

## CIRCULAR TO SHAREHOLDERS

### THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The "Definitions" section commencing on page 4 of this Circular applies to this whole Circular, including this cover page.

#### Action Required:

- If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, banker, lawyer, accountant or other professional adviser immediately.
- If you have sold or transferred your shares in Letshego Holdings (Namibia) Limited (the "**Company**"), you should immediately hand this Circular to the agent through whom you effected the sale and transfer, for transmission to the purchaser or transferee.
- This Circular incorporates listing particulars and is issued in compliance with the Listing Requirements of the Namibian Stock Exchange for the purpose of giving information to the public with regard to the shareholders of the Company.



Incorporated in the Republic of Namibia  
Registration Number: 2016/0145  
ISIN: NA000A2DVV41  
Share code: LHN  
(**"LHN"** or the **"Company"**)

## CIRCULAR TO SHAREHOLDERS






in relation to the

### PROPOSED ESTABLISHMENT AND IMPLEMENTATION OF THE LETSHEGO HOLDINGS (NAMIBIA) LIMITED EMPLOYEE SHARE OWNERSHIP PLAN TRUST

DATE OF ISSUE 31 JULY 2024

*This Circular is available in English only. Copies may be obtained from the registered office of the Company, whose address is set out in the "Corporate Information" section of this Circular, during normal business hours from the date of issue hereof until the date of the General Meeting. This Circular will also be available on LHN's website: <https://www.letshego.com/namibia> during the same period.*

## CORPORATE INFORMATION

<p><b>The Company</b></p>  <p>Letshego Holdings (Namibia) Limited Letshego House, 1<sup>st</sup> Floor, 18 Schwerinsburg Street PO BOX 11600 Windhoek Namibia Telephone: +264 (0)81 955 5137 Contact: Mignon Klein</p>	<p><b>Legal Advisors</b></p>  <p>Joos Agenbach Attorney 37 Schanzen Street PO BOX 86435 Windhoek Namibia Telephone: +264 (0)61 449 850 Contact: Joos Agenbach</p>
<p><b>Sponsoring Broker</b></p>  <p>4<sup>th</sup> Floor, 1 @Steps, corner of Grove &amp; Chasie Street PO BOX 186 Windhoek Namibia Telephone: +264 (0)81 958 3500 Contact: Eric van Zyl</p>	<p><b>Auditor to the Company</b></p>  <p>Building a better working world c/o Otto Nitzsche &amp; Martiz Street  PO BOX 1857 Windhoek Namibia Telephone: +264 (0)61 289 1100 Contact: Danica van Wyk</p>
<p><b>Transfer Secretary</b></p>  <p>Transfer Secretaries (Pty) Ltd 4 Robert Mugabe Avenue (entrance via Dr. Theo Ben Guirirab Street) PO BOX 2401 Windhoek Namibia Telephone: +264 (0)61 227 647 Contact: Alexandria Ullrich</p>	<p><b>Company Secretary</b></p> <p>Letshego Holdings (Namibia) Limited Letshego House, 1<sup>st</sup> Floor, 18 Schwerinsburg Street  PO BOX 11600 Windhoek Namibia Telephone: +264 (0)81 955 5137 Contact: Mignon Klein</p>

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## SALIENT DATES

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Notice of Annual General Meeting via NENS	19 July 2024
Announcement of Release of Circular on Company website via NENS	31 July 2024
Date of Release of Circular on Company website	31 July 2024
For administration purposes, Shareholders requested (but not required) to lodge Forms of Proxy with Transfer Secretaries by 12h00	7 August 2024
Last day and time to lodge Forms of Proxy, by the time of commencement of the Annual General Meeting at 12h00	9 August 2024
Annual General Meeting to be conducted entirely by electronic communication at 12h00	9 August 2024
Results of Annual General Meeting to be released on NENS (on or about)	12 August 2024
Implementation of ESOP (on or about)	31 March 2025

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## SHAREHOLDERS OF THE COMPANY

Dear Sir/Madam,

### PROPOSED ESTABLISHMENT AND IMPLEMENTATION OF THE LETSHEGO HOLDINGS (NAMIBIA) LIMITED (LHN) EMPLOYEE SHARE OWNERSHIP PLAN (“ESOP”) TRUST

#### 1. INTRODUCTION

- 1.1. The Board is pleased to announce an intention by the Company to seek shareholders’ approval for the establishment and implementation of the ESOP by LHN at the forthcoming Annual General Meeting to be held on 9 August 2024 (“**AGM**”).
- 1.2. The purpose of this Circular is to provide shareholders with the details of the ESOP and the resolutions proposed to be passed relating to the ESOP, as set out in the notice of the AGM.

#### 2. DEFINITIONS

In this Circular, unless the context indicates otherwise, the terms in the first column have the meanings assigned to them in the second column. Capitalised terms used but not otherwise defined in this Circular will have the meaning given to them in the Trust Deed or the Share Transfer Agreement. Words importing the singular shall, where applicable, including the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine gender and *vice versa*. Reference to persons shall include corporations.

