

PROSPECTUS



LETSHEGO GHANA SAVINGS AND LOANS PLC

(Incorporated in the Republic of Ghana as a public limited liability company with registration number PL000232015)

Letshego Ghana Savings and Loans PLC (“Letshego”, the “Issuer” or the “Company”), a public company with limited liability duly incorporated under the Companies Act, 2019 (Act 992) and licensed as a savings and loans company under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930), has established a GHS 500,000,000 domestic medium-term note programme (the “Programme”) described in this Prospectus. Letshego will from time-to-time issue Notes in separate Series or Tranches subject to the terms and conditions contained in this Prospectus.

GHS 500,000,000

DOMESTIC MEDIUM-TERM NOTE PROGRAMME

with GHS 185,655,518 issued Notes outstanding as at the date of this Prospectus

Co-Arrangers and Co-Sponsoring Brokers

BLACK STAR

Legal Advisor

Keystone
SOLUTIONS

Registrar, Transfer Agent &
Calculation Agent



Reporting Accountant



Note Trustee, Paying Bank, Paying
Agent, and Escrow Account Bank



Prospectus dated October 26, 2023

CORPORATE DETAILS OF THE ISSUER

Issuer	Letshego Ghana Savings and Loans PLC 4th Floor, Cocoshe House Street 1328. A, Off Agostino Neto Road - Airport City Contact: Nii Amankra Tetteh, Poelo Mkpayah, Ibrahim Obosu Email: niiia@letshego.com poelom@letshego.com ibrahimo@letshego.com Website: https://www.letshego.com/ghana
Directors	Blaise Mankwa – (Independent Non-Executive Director) Email: bomankwa@gmail.com Geoffrey Martin Kitakule – (Non-Executive Director) Email: gkitakule@letshego.com Ibrahim Obosu – (Executive Director) Email: ibrahimO@letshego.com Christian Sottie – (Independent Non – Executive Director) Email: ct1sottie@yahoo.com
Auditor	Ernst & Young 6 Rangoon Lane, Cantonments City, Accra, Ghana. Contact: Pamela Des Bordes Email: pamela.des-bordes@gh.ey.com Website: https://www.ey.com/en_gh
Secretary	Sirdar Ghana Limited No 1 Watson Avenue, Adabraka, Accra, Ghana Contact: Nana Baiden Email: nanabaiden@sirdargroup.com Website: https://www.sirdargroup.com

CONTACT DETAILS OF TRANSACTION ADVISERS

Note Trustee, Paying Bank, Paying Agent & Escrow Account Bank

Fidelity Bank Ghana Limited
Ridge Tower-Ridge, Accra
Tel: +233 (0) 302 214 490
Contact: John Taricone
Email: jtaricone@myfidelitybank.net

Co-Arranger, Co-Dealer & Co-Sponsoring Broker

Black Star Brokerage Limited
The Rhombus, Plot 24 Tumu Avenue, Kanda Estates, Accra
Tel: +233 (0) 302 227 698
Contact: Eric Appiah, Nana Agyei Opoku-Agyemang, Naa Luisa Nelson, Rosalyn Ama Ampah
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naoa@blackstargroup.ai
naa.nelson@blackstargroup.ai
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Co-Arranger, Co-Dealer & Co-Sponsoring Broker

Stanbic Bank Ghana LTD
Stanbic Heights, Plot 215 South Liberation Link, Airport City, Accra, Ghana
Tel: +233(0)302-610-690
Contact: Kobby Bentsi-Enchill, Baffour Agyarko Kwakye, Stacey Owusu-Ansah
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kwakye@stanbic.com.gh
owusu-ansahs@stanbic.com.gh

Calculation Agent, Transfer Agent and Registrar

Central Securities Depository (Gh) LTD
4th Floor, Cedi House - Accra
Tel: +233 (0) 302 689313/ 689314
Contact: Kwame Addai Boa-Amponsem
Email: kwame.boa-amponsem@csd.com.gh

