

**HEAD OFFICE:**

Econet Park, No. 2 Old Mutare Road  
Msasa, P.O. Box BE 1298,  
Belvedere, Harare, Zimbabwe.  
Tel: 263-4-486121-6, 263-912-793-500  
Fax: 263-4-486120  
Email: info@econet.co.zw  
Website: www.econet.co.zw

The Chairman  
Kingdom Meikles Africa Limited  
99 Jason Moyo Avenue  
Harare

12 May 2009

Dear Sir

**Re: REQUISITION FOR AN EXTRAORDINARY GENERAL MEETING OF MEMBERS TO CONSIDER THE DEMERGER OF KINGDOM FINANCIAL HOLDINGS LIMITED FROM KINGDOM MEIKLES AFRICA LIMITED**

**1 INTRODUCTION**

On 15 November 2007, the shareholders of Meikles Africa Limited ("Meikles" or "MAL" or "the Company") approved the acquisition of all the issued shares of Kingdom Financial Holdings Limited ("Kingdom" or "KFHL"), Tanganda Tea Company Limited ("Tanganda") and Cotton Printers (Private) Limited ("Cotton Printers") through the issue of 78,112,138 Meikles ordinary shares to existing shareholders in Kingdom, Tanganda and Cotton Printers under a scheme of arrangement sanctioned and confirmed by the High Court of Zimbabwe. At the same Extraordinary General Meeting ("EGM"), Meikles shareholders approved the change of name of the Company to Kingdom Meikles Africa Limited ("KMAL"). Prior to obtaining shareholder approval, the shareholders of Kingdom, Tanganda and Cotton Printers had approved the resolutions authorising the acquisition of all the respective issued shares of Kingdom, Tanganda and Cotton Printers by Meikles under a scheme of arrangement in terms of the Act. The successful conclusion of the acquisition of all the issued shares of Kingdom, Tanganda and Cotton Printers created arguably the largest conglomerate listed on the ZSE.

The successful conclusion of the acquisition represented a significant milestone in consolidating the assets then held by Meikles Consolidated Holdings (Private) Limited. Based on international precedents, the transaction was also expected to yield valuable synergistic benefits to shareholders of all the companies involved in the transaction by providing the critical mass necessary for enhanced credit rating and access to international capital markets on which to raise capital required to finance current and prospective opportunities for Kingdom's regional expansion programme, Tanganda's expansion plans and the multi-million United States dollar expansion and refurbishment of Victoria Falls Hotel. These expansion programmes were deemed important aspects of the strategy to diversify the revenue streams of the new group and to improve earnings, achieving an efficient way of leveraging on financial resources available among the merging companies, particularly the utilisation of foreign currency resources that may be raised through Kingdom's banking and financial units from local and international capital markets, exports by Tanganda and Cotton Printers or hard currency earnings by subsidiaries in the hotel industry.

Before any of the anticipated benefits could be realised, a dispute erupted between Mr Nigel Chanakira and Mr John Ralph Moxon. The causes of the dispute are contentious and it is not the purpose of this requisition to discuss them. The dispute has been widely reported in the press in Zimbabwe and has damaged the image of the Company.

I have been in discussions with both Mr John Ralph Moxon and Mr Nigel Chanakira. As a result of these negotiations, and acting on behalf of EW Capital Holdings (Private) Limited, a holder of not less than one twentieth of the voting rights of the Company, I now requisition the board for an Extraordinary General Meeting of the Company's members in accordance with Section 126 of the Companies Act [Chapter 24:03] for the purposes of considering, and if deemed fit, approving the demerger of KFHL from KMAL as proposed in this requisition.

Within 21 days of deposit of this requisition at the registered office of the Company, the Directors of KMAL are required in terms of section 126 of the Companies Act, to issue a notice to members convening an Extraordinary General Meeting for purposes of considering the proposals made in this requisition. The objects of the proposed meeting and the proposed resolutions to be considered by the meeting are set out below. The Directors of KMAL are hereby requested to publish this requisition to the members of the company alongside the notice calling the meeting.