“ <b>Award</b> ”	the award by the Trustees of Participation Units to Eligible Employees in accordance with the provisions of the Trust Deed, and <b>Awarded</b> will have a corresponding meaning;
“ <b>Award Committee</b> ”	a committee established by the Trustees, in consultation with LHN, to determine the number of Participation Units to be Awarded to each Eligible Employee; <b>[Sch 14.1(a)] [Sch 14.12(a)] [Sch 14.1(d)]</b>
“ <b>Beneficiary</b> ”	an Eligible Employee who accepts an Award and becomes a beneficiary in accordance with the provisions of the Trust Deed (including the executor of a Beneficiary’s deceased estate, where applicable), and <b>Beneficiaries</b> will have a corresponding meaning; <b>[Sch 14.1(a)] [Sch 14.12(a)]</b>
“ <b>Board</b> ”	the board of directors of the Company;
“ <b>Call Option Date</b> ”	the earlier of the End Date or the happening of a Change in Control, as detailed in the Share Transfer Agreement;
“ <b>Call Option Implementation Date</b> ”	30 (thirty) days of the Call Option Date (or as soon thereafter as any necessary regulatory consents have been obtained);

<b>“Change in Control”</b>	in respect of LHN, shares or rights to shares carrying more than 50% (fifty percent) of all the votes exercisable in respect of the entire issued share capital of the capital of LHN are acquired (whether by transfer or allotment and whether at the same or different times) by any person or persons (whether acting in concert with each other or not) who did not immediately prior to such acquisition form part of the Group or own those shares or rights, and, for the avoidance of doubt, specifically excludes any Change in Control in LHN’s direct or indirect shareholders from time to time;
<b>“Circular”</b>	this Circular which sets out salient details of the ESOP and the Trust Deed;
<b>“Closing Date”</b>	the date on which the Trust is registered as the holder of the Trust Shares, provided that the suspensive conditions in the Share Transfer Agreement are fulfilled;
<b>“Companies Act”</b>	the Companies Act 28 of 2004, as amended or replaced from time to time;
<b>“Director”</b>	a director of the Board;
<b>“Distribution”</b>	each ordinary cash distribution declared and paid by LHN in respect of each Share held by the Trust, subject to the terms of the Share Transfer Agreement;
<b>“Eligible Employees”</b>	employees of each Employer Company who are permanently resident in Namibia and who are employed on an indefinite basis in the job bands determined by the Award Committee from time to time. For the avoidance of doubt: <ul style="list-style-type: none"> <li>• any person who renders services to an Employer Company as a temporary employee (through a temporary employment service or otherwise) or as a fixed-term contractor; and/or</li> <li>• any person who is not permanently resident in Namibia; and/or</li> <li>• any person who is employed after the third anniversary of the Closing Date,</li> </ul> will not be an Eligible Employee; <b>[Sch 14.1(a)] [Sch 14.12(a)]</b>
<b>“Employer Company”</b>	the member of the Group that employs the Beneficiary while the Employment Service Requirement applies;
<b>“End Date”</b>	the 7 <sup>th</sup> (seventh) anniversary of the Closing Date;
<b>“ESOP”</b>	the Letshego Namibia Employee Share Ownership Plan Trust to be established by LHN;

<b>“Group”</b>	LHN and its subsidiaries from time to time which shall include, but not be limited to, Letshego Bank (Namibia) Limited ( <b>LBN</b> ) and Letshego Micro Financial Services (Namibia) (Proprietary) Limited ( <b>LMFSN</b> ) and <b>member of the Group</b> shall have a corresponding meaning;
<b>“LAHL”</b>	Letshego Africa Holdings Limited, a company incorporated in accordance with the Companies Act and listed on the Botswana Stock Exchange;
<b>“LHN” or the “Company”</b>	Letshego Holdings (Namibia) Limited, a public company registered in accordance with the laws of the Republic of Namibia under registration number 2016/0145 and registered on the NSX;
<b>“Market Value of a Share”</b>	the volume weighted average price (VWAP) of a Share, as quoted on the Namibian Stock Exchange, determined using the 20 (twenty) Trading Days immediately preceding the date on which a determination of the market value of the Share is to be made for the purposes of the Trust Deed;
<b>“Notional Funding”</b>	the notional funding provided by LAHL to the Trust, which is implemented by means of contractual payments to LAHL of a portion of the Distributions and Special Distributions and the Call Option (defined below), the terms of which are provided in the Share Transfer Agreement;
<b>“NSX”</b>	the Namibian Stock Exchange;
<b>“NSX Listings Requirements”</b>	the NSX Listings Requirements, as amended or replaced from time to time by the NSX;
<b>“Participation Units”</b>	the conditional rights which each Beneficiary may have (after the Award of such units) in and to Trust Shares, on the basis that 1 (one) Trust Share is represented by 1 (one) Participation Unit, as well as to the income and capital of the Trust on the terms and subject to the conditions of the Trust Deed;
<b>“Recharge Policy”</b>	a policy or agreement in force from time to time regulating, <i>inter alia</i> , the manner in which the fair value of Awards made to Beneficiaries of the Trust will be recovered. A Recharge Agreement will be entered into between LAHL, LHN, LBN, and LMFSN;
<b>“Shares”</b>	ordinary shares in LHN;
<b>“Share Transfer Agreement”</b>	the share transfer agreement entered into, or to be entered into, between the Company, the Trustees of the Trust, and LAHL in terms of which, <i>inter alia</i> , the Trust will take transfer of the Trust Shares held by LAHL in LHN;