Legal Advisor

Keystone Solicitors
3rd Floor, Advantage Place, Mayor Road Ridge West, Accra
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Contact: Etonam Adoboe
Email: etornam@keystonesolicitors.com

Reporting Accountant

UHY Voscon Chartered Accountants
2nd Floor Cocoshe House, Off Agostino Neto Road Close B28, Airport Residential Area
Accra – Ghana
Tel: +233 (0) 302 683 420/4
Contact: Emmanuel K. D. Abbey, Daniel Adewu
Email: emmanuel.abbey@uhyvoscon-gh.com
daniel.adewu@uhyvoscon-gh.com

IMPORTANT INFORMATION AND DISCLAIMERS

THIS PROSPECTUS CONTAINS IMPORTANT INFORMATION ABOUT THE ISSUER AND THE NOTES. INVESTORS CONTEMPLATING PURCHASING THE NOTES SHOULD CAREFULLY READ THIS DOCUMENT BEFORE MAKING AN INVESTMENT DECISION AND SHOULD CONSULT THEIR PROFESSIONAL ADVISERS IF THEY HAVE QUESTIONS ABOUT THEIR INVESTMENT DECISION.

Letshego Ghana Savings and Loans PLC (“**Letshego**”, the “**Issuer**” or the “**Company**”), a public company with limited liability duly incorporated under the Companies Act, 1963 (Act 179) (repealed and replaced by Companies Act 2019 (Act 992)) and licensed as a savings and loans company under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930), has established a domestic medium term note programme to raise an aggregate amount of GHS 500,000,000 (the “**Programme**”) described in this Prospectus. Pursuant to the Programme, the Issuer may from time-to-time issue notes (“**Notes**”) up to the maximum aggregate principal amount of GHS 500,000,000.

Under this Programme, the Issuer may from time to time issue notes, denominated in Ghana Cedis (“**GHS**”) (as shall be set out in a pricing supplement) as agreed by the Issuer and the relevant Dealers (as defined herein) and further subject to the terms and conditions of the Notes contained in this Prospectus (the “**Terms and Conditions**”), all Applicable Laws and, the debt admission requirements of the Ghana Stock Exchange (“**GSE**”). Any other terms and conditions not contained in the Terms and Conditions that are applicable to any Notes, replacing or modifying the Terms and Conditions, will be set forth in a pricing supplement (the “**Applicable Pricing Supplement**”).

Capitalised terms used in this Prospectus are defined in the Terms and Conditions, unless separately defined, and/or in relation to a Series or Tranche of Notes, in the Applicable Pricing Supplement. As of the Programme Date (as defined herein), the Programme Amount is GHS 500,000,000. This Prospectus will apply to the Notes issued under the Programme in an aggregate outstanding Nominal Amount which will not exceed GHS 500,000,000 (or its equivalent in USD subject to the approval of Bank of Ghana) (including Notes issued under the Programme pursuant to the previous Programme Memorandum dated May 27, 2015, and are Outstanding as at date of this Prospectus) unless such amount is increased by the Issuer pursuant to the section of this Prospectus headed “General Description of the Programme”.

The Notes may comprise, without limitation, Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes and/or such combination of the foregoing Notes and/or such other type of Notes as may be determined by the Issuer and the relevant Dealers and specified in the Applicable Pricing Supplement. Each Applicable Pricing Supplement shall be subject to the approval of the Securities and Exchange Commission (the “**SEC**”). Notes are direct, unconditional, unsubordinated and unsecured obligations and will be issued in Series or Tranches. A Series or Tranche of Notes will be issued on, and subject to, the Terms and Conditions, as replaced, amended and/or supplemented by the terms and conditions of that Series or Tranche of Notes set out in the Applicable Pricing Supplement.

