SMEP MICROFINANCE BANK PLC

SPECIAL NOTICE OF AN EXTRAORDINARY GENERAL MEETING

SPECIAL NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the shareholders of SMEP Microfinance Bank PLC (the "**Company**") will be held on **MONDAY, 23RD NOVEMBER 2026 at 2.30PM** (EAT), by way of electronic communication (virtually) to transact the following business:

AGENDA

ORDINARY BUSINESS

1. To read the Special 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 a Special Resolution

(a) Rescission of the resolutions passed at the Annual General Meeting held on 26 June 2026

THAT, no shares having been allotted pursuant to them, Resolutions 7(b), 7(c), 7(d) and 7(e) passed at the 15th Annual General Meeting of the Company held on 26 June 2026, be and are hereby rescinded and revoked with immediate effect, so that:

(i) the amendment to Article 3 of the Articles of Association made by Resolution 7(b) recording an increase of capital is reversed;

(ii) the increase in the authorised share capital of the Company by the creation of 39,000,000 Class A Ordinary Shares of KES 5.00 each under Resolution 7(c) is cancelled, and the authorised share capital of the Company is restored to Kenya Shillings One Billion One Hundred and Thirty-Nine Million Two Hundred and Ninety-Seven Thousand Five Hundred and Sixty (KES 1,139,297,560), divided into One Hundred and Eleven Million Six Hundred and Fifty-One Thousand One Hundred and Sixty-One (111,651,161) Ordinary Shares of KES 5.00 each and One Hundred and Sixteen Million Two Hundred and Eight Thousand Three Hundred and Fifty-One (116,208,351) Class A Ordinary Shares of KES 5.00 each;

(iii) the authority granted to the Directors under section 329 of the Companies Act, 2015 (the "**Act**") by Resolution 7(d) is revoked; and

(iv) the power granted to the Directors under section 348 of the Act by Resolution 7(e) to allot Class A Ordinary Shares to HOPE Advancement Inc as if section 338 of the Act did not apply is revoked.

As an Ordinary Resolution

(b) Increase in authorised share capital and creation of Class B Ordinary Shares

THAT, subject to the passing of Resolution 3(a) and to the receipt of all necessary regulatory approvals (including the approval of the Central Bank of Kenya, where applicable), the authorised share capital of the Company be and is hereby increased from Kenya Shillings One Billion One Hundred and Thirty-Nine Million Two Hundred and Ninety-Seven Thousand Five Hundred and Sixty (KES 1,139,297,560) to Kenya Shillings One Billion Nine Hundred and Twenty-Nine Million Four Hundred and Ninety-Three Thousand Six Hundred and Thirty-Nine (KES 1,929,493,639) by the creation of Seven Hundred and Ninety Million One Hundred and Ninety-Six Thousand and Seventy-Nine (790,196,079) Class B Ordinary Shares of Kenya Shillings One (KES 1.00) each, having the rights set out in Article 3A of the Articles of Association as amended by Resolution 3(c); ***or where the Rights Issue is not fully subscribed, such amount as is equivalent to the amount of the shares subscribed during the Rights Issue***.

As a Special Resolution

(c) Amendment of the Articles of Association

THAT, subject to the passing of Resolutions 3(a) and 3(b), the Articles of Association of the Company be and are hereby amended:

(a) by deleting the existing Article 3 in its entirety and substituting it with the following:

> "**3.** The share capital of the Company is Kenya Shillings One Billion Nine Hundred and Twenty-Nine Million Four Hundred and Ninety-Three Thousand Six Hundred and Thirty-Nine (KES 1,929,493,639) divided into:
>
> (i) One Hundred and Eleven Million Six Hundred and Fifty-One Thousand One Hundred and Sixty-One (111,651,161) Ordinary Shares of Kenya Shillings Five (KES 5.00) each;
> (ii) One Hundred and Sixteen Million Two Hundred and Eight Thousand Three Hundred and Fifty-One (116,208,351) Class A Ordinary Shares of Kenya Shillings Five (KES 5.00) each; and
> (iii) Seven Hundred and Ninety Million One Hundred and Ninety-Six Thousand and Seventy-Nine (790,196,079) Class B Ordinary Shares of Kenya Shillings One (KES 1.00) each."

Provided that where the Rights Issue is not fully subscribed, the authorised increase in capital shall be limited to such amount as is equivalent to the amount actually subscribed during the Rights Issue.

(b) by inserting the following new Article 3A immediately after Article 3:

> "**3A. Class B Ordinary Shares**

(1) The Class B Ordinary Shares shall rank pari passu in all respects with the Class A Ordinary Shares and shall have all the rights and characteristics of the Class A Ordinary Shares save for the par value."

(c) by adopting the amended Articles of Association in the form of the draft tabled before the meeting and published on the Company's website at www.smep.co.ke, in place of the existing Articles.

As Ordinary Resolutions

(d) Authority to allot Class B Ordinary Shares

THAT, subject to the passing of Resolutions 3(a) to 3(c) and to the receipt of all necessary regulatory approvals, the Directors be and are hereby authorised under section 329 of the Act to exercise all the powers of the Company to allot up to Seven Hundred and Ninety Million One Hundred and Ninety-Six Thousand and Seventy-Nine (790,196,079) Class B Ordinary Shares of KES 1.00 each for the purposes of the Rights Issue approved under Resolution 3(e). This authority shall expire five (5) years after the date of this Resolution, unless previously renewed, varied or revoked by the Company.