<b>“Special Distribution”</b>	any distribution (other than Distributions) to holders of Shares whether by way of special or extraordinary dividends, capital distributions, return of contributed tax capital, or otherwise, subject to the terms of the Share Transfer Agreement;
<b>“Term”</b>	the period commencing on the Closing Date and ending on the Call Option Implementation Date, subject to clause 7 of the Share Transfer Agreement;
<b>“Transfer Price”</b>	an amount equal to the Market Value of a Share on the Closing Date, less the agreed discount of 20% (twenty percent), multiplied by the number of Trust Shares;
<b>“Trust”</b>	the Letshego Namibia Employee Share Ownership Plan (ESOP) Trust;
<b>“Trustees”</b>	the trustees of the Trust from time to time who, for the avoidance of doubt, may not be executive directors of LAHL, the Group, or Beneficiaries of the Trust; <b>[Sch 14.4] [Sch 14.5]</b>
<b>“Trust Deed”</b>	the trust deed of the Trust as amended from time to time
<b>“Trust Shares”</b>	the Shares held by the Trust from time to time which will initially amount to 25,000,000 (twenty-five million) Shares after the implementation of the Share Transfer Agreement, constituting approximately 5% (five percent) of the total issued Shares.



### 3. LETSHEGO NAMIBIA EMPLOYEE SHARE OWNERSHIP PLAN (ESOP) TRUST

#### BACKGROUND

- 3.1. In terms of the Banking Institutions Act 13 of 2023, LHN is required to increase its level of local Namibian equity ownership to 25% (twenty five percent). Pursuant to this requirement, LHN wishes to implement the ESOP, the aim of which is ultimately to transfer Shares to Beneficiaries on the End Date or upon a Change in Control, whichever is earlier.
- 3.2. The Trust Deed establishing the Trust (through which the ESOP will be implemented) has been approved by the NSX and is subject to approval by the shareholders of the Company in terms of the NSX Listings Requirements. The transaction contemplated in the Share Transfer Agreement is also subject to approval by shareholders of the Company.
- 3.3. The Share Transfer Agreement is a commercial agreement between the parties which, *inter alia*, sets out the terms and conditions upon which the Trust will acquire the Trust Shares for the ESOP (i.e., 25,000,000 (twenty-five million) Shares in LHN) from LAHL by settling the Transfer Price. The salient terms of the Share Transfer Agreement are set out in 3.4 to 3.11 below, and a copy of the Share Transfer Agreement can be requested from the Company Secretary.
- 3.4. The Transfer Price will be based on the number of Shares bought and the Market Value of a Share, less a discount of 20% (twenty percent). The Transfer Price will be settled as follows:
  - 3.4.1. by way of a cash payment of N\$0.01 per Share (N\$250,000) by LHN, on behalf of the Trust, to LAHL (the **Cash Component**); and
  - 3.4.2. the balance by way of Notional Funding provided by LAHL to the Trust.
- 3.5. The Notional Funding method of funding the ESOP has been implemented to provide the same economic outcome for the Beneficiaries, LAHL, and LHN of using a conventional preference share funded scheme to acquire the Shares, but without having to incorporate a further entity (i.e., a special purpose vehicle to hold the Shares and issue preference shares). This simplifies the administration of the ESOP and reduces the implementation and ongoing administration costs. The Notional Funding method has become the most common and best practice method of funding ESOPs in the region.
- 3.6. The Notional Funding will:
  - 3.6.1. initially be set to the Transfer Price, less the cash payment of N\$250,000;
  - 3.6.2. escalate at a rate equal to 68% (sixty eight percent) of the Namibian prime rate (the **Notional Escalation Factor**); and

- 3.6.3. reduce by an amount equal to 80% (eighty percent) of each Distribution and 100% (one hundred percent) of any Special Distribution paid by the Trust to LAHL,

the outstanding balance is referred to as the **Notional Funding Balance**.

