



Invitation for Comments

Review of Constitution, Debenture Trust Deed and Remuneration Policy

LETLOLE LA RONA LIMITED

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1. BACKGROUND

As part of good corporate governance standards and best practices, please note that during the FY2023, Letlole La Rona Limited ('LLR'/ 'the Company') commenced the review of its Constitution, Debenture Trust Deed and the Remuneration Policy in order to ensure alignment with current legislative requirements. The above constitutive documents have not been reviewed since the inception of the Company in 2010.

The Company reiterates the position that open communication and stakeholder engagement is essential for the sustainable growth and success of the Company. Therefore, as the Company continues to evolve and adapt to the regulatory landscape, it is crucial to ensure that the governing documents align with best practices and comply with applicable laws and regulations.

The Company further informs unitholders that LLR has recently drafted and approved a comprehensive Remuneration Policy, which has been carefully designed to align with our strategic objectives and the best interests of our stakeholders.

This significant milestone in corporate governance underscores our commitment to transparency and accountability and the Company intends to table the Remuneration Policy for approval at the upcoming Annual General Meeting (AGM) scheduled for December 2023. Unitholders are therefore encouraged to review the Remuneration Policy in advance of the meeting and we remain open to any questions or concerns you may have.

To ensure transparency and inclusivity, the Company is inviting all Company unitholders to review the proposed updates to the constitutive documents and the Remuneration Policy and provide their valuable feedback.

The proposed updates to the Constitution and Debenture Trust Deed as well as the Remuneration Policy are therefore circulated through the Botswana Stock Exchange (BSE) X-News platform and are further available for your reference on the Company's website <https://letlole.com/draft-constitutive-documents/>.

2. REASONS FOR AMENDMENTS OF STATUTORY DOCUMENTS

2.1. Constitution

The Company seeks to amend the existing Constitution by proposing amendments that are in line with the provisions of the Botswana Companies Act, the BSE Equity Listings Requirements and good corporate governance standards. The proposed updates to the Constitution include, but are not limited to the following:

- a. An update to the required composition of the Company's Board of Directors to include executive directors (ex officio members) being the Chief Executive Officer and Chief Financial Officer.
- b. Inclusion of provision and definition of beneficial interest which is made is in line with the requirements of the Botswana Companies (Amendment) Act which dictates that the

Constitution of every company should include the concept of and definition of beneficial interest.

- c. Inclusions and alignment of clauses pursuant to BSE Equity Listing Requirements Appendix 3C.2 which provides for the minimum contents of a constitution.

2.2. Debenture Trust Deed

The Company has linked units issued with each share issued being inextricably linked to a debenture on issue. Therefore, in addition to the Constitution, the Company has a Debenture Trust Deed that must be read together in respect of the linked units.

The Constitution has therefore necessitated an update to the Debenture Trust Deed so as to ensure that the two constitutive documents do not conflict. The changes include the following:

- a. Update and alignment of provisions related to transfer, issuance and delivery of linked units following the dematerialization process.
- b. Updating and alignment of provisions to the updates made in the Constitution as may be applicable.
- c. Appointment of a new Trustee.

2.3 Appointment of a new Trustee

In terms of the Trust Deed provisions and Schedule 5 of the Companies Act (**Provisions Relating to trustee for Debenture holders and Trust Deed**) a trustee for debenture holders shall be appointed by a meeting of unitholders and such appointment shall also be approved by the relevant Ministry. The Company is therefore required to nominate proposed names for the appointment of trustee, for such nominee to be approved by unitholders.

The Company's Board has resolved to nominate Ms. Olivia Britz for the unitholders consideration for appointment as the Debenture Trust Deed trustee at the December 2023 AGM.

Ms. Olivia Britz is a qualified and experienced legal practitioner who serves as a trustee for Access Bank Botswana.

Olivia Britz is also a highly accomplished and experienced professional, with vast expertise in corporate law and corporate governance. Further given her years as a governance professional, Ms. Britz brings a wealth of experience in how to safeguard the interests of stakeholders, making her an ideal candidate for the role of Debenture Trustee as the role needs an individual who possesses the ability to effectively manage fiduciary responsibilities and act in the best interests of beneficiaries.

2.4 Approval of Company Remuneration Policy

The Company's Board of Directors approved the Remuneration Policy in June 2023. In terms of the King Code on Corporate Governance, the Company's unitholders should approve the

Company's Remuneration Policy for a non-binding advisory vote at the AGM which vote will enable unitholders to express their views on policy.

The purpose of the Remuneration Policy aims to ensure that the Company remunerates fairly, responsibly, and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.

3. NOTICE FOR CALL FOR COMMENTS

The Company is inviting unitholders to examine the proposed revisions to the Constitution and Debenture Trust Deed as well as the Remuneration Policy and to share their comments, any further inquiries, or suggestions prior to the AGM.

This is carried out to ensure that unitholders are informed about the upcoming modifications and have the chance to participate and provide their input into the governing documents that the Company will adopt.

CONTACT DETAILS

Should unitholders have comments or enquiries on the proposed updates to the Constitution and Debenture Trust Deed, they are encouraged to share these in writing to compliance@letlole.com on or before **Friday 10 November 2023**.

Should you require further clarity, contact the Legal and Compliance Department at 3180301.