

## **Letshego Holdings limited launches innovative agency banking model against backdrop of transforming into Africa's leading inclusive finance group**

*Innovative Device Unlocks Significant Access Barrier to Finance for Millions*

**Maputo, 22 September 2016:** Letshego Holdings Limited ("Letshego"), the inclusive finance focused group with consumer, micro lending and deposit-taking subsidiaries across Southern, East and West Africa, is proud to announce the launch of its innovative 'LetsGo BlueBox' agency banking model in Mozambique.

Letshego's agency banking model is designed to strengthen the provision of inclusive financial services in rural areas and to those in segments (formal, informal and Micro and Small Entrepreneurs) that are either ignored or under-served by mainstream banks and other existing financial service providers. The LetsGo BlueBox incorporates a smartphone or tablet which can be powered and charged by solar power, accompanied by a portable battery, further embracing eco-friendly practices in an affordable manner.

This innovative channel solution is fully aligned with the Mozambique Government's financial inclusion strategy and is in support of the goals of the Maya Declaration, which aim to unlock the economic and social potential of the world's 2 billion unbanked population.

The LetsGo BlueBox model will allow an individual to open a basic transactional deposit account in remote areas via an agent's smartphone or tablet. Also, in time, agents will provide additional services including deposit-taking, withdrawals ("cash-in / cash-out services") and P2P, P2B and G2P / P2G transfers. The LetsGo BlueBox will bring with it a number of features including a Bluetooth printer to provide customers printed receipts and / or statements, a charging facility, a torchlight and financial education aids on the agent device as well as for distribution to agent customers. In effect, the LetsGo BlueBox has the capability to take full-scope financial services to the customer. As such, this innovation aims to eliminate barriers for those in rural locations to join the financial ecosystem.

According to recently published financial inclusion data, 69% of the rural population and 43% of the urban population of Mozambique are excluded from financial services; this further supports the need for innovative and effective ways to provide accessible finance. The LetsGo BlueBox will help register rural customers so they can access financial services in a simple, quick and affordable manner.

This initiative will reduce travel time for customers in remote locations who often travel up to 250km to the nearest financial institution. Another aspect of the LetsGo BlueBox is to enhance financial education through greater community engagement. Letshego believes that combatting financial illiteracy, protecting customers and earning their trust of digital and mobile channels as being safe channels to financially engage are key factors that will help to promote economic growth and productive borrowing in Mozambique and across the continent. Most importantly it will provide agents with the tools and capacity to improve financial awareness and education through mobile sites and other aids.

Earlier this year, Letshego received its official principle issuer licence from MasterCard. This partnership will play a significant role in enhancing financial inclusion on the continent as both organisations have a mutual interest to reach the maximum number of citizens by offering payment innovations and promote a "cashless" Africa.

Over the past 5 years, Letshego Mozambique has grown significantly and is ranked among the top 10 banks in terms of asset size. And, according to the KPMG Mozambique annual survey, Letshego Mozambique is ranked as the 2<sup>nd</sup> fastest growing company in Mozambique\*. Letshego's Mozambican operations refreshed its brand to Banco Letshego in the backdrop of its transformational journey to becoming Africa's leading inclusive finance group.

### **Chris Low, Group CEO of Letshego, said:**

"I am proud to announce that Letshego is once again making progress in providing simple, appropriate and affordable finance through innovative and accessible services, this time through our LetsGo BlueBox agency model being piloted in Mozambique.

"The Mozambique government has a clear vision and financial inclusion strategy in which it aims to provide 60% of its citizens with financial services by 2022, up from 20%. Letshego's capabilities in the country and through this BlueBox model will help provide substantial support towards reaching that target.

"Through this new model our agents are trained to provide financial education as well as offer financial services which we feel is a vital and necessary part in helping those that are underserved, through lack of access or lack of understanding."

# PRESS RELEASE



**Chipiliro Katundu, CEO of Banco Letshego (Mozambique) said:**

“The LetsGo BlueBox is a breakthrough in our inclusive finance vision and we will continue to bring innovation and real access to finance into the areas that require this. This is one of the tangible examples of how Banco Letshego is driving its financial inclusion model and that the Letshego Group will replicate across the continent. This proposition promises to provide our citizens with a more secure, simple and affordable way to access financial empowerment and dignity. We aim to broaden our services and provide appropriate financial solutions to those that need it most, and to continue to improve life.”

“Our agency model will focus on growing through third party strategic partnerships. To underpin our digitisation strategy, we will partner with Mobile Network Operators which will help to maximise our reach to local communities in the informal sector, our existing formally employed customers and MSEs.”

**ENDS**

Notes to editors

\* KPMG top 100 report: [http://www.2ibi.com/wp-content/uploads/TOP100\\_2015\\_Edition\\_of\\_KPMG.PDF](http://www.2ibi.com/wp-content/uploads/TOP100_2015_Edition_of_KPMG.PDF)

## **About Letshego Holdings Limited**

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 ten countries in Southern, East and West Africa - Botswana, Kenya, Lesotho, Mozambique, Namibia, Nigeria, Rwanda, Swaziland, Tanzania and Uganda. Letshego is the largest indigenous company on the BSE by market capitalisation (in excess of US\$500 million as at 30 June 2016) and ranks among the top 40 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 2,600 team members, across more than 20 nationalities. One third of the Letshego team comprise its commission-based sales force. It has over 260 representation points across its footprint, servicing a base of over 300,000 borrowers and 100,000 depositors.

Further information can be found at [www.letshego.com](http://www.letshego.com).

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