

|PRESS RELEASE|

10th November 2015

LETSHEGO ACQUIRES 75% STAKE IN ADVANS BANK TANZANIA TO ADVANCE ITS FINANCIAL INCLUSION AGENDA FOR AFRICA

- *Letshego Group has a clear vision and strategy for financial inclusion that is underpinned by geography, customer, product and services diversification;*
- *Faidika, Letshego's existing Tanzania operations, has strong customer equity through its wide branch and satellite office reach and its responsible lending practices;*
- *Advans Bank Tanzania offers a broad base of solutions to the MSE sector, including via mobile and agency banking;*
- *Scalability of the Faidika and Advans integrated operations model will enhance financial inclusion in Tanzania through significant cross-selling synergies that will become available to low / middle income employees as well as to the MSME sector.*

DAR ES SALAAM, GABORONE, JOHANNESBURG, LONDON – 10 NOVEMBER 2015 - Letshego Holdings Limited, the financial inclusion-focused group with consumer, micro lending and deposit-taking subsidiaries across Southern and East Africa, today announces it has acquired a 75% stake in Advans Bank Tanzania by way of a subscription for new shares. The subscription of Tanzania Shillings 15.5 billion (approximately BWP 70 million/US\$ 7 million), is alongside existing shareholders, Advans SA and FMO, who will continue to provide on-going governance and oversight.

Letshego already serves over 44,000 Tanzanians through its credit institution, **Faidika**. Swahili for “benefit”, Faidika’s products and services are accessed through a network of 105 branch and satellite offices and a team of more than 230 commission based sales officers.

Advans Bank Tanzania was established in Tanzania in 2011 and is part of Luxembourg-domiciled Advans Group. It is a licenced commercial bank specialising in the provision of financial services to micro, small and medium sized enterprises (MSMEs) in developing countries and transition economies. The latter includes Tanzania, where Advans’ offering includes MSME loans, as well as current and savings accounts. The bank provides customer access through five branches, three of which are in and around the country’s largest city, Dar es Salaam, as well as through ATMs and third-party agencies. Advans employs over 200 staff who service approximately 23,000 depositors and 4,600 borrowers.

For Letshego Group, the acquisition adds further deposit-taking, payments, business loans, and savings solutions capability to its footprint, in line with its strategy to diversify its customer and revenue mix. Furthermore, Letshego’s acquisition will allow Faidika and Advans Bank Tanzania to contribute significantly to the financial inclusion agenda of the Government of Tanzania by enabling cross-selling of financial services - Faidika has been approved by the Bank of Tanzania as an agent for Advans Bank which will provide Advans customers access to 105 points of access to transact.

Chris Low, Letshego’s Group Managing Director, said “The Advans Bank acquisition is a clear demonstration of our commitment to providing financially inclusive services to the lower and middle

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income segments of society that have historically been underserved by traditional banks and lenders. Tanzania has made great progress in increasing the availability of infrastructure and enablers for financial inclusion so we see this acquisition as a timely opportunity to place Letshego Group at the forefront of supporting the Government's agenda for economic enablement."

Brand research commissioned by Letshego across five populous districts of Tanzania found a strong affiliation with the Faidika brand, as a result of its responsible approach to financial services. To ensure wide distribution and market adoption of the integrated operations, the newly acquired bank will be renamed **Faidika Bank**.

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About Letshego

Letshego Holdings Limited was incorporated in 1998, is headquartered in Gaborone and was publicly listed on the Botswana Stock Exchange (BSE) in 2002. It is a Botswana International Financial Services Centre-accredited holding company with lending and deposit-taking subsidiaries across nine countries in East and Southern Africa - Botswana, Kenya, Lesotho, Mozambique, Namibia, Rwanda, Swaziland, Tanzania and Uganda. Letshego is the largest indigenous company on the BSE by market capitalisation (in excess of US\$700 million) and profitability (in excess of US\$52 million profit before tax for the interim period to June 2015) and ranks among the top 30 market value sub-Saharan Africa companies (excluding South Africa).

It is a truly pan-African financial services provider and is committed to skills development – the Group employs over 1,500 team members, equally represented by women and men, across more than 20 nationalities. 500 of the Letshego team comprise its commission-based, or direct, sales force. It has over 250 representation points across its footprint, servicing a base of over 260,000 customers.

About Faidika

In Tanzania, Letshego operates as Faidika, a brand that has grown successfully with its customers since 2006. Faidika operations are distributed across all regions in Tanzania, with services provided through 105 branches and satellite offices and supported by 230 commission based sales officers. Faidika's responsible approach to financial services includes rewarding customers for innovative and productive use of credit, provision of financial literacy for customers and communities, and empowering disadvantaged people with means to earn livelihoods. Through a customer base exceeding 44,000, Faidika has impacted the lives of over 200,000 Tanzanians since it first opened its doors in Dar es Salaam. Recent market research concluded by Faidika indicates that over 60% of its financial services are used productively, such as for house construction, business, education, health and savings.

As this journey with valued stakeholders continues, Faidika and Letshego will continue to remain true to their promise of "**Let's Improve Life**".

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