Application has been made for the Notes to be admitted to listing and trading on the Ghana Fixed Income Market (“GFIM**”) of the **GSE**. Provisional approval has been obtained from the **GSE** for permission to admit and trade the Notes on the **GFIM** of the **GSE**. Such approval is granted subject to the Issuer being admitted on the **GFIM** of the **GSE** upon the Issuer fulfilling all the admission requirements.**

This Prospectus has been reviewed and approved by the SEC in accordance with Section 3 of the Securities Industry Act, 2016 (Act 929) and the Securities and Exchange Commission Regulations, 2003 (LI 1728) (as amended). In its review, the SEC examined the contents of this Prospectus to ensure that adequate disclosures have been made. To ascertain the financial soundness of the Issuer or the value of the Notes, prospective investors are advised to consult a dealer, investment advisor or other professional duly authorised under the Securities Industry Act, 2016 (Act 929).

A copy of this Prospectus has also been delivered to the Office of the Registrar of Companies, Ghana (“**ORC**”) for filing as required under section 308(6) of the Companies Act 2019 (Act 992). The ORC has not checked (and will not check) the accuracy of the statements made in this Prospectus and accepts no responsibility thereof or for the financial soundness of the Issuer or the value of the Notes.

Neither the GSE nor the SEC, nor the ORC assumes any responsibility for the correctness of any statements made, opinions expressed, or reports contained in this Prospectus. Neither the GSE nor the SEC nor the ORC has verified the accuracy and truth of the contents of this Prospectus, or any other documents submitted to it, and the SEC, the GSE and the ORC will not be liable for any claim of any kind whatsoever. Approval of the issue and/or admission of the Notes by the GSE or the SEC is not to be taken as an indication of the merits of the Issuer or of any issue of the Notes.

The contents of this Prospectus do not constitute, and are not to be construed as, legal, business or tax advice. Each investor should consult his/her/its own independent legal adviser, financial adviser or tax adviser for legal, financial and/or tax advice in relation to the purchase of the Notes.

Prospective investors should have regard to the factors described under the section with the heading "Risk Factors" in this Prospectus.

GENERAL INFORMATION

Capitalised terms used in this section headed "General Information" shall bear the same meanings as used in the Terms and Conditions except to the extent that they are separately defined in this section, or this is clearly inappropriate from the context.

The Issuer accepts full responsibility for the information contained in this Prospectus and all documents incorporated by reference (see the section of this Prospectus headed "*Documents Incorporated by Reference*"). To the best of the knowledge and belief of the Issuer (who has taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit any fact which would make any statement false or misleading and all reasonable enquiries to ascertain such facts have been made.

The Issuer, having made all reasonable enquiries, confirms: i) that this Prospectus contains or incorporates all information which is material in the content of the issue and the offering of Notes, ii.) that the information contained or incorporated in this Prospectus is true and accurate in all material respects and is not misleading, and iii.) that the opinions and the intentions expressed in this Prospectus are honestly held and that there are no other facts, the omission of which would make this Prospectus or any of such information or expression of any such opinions or intentions misleading in any material respect. None of the Issuer's directors has any direct interest in the Issuer and will not participate in the Programme.

To the best of the Arrangers' knowledge and belief, the Prospectus constitutes full and fair disclosure of all material facts about the Programme and the Issuer. None of the Arrangers, Sponsoring Brokers, Dealers, Note Trustee, Legal Advisor, Registrar, Reporting Accountant or any of their directors, affiliates, advisors or agents, has independently verified the information contained herein. Accordingly, no representation or warranty, expressed or implied, is made by the Arrangers, Sponsoring Brokers, Dealers, Note Trustee, Legal Advisor, Registrar, Reporting Accounting or any of their directors, affiliates, advisors or agents, with respect to the accuracy or completeness of such information at any time, of this Prospectus or any supplement hereto. Nothing contained in this Prospectus, is to be construed as, or shall be relied upon as, a promise, warranty or representation, whether to the past or the future, by the Arrangers, Sponsoring Brokers, Dealers, Note Trustee, Legal Advisor, Registrar, Reporting Accountant or any of their directors, affiliates, advisors or agents, in any respect. Furthermore, none of the Arrangers, Sponsoring Brokers, Dealers, Note Trustee, Legal Advisor, Reporting Accountant, or Registrar makes any representation or warranty or assumes any responsibility, liability or obligation in respect of the legality, validity or enforceability of any Notes, or the performance and observance by the Issuer of its obligations in respect of any Notes, or the recoverability of any sums due or to become due from the Issuer under any Notes.

