



*Let's improve life*

Incorporated in the Republic of Botswana  
Registration Number: Co. BW00000877524  
Date of Incorporation: 4 March 1998  
ISIN: BW 000 000 0322  
("LAHL" or the "Company")

**POLICY DOCUMENT**

in relation to the

**PROPOSED ESTABLISHMENT AND IMPLEMENTATION OF THE**

**LETSHEGO HOLDINGS (NAMIBIA) LIMITED ("LHN")**

**EMPLOYEE SHARE OWNERSHIP PLAN ("ESOP") TRUST<sup>1</sup>**

**APPROVAL AND ADOPTION: [•]**

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<sup>1</sup> This Policy Document has been prepared in compliance with BSE Listing Requirements

## CORPORATE ADVISORS

<p><b>The Company</b></p>  <p>Letshego Africa Holdings Limited Tower C, Zambezi Towers, Plot 54352, CBD, P O Box 381, Gaborone, Botswana</p> <p>Telephone: +267 364 4739</p> <p>Contact: Gorata Dibotelo And: Tinotenda G. Muteiwa</p>	<p><b>Legal Advisors</b></p>  <p>2nd Floor, Acacia House, Prime Plaza, Plot 74538, Western Commercial Road, Central Business District P.O. Box 1368, Gaborone, Botswana</p> <p>Telephone: +267 395 3481 Fax: +267 395 2757</p> <p>Contact: Sipho Ziga And: Kago K.Y Boiki</p>
<p><b>Sponsoring Broker</b></p>  <p>Motswedi Securities Plot 113, Unit 30, Kgale Mews, Gaborone P/Bag 00223, Gaborone, Botswana</p> <p>Telephone: +267 318 8627</p> <p>Contact: Martin Makgatlhe Email: <a href="mailto:martin@motswedi.co.bw">martin@motswedi.co.bw</a></p>	<p><b>Auditor to the Company</b></p>  <p>Ernst and Young 2nd Floor, Plot 22 Khama Crescent Gaborone, Botswana</p> <p>Telephone: +267 397 4078 Fax: +267 397 4079</p> <p>Contact: Loice Sedze</p>
<p><b>Transfer Secretary</b></p> <p>Central Securities Depository Botswana Private Bag 00417 4<sup>th</sup> Floor Fairscape Precinct Fairgrounds Gaborone, Botswana</p> <p>Telephone: +267 3674412/3674411</p> <p>Contact: Ambrosia Khupe/ Nonofa Phalatse</p>	<p><b>Company Secretary</b></p> <p>Letshego Africa Holdings Limited Tower C, Zambezi Towers, Plot 54352, CBD, P O Box 381, Gaborone, Botswana</p> <p>Telephone: +267 364 4739 Contact: Gorata Dibotelo</p>

## 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 Ordinary General Meeting to be held on 9 August 2024 ("**AGM**").
- 1.2. This Policy Document provides an overview of the ESOP and should be read with the provisions of the Trust Deed.

## 2. DEFINITIONS

In this Policy Document, 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 Policy Document 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>[App 3E.1(a)]</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>[App 3E.1(a)]</b>
" <b>Board</b> "	the board of directors of the Company;
" <b>BSE</b> "	the Botswana Stock Exchange;
" <b>BSE Listings Requirements</b> "	the BSE Equity Listings Requirements, as amended or replaced from time to time by the BSE;
" <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>"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>"Company" or "LAHL"</b>	Letshego Africa Holdings Limited, a company incorporated in accordance with the Companies Act and listed on the BSE;
<b>"Companies Act"</b>	the Companies Act 32 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>	<p>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:</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; <b>[App 3E.1(a)]</b></p>
<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>“LHN”</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 Namibian Stock Exchange;
<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 the Company to the Trust, which is implemented by means of contractual payments to the Company 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>“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>“Policy Document”</b>	this document which sets out salient details of the ESOP and the Trust Deed;
<b>“Recharge Policy”</b>	a policy or agreement in force from time to time between the Company and the relevant Employer Company 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 the Company, 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 LHN in terms of which, <i>inter alia</i> , the Trust will take transfer of the Trust Shares held by the Company 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>[App 3E.4]</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 per cent) of the total issued Shares.

**All matters outlined above, as found in the Trust Deed and any other document related to the ESOP, shall not be amended or subject to any revision without prior approval of the shareholders in terms of the constitution of LAHL and the provisions of the BSE listing Requirements, as applicable.**

### **3. LETSHEGO NAMIBIA EMPLOYEE SHARE OWNERSHIP (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) is subject to approval by the shareholders of the Company and has been confirmed to be in line with the relevant provisions of the BSE listing requirements by the Legal Advisors to LAHL. The transaction contemplated in the Share Transfer Agreement is also subject to approval in terms of the Constitution 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 Shares in LHN) from the Company by settling the Transfer Price. The salient terms of the Share Transfer Agreement are set out in 3.4 to 3.11 below.
- 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%. 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 the Company (the **Cash Component**); and
- 3.4.2. the balance by way of Notional Funding provided by the Company 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 the Company, 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% 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% of each Distribution will be paid to the Company and 20% 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 the Company 80% (eight 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), the Company 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 the Company 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 the Company 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 the Company 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:



Item	Salient Feature	Description	Clause in Trust Deed	BSE Listings Requirements
1.	Trustees and Voting Rights	<p>Minimum of 5 Trustees, with majority appointed by LHN. For the avoidance of doubt, Trustees may not be executive directors of the Company, 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>	Clause 1.1.73, read with Part B (clauses 5 to 10) and clause 14.	<p><b>[App 3E.4]</b></p> <p><b>[App 3E.9]</b></p> <p><b>[App 3E.1(e)]</b></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>	Clauses 1.1.12 and 1.1.32, read with Part C (clauses 11 to 14).	<p><b>[App 3E.1(a)]</b></p> <p><b>[App 3E.1(d)]</b></p> <p><b>[App 3E.1(e)]</b></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 Participation Units under the Trust, which equates to approximately 0.5% (zero point five percent) of the total issued shares in LHN.</p>	<p>Clauses 1.1.6, 1.1.7, and 1.1.9, read with clauses 11 and 17.2.</p>	<p><b>[App 3E.1(a)]</b>  <b>[App 3E.1(c)]</b>  <b>[App 3E.1(d)]</b>  <b>[App 3E.1(e)]</b></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</li> </ul>	<p>Clauses 1.1.27, 1.1.33, 1.1.39, 1.1.56, 1.1.60, and 1.1.61, read with clause 13.</p>	<p><b>[App 3E.1(d)]</b></p>

		<p>measured from the Award Date to the third (3rd) anniversary of the Award Date.</p> <ul style="list-style-type: none"><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 (each referred to as the <b>Employment Service Period</b>).</li></ul> <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,</li></ul>		
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		<p>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 and/or the Company to repurchase the Participation Units at the Participation Unit Market Value and pay</p>		
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		the purchase price in cash, less any applicable Tax, to the Beneficiary's deceased estate.		
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.	Clauses 1.1.34 and 1.1.71, read with clause 12.	<b>[App 3E.1(e)]</b>
6.	Corporate Transactions	On the happening of a Change in Control, the Company 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> ), the Company shall submit the Proposal to an Expert for certification, whereafter the Company 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.	Clauses 1.1.23 and 1.1.26, read with clauses 18 and 19.	<b>[App 3E.1(e)]</b> <b>[App 3E.2]</b> <b>[App 3E.2(a)]</b> <b>[App 3E.2(b)]</b> <b>[App 3E.9]</b>
7.	Distributions and Special Distributions	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	Clauses 1.1.13, 1.1.14, 1.1.29, 1.1.30, 1.1.42, 1.1.43, and 1.1.67, read with clauses 7.1, 11.5, and 15.	

		<p>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 the Company 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</p>	Clauses 1.1.58 and 1.1.59, read with clauses 15 and 16.	<b>[App 3E.1(e)]</b>

		<p>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. The Company (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>	Clauses 1.1.36 and 1.1.78, read with clause 20.	

10.	Amendments	<p>The Trustees can amend the Trust Deed with the prior written consent of the Company and LHN 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.</p> <p>The following amendments to the Trust Deed also need to be approved by the Namibian Stock Exchange and sanctioned by resolution of the shareholders of LHN and the Company:</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</li> </ul>	Clause 24.	<p><b>[App 3E.1(a)]</b>  <b>[App 3E.1(b)]</b>  <b>[App 3E.1(c)]</b>  <b>[App 3E.1(d)]</b>  <b>[App 3E.1(e)]</b>  <b>[App 3E.3]</b></p>
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		<p>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</p> <ul style="list-style-type: none"> <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 months after the Call Option Date.</p>	Clauses 19.5 and 25.	

**4. DIRECTORS' RECOMMENDATIONS**

- 4.1. The Directors have considered the establishment and implementation of the ESOP.
- 4.2. The Directors recommend that the proposed establishment and implementation of the ESOP be by authorised in terms of the Constitution of the Company by:
- 4.2.1. approving the establishment of the Trust;
- 4.2.2. approving the appointment of the Founding Trustees;
- 4.2.3. approving the entry into, and authorising the execution of, the Trust Deed and the Share Transfer Agreement; and
- 4.2.4. approving the transfer of the Trust Shares from the Company to the Trust

in terms of Appendix 3E of the BSE Listings Requirements.

**DATED \_\_\_\_\_ OF \_\_\_\_\_ 2024**

**DULY APPROVED AND ADOPTED BY LETSHEGO AFRICA HOLDINGS LIMITED.**

\_\_\_\_\_  
**JAYARAMAN RAMESH**

for and on behalf of the

**BOARD**

\_\_\_\_\_  
**GORATA DIBOTELO**

**COMPANY SECRETARY**