

NOTICE TO SHAREHOLDERS

LISTING OF CASSAVA SMARTECH ZIMBABWE LIMITED ON THE ZIMBABWE STOCK EXCHANGE

Following the finalisation of all the conditions precedent to the demerger of Cassava SmartTech Zimbabwe Limited (CSZL) from Econet Wireless Zimbabwe Limited (EWZL):

- 770,000,000 CSZL shares representing 77% of the initial issue were issued on credit to members of EWZL pro rata to their shareholdings as at the record date;
- 200,000,000 shares representing 20% of the initial issue were issued on credit to EWZL;
- 30,000,000 shares representing 3% of the initial issue were issued on credit to the Employee Share Trust for the benefit of both EWZL and CSZL employees as at the record date;
- Pursuant to the initial issue, EWZL made an election under Section 15(1)(b) of the Capital Gains Tax Act [Chapter 23:01] to transfer 100% of its shares in EcoCash (Pvt) Ltd, Econet Life (Pvt) Ltd, Econet Insurance (Pvt) Ltd, and Steward Bank Ltd to CSZL at no consideration in furtherance of a scheme of reconstruction; and
- Following the creation by CSZL of a distributable reserve from its earnings received from its subsidiaries, the company capitalised the reserve through a capitalisation or bonus issue of 1,590,577,241 Ordinary Shares of a nominal value of US\$0.001 per share to the members of CSZL pro rata to their shareholdings.

Consequently, 2,590,577,241 issued ordinary shares in Cassava Smartech Zimbabwe Limited will be listed by way of introduction on the Zimbabwe Stock Exchange on Tuesday the 18th of December 2018.

As a result of the demerger, 583,453,309 debentures being 50% of 1,166,906,618 debentures in issue in EWZL will be transferred to CSZL, with the balance remaining in EWZL. The split of the debentures between EWZL and CSZL has been necessitated by the fact that debentures conversion has not taken place. The debentures in issue have a nominal value of 4.665 US Cents per debenture and a coupon rate of 5% per annum and are redeemable on 3 May 2023. Therefore, the conversion of the debentures has been postponed *sine die*.

By Order of the Board,

Charles A. Banda
Group Company Secretary

Econet Wireless Zimbabwe Limited
Econet Park, 2 Old Mutare Road, Harare, Zimbabwe

NOTICE TO SHAREHOLDERS

POSTPONEMENT OF EXTRAORDINARY GENERAL MEETING

After debenture holders holding 84.8% of the Company's issued share capital accepted the offer for the conversion of debt to equity as proposed in the circular to shareholders, dated 8 November 2018, some minority shareholders raised concerns about conversion of debentures to equity. Consequently, the board decided to adjourn the Extraordinary General Meeting that was held on 29 November 2018 to 14 December 2018 to allow time for the Board of directors to consider the concerns. **Take note that the directors are still considering the issues.** Consequently, the Company further postpones the Extraordinary General Meeting and the resolution for the conversion of debentures to equity *sine die*.

By order of the Board

C.A. Banda
Group Company Secretary

14 December 2018

Registered Office:
Econet Park, 2 Old Mutare Road, Msasa, Harare,
2 Old Mutare Road, Msasa, Harare, Zimbabwe.
E-mail: info@econet.co.zw
Website: www.econet.co.zw

Registrars and Transfer Secretaries:
First Transfer Secretaries (Private) Limited,
1 Armagh Avenue, Eastlea, Harare,
Zimbabwe.

Directors:

Dr. J. Myers (Chairman)*, Mr. S.T. Masiyiwa, Mr. M. Bennett*, Mr. R. Chimanikire, Mr. K.V. Chirairo, Mr. M. Edge*, Mr. G. Gomwe*, Mr. D. Mboweni, Mrs. T.P. Mpofu*, Ms. B. Mtetwa*, Mr. H. Pemhiwa*, and Mrs. S. Shereni*. *Non Executive