This document is to be read and construed with any amendment or supplement thereto and in conjunction with any other documents which are deemed to be incorporated herein by reference (see the section headed "*Documents Incorporated by Reference*") and, in relation to any Series or Tranche (as defined herein) of Notes, should be read and construed together with the Applicable Pricing Supplement. This Prospectus shall be read and construed on the basis that such documents are incorporated into and form part of this Prospectus.

Keystone Solicitors ("Legal Advisor") consents to act as legal advisor to the Issuer in respect of the Programme and to its name being stated in this Prospectus. The Legal Advisor confirms that it has not withdrawn its consent to any statement or report prepared by it being included in this Prospectus (in the form and context in which it is included). The Legal Advisor has prepared a legal opinion set out under Section 16 (*Legal Opinion by Keystone Solicitors*) of this Prospectus. The Legal Advisor has relied on information provided by the Issuer. Accordingly, the Legal Advisor does not provide any assurance of the accuracy of the information contained in the Prospectus. The Legal Advisor confirms that, to the best of its knowledge and belief, the Prospectus constitutes a full and fair disclosure of all material facts about the Programme and the Issuer. Neither the Legal Advisor nor any of its partners or employees has any material direct or indirect economic or financial interest in the Issuer.

The Arrangers, the Sponsoring Brokers, the Dealers, the Note Trustee or any of their respective subsidiaries or holding companies or a subsidiary of their holding company (**Affiliates**), other professional advisers named herein have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Arrangers, the Sponsoring Brokers, the Dealers, the Note Trustee nor

any of their Affiliates or other professional advisers as to the accuracy or completeness of the information contained in this Prospectus or any other information provided by the Issuer. The Arrangers, the Sponsoring Brokers, the Dealers, the Note Trustee and other professional advisers do not accept any liability in relation to the information contained in this Prospectus or any other information provided by the Issuer in connection with the Programme.

No person has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Prospectus or any other document entered into in relation to the Programme or any other information supplied by the Issuer in connection with the Programme and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arrangers, the Sponsoring Brokers, the Dealers, the Note Trustee or other professional advisers.

Neither this Prospectus nor any other information supplied in connection with the Programme is intended to provide a basis for any credit or other evaluation, or should be considered as a recommendation by the Issuer, the Arrangers, the Sponsoring Brokers, the Dealers, the Note Trustee and other professional advisers that any recipient of this Prospectus or any other information supplied in connection with the Programme should subscribe for, or purchase, any Notes.

Each person contemplating the subscription for, or purchase of, any Notes should determine for itself the relevance of the information contained in this Prospectus and should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and its subscription for, or purchase of, Notes should be based upon any such investigation as it deems necessary. Neither this Prospectus nor any Applicable Pricing Supplement nor any other information supplied in connection with the Programme constitutes an offer or invitation by or on behalf of the Issuer, the Arrangers, the Sponsoring Brokers or any of the Dealers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Prospectus nor any Applicable Pricing Supplement nor the offering, sale or delivery of any Note shall at any time imply that the information contained herein is correct at any time subsequent to the date hereof, or that any other financial statements or other information supplied in connection with the Programme is correct at any time subsequent to the date indicated in the document containing the same. The Arrangers, the Sponsoring Brokers, the Dealers, the Note Trustee, and other professional advisers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme. Investors should review, inter alia, the most recent financial statements, if any, of the Issuer, when deciding whether or not to subscribe for, or purchase, any Notes.

