



PRESS RELEASE

Letshego launches landmark P800 million fully underwritten rights offer to strengthen its capital position and balance sheet and support its strategic reset

Major shareholder BOPF fully underwrites the proposed capital raise, demonstrating strong institutional support for Letshego's streamlined, lower-risk growth strategy

Gaborone, Botswana, 29 September 2026: Letshego Africa Holdings Limited ("Letshego" or "the Group") announced a proposed **P800 million rights offer**, representing a landmark capital raise on the Botswana Stock Exchange ("BSE").

Under the rights offer, Letshego will offer qualifying shareholders **1,095,890,411 new ordinary shares at P0.73 per share**, on the basis of approximately one rights offer share for every 1.9847228 ordinary shares held. The rights offer price represents an approximately **13.1% discount to the 30-day volume-weighted average traded price** as at the last practicable date.

The transaction has received strong support from Letshego's largest shareholder, the Botswana Public Officers Pension Fund ("BOPF"), which currently holds approximately **37.2%** of Letshego's issued shares and has agreed to **fully underwrite the rights offer**. The full underwriting provides transaction certainty and demonstrates meaningful institutional support for Letshego's balance-sheet restructuring and future strategic direction.

Strengthening the balance sheet

The rights issue forms part of Letshego's ongoing strategic repositioning and is consistent with the priorities communicated in the Group's recent results presentations.

The proceeds will be applied primarily to reducing debt at the Letshego holding-company level, including the settlement of amounts owed to certain shareholders and transaction-related costs. Additional capital will also provide Letshego with greater capacity to execute its forward-looking strategic initiatives, allocate capital to priority markets and pursue appropriate strategic opportunities as they arise. It will also support the Group's focus on improving capital efficiency, strengthening funding resilience and building sustainable returns from its core operations.

A streamlined and more resilient regional business

Letshego is simplifying its portfolio through the proposed sale of five of its East and West African businesses in Ghana, Tanzania, Rwanda, Nigeria and Uganda. Shareholders approved the sale on **19 June 2026**. The portfolio repositioning is intended to reduce exposure to volatile markets, simplify the operating model and concentrate capital and management attention on the Group's retained regional businesses.

The resulting business will be anchored by operations in Botswana and a more focused portfolio comprising Namibia, Mozambique, Lesotho, Kenya and Eswatini. These continuing operations delivered a **362% improvement in profit to P284 million in FY2025**, while net impairments declined by 77% and the loan-loss ratio improved to 1%.

This streamlined regional footprint, supported by the proposed equity injection, provides the foundation for a more resilient and profitable Letshego. The Group's strategic priorities include:

- reducing reliance on higher-cost wholesale debt;
- expanding lower-cost, deposit-led funding;
- maintaining disciplined credit underwriting;
- improving operating efficiency and earnings quality; and
- focusing resources on stronger, more stable markets.

Customer deposits increased by **64% to P3.5 billion**, with deposits from continuing operations increasing by 43% to P2.24 billion, supporting the Group's transition towards a more diversified and lower-cost funding model.

A stronger forward-looking equity proposition

The rights offer is expected to materially strengthen Letshego's capital structure and support a more compelling long-term equity proposition. Following completion of the restructuring, the investment case will be underpinned by a better-capitalised balance sheet, reduced financial risk, a more focused geographic footprint, improving asset quality and increased exposure to profitable retained operations.

The circular sets out long-term management targets that include a return on assets of between **3% and 5%**, return on equity of between **20% and 25%**, a cost-to-income ratio of between **40% and 45%**, and debt-to-equity below 100%. These figures are forward-looking and are not guarantees of future performance.

Letshego Group Chief Executive Officer Reinette van der Merwe said:

“The proposed rights issue represents a considered step in strengthening Letshego’s capital base and positioning the Group for its next phase. It is aligned with the direction we have communicated to shareholders and supports our focus on maintaining a resilient balance sheet, improving capital efficiency and directing resources towards areas that can generate sustainable value.

“BPOPF’s full underwriting reflects strong institutional support for the transaction and confidence in the long-term potential of a more focused, resilient and profitable Letshego. Against this backdrop we remain disciplined in how we allocate capital and focused on delivering improved and sustainable returns over time.”

Rights offer timetable

The rights offer is expected to open at **09:00 on Friday, 23 October 2026** and close at **16:00 on Friday, 6 November 2026**. Trading in the rights is scheduled to take place from 23 October to 30 October 2026, with the new rights offer shares expected to commence trading on the BSE on **20 November 2026**.

The new shares will rank equally with Letshego’s existing ordinary shares in relation to voting rights, dividends and other distributions. The rights offer is not conditional on a minimum subscription, and excess applications will not be permitted.

Shareholders should consult the full circular for the detailed terms, conditions, eligibility requirements and procedures governing participation in the rights offer.

About Letshego

Letshego Africa Holdings Limited is a Botswana-headquartered financial services group listed on the BSE. The Group provides consumer lending, micro and small-enterprise financing, savings and deposit products in licensed markets, digital financial services, and insurance-related products to formally employed individuals, public-sector employees, micro-enterprises and underserved populations across its markets.

Important notice

This press release is a summary and does not constitute an offer to sell, or a solicitation of an offer to acquire, any securities. Shareholders should read the full rights offer circular and obtain independent financial, legal and tax advice before making an investment decision. Forward-looking statements are subject to risks and uncertainties, and actual outcomes may differ materially from those expressed or implied.