**2 THE PROPOSED TRANSACTION**

The proposed Transaction seeks to demerge Kingdom from KMAL through the distribution of all the issued Kingdom ordinary shares currently held by KMAL to all the shareholders of KMAL register of members on the Record Date. In order to make the Kingdom shares available for distribution, KMAL would declare a dividend in specie, allowing it to make payment in the form of the Kingdom shares. There is no restriction in the Articles of the Company to the declaration and payment of a dividend in specie. The requisitionists hold the view that a dividend in specie is exempt from any tax.

**3 CONDITIONS PRECEDENT**

Because the resultant shareholding of KMAL and KFHL will mirror each other, it is the view of the requisitionists that there will be no regulatory approvals required for the Transaction. The Transaction is conditional upon:

- The approval of the dividend in specie at an EGM by a simple majority in number of the members present and voting, either in person or by duly authorised agent or proxy, at the EGM (or any adjournment of that meeting);
- The granting of authority to the directors of the Company to authorise KFHL to buy back from KMAL its issued shares at nominal value. There are 245,374,791 and 479,421,412 issued ordinary shares of KMAL and KFHL respectively. To avoid fractional shares, it is proposed that KFHL buys back from KMAL at nominal value, and cancels 234,046,621 of the KFHL shares in issue such that after the cancellation, and prior to the distribution of the dividend in specie, the number of KFHL shares in issue will be 245,374,791. The authority is required at the proposed EGM by a simple majority in number of the members present and voting, either in person or by duly authorised agent or proxy, at the EGM (or any adjournment of that meeting). The purpose of the share buy back is to ensure that there will be no fractional shares resulting from the transaction.
- The reversal of the cession by the company in favour of KFHL and its subsidiaries of the full amount of the debt owed by the Reserve Bank of Zimbabwe to the company.
- The listing of KFHL on the Zimbabwe Stock Exchange.

The Transaction will be of no force or effect unless and until the conditions precedent in this paragraph are satisfied.

**4 KEY TRANSACTION ELEMENTS**

**4.1 Valuation**

The proposed Transaction will not result in a change in the shareholding structure for both KMAL and Kingdom as the Kingdom shares held by KMAL will be distributed pro rata to the existing shareholding in KMAL. Any positive or negative impact of the Transaction will be to the benefit or detriment of all the shareholders pro rata to their current shareholdings. The entitlements will be based on the number of issued shares in KMAL and Kingdom. It is proposed that, for purposes of the distribution of the dividend in specie, the record date be fixed by the board of KMAL provided that the date shall not be more than 21 days before the date of listing of the KFHL shares on the Zimbabwe Stock Exchange.

**4.2 Distribution Ratio**

The number of Kingdom ordinary shares to one KMAL ordinary shares is determined with reference to the total issued KFHL ordinary shares held by KMAL and the total issued KMAL ordinary shares. There are 245,374,791 and 479,421,412 issued ordinary shares of KMAL and KFHL respectively. To avoid fractional shares, it is proposed that KFHL buys back from KMAL at nominal value, and cancels 234,046,621 of the KFHL shares in issue such that after the cancellation, and prior to the distribution of the dividend in specie, the number of KFHL shares in issue will be 245,374,791. Consequently, each KMAL shareholder will be entitled to receive 1 Kingdom ordinary share for each KMAL ordinary share held.

After the EGM, and assuming the proposed Transaction is approved, it is proposed that the following steps be implemented:

- The Directors cause the implementation of the share buy back by KFHL within seven days after the date of the EGM.
- As soon as reasonably possible after the date of the EGM, the directors of KMAL procure the listing of KFHL on the Zimbabwe Stock Exchange by way of an introduction, and simultaneously cause the distribution of the dividend in specie.

**4.3 Dealings in KMAL shares**

For the purpose of establishing members that are entitled to vote at the EGM, the Directors are requested to publish the record date for purposes of determining the shareholders entitled to vote at the EGM. Their publication should indicate that persons dealing in KMAL shares will only be allowed to attend and vote at the EGM if:

- The transferee is registered in the KMAL register as the holder of the relevant KMAL shares by the record date;
- In all cases, registrable transfers or transmission applications in respect of those dealings are received by the Transfer Secretaries by the record date;
- KMAL will register registrable transfers or transmission applications on or by the record date; and
- KMAL will not accept for registration, nor recognise for the purposes of attendance and voting at the EGM, any transfer or transmission application in respect of shares received after the record date.

