

**LETSHEGO HOLDINGS LIMITED**

**Incorporated in the Republic of Botswana Co. 981442 (the "Company")**



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**MOODY'S KEEPS LETSHEGO HOLDINGS LIMITED CREDIT RATING UNCHANGED**

**AT Ba3 (stable) outlook**

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Letshego Holdings Limited ("LHL" | "the Company" | "Letshego") was incorporated in 1998, is headquartered in Gaborone and has been publicly listed on the Botswana Stock Exchange (BSE) since 2002. Letshego is an inclusive finance focused Group with microfinance banking and consumer lending subsidiaries across eleven countries in sub-Saharan Africa.

Pursuant to the Terms and Conditions of the Letshego Holdings Limited (Letshego) ZAR 2,500,000,000.00 and BWP2,500,000,000 Medium Term Note Programme (the Programme), Noteholders are advised that Moody's Investor Service (Moody's) has affirmed Letshego Ba3/Not Prime issuer rating and assigned Ba2 Corporate Family Ratings (CFR).

Moody's has stated that the ratings assigned to Letshego capture the company's solid capitalisation buffers and profitability; supported by high margins.

Furthermore, the rating balances these strengths against Letshego's (1) sensitivity of its credit profile to changes in regulatory and legal frameworks, (2) high exposure to foreign exchange risk, (3) elevated asset quality risks, and dependence on market-sensitive wholesale funding; although actions are being taken to address this weakness.

The outlook on Letshego is stable. The stable outlook reflects Moody's expectation that the company's financial fundamentals will remain robust over the next 12 to 18 months horizon, despite elevated credit risks from its regional expansion.

The detailed Credit Opinion is available on the Issuer's website <https://www.letshego.com/investor-publication-types/credit-ratings> or on Moody's website: [www.moodys.com](http://www.moodys.com)

For and on behalf of the board

Sponsoring Broker

A handwritten signature in blue ink, appearing to read "E. Banda".

The logo for African Alliance Securities, featuring a stylized blue "AA" monogram to the left of the text "AFRICAN ALLIANCE SECURITIES" in a blue, sans-serif font.

**E. Banda**

**CHAIRMAN  
20 August 2019**