

LETSHEGO HOLDINGS LIMITED (“Letshego”) ACQUIRES AFB GHANA PLC (“afb”)

- **Letshego makes a second West African acquisition, further growing and diversifying its franchise – its footprint now covers eleven countries across sub-Saharan Africa.**
- **afb is licensed by the Central Bank of Ghana as a Non-Bank Financial Institution and has a profitable business model focused on Government deduction-at-source lending. It operates an end-to-end automated delivery model, with strong mobile access capability.**
- **afb has deposit-taking capability that Letshego will look to leverage during 2017 towards enhancing its financial inclusion agenda in Ghana and in line with the Group’s ambition to be Africa’s leading inclusive finance group.**

Gaborone, Johannesburg, Accra, London 13 January 2017: Letshego Holdings Limited (“Letshego”), the inclusive finance focused group with consumer lending, microfinance and deposit-taking subsidiaries across Southern, East and West Africa, today announces its second acquisition in West Africa, acquiring a 100% shareholding in afb Ghana Plc (“afb”). afb is a licensed non-bank financial institution and offers innovative credit products to over 60,000 customers across its network of more than 25 branch and customer access points.

The acquisition of afb adds to Letshego’s expansion of its West Africa geographic footprint after its 100% acquisition of Letshego Nigeria MFB (formerly FBN Microfinance Bank) in 2015. It brings Letshego’s country presence to eleven across sub-Saharan Africa and its customer base to over 480,000. afb’s trading name will be changed to Letshego Ghana Limited and its brand to Letshego during 2017.

Since its launch in 2010, afb has grown to service over 60,000 customers through a country-wide network of more than 25 branch and customer access points and an end-to-end automated service delivery model. afb’s strategy is to deliver responsible lending services by leveraging technology to drive access, simplicity and customer satisfaction - this fully aligns to Letshego’s own inclusive finance agenda as does its established product offering that includes deduction-at-source loans for government employees and direct loans to private sector employees as well as loans to micro and small entrepreneurs (MSEs).

With over 600,000 Government employees in Ghana and Letshego’s established strength in this sector, the opportunity for building on afb’s platform is significant. In addition, with Letshego’s expertise, accumulated over the last 18 years, in providing simple, appropriate and affordable financial services to the formally employed, informal and MSE customer segments, there will be opportunities to introduce commercially sustainable product offerings that support agri-business, education, health, affordable housing and general business sectors. afb Ghana’s fully automated and mobile-enabled delivery platform will support the roll out of these expanded offerings.

afb Ghana is licensed by the Central Bank of Ghana as a Non-Bank Financial Institution – this allows for deposit taking and should enable Letshego to launch USSD based mobile-savings solutions that will assist diversification of its funding base. Currently, all of afb’s funding is in local currency via a listed MTN programme on the Ghana Stock Exchange – this will remain unaffected by this transaction.

“It is a very exciting time for us at Letshego as well as the afb team as we welcome them into the Letshego family” said Group CEO, Chris Low. “This acquisition will see us further expand our footprint into a region where we see significant potential.

“As a Group we continue to focus on the acceleration of all four of our strategic pillars, namely embracing financial inclusion, growing the franchise, enhancing our customer experience and embedding our future capability model. As a leading indigenous BSE-listed company, we intend to further enhance our product and solution offerings and expand our customer base as we seek out opportunities to better respond to the financially under-served populations across sub-Saharan Africa. afb has a platform that will enable us to roll out our full-service inclusive finance model of loans, savings, payments and micro-insurance in support of development of the economy of Ghana.”

Said Arnold Parker, afb Ghana Managing Director, "We are excited to be joining the Letshego Group, which has very clear ambitions for inclusive finance-oriented growth across the continent, and I have no doubt that we will benefit from this vision and strategic focus. While we have a profitable and successful customer delivery model, we look forward to the innovations and capacity-building that Letshego's engagement will bring to our business, the Ghanaian people, and the economy."

ENDS

Notes to editors

About Letshego Holdings Limited

Letshego Holdings Limited ("Letshego") was incorporated in 1998, is headquartered in Gaborone and has been publicly listed on the Botswana Stock Exchange since 2002. Today it is one of Botswana's largest indigenous groups, with a market capitalisation in excess of USD500mn that places it in the top 40 listed sub-Saharan African companies (ex-South Africa) and an agenda focused on inclusive finance. Through its eleven country presence across Southern, East and West Africa (Botswana, Ghana, Kenya, Lesotho, Mozambique, Namibia, Nigeria, Rwanda, Swaziland, Tanzania and Uganda), its subsidiaries provide consumer lending, microfinance and savings solutions.

Letshego as a pan African financial services provider is committed to skills development. Before this acquisition the Group employed over 2,900 team members, representing more than 20 nationalities and they serviced a customer base of over 320,000 borrowers and 100,000 depositors through 290 branches and customer access points. Further information can be found at www.letshego.com.

About afb Ghana Plc

afb Ghana Plc ("afb") is a financial services company providing innovative credit products to consumers in Ghana. Products include deduction-at-source and direct loans to salaried employees, and SmartCash loans to informal and market traders. Also afb offers credit life insurance on selected products, and is a licenced deposit-taking institution.

Since launching in 2010, afb has grown to over 60,000 customers and over 25 branches countrywide, through an employee base in excess of 200. afb began by giving Africans access to capital they previously never had – through this, they aim to make life better. Further information can be found at www.afb.com.gh.