Neither this Prospectus nor any Applicable Pricing Supplement constitutes an offer to sell or the solicitation of an offer to buy or an invitation to subscribe for or purchase any Notes. The distribution of this Prospectus and any Applicable Pricing Supplement and the issue, sale or offer of Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Prospectus or any Applicable Pricing Supplement or any Notes come are required by the Issuer, the Arrangers, the Sponsoring Brokers, the Dealers, the Note Trustee, and other professional advisers to inform themselves about and observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Prospectus or any Applicable Pricing Supplement and other offering material relating to the Notes, see the section headed "Subscription and Sale".

None of the Issuer, the Arrangers, the Sponsoring Brokers, the Dealers, the Note Trustee nor other professional advisers represents that this Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Arrangers, the Sponsoring Brokers, the Dealers, the Note Trustee or other professional advisers which would permit a public offering of any Notes or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement nor other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any Applicable Laws and regulations. The Dealers have represented that all offers and sales by it will be made on the same terms.

The price/yield and amount of a Series or Tranche of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealers at the time of issue in accordance with prevailing

market conditions.

CAUTION

Prospective investors should carefully consider the matters set forth under the section headed “Risk Factors”. Please consult your investment adviser, stockbroker/dealer, legal adviser or tax adviser before making any investment decision in relation to the Notes to be issued under the Prospectus.

A copy of this Prospectus has been delivered to the ORC, for filing. The ORC has not checked and will not check the accuracy of any statements made and accepts no responsibility therefore for the financial soundness of the issuer or the value of the securities concerned.

In the event that this Prospectus is delivered to or comes into the possession of any person (the “**Recipient**”) at any time after the date hereof, it is for and the responsibility of the Recipient to ascertain whether any supplement or amendment of the information herein contained has been made or issued, or whether updated information is available and reliance on this Prospectus at any time subsequent to the date hereof shall be at the Recipient’s risk.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Unless otherwise indicated, the financial information regarding the Issuer set forth in this Prospectus has been derived from:

- a) its audited income statement, statement of financial position, statement of cash flow and statement of changes in equity for the period ending 31 December 2018 to 31 December 2022, included elsewhere in this Prospectus. The Issuer’s financial statements, which were audited by Ernst & Young Chartered Accountants in Ghana, has been prepared in accordance with International Financial Reporting Standards (“**IFRS**”) and is presented in GHS, the reporting currency of the Issuer; and/or
- b) the financial report prepared by UHY Voscon Chartered Accountants in Ghana as the Reporting Accountant to the Programme, which reviewed the Issuer’s historical financial statements for the period from 31 December 2018 and ending 31 December 2022 and the Issuer’s financial forecasts for the period from December 31, 2023, and ending December 31, 2027.

ROUNDING

Some numerical figures included in this Prospectus may have been subject to rounding adjustments. Accordingly, numerical figures shown as totals in certain figures may not be an arithmetic aggregation of the figures that preceded them.

FORWARD-LOOKING STATEMENTS

This Prospectus includes “forward-looking statements”. All statements other than statements of historical facts included in this Prospectus, including, without limitation, those regarding the Issuer’s financial position, business strategy, plans and objectives of management for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Issuer to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Issuer’s present and future business strategies and the environment in which the Issuer will operate in the future. These forward-looking statements speak only as of the date of this Prospectus. The Issuer expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Issuer’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. A prospective purchaser of Notes should not place undue reliance on any forward-looking statements and are cautioned that any forward-looking statements are not guarantees of future results, performance or achievements of the Issuer.

MARKET SHARE AND INDUSTRY INFORMATION

Industry and market information on the Ghanaian financial market included in this Prospectus has been provided by the Issuer or has been obtained from third-party sources that are believed to be reliable. No assurance can be given, however, as to the accuracy and completeness of such information, and such market and position data has not been independently verified.