- 3.7. The rationale for selling the Trust Shares at a discount of 20% (twenty percent) to the Trust is to ensure there is an initial equity value attributable to the Beneficiaries which aligns with the objective of transferring substantive Namibian ownership in LHN. The Cash Component is based on the nominal value per Share and is used to demonstrate that there is a genuine acquisition of shares. The Notional Escalation Factor was set at 68% of the Namibian prime rate to reflect the after-tax rate that is applicable to preference share funded implementations for these types of structures. 80% (eighty percent) of each Distribution will be paid to LAHL and 20% (twenty percent) will be paid to Beneficiaries; this split was used to ensure that a significant portion of the Notional Funding will be reduced whilst a benefit is still provided to Beneficiaries during the Term.
- 3.8. The Trust shall be required to pay LAHL 80% (eighty percent) of each Distribution and 100% (one hundred percent) of each Special Distribution received from LHN in relation to the Trust Shares for so long as the Notional Funding Balance is above zero. Where the Notional Funding Balance is zero, the Trust will pay or distribute 100% (one hundred percent) of each Distribution and 100% (one hundred percent) of any Special Distribution to each Beneficiary in proportion to their Participation Unit holding in relation to the number of all Participation Units.
- 3.9. On the Call Option Date (being the earlier of 7 (seven) years of the Closing Date or upon a Change in Control), LAHL can make an election (the Call Option) to purchase a number of Trust Shares equal in value to the Notional Funding Balance (if any) for a nominal value of N\$ 0.01 per Share. The number of Trust Shares that will be repurchased by LAHL will be calculated as the Notional Funding Balance (if any) divided by the Market Value of a Share at the Call Option Date.
- 3.10. The Trust Shares that are not repurchased by LAHL under the Call Option will be retained by the Trust and ultimately transferred to Beneficiaries.
- 3.11. The illustrative example below shows how the Transfer Price and Notional Escalation Factor is intended to operate, and the number of Trust Shares that will be distributed to Beneficiaries will be calculated (please note that the number of Trust Shares and the Market Value of a Share in this example are based on the illustrative assumptions):

**Illustrative Example:**

Market Value of a Share on the Closing Date (assumed)	Assumed as N\$2	A
Agreed discount	20%	B
Number of Trust Shares (illustrative)	1,000	C
Transfer Price	N\$1,600	$(A \times (1-B)) \times C = D$
Cash Component (illustrative)	N\$10	$C \times N\$0.01 = E$
Notional Funding	N\$1,590	D - E

Notional Funding	N\$1,590	F
Notional Escalation over a period of 7 years (assumed)	N\$1,000	G
Distributions over a period of 7 years (assumed)	N\$2,000	H
Notional Funding Balance	N\$590	$F-G-H = I$
Market Value of a Share on the Call Option Date	N\$5	J
Number of Trust Shares repurchased by LAHL following the Call Option	118 shares	$I / J = K$
Trust Shares to be distributed to Beneficiaries	882 shares	C - K

- 3.12. Beneficiaries will not pay anything for any Shares distributed to them.
- 3.13. The salient features of the Trust Deed are set out below and a copy of the Trust Deed can be requested from the Company Secretary.

Item	Salient Feature	Description
1.	Trustees and Voting Rights	<p>Minimum of 5 (five) Trustees, with majority appointed by LHN. For the avoidance of doubt, Trustees may not be executive directors of LAHL, the Group, or Beneficiaries of the Trust;</p> <p>At general or special shareholders' meetings of LHN, the Trustees will attend the meeting and vote all the Trust Shares (including, for the avoidance of doubt, Trust Shares that have not been Awarded) on behalf of the Beneficiaries, in their best interests and in accordance with the Trustees' fiduciary duties.</p>
2.	Eligible Employees / Beneficiaries	<p>Employees of LHN and its subsidiaries who are permanently resident in Namibia and who are employed on an indefinite basis in the job bands determined by the Award Committee from time to time. For the avoidance of doubt:</p> <ul style="list-style-type: none"> <li>• any person who renders services to an Employer Company as a temporary employee (through a temporary employment service or otherwise) or as a fixed-term contractor; and/or</li> <li>• any person who is not permanently resident in Namibia; and/or</li> <li>• any person who is employed after the third anniversary of the Closing Date,</li> </ul> <p>will not be an Eligible Employee.</p>
3.	Awards	<p>The Award Committee shall determine, in relation to each Eligible Employee:</p> <ul style="list-style-type: none"> <li>- the number of Participation Units to be Awarded to that Eligible Employee;</li> <li>- the number of Trust Shares attributable to the Participation Units that comprise the Award;</li> <li>- the date on which the Award is granted;</li> <li>- the restrictions on transferability of the Participation Units;</li> <li>- the Employment Service Requirements (described below); and</li> <li>- the end of the Term.</li> </ul> <p>A Beneficiary will not be required to give any consideration for the making or Settlement of an Award.</p> <p>A Beneficiary shall not be entitled to receive more than 2,500,000 (two million five hundred thousand) Participation Units under the Trust, which equates to approximately 0.5% (zero point five percent) of the total issued shares in LHN.</p>
4.	Employment Service Requirements	<p>A Beneficiary is required to remain in the employ of an Employer Company for certain periods of time after the Award Date to benefit from all or a portion of the Participation Units Awarded to him/her:</p>

