 10% at 105% of the Average Closing price:

Letshego Holdings Limited

Share buyback – pro-forma financial information

31 December 2014

Financial position			Performance		
31 December 2014	Before Share Buy Back	After Share Buy Back	31 December 2014	Before Share Buy Back	After Share Buy Back
	BWP '000	BWP '000		BWP '000	BWP '000
Share capital	975 510	877 959	Interest income	1 345 194	1 345 194
Reserves	2 964 686	2 502 339	Interest expense	(167 582)	(197 017)
Non-controlling interests	154 437	154 437	Net interest income	1 177 612	1 148 177
TOTAL EQUITY	4 094 633	3 534 735	Other income	316 534	316 534
Other liabilities	304 436	304 436	Revenue	1 494 146	1 464 711
Borrowings	1 937 844	2 497 742	Total expenses	(524 014)	(524 014)
TOTAL EQUITY AND LIABILITIES	6 336 913	6 336 913	Profit before tax	970 132	940 697
Advances to customers	5 686 796	5 686 796	Taxation	(248 280)	(240 747)
Cash and cash equivalents	320 544	320 544	Profit for the period	721 852	699 950
Other assets	329 573	329 573			
TOTAL ASSETS	6 336 913	6 336 913			
	-	-			
Number of Shares ₺00	2 176 475	1 958 828			
FINANCIAL RATIOS					
NVA per Share		1.88	1.80		
Debt to equity		47%	71%		
ROE		21%	22%		
EPS (thebe)		33.2	35.7		

Assumptions

- | | | | |
|---|---------------------------------|------|------|
| 1 | Share price on date of buy-back | | 2.45 |
| 2 | Buy-back price | 105% | 2.57 |
- 31 December 2014 number of shares and financial information used for comparability. Current number of shares is 2 184 901 665.
 - Share price on date of buy-back to be updated - price at 09 April 2015 used.

7. EFFECTS OF THE REDUCTION OF CAPITAL

In the event that the Proposed Share Buy is approved by the Shareholders, all the purchased Shares shall be canceled and this will result in a Capital Reduction.

The Board considers that the Reduction of Capital will not have any material adverse effect on the financial position of the Letshego Group.

8. FINANCIAL EFFECTS OF THE REDUCTION OF CAPITAL

Set out below, for illustrative purpose only, is a simplified statement showing the proposed movement of the equity of the Company before and after the Capital Reduction should the Proposed Share Buy Back be implemented, based on the Company's position as at 31 December 2014:

	Immediately before the Capital Reduction as at 31 December 2014 BWP '000	Immediately after the Capital Reduction taking effect BWP '000
Share Capital	975 510	877,959
Retained earnings	2,964,686	2,502,339
Non-controlling interests	154,437	154,437
Total equity of the Company	4,094,633	3,534,735

9. NO PURCHASE DURING PRICE SENSITIVE INFORMATION DEVELOPMENTS

The Company will not undertake any Share Buy Backs at any time when it is trading under a cautionary announcement or when it is in a normal closed period. Letshego closed period start on 1 July and 1 January each year and end once the interim or year-end results are published.

10. INTERESTED PERSONS

The Company is prohibited from knowingly buying Shares on the BSE from an interested person, that is, a Director, the chief executive of the Company or Substantial Shareholder of the Company or any of their associates and an interested person is prohibited from knowingly selling his Shares to the Company.

11. CONDITIONS OF THE PROPOSED SHARE BUY-BACK AND SUBSEQUENT REDUCTION OF CAPITAL

The Proposed Share Buy-Back and the Reduction of Capital is subject to the approval of our Shareholders being obtained at the Company's forthcoming AGM.

12. **DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS**

Save for the inadvertent increase in the percentage shareholding and/or voting rights of the Shareholders as a consequence of the Proposed Share Buy-Back and the subsequent Reduction of Capital, none of our Directors and Substantial shareholders and/or persons connected to them has any interest, direct or indirect, in the Proposed Share Buy Back and the subsequent Reduction of Capital.

13. **DIRECTORS' RECOMMENDATIONS**

The Directors, having considered all aspects of the Proposed Share Buy Back and the subsequent Reduction of Capital, are of the opinion that the Proposed Share Buy Back and the subsequent Reduction of Capital is in the best interest of the Company and will not result in the Company being unable to pay its debts as they become due or the Company's assets being less than their liabilities as envisaged in Section 59 (4) of the Act. Accordingly, they recommend that you vote in favor of the ordinary resolution for the Proposed Share Buy-Back and the special resolution for the Reduction of Capital to be tabled at the forthcoming AGM.

14. **AGM**

14.1. The AGM will be held at Wednesday, 27th May 2015 at Lansmore Hotel, Gaborone or any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications, the ordinary resolution to give effect to the Proposed Share Buy Back and the special resolution to give effect to the Reduction of Capital.

14.2. If you are unable to attend the AGM in person, you are requested to complete the enclosed Form of Proxy and forward it to our Registered Office at not later than forty eight (48) hours before the time set for holding the meeting or any adjournment thereof. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

15. **FURTHER INFORMATION**

15.1. Responsibility Statement

This Circular has been seen and approved by the Board and they collectively and individually accept full responsibility for the accuracy of the information contained in it and confirm to the best of their knowledge and belief, after making all reasonable enquiries that there are no other facts the omission of which would make any statement in this Circular misleading.

15.2. Advisors

Armstrongs Attorneys has been appointed to advise the Company and the Board for the Proposed Share Buy-Back.

15.3. Material Contracts

Neither Letshego has entered into any material contracts (not being contracts entered into in the ordinary course of business) during the preceding the date of this Circular.

15.4. Material Litigation

Letshego is not involved in any material litigation, arbitration or is aware of any pending proceedings against it.

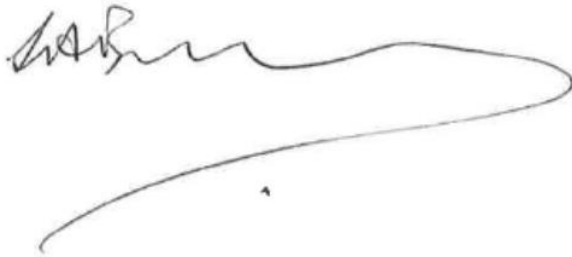
15.5. Documents For Inspection

The following documents are available for inspection at our Registered Office at, Botswana Monday to Friday (except for public holidays) during business hours for a period between the date of this Circular to the date of the AGM:

15.5.1. Constitution; and

15.5.2. the audited financial statements for the period ended 31 December 2014

Yours faithfully

A handwritten signature in black ink, appearing to read 'John Burbidge', with a long, sweeping underline that extends to the right and then curves back under the signature.

John Burbidge
or and on behalf of the
BOARD OF DIRECTORS