DIRECTORS RESPONSIBILITY STATEMENT

The Issuer and its directors accept responsibility for the information contained in this Prospectus. This Prospectus has been seen and approved by the directors of the Issuer, who collectively and individually accept full responsibility for the accuracy of the information given and, after making all reasonable inquiries and to the best of their knowledge and belief, there are no facts the omission of which would make any statement in the document referred to above misleading. None of the Issuer's directors has any direct interest in the Issuer. The financial forecasts of the Issuer contained in this Prospectus has been reviewed and approved by the directors of the Issuer after making all reasonable enquires.

No director of the Issuer has been involved in any of the following events: (a) a petition under bankruptcy laws in any jurisdiction filed against such person or any partnership in which s/he was a partner or any corporation of which s/he was a director or chief executive officer; (b) such person has been convicted of fraud, misappropriation or breach of trust or any other similar offence; (c) such person was the subject of any order, judgement or ruling of any court of competent jurisdiction or administrative body enjoining him from acting as an investment adviser, dealer's representative, investment representative, a director of a financial institution or engaging in any type of business or professional activity.

None of the directors of the Issuer intends to take part in the offer under the Programme. The directors of the Issuer warrant that no takeover offer has been made in respect of the shares of the Issuer over the past or current financial year.



Blaise Mankwa
Independent Non-Executive Director



Geoffrey Martin Kitakule
Non- Executive Director

Contents

IMPORTANT INFORMATION AND DISCLAIMERS	3
1. DEFINITIONS	10
2. GENERAL DESCRIPTION OF THE PROGRAMME.....	19
3. LEGAL BASIS AND RATIONALE FOR THE PROGRAMME.....	20
4. SUMMARY OF THE PROGRAMME	21
5. FORM OF THE NOTES	27
6. TERMS AND CONDITIONS OF THE NOTES	28
7. DESCRIPTION OF LETSHEGO GHANA SAVINGS AND LOANS PLC	47
8. DOCUMENTS INCORPORATED BY REFERENCE	66
9. RISK FACTORS.....	67
10. REPORTING ACCOUNTANT FINANCIAL REPORT	71
11. OVERVIEW OF THE GHANA ECONOMY	97
12. OVERVIEW OF THE GHANAIAN NON-BANKING FINANCIAL SERVICES INDUSTRY.....	101
13. OVERVIEW OF THE GHANA FIXED INCOME MARKET	104
14. SUBSCRIPTION AND SALE.....	106
15. SETTLEMENT, CLEARING AND TRANSFER OF NOTES	107
16. LEGAL OPINION BY KEYSTONE SOLICITORS	108
17. TAXATION IN GHANA	114
18. GENERAL INFORMATION	115
19. APPENDIX I.....	116
20. APPENDIX II.....	121
21. APPENDIX III.....	125

1. DEFINITIONS

Unless inconsistent with the context or separately defined in this Prospectus or an Applicable Pricing Supplement, the following expressions used in this document and which form a key part of the Terms and Conditions, shall have the following meanings ascribed to them in this Prospectus and any Applicable Pricing Supplement of any subsequent Series or Tranches issued under this Programme:

Amended and Restated Agency Agreement	The Amended and Restated Agency Agreement dated September 13, 2023, and entered into between the Issuer, the Note Trustee, and the CSD, as amended, restated and/or supplemented from time to time;
Amended and Restated Trust Deed	The Amended and Restated Trust Deed dated September 13, 2023, and entered into between the Issuer and the Note Trustee, as amended, restated, and/or supplemented from time to time;
Applicable Laws	in relation to any person, all and any statutes and subordinate legislation and common law, regulations, ordinances and by-laws, directives, codes of practice, circulars, guidance notices, judgments and decisions of any competent authority, or any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation and other similar provisions, from time to time, compliance with which is mandatory for that person;
Applicable Pricing Supplement	in relation to a Series or Tranche of Notes, the pricing supplement completed and signed by the Issuer in relation to that Series or Tranche of Notes, setting out the additional and/or other terms and conditions as are applicable to that Series or Tranche of Notes, based upon the <i>pro forma</i> Applicable