

NOTICE OF THE 10TH ANNUAL GENERAL MEETING

Notice is hereby given that the 10th Annual General Meeting of the shareholders of SMEP Microfinance Bank (“Company”) will be held via electronic communication, on Friday, 7th May, 2021 at 10.00 a.m. when the business set out below will be transacted:

Due to the ongoing Government of Kenya restrictions on public gatherings, 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.

AGENDA

1. To read the notice convening the Meeting and determine if a quorum is present
2. To receive, consider and if approved, adopt the Company’s audited financial statements for the year ended 31 December 2020, together with the reports of the Chairman, Directors and Auditors thereon.
3. To note that the Directors do not recommend the payment of a dividend for the Financial Year under review
4. Election of Directors
 - a) **Rotation of Directors:** In accordance with Article 111 of the Company’s Articles of Association, the following Directors retire by rotation and being eligible, offer themselves for re-election.
 - i. Mr. Jenard Nyaga
 - ii. Mrs. Violet Awori
 - b) **Appointment of Directors:** In accordance with Article 114 of the Company’s Articles of Association, having been appointed by the Board to fill in a casual vacancy, the following directors retire from the Board and being eligible offers themselves for re-election:
 - i. Canon Chris Kinyanjui
 - ii. Mr. John Thiong’o
 - iii. Mr. Jeremiah Nyokangi
5. To note that auditors Mazars will continue in office in accordance with the provisions of Section 721(2) of the Companies Act, 2015 and to authorize the Directors to fix their remuneration for the ensuing financial year.
6. To approve the remuneration of Directors for the period ended 31st December 2020.

Special Business

- i) Proposed amendment to the Articles of Association

To consider and, if thought fit, pass the following resolutions BY WAY OF SPECIAL RESOLUTIONS:

- (a) **THAT**, the Articles of Association of the Company be amended by inserting a new Article 61D immediately after Article 61 C to read as follows:


“61 D. Notwithstanding the provisions of Articles 58,59,60 and 61 A-C, the Members may, if they think fit, or if the Directors notify them that such is the manner in which any particular general meeting would be held, confer or hold a meeting by radio, telephone, closed circuit television, video-conferencing or other electronic, digital or audio/visual communication, or a combination of any of such means (“virtual meeting”). Notwithstanding that the Members are not present together in one place at the time of the virtual meeting, a resolution passed by the Members constituting a quorum at such a meeting shall be deemed to have been passed at a General Meeting held on the day on which and at the time at which the virtual meeting was held. The provisions of these Articles relating to proceedings of Members apply insofar as they are capable of application mutatis mutandis to such a meeting. Such a general meeting shall be deemed to have been held at the registered office of the Company”.

- (b) **THAT**, the Articles of Association of the Company be amended by deleting Article 130 in total and substituting with the following new Articles:

“130 (a) Where the Company elects to maintain the Seal, the Directors shall provide for safe custody of the Seal which shall only be used by the authority of the Directors or of a committee of the Directors authorized by the Directors in that behalf; and every instrument to which the Seal shall be affixed shall be signed by two Directors or one Director and the Company Secretary or one director and such other person as the Directors may appoint for the purpose.

130 (b) Unless a contract specifically requires to be signed under the seal, a contract may be made by the Company in writing and on behalf of the Company by a person acting under its authority, express or implied; and a document may be validly executed by the Company if it is signed on behalf of the Company either by two authorized signatories or by a director of the Company in the presence of a witness who attests the signature or by an attorney duly authorised in accordance with Article 102.”

By Order of the Board



CS. LAWRENCE KIBET
COMPANY SECRETARY
IMAGE REGISTRARS LIMITED

NOTES:

1. Owing to the ongoing Coronavirus 2019 (COVID-19) pandemic and the related Public Health Regulations and directives passed by the Government restricting public gatherings, it is impossible, for the Company to hold a physical AGM in the manner envisaged under the Company’s Articles of Association and section 280 of the Companies Act 2015. On 29 April 2020, the High Court of Kenya in Miscellaneous Application Miscellaneous Application No. E757 of 2020 made under the provisions of Section 280 of the Companies Act 2015, (The Companies Act) issued an order granting special leave to all companies that find it impracticable to hold physical general meetings in the manner set out in their Articles of Association to do so and hold either hybrid or virtual meetings. These meetings will be taken to be valid and properly held and convened.
2. Shareholders wishing to participate in the meeting should register for the AGM by dialing *483*820# on their mobile telephone and follow the various prompts on 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 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 **SMEPAGM@image.co.ke** for assistance during registration.
4. Registration for the AGM opens on Thursday 8th April 2021 at 9:00 am and will close on Wednesday 5th May 2021 at 5.00pm.
5. The following documents may be viewed on the Company’s website **www.smep.co.ke** a copy of this Notice and the proxy form;
6. Any shareholder who is entitled to attend and vote at the Annual 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 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 11.00 a.m. on 5 May 2021.
8. Duly signed proxy forms may also be emailed to **SMEPAGM@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.
9. Shareholders wishing to raise any questions or clarifications regarding the AGM may do so on or before 6 May 2021 at 5:30 pm by: (a) sending their written questions by email to **SMEPAGM@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 30000 – 00100, Nairobi, or to Image Registrars offices at the address above.
10. The AGM will be streamed live via a link which shall be provided to all shareholders who will have registered to participate in the AGM. Duly registered shareholders and proxies will receive a short message service (SMS/USSD) prompt on their registered mobile numbers, 24 hours prior to the AGM acting as a reminder of the AGM. A second SMS/USSD prompt shall be sent one hour ahead of the AGM, as a reminder that the AGM will begin in an hours’ time and providing a link to the live stream.
11. Shareholders and proxies who have registered to attend the AGM 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 AGM.