**4.4 Dealings after Record Date**

Dealings after the record date published by the directors for purposes of attendance and voting at the EGM shall be taken into account for purposes of the distribution of the dividend in specie, provided that such dealings shall have taken place before the record date to be published by the directors for the purposes of determining the shareholder entitlements to the proposed dividend in specie.

#### 4.5 Cash Option

No cash option is available to shareholders not willing to hold or receive Kingdom shares pursuant to the Transaction.

#### 4.6 Fractional Shares

There will be no fractional shares resulting from the Transaction.

### 5 EFFECTS OF THE IMPLEMENTATION OF THE DEMERGER

#### 5.1 On Kingdom Shareholders

The implementation of the Transaction will result in KMAL shareholders becoming shareholders in Kingdom pro rata to their existing shareholdings in KMAL. The number of issued KMAL shares will remain unchanged while that of the KFHL shares shall be reduced by 234,046,621 shares pursuant to the proposed share buy back.

#### 5.2 Board and Management

The implementation of the Scheme will result in the changes to the appointment and composition of Board of Directors of Kingdom and KMAL.

The following Directors will be resigning from the KMAL board at the EGM:

N MK Chanakira  
SP Bango  
C Jokonya

The following Directors will be resigning from the KFHL board at the EGM

C B Thorn  
JRT Moxon

Additional directors will be appointed in terms of the Articles of KMAL and Kingdom.

The demerger may result in changes to existing management structure in order to align them to the new challenges resulting from the demerger of Kingdom from KMAL. However, these anticipated changes will evolve and be implemented as an ongoing process of restructuring in line with the new groups' strategic focuses.

#### 5.3 Issued shares & Share capital

The issued shares and share capital of KMAL will remain the same. The issued shares of KFHL shall be reduced by 234,046,621. The requisitionists have received assurances from Mr Nigel Chanakira that Kingdom Bank would still be able to meet the minimum capital requirements set by the Reserve Bank of Zimbabwe notwithstanding the reversal of the cession of the Reserve Bank debt.

#### 5.4 Total assets

The proposed Transaction will not result in any other changes to the number and value of assets held by KFHL and KMAL except for the transfer back to KMAL of the Reserve Bank Debt from Kingdom Bank.

#### 5.5 EPS & NAV

The directors are requested to publish the pro forma financial/statements for KMAL with their notice to show the effects of the proposed Transaction on earnings per share and net asset value.

#### 5.6 Foreign shareholders

The implementation of the Transaction affects all KMAL shareholders. Although the requisitionists are of the view that non-resident shareholders do not require exchange control approval in order to accept KFHL shares, it is recommended that the company and the non resident shareholders seek independent advice on this issue. Should the board decide that exchange control approvals are required; these shall be sought after approval of the dividend in specie by the shareholders at the proposed EGM. In that event, upon such approvals being obtained, dividends to be paid in the form of KFHL shares and the proceeds of these shares in the event of disposal will be entitled to full remittance from Zimbabwe.

The distribution of Kingdom shares to shareholders who are resident in or citizens or nationals of jurisdictions outside Zimbabwe or custodians, nominees or trustees for such shareholders may be prohibited or affected by the laws of the relevant jurisdictions. Such shareholders should inform themselves about and observe any such legal requirements.

#### 5.7 Taxation

It is the view of the requisitionists that the transfer of KFHL shares from KMAL to Kingdom shareholders pursuant to the proposed Transaction will not result in any tax liabilities. However, the Company and each shareholder are advised to obtain their independent tax advice.

#### 5.8 Listing on ZSE

The implementation of the Transaction will result in the listing of KFHL on the ZSE and KMAL will remain listed on the ZSE and London Stock Exchange although its name will change to Meikles Limited. The listing of KFHL will take place simultaneously with the distribution of the dividend in specie, and subject to compliance with the Listing requirements of the Zimbabwe Stock Exchange which require, among other things, the publication of a prelisting statement.

#### 5.9 Employees

Employees have employment contracts with subsidiary companies. The demerger of Kingdom from KMAL will not affect the contract of employment for all employees. Any head office staff that was employed by Kingdom and Meikles prior to the acquisition of Kingdom by Meikles will revert to their employment contracts.