(e) Approval of the Rights Issue

THAT, subject to the passing of Resolutions 3(a) to 3(d) and to the receipt of all necessary regulatory approvals, the Company be and is hereby authorised to offer up to 790,196,079 Class B Ordinary Shares of KES 1.00 each to all shareholders on the register of members at the close of business on the record date to be fixed by the Directors, by way of a rights issue at an issue price of KES 1.00 per share, payable in full on acceptance, in the proportion of 3.4679 Class B Ordinary Shares for every one (1) share held, with fractional entitlements rounded down, and on such further terms as are set out in the Circular to Shareholders (the "**Rights Issue**"), and that:

(a) HOPE Advancement Inc may satisfy the subscription price for its entitlement of 403,000,000 Class B Ordinary Shares by the capitalisation of the sum of USD 3,100,000 (KES 403,000,000) advanced, or committed to be advanced, by it to the Company;

(b) Class B Ordinary Shares not taken up by shareholders may be allotted to those shareholders (including HOPE Advancement Inc) who apply for additional shares, pro rata to their excess applications;

(c) the Rights Issue shall be offered to the shareholders of the Company appearing in the Register of Members at the close of business on 23rd November 2026 "**Record Date**");

(d) the offer may be made in hard copy or electronic form, after the passing of these resolutions and the receipt of any necessary regulatory approvals, in accordance with section 339 of the Act and Article 10 of the Articles of Association, and shall remain open for acceptance in the manner and for such period as the Board may determine, subject to a minimum of 21 days; and

(e) the offer will be made only to existing shareholders of the Company and is not an offer of shares to the public.

(f) Appointment of Ms. DOROTHY SAGWE as an Independent Director

THAT the appointment of Ms. Dorothy Sagwe as an Independent Director of the Company with effect from 22 October 2026, subject to the requisite regulatory approvals and statutory requirements, be and is hereby approved, confirmed and ratified.

(g) Removal of Mr. EMMANUEL EFILI MORDEY WUVER as Director of the Company

THAT, Mr. Emmanuel Efili Mordey Wuver having resigned from his position as a Non-Executive Director of the Company with effect from 9 March 2026, and pursuant to Sections 139 and 287 of the Companies Act, No. 17 of 2015, Mr. Emmanuel Efili Mordey Wuver be and is hereby removed as a director of the Company with immediate effect.

(h) Removal of Mr. SYMON KAMORE MWANGI

THAT, Mr. Symon Kamore Mwangi, having ceased to hold office as the Chief Executive Officer of the Company with effect from 29 December 2025 and, consequently, having ceased to hold office as a Director of the Company pursuant to Articles 111(2) and 112(3) of the Company's Articles of Association and Sections 139 and 287 of the Companies Act, No. 17 of 2015, be and is hereby removed from the register of directors of the Company with immediate effect.

(i) Authority to Implement

THAT the Directors and the Company Secretary be and are hereby authorised to do all such acts and things, execute all such documents, make all filings and lodgements, obtain all regulatory approvals (including those of the Central Bank of Kenya, where applicable), and take all such steps as may be necessary or desirable to give effect to the foregoing resolutions, including updating the register of members and directors and filing all prescribed returns with the Registrar of Companies.

ANY OTHER BUSINESS

4. To consider any other business of which due notice has been received.

By Order of the Board

CATHERINE KAWIRA
COMPANY SECRETARY
30th OCTOBER, 2026

NOTES:

1. Shareholders will not be able to attend the meeting in person but will be able to register for, access relevant information, follow the meeting in the manner detailed below and vote electronically or by proxy. Shareholders may ask questions in advance of the meeting as detailed in the instructions below.
2. Any shareholder wishing to participate in the meeting should register for the Extraordinary General Meeting (EGM) by dialing ***483*824#** for all networks and following the various prompts regarding the registration process.
3. To complete the registration process, shareholders will need to provide their National ID/Passport Numbers which were used to purchase their shares. For assistance shareholders should dial the following helpline number: **(+254)709 170 000/15** from **8:00 a.m.** to **5:00 p.m.** from Monday to Friday. Shareholders outside Kenya should dial the helpline number or send an email to **SMEPEGM@image.co.ke** for assistance during registration.
4. Registration for the EGM opens on **Monday 2nd, November 2026 at 9:00 am** and will close on **Wednesday 18th, November 2026 at 5.00pm**.
5. The following documents may be viewed on the Company's website **www.smep.co.ke** a copy of this Special Notice and the proxy form.
6. Any shareholder who is entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint a proxy to attend and vote in his stead. Such proxy need not be a member of the Company.
7. 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 Extraordinary 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 **2.30 p.m. on 21st NOVEMBER 2026**.
8. Duly signed proxy forms may also be emailed to **SMEPEGM@image.co.ke** in PDF format. A proxy form must be signed by the appointer 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.
9. Shareholders wishing to raise any questions or clarifications regarding the EGM may do so by: **(a)** sending their written questions by email to **SMEPEGM@image.co.ke;** or **(b)** to the extent possible, physically delivering or posting their written questions with a return physical, postal or email address to the registered office of the Company or P.O. Box 63063, 00620, Nairobi, or to Image Registrars offices at the address above.
10. 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 hours' time and providing a link to the live stream.

11. 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.
12. Results of the resolutions voted on will be published on the Company's website i.e., **www.smep.co.ke** within 48 hours following conclusion of the EGM.