		<ul style="list-style-type: none"> <li>• One third (1/3) of a Beneficiary's Participation Units is subject to the Employment Service Requirement which is measured from the Award Date to the third (3rd) anniversary of the Award Date.</li> <li>• A further one third (1/3) of the Beneficiary's Participation Units is subject to the Employment Service Requirement which is measured from the Award Date to the fourth (4th) anniversary of the Award Date.</li> <li>• The final one third (1/3) of the Beneficiary's Participation Units is subject to the Employment Service Requirement which is measured from the Award Date to the fifth (5th) anniversary of the Award Date.</li> </ul> <p>(each referred to as the <b>Employment Service Period</b>).</p> <p>If a Beneficiary's employment terminates before the End Date, such Beneficiary will retain the following portions of his/her Participation Units and forfeit the balance, if any:</p> <ul style="list-style-type: none"> <li>• if a Beneficiary ceases to be employed by the Group by reason of Resignation, retirement before the normal Retirement Date, or Dismissal before the end of each applicable Employment Service Period specified above, he/she will forfeit all his/her Participation Units related to that Employment Service Period;</li> <li>• if a Beneficiary ceases to be employed by the Group by reason of death, disability or Ill-health, retirement on the normal Retirement Date, Redundancy, or for any other cause as determined in the discretion of the Trustees, he/she will retain all or a portion of his/her Participation Units and forfeit the balance of the Participation Units related to that Employment Service Period. For the avoidance of doubt, the full portion of the Participation Units related to the applicable Employment Service Period will be retained if the date of termination of employment is after the end of the applicable Employment Service Period, otherwise the applicable portion of the Participation Units which may be retained will reflect the number of full months served from the Award Date until the date of termination of the Beneficiary's employment, divided by the number of months in the applicable Employment Service Period. Where a Beneficiary has died, the provisions of this clause will also apply and to the extent that the deceased Beneficiary was eligible to retain all or a portion of his/her Participation Units at the time of his/her death, the Trust will use the Expense Provision Amount and/or any contributions received from LHN to repurchase the Participation Units at the Participation Unit Market Value and pay the purchase price in cash, less any applicable Tax, to the Beneficiary's deceased estate.</li> </ul>
5.	Transfer of Participation Units	Participation Units cannot be transferred or encumbered or attached under any judicial process and if a Beneficiary purports to do so, he/she will cease to be a Beneficiary and will forfeit his/her Participation Units.

6.	Corporate Transactions	<p>On the happening of a Change in Control, LAHL will be required to exercise the Call Option or, if it does not exercise the Call Option, to prepare a proposal to ensure that the Trust and the Beneficiaries enjoy an economic benefit which is at least equal to the economic benefit that would have accrued to the Trust (and the Beneficiaries) absent the Change in Control (the <b>Proposal</b>), LAHL shall submit the Proposal to an Expert for certification, whereafter LAHL shall implement the Proposal. In the case of changes in capital structure, including rights offers, distributions of capital, share splits and consolidations, all outstanding Awards will be adjusted accordingly.</p>
7.	Distributions and Special Distributions	<p>During the Term, Beneficiaries will receive 20% (twenty percent) of any Distributions received by the Trust in respect of Trust Shares which have been allocated to the Beneficiaries (represented by the Participation Units). The Distributions on any Trust Shares which have not been allocated to Beneficiaries will be used to fund the Expense Provision Amount (as defined in the Trust Deed).</p> <p>As mentioned above, 80% (eighty percent) of Distributions and 100% (one hundred percent) of Special Distributions will be paid to LAHL by the Trust for so long as the Notional Funding Balance is above zero. Where the Notional Funding Balance is zero, the Trust will pay or distribute 100% (one hundred percent) of each Distribution and 100% (one hundred percent) of any Special Distribution to each Beneficiary in proportion to their Participation Unit holding in relation to the number of all Participation Units.</p>
8.	Settlement of Remaining Shares and Residual Assets to Beneficiaries	<p>Following the Call Option Date, Beneficiaries will receive a portion of the Remaining Shares (the number of which is determined based on (i) the extent to which the Notional Funding Balance has been settled; and (ii) the number of Shares which a Beneficiary requires to sell to pay any taxes due by him/her.</p> <p>Within a period of 30 (thirty) days following the Call Option Date (or such longer period as is required to obtain all necessary regulatory and, if applicable, listings authority approvals) (i.e., the Call Option Implementation Date), the Trust will transfer to each Beneficiary the number of Remaining Shares due to him/her. In so far as there are any Remaining Shares that are not distributed due to rounding of Beneficiary entitlements, these will be sold by the Trust at the Market Value of a Share and the cash proceeds thereof paid to Beneficiaries to reflect the value lost in rounding down the value due on Settlement to the nearest whole share.</p> <p>A Beneficiary will be entitled to all shareholder rights in respect of the Remaining Shares received on Settlement as of the Settlement Date and the Remaining Shares will rank <i>pari passu</i> with existing Shares.</p>

