



SMEP MICROFINANCE BANK PUBLIC LIMITED COMPANY

("THE COMPANY")

NOTICE OF EXTRA-ORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extra-Ordinary General Meeting of SMEP Microfinance Bank Public Limited Company will be held on **MONDAY, 23RD JANUARY 2023** at **11:00hrs (EAT)** by electronic communication, for the purpose of transacting the following business:

ORDINARY BUSINESS:

1. To read the notice convening the meeting.
2. To table the proxies and note the presence of a quorum.


SPECIAL BUSINESS:

3. To consider and, if thought fit, pass the following resolutions as **Ordinary Resolutions**:
 - a. **THAT** the unissued share capital of the company comprising One Hundred and Eight Million Three Hundred and Forty-Eight Thousand Eight Hundred and Thirty Nine (108,348,839) ordinary shares be converted into Class A Ordinary Shares with a par value of Kenya Shillings Five (KShs.5.00) whose rights are enumerated in the revised Articles of Association of the Company ("the Existing Class A Ordinary Shares").
 - b. **THAT** the share capital of the company be increased by an amount of Kenya Shillings Thirty Nine Million Two Hundred and Ninety Seven Thousand Five Hundred and Sixty (KShs 39,297,560) made up of Seven Million Eight Hundred and Fifty Nine Thousand Five Hundred and Twelve (7,859,512) Class A Ordinary Shares with a par value of Kenya Shillings Five (KShs.5.00) each ranking pari passu with the Existing Class A Ordinary Shares ("the New Shares").
 - c. **THAT** in accordance with section 329 of the Companies Act 2015 ("the Act"), and subject to all necessary regulatory approvals, the directors of the Company be and are hereby authorised to allot the Class A Ordinary Shares (constituting an aggregate of 116,208,351 Class A Ordinary Shares) to a strategic investor identified by the Board of Directors ("the Strategic Investor") (*or such additional number of shares as shall be necessary to enable the Strategic Investor to acquire 51% of the issued*

capital of the Company) on such terms as the Board of Directors will find fit provided that this authority shall, unless renewed, varied or revoked by the Company, expire five years from the date of this Resolution save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted and the directors may allot shares or grant Rights in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

- d. **THAT** any actions of the Directors or Secretary of the Company, as well as any officer of the Company, in carrying out the terms and intentions of these resolutions, whether taken prior to or subsequent to the passing of the aforementioned resolutions, be and are hereby in all respects ratified, confirmed and approved as the authorised actions of the Company.
4. To consider and, if thought fit, pass the following resolutions as **Special Resolutions**:
 - a. **THAT** pursuant to Section 348 of the Act and the authority conferred by Resolution 3 (c) above, the directors be and are hereby authorised to allot the New Shares and the Existing Class A Ordinary Shares (credited as fully paid) to the Strategic Investor in consideration of the sum of United States Dollars Four Million Six Hundred Forty Six Thousand Nine Hundred and Five (USD\$ 4,646,905.00) in Kenya Shillings equivalent (*or such additional amount as shall be necessary to enable the Investor to acquire 51% of the issued capital of the Company*), such allotment to be made to the Strategic Investor without first offering the shares aforesaid to the existing shareholders as if section 338 of Act (requiring the exercise of pre-emption rights) did not apply, the justification of which is contained in the Director's Statement published pursuant to Section 348 of the Companies Act.
 - b. **THAT** the Company adopts as the Articles of Association of the Company the amended Articles of Association (*to be published on the Company's website*) in place of the existing Articles of Association of the Company.
 5. To transact any other business that may be transacted at an Extra- Ordinary General Meeting.

By order of the Board



Lawrence Kibet
Company Secretary

Dated this 29th December 2022

NB:

1. Shareholders wishing to participate in the meeting should register for the EGM by dialing ***483*806#** on their mobile telephone and follow the various prompts on the registration process.
2. To complete the registration process, shareholders will need to provide their National ID/Passport Numbers which were used to purchase their shares and/or their CDSC Account Number. For assistance shareholders should dial the following helpline number: **(+254) 709 170 000** from 9:00 a.m. to 5:00 p.m. from Monday to Friday. Shareholders outside Kenya should dial the helpline number or send an email to info@image.co.ke for assistance during registration.
3. Registration for the EGM opens on Tuesday 3 January 2023 at 9:00 am and will close on Wednesday, 21 January 2023 at 5.00pm. Shareholders will not be able to register after this time.
4. The following documents may be viewed on the Company's website www.smep.co.ke (a) a copy of this Notice and the proxy form.
5. Any shareholder who is entitled to attend and vote at the EGM is entitled to appoint a proxy to attend and vote in his stead. Such proxy need not be a member of the Company.
6. The proxy form can also be obtained from the Company's website www.smep.co.ke or from Image Registrars Limited, Absa Towers (formerly Barclays Plaza), 5th Floor, Loita Street, P. O. Box 9287 – 00100, Nairobi, Kenya. Shareholders who do not propose to be at the Annual General Meeting are requested to complete and return the proxy form to Image Registrars Limited, or alternatively to the Registered Office of the Company so as to arrive not later than Saturday 21st January 2023 at 11.00 am.
7. Duly signed proxy forms may also be emailed to info@image.co.ke in PDF format. A proxy form must be signed by the appointor or his attorney duly authorized in writing. If the appointer is a body corporate, the instrument appointing the proxy shall be given under the Company's common seal or under the hand of an officer or duly authorized attorney of such body corporate.
8. The EGM will be streamed live via a link which shall be provided to all shareholders who will have registered to participate in the EGM. Duly registered shareholders and proxies will receive a short message service (SMS/USSD) prompt on their registered mobile numbers, 24 hours prior to the EGM acting as a reminder of the EGM. A second SMS/USSD prompt shall be sent one hour ahead of the EGM, as a reminder that the EGM will begin in an hour's time and providing a link to the live stream.
9. Shareholders and proxies who have registered to attend the EGM may follow the proceedings using the live stream platform, access the agenda and vote (when prompted by the chairman) via the USSD prompts.
10. Results of the resolutions voted on will be published on the Company's website i.e. www.smep.co.ke within 24 hours following conclusion of the EGM.

Shareholders are encouraged to continuously monitor the Company's website for any updates relating to the EGM.