

Lesaka Technologies, Inc.
Registered in the state of Florida, USA
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("Lesaka," or the "Company")

Lesaka gets green light to launch Employee Share Ownership Plan

JOHANNESBURG, November 15, 2024 - Lesaka (Nasdaq: LSAK; JSE: LSK) shareholders voted on and approved the funding and issuance of shares to the Lesaka ESOP Trust at its annual general meeting.

Lincoln Mali, CEO Southern Africa, said "We are very proud of the launch of our broad-based employee share ownership plan. Lesaka has been on a far-reaching transformation journey and our employees becoming shareholders is a significant and an important milestone for us."

The Lesaka Employee Share Ownership Plan ("ESOP") is designed to create alignment with the Company's long-term growth objectives. The Lesaka ESOP Trust will hold an effective 3% of Lesaka's issued shares at the date of implementation, representing approximately R215 million at the current market price. This allocation of shares ensures that employees have a meaningful stake in Lesaka's future financial success and gives them the opportunity to share in the value created by Lesaka.

"One of the distinctive aspects of the Lesaka ESOP is our commitment to shared ownership with a broad range of our employees. At inception, all qualifying employees, regardless of seniority, salary, race, or gender, will receive equal benefits from the plan. We believe that this approach will ensure that our employees, from entry-level to management, have a meaningful opportunity to benefit from the Company's growth and success in line with our values. Group executives and senior leadership will not participate in the plan," added Lincoln Mali.

As the leading independent fintech in Southern Africa and a natural consolidator, Lesaka has ambitious growth plans. To this end, the rules of the Lesaka ESOP Trust include both a sharing in the potential capital appreciation of the share price, as well as entitle beneficiaries to their share of any dividends paid by Lesaka.

"We operate in a competitive market for talent and skills and the ability of employees at all levels to participate in value creation beyond just salaries and short-term bonuses will serve as an important contributor to our employee value propositions and our ability to attract and retain talent," said Mali.

The vesting component of the ESOP scheme is seven years, at the end of which, there will be a liquidity event in which all existing beneficiaries will participate in the benefits from a growth in Lesaka share price over the seven years. The liquidity event will be funded by the sale of Lesaka shares held by the Lesaka ESOP Trust post settlement of the notional vendor funding outstanding at the time, directly linking the benefits employees receive to the Company's long-term performance and growth.

The Lesaka ESOP Trust is structured as an evergreen trust, ensuring the permanence of the plan and allowing for the inclusion of future employees as Lesaka continues to grow. Qualifying employees of the recent Touchsides and Adumo acquisitions will also be beneficiaries of the Lesaka ESOP Trust.

Finally, the Lesaka ESOP Trust advances Lesaka's transformation initiatives and plays an important role in improving the company's Broad-Based Black Economic Empowerment ("BBBEE") rating. Lesaka's employee base is comprised of approximately 87% designated groups for BBBEE purposes. Through the creation of a broader base of employee ownership, Lesaka is helping to promote economic inclusion and contribute to transformation in the broader South African economy.

"We have come a long way already in the short space of time since launching Lesaka nearly three years ago, but we are still at an early stage of our evolution. We believe our employees becoming owners in the Company and sharing in the exciting journey ahead for Lesaka can make a meaningful difference in their lives," said Mali.

Lesaka is expected to issue shares to the Trust on 31 January 2025, with a minimum two-year service qualification criterion being determined on 31 December 2024. Initial qualifying employees will receive invitation and allocation notices on or before 31 March 2025. As employees complete two years' service with any Lesaka group company they will become eligible for consideration as a beneficiary of the Lesaka ESOP Trust.

About Lesaka (www.lesakatech.com)

Lesaka Technologies, (Lesaka™) is a South African Fintech company driven by a purpose to provide financial services and software to Southern Africa's underserved consumers (B2C) and merchants (B2B), improving people's lives and increasing financial inclusion in the markets in which we operate. We offer a wide range of integrated payment solutions including transactional accounts (banking), lending, insurance, payouts, cash management solutions, card acceptance, supplier payments, software services and bill payments. By providing a full-service fintech platform in our connected ecosystem, we facilitate the digitization of commerce in our markets.

Lesaka has a primary listing on NASDAQ (NasdaqGS: LSAK) and a secondary listing on the Johannesburg Stock Exchange (JSE: LSK). Visit www.lesakatech.com for additional information about Lesaka Technologies (Lesaka™).

Forward-Looking Statements

This press release contains certain statements that may be considered forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and such statements are subject to the safe harbor created by those sections and the Private Securities Litigation Reform Act of 1995, as amended. Such statements may be identified by their use of terms or phrases such as “expects,” “estimates,” “projects,” “believes,” “anticipates,” “plans,” “could,” “would,” “may,” “will,” “intends,” “outlook,” “focus,” “seek,” “potential,” “mission,” “continue,” “goal,” “target,” “objective,” derivations thereof, and similar terms and phrases. Forward-looking statements are based upon the current beliefs and expectations of our management and are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified, which could cause future events and actual results to differ materially from those set forth in, contemplated by, or underlying the forward-looking statements. In this press release, statements relating to future financial results and future financing and business opportunities are forward-looking statements. Additional information concerning factors that could cause actual events or results to differ materially from those in any forward-looking statement is contained in our Form 10-K for the fiscal year ended June 30, 2024, as filed with the SEC, as well as other documents we have filed or will file with the SEC. With respect to Lesaka ESOP Trust and issuances to beneficiaries, additional factors that could cause actual results to differ materially from those indicated or implied by the forward-looking statements include, among others: (1) the occurrence of any event, change or other circumstances that could give rise to the termination of the Lesaka ESOP Trust; and (2) our ability to realize the anticipated benefits of the Lesaka ESOP Trust. We assume no obligation to update the information in this press release, to revise any forward-looking statements or to update the reasons actual results could differ materially from those anticipated in forward-looking statements.

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Sponsor:

Rand Merchant Bank, a division of FirstRand Bank Limited