9.	Trust costs and expenses	<p>The costs and expenses of the administration of the Trust which will include, but not be limited to, fees of an administrator, auditor costs, and/or fees for professional services, will be borne by the Trust, provided that these costs and expenses are market-related and reasonable and incurred in accordance with the terms of this Trust Deed. LHN (and, to the extent applicable, any Employer Company), will make capital contributions to the trust from time to time to ensure that the Trustees are in a position to timeously settle costs and expenses, or any amounts incurred by and/or due and payable by the Trust in accordance with the terms of this Trust Deed</p>
10.	Amendments	<p>The Trustees can amend the Trust Deed with the prior written consent of the Company provided the amendment is recorded by the master of the High Court in Namibia.</p> <p>If an amendment affects the vested rights of a Beneficiary, the prior written consent of the Beneficiary concerned is required. The following amendments to the Trust Deed also need to be approved by the NSX and Botswana Stock Exchange and sanctioned by resolution of the shareholders of LHN and LAHL:</p> <ul style="list-style-type: none"> <li>• the category of persons to whom or for the benefit of whom Awards may be granted under the Trust (i.e., definition of Eligible Employees and Beneficiaries);</li> <li>• the aggregate number of shares (expressed as a number and percentage) which may be used for the purpose of or pursuant to the Trust;</li> <li>• the calculation of the fixed maximum percentage of Trust Shares which may be received by any Beneficiary in terms of the Trust;</li> <li>• the amount payable by a Beneficiary under the Trust (if any); the basis for determining the purchase, subscription or option price (which must be a fixed mechanism for all participants); the period in which payments, or loans to provide the same, may be paid or after which payments or loans to provide the same, must be paid, the terms of any loan; the procedure to be adopted on termination of employment or retirement of a Beneficiary; and</li> <li>• the voting, distribution, transfer, and other rights (including those arising on a liquidation of LHN) which may attach to any Award.</li> </ul>
11.	Termination	<p>If LHN is placed into liquidation for purposes other than reorganisation, an Award shall ipso facto lapse as from the liquidation date and any unvested Awards shall lapse from the liquidation date.</p> <p>Unless LHN determines otherwise, the Trust will terminate on the later of the date on which the Trust has no Remaining Shares or Residual Assets or 24 (twenty four) months after the Call Option Date.</p>

3.14. In light of the above and in order to establish and implement the ESOP, the Company now wishes to propose for consideration by the shareholders of the Company, an ordinary resolution to be supported by 50% (fifty percent) or more of the shareholders present and voting on the resolutions at the EGM to:

3.14.1. approve the establishment of the Trust;

3.14.2. approve the appointment of the Founding Trustees; and

3.14.3. approve the entry into, and authorise the execution of, the Trust Deed, the Recharge Agreement, and the Share Transfer Agreement (the **Transaction Documents**),

in terms of Schedule 14 of the NSX Listings Requirements.

#### 4. **DIRECTORS' RECOMMENDATIONS**

4.1. The Directors have considered the proposed establishment and implementation of ESOP.

4.2. The Directors recommend that the proposed establishment and implementation of ESOP be authorised by the shareholders of the Company by:

4.2.1. approving the establishment of the Trust;

4.2.2. approving the appointment of the Founding Trustees; and

4.2.3. approving the entry into, and authorising the execution of, the Transaction Documents,

in terms of Schedule 14 of the NSX Listings Requirements.

#### 5. **RESPONSIBILITY STATEMENT OF MEMBERS OF THE BOARD**

5.1. The members of the Board, collectively and individually accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no other facts the omission of which would make any statement false or misleading, that they have made all reasonable enquiries to ascertain such facts and (if applicable) that this Circular contains all information required by law.

5.2. The members of the Board confirm that this Circular includes all such information within their knowledge (or which it would be reasonable for them to obtain by making enquiries) as investors and their professional advisers would reasonably require and reasonably expect to find for the purpose of making an informed assessment of the assets and liabilities, financial position, profits



and losses and prospects of the Company and of the rights attaching to the securities to which this Circular relates.

5.3. The members of the Board confirm that all pro-forma information included in this Circular and associated documents are the responsibility of the Directors of the Company and that such information is given in compliance with IFRS.

6. **NSX DISCLAIMER**

The NSX has not verified the accuracy and truth of the contents of this Circular and the NSX accepts no liability of whatever nature for any loss, liability, damage or expense resulting directly or indirectly from the decision taken based on this Circular.