### 6 BENEFITS OF THE TRANSACTION

The demerger is expected to resolve the existing shareholder disputes and improve the market perception of both KMAL and Kingdom.

### 7 NOTICE OF EGM

The notice of the EGM that will consider and, if deemed fit, approve (with or without amendment) resolutions that would give effect to the proposed Transaction will be issued by the directors, and will accompany this requisition.

### 8 PROSPECTS

The demerger is expected to resolve the existing shareholder disputes and improve the market perception of both KMAL and KFHL. It is envisaged that improved market perception will unlock shareholder value expected through improved share price performance of the demerged entities relative to the consolidated entity. It is also hoped that the specification on the Meikles family, on their investment vehicles, and on TM Supermarkets will be lifted. Such a positive development is expected to help improve the image of the country, and to make the group more attractive to foreign investors.

### 9 DIRECTORS' INTERESTS

The directors' interests are not known to the requisitionists.

#### 9.1 Other Interests

I, Tawanda Nyambirai, am a director and shareholder of TN Financial Services (Private) Limited, advisor to KFHL at the time of the merger, and am the Chairman of Econet Wireless Holding Limited and its wholly owned subsidiary, EW Capital Holdings (Private) Limited, one of the significant shareholders of KMAL. My interests and those of the requisitionists are not in conflict with the known interests of the company.

### 10 RESOLUTIONS PROPOSED BY REQUISITIONISTS

The requisitionists propose that the proposed Extraordinary General Meeting considers, and, if deemed fit, passes the following resolutions, with, or without amendment:

#### 10.1 AS AN ORDINARY RESOLUTION – THE DISPOSAL OF 234,046,621 KFHL ISSUED SHARES TO KFHL FOR CANCELLATION

“THAT, the Directors of the Company be and are hereby authorised to transfer to KFHL at nominal value for cancellation 234,046,621 Kingdom Financial Holdings Limited ordinary shares.”

#### 10.2 AS AN ORDINARY RESOLUTION- DISTRIBUTION OF KFHL SHARES

“THAT, simultaneously with the proposed listing of KFHL the Directors of the Company be and are hereby authorised to distribute by way of a dividend in specie to all Kingdom Meikles Africa Limited shareholders all the 245,374,791 issued shares of Kingdom Financial Holdings Limited remaining after the proposed transfer of 234,046,621 KFHL shares to KFHL for cancellation, using a distribution ratio of 1 Kingdom Financial Holdings Limited share for every one Kingdom Meikles Africa Limited share held.”

#### 10.3 AS AN ORDINARY RESOLUTION – LISTING OF KINGDOM ON ZSE

“THAT, simultaneously with the distribution of the proposed dividend in specie, the Directors of the Company be and are hereby authorised to list all the issued shares of Kingdom Financial Holdings Limited on the ZSE by way of an introduction.”

#### 10.4 AS A SPECIAL RESOLUTION – NAME CHANGE

“THAT, the Directors of the Company be and are hereby authorised to change the name of the Company from Kingdom Meikles Africa Limited to Meikles Limited.”-

### 11 REQUISITIONISTS' OPINIONS & VOTING RECOMMENDATIONS

The requisitionists consider the terms and conditions of the proposed Transaction to be fair and reasonable so far as the Shareholders of KMAL are concerned and to be in the best interests of KMAL and its Shareholders.

Shareholders holding more than 51% of the Company's issued share capital have already indicated their support for the Transaction to the requisitionists and will vote in favour of the resolutions at the EGM.

Accordingly, the requisitionists unanimously recommend that shareholders vote in favour of the resolutions at the EGM. The requisitionists intend to vote in favour of the resolutions at the EGM.

Yours faithfully

For and behalf of EW Capital Holdings (Private) Limited

**Tawanda Nyambirai**  
Chairman

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**Executive Directors:** D. Mboweni (CEO), K.V. Chirairo, J.B.G. Pattison  
**Non-Executive Directors:** T. Nyambirai (Chairman), S.T. Masiyiwa, A.N.H. Eastwood, R. Chidembo, P. Caampbell, C. Fitzgerald, T.P. Mpfu (Mrs), Z.M. Wazara