

LETSHEGO HOLDINGS (NAMIBIA) LIMITED
Registration Number 2016/0145 ("The Company")

Notice of General Meeting

NOTICE is hereby given that a General Meeting of Shareholders of the Company will be held in the Boardroom of Letshego Place, 18 Schwerinsburg Street, Windhoek, on **Monday, 18 May 2020** at **09h00** for the following purposes:

1. To consider and to ratify a special resolution passed on 1 March 2018 by the Company's representative, as the sole shareholder of the subsidiary, Letshego Micro Financial Services Namibia (Pty) Ltd ("LMFSN") regarding the conversion of a loan into redeemable preference shares by the creation of 1000 redeemable preference shares. (See attached Annexure A for further background)
2. To consider and to ratify the authority of the Chairperson of the Company at the time, Mr E Shepherd, to sign the special resolution on behalf of the Company, as the only shareholder of LMFSN;
3. To consider and to ratify the authority to the directors of the subsidiary, LMFSN to redeem this specific preference shares as and when the financial position of LMFSN allows for it.

Please note that:

1. Letshego Holdings Ltd, as a related party, will not be entitled to vote on resolution 1;
2. should the current lockdown of the Country, in terms of the State of Emergency declared by the President of Namibia, be extended, the meeting will still continue, but members are requested to exercise their vote by proxy. (A quorum for the meeting to continue, is 3 persons present in person or by proxy.)

(A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his or her stead. A proxy need not also be a member of the Company. In order to be effective, proxy forms should be forwarded to reach the registered office of the Company not less than 48 hours prior to the time for the holding of the meeting.)

BY ORDER OF THE BOARD

Bonsai Secretarial Compliance Services
PO Box 90757, Windhoek
Email: info@bscs.com.na
Fax: 061-305073

REGISTERED OFFICE

Unit 6,
Gold Street Business Park
Gold Street, Prosperita
Windhoek, Namibia

23 April 2020

ANNEXURE A

TO NOTICE OF GENERAL MEETING OF SHAREHOLDERS OF LETSHEGO HOLDINGS NAMIBIA LIMITED (LHN or the Company) TO BE HELD ON MONDAY, 18 MAY 2020, AT 09:00 IN THE BOARDROOM OF LETSHEGO PLACE, 18 SCHWERINSBURG STREET, WINDHOEK

BACKGROUND

1. A special resolution was passed in a wholly owned subsidiary of the Company, Letshego Micro Financial Services Namibia (Pty) Ltd (“LMFSN”) on 1 March 2018 whereby the share capital of LMFSN was increased with N\$1000, by the creation of 1,000 redeemable non-cumulative preference shares of N\$1.00 each.
2. These shares were created to convert the existing loan account of the ultimate holding company of the group, Letshego Holdings Limited (“LHL”) into capital and the 1000 preference shares were issued to LHL at par value plus a premium – this was equal in value to the loan that was converted to preference shares. The rate of the dividend on the preference shares created did not change from the interest charged in terms of the loan account.
3. The procedures followed were correct for an unlisted entity, but because the Company became a listed entity on the Namibian Stock Exchange (“NSX”), and the Articles of Association was amended accordingly, additional requirements for a listed entity in terms of the NSX requirements and the new Articles of Association of the company were supposed to be adhered to, which were overlooked. This caused non-compliance with the NSX requirements and the LHN Articles of Association with regard to the treatment of a related party transaction.
4. A legal opinion and the guidance of the NSX were obtained in order to rectify the situation. The proposed remedy is to apply to the High Court of Namibia (the “Court”) to have the creation, allotment and issue of the preference shares validated in accordance with the guidance received from external counsel and the NSX.
5. In order for the Board of Directors to satisfy the Court that it would be just and equitable to ratify the special and ordinary resolutions related to the special resolution of 1 March 2018, the matter must be brought firstly to the minority shareholders of the Company to obtain their approval, before the matter could be taken to the Court to validate the creation, allotment and issue of the preference shares in order to satisfy the requirements of the NSX and the Articles of Association of the Company as a listed entity.
6. To reverse the whole transaction would result in a difficulty to undo and reverse all the related distributions of dividends and other benefits given to all shareholders.

*In the light of the above, and the cumbersome process mentioned in paragraph 6 above, **the Board of Directors recommends** that the proposed ordinary resolutions as contained in the Notice, be passed by the shareholders.*

LETSHEGO HOLDINGS (NAMIBIA) LIMITED

Registration Number 2016/0145 (the "Company")

FORM OF PROXY

ORDINARY BUSINESS

For completion by holders of ordinary shares

(In the light of the State of Emergency of the Country and the uncertainty if the meeting could be conducted with more than 10 members, we request members to appoint Ms E Kali, the CEO of the Company, for ease of finalising the meeting procedures.)

For use at the General Meeting of ordinary shareholders of the Company to be held in the Boardroom of the Company at 18 Schwerinsburg Street, Windhoek on Monday, 18 May 2020 at 09:00

I/We,(name/s in block letters)

of (Address)

being a registered holder, with holder number of ordinary shares in the Company hereby appoint

1. or failing him/her
2. or failing him/her
3. The Chairperson of the meeting as my/our proxy to act for me/us at the General Meeting which will be held for the purpose of considering, and if deemed fit, passing with or without modification, the resolutions to be proposed thereat and at each adjournment thereof, and to vote for or against the resolutions and/or abstain from voting in respect of the Ordinary Shares registered in my/our name in accordance with the following:

RESOLUTIONS TO VOTE ON	For	Against	Abstain
1. To consider and to ratify a special resolution passed on 1 March 2018 by the Company's representative, as the sole shareholder of the subsidiary, Letshego Micro Financial Services Namibia (Pty) Ltd ("LMFSN") regarding the conversion of a loan into redeemable preference shares by the creation of 1000 redeemable preference shares.			
2. To consider and to ratify the authority of the Chairperson of the Company at the time, Mr J E Shepherd, to sign the special resolution on behalf of the Company, as the only shareholder of LMFSN;			
4. To consider and to ratify the authority to the directors of the subsidiary, LMFS to redeem this specific preference shares as and when the financial position of LMFSN allows for it.			

(Indicate instruction to proxy by way of a cross in space provided above.)

Unless otherwise instructed, my proxy may vote as he thinks fit.

Signed this day of 2020.

Signature

BY ORDER OF THE BOARD

NOTE:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend, speak, and on a poll, vote in his/her stead, and such proxy need not also be a member of the Company.
2. The Proxy Form must be deposited at the registered office of the Company not less than 48 (Forty Eight) hours before the time of holding the meeting.

BY ORDER OF THE BOARD

Dated at WINDHOEK on **23 April 2020**.

REGISTERED OFFICE

Unit 6, Gold Street Business Park
Gold Street, Prosperita, Windhoek

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