**LETSHEGO HOLDINGS NAMIBIA LIMITED**

**(Incorporated in the Republic of Namibia)**

**(Registration Number 2016/0145)**

**ISIN: NA000A2DVV41**

**SHARE CODE (NSX): LHN**

**NOTICE TO SHAREHOLDERS OF THE 7<sup>th</sup> ANNUAL GENERAL MEETING (AGM) TO BE HELD ON FRIDAY, 9 AUGUST 2024 AT 12H00.**

Notice is hereby given to all shareholders of Letshego Holdings Namibia Limited (“**the Company**”) in respect of the Annual General Meeting (“AGM”) in respect of the financial year ended 31 December 2023, which will be held at the Company's registered address on the 1<sup>st</sup> floor of Letshego Bank Namibia Limited, 18 Schwerinsburg Street, Windhoek. The AGM will be accessible to shareholders through electronic communication via Microsoft Teams on Friday, 9 August 2024 at 12h00 (with registration to commence at 11h00), to deal with the business as stated in the AGM Notice, and to consider and if deemed fit, to pass the resolutions set out hereunder in the manner set out in the Namibian Companies Act and the provisions of the Company's statutory documentation. The Microsoft Teams link will be circulated to Shareholders 5 (five) days before the meeting.

Shareholders will be advised of the publication date of the Integrated Annual Report for the year ended 31 December 2023. The Annual Financial Statements will be available on the website of the Company <https://www.letshego.com/namibia> as of date of this publication.

A Shareholder is entitled to appoint a proxy to attend, speak and vote in his/her stead. The person so appointed need not be a shareholder. Proxy forms should be deposited at Letshego Holdings Namibia Limited, 1st Floor, Letshego Bank Namibia Ltd, 18 Schwerinsburg Street, Windhoek or to the office of the Transfer Secretary at 4 Robert Mugabe Avenue (entrance from Dr Theo-Ben Gurrirab Street) or emailed to the Company Secretary at [MignonK@letshego.com](mailto:MignonK@letshego.com) not less than 48 hours before the meeting.

**ORDINARY RESOLUTIONS**

To consider and pass the following ordinary resolutions:

**1. Resolution 1: Annual Financial Statements**

To receive, consider and adopt the Annual Financial Statements for the financial year ended 31 December 2023 including the Directors' Report and the report of the Independent Auditors.

## **2. Resolution 2: Dividend Declaration**

To ratify the dividends declared and paid since the previous Annual General Meeting:

- 2.1 An interim dividend of 34.29 cents (N\$0.3429) per share paid to shareholders on 3 November 2023.
- 2.2 A final dividend of 36.38 cents (N\$ 0.3638) per share paid to shareholders on 14 June 2024.

## **3. Resolution 3**

To re-elect by separate resolutions the independent non-executive directors who retire in accordance with Article 63 of the Company's Articles of Association, and in accordance with the provisions of the Companies Act, and the NSX LR.

- 3.1 To approve that Ms. Kudzai Chigiji, who retires by rotation, will be available for re-election.

Ms. Kudzai Chigiji is a fully qualified Actuary with experience in life insurance, healthcare funding, social security, digital product development, management consulting and banking. She is a Non-Executive Director of the Institute and Faculty of Actuaries in the United Kingdom and a Board Advisor for the Movement Health 2030, a Roche Foundation. She is currently the Founder and General Partner of Ishe Africa, an early-stage venture studio and fund focused on Sub-Saharan Africa. Additionally, she provides actuarial consulting to players within the pharmaceutical and healthcare funding industries across Africa and in the United Kingdom. She has a Masters in Business Administration (Oxford University), Masters in Development Finance (University of Cape Town), Bachelor of Science (Honours) - Actuarial Science & Statistics, Qualified Actuary - Fellow of Institute and Faculty of Actuaries (United Kingdom) and a Fellow of the Actuarial Society of South Africa and Certified Director with the Institute of Directors South Africa.

## **4. Resolution 4**

To re-elect by separate resolutions the directors who were appointed to the Board of Directors since the previous Annual General Meeting.

- 4.1 To approve that Mr. Richard Ochieng be appointed as Non-Executive Director to the Board.

Mr Richard Ochieng has been appointed as non-executive director of the Company effective 1 July 2024. Mr Ochieng is a seasoned and highly accomplished enterprise risk management certified professional (ERMP) with wide-ranging risk and leadership experience in banking and microfinance sectors across 15 countries within the African continent. Mr. Ochieng currently holds the position of Group Chief Risk Officer at Letshego Africa Holdings Limited ('LAHL').

- 4.2 To approve that Mr. Jerome Mutumba be appointed as Independent Non-Executive director to the Board.

Mr. Mutumba's has been appointed as Independent Non-Executive Director effective 15 July 2024. He is a seasoned business executive and strategist with nearly 21 years of senior management experience across the financial and commercial sectors, including central banking, mining, and development finance. As a well-rounded corporate executive and Business Management Strategist by training, Mr. Mutumba possesses authoritative expertise in all relevant areas of business management and has held high-level strategic responsibilities at both national and corporate levels, demonstrating a proven track record of leadership and strategic vision.

- 4.3 To approve that Mr. Johannes Jacobus Esterhuysen be appointed as Independent Non-Executive director to the Board.

Mr. Esterhuysen's has been appointed as Independent Non-Executive Director effective 17 July 2024. He is a seasoned Financial Service Executive and has over a decade of executive-level experience, specializing in the formulation and implementation of group strategies with a proven track record in driving and delivering growth and expansion strategies across diverse sectors and has proven himself adept at serving on various executive committees and boards, with a strong background in both the banking and private equity sectors.

## **5. Resolution 5**

- 5.1 To confirm the appointment of Ernst and Young Namibia ('EY Namibia') and the auditing partner Ms. Danica van Wyk as the Company's independent external auditor for the following financial year, subject to Bank of Namibia approval.
- 5.2 To authorise the Directors to determine the terms of engagement and the fees of the independent external auditor for the next financial year ending 31 December 2024.

## **6. Resolution 6**

- 6.1 To approve the remuneration of the Independent Non-Executive Directors for the financial year ending 31 December 2023 as disclosed in Note 26.2 to the Annual Financial Statements. The Board attendance and remuneration for each Director are disclosed under the Corporate Governance section of the Annual Report.
- 6.2 To confirm and approve the remuneration structure of the Independent Non-Executive Directors. After a Benchmarking Process the fee structure to be incorporated set out below:

	<b>PROPOSED FEES FROM 1 JANUARY 2024</b>	
	<i>(annual fee)</i>	<i>(quarterly fee)</i>
<b>BOARD RETAINER FEES</b>		
<b>Chairperson</b>	181,280	45,320
Board Member	146,000	36,500
<b>LHN/LBN BOARD FEES</b>		
<b>Chairperson</b>	271,524	67,881
Board Members	169,703	42,426
<b>LMFSN BOARD FEES</b>		
Chairperson	135,762	33,941
Board Member	84,852	21,213
<b>BOARD COMMITTEES</b>		
<b>Audit &amp; Risk Committee</b>		
Chairperson	135,762	33,941
Committee Member	84,851	21,213
<b>Social, Ethics and Sustainability; Nomination; and Remuneration Committees</b>		
Chairperson	90,508	22,627
Committee Member	56,568	14,142
<b>Hourly Rate</b>	2,828	
<b>Ad hoc meetings capped at NAD 15,000 / meeting (equating to approximately 5.3 hours)</b>		

## 7. Resolution 7

To approve the Letshego Holdings Namibia Employee Share Option Plan ('ESOP') Trust

### **Ordinary Resolution 7.1**

Resolve that the execution of the Transaction Documents and the transfer of the Trust Shares from Letshego Africa Holdings Limited to the Trust be and is hereby approved.

### **Ordinary Resolution 7.2**

Resolved that the Company be and is hereby authorised to appoint three Founding Trustees as contemplated in clause 5.3 of the Trust Deed, subject to the confirmation of appointment by the Master of the High Court.

### **Ordinary Resolution 7.3**

Resolved that any two Independent Non-executive Directors of the Company (Authorised Signatories) be and are hereby authorised, confirmed, and ratified (as applicable) for and on behalf of the Company, to do all things and sign all such documents as may be reasonable or necessary to give effect to the resolutions referred to above including, but not limited to:

1. Enter and sign the Transaction Documents;
  - 1.1 settle the final terms of the Transaction Documents and any amendments to and reinstatements of the Transaction Documents;

- 1.2 take all such steps as may be necessary to:
  - 1.2.1 enforce all or any of its rights arising from or pursuant to the Transaction Documents;
  - 1.2.2 implement the resolutions set out above; and
  - 1.2.3 perform all or any of its obligations arising from or pursuant to the Transaction Documents; and
- 1.3 take any other action which the Authorised Signatories consider necessary or desirable in connection with the transactions contemplated by the Transaction Documents.

## **EXPLANATORY STATEMENT**

Shareholders are referred to the Circular (“Explanatory Statement”), which will be published on the Company’s website, which gives details of the nature of the Company’s Employee Share Option Plan (‘ESOP’) Trust to enable the shareholders to form a reasoned judgment in relation to the resolution proposed to be passed. Further information will be released on when the Circular will be available.

### **8. Resolution 8**

The adoption of the beforementioned resolutions will authorise any director of the Company to execute all documentation and do all such further acts as he/she may in his/her discretion deem appropriate to implement and give effect to the resolutions mentioned above.

### **To transact other business which may be transacted at the Annual General Meeting**

Voting will be by proxy only. The exact voting process is set out in the proxy form accompanying this document. Proxy forms can be downloaded from the website (see link on first page of this notice) from 19 July 2024. Shareholders are required to submit their votes by proxy to the Transfer Secretaries of the Company who will submit their votes at the Annual General meeting on their behalf. The holders of ordinary shares will each be entitled to one vote for every ordinary share held.

Proxies: In order to be effected, duly completed Forms of Proxy must be submitted to the Transfer Secretaries of the Company by no later than 12:00 on 7 August 2024 or delivered by hand at 4 Robert Mugabe Avenue (entrance from Dr Theo-Ben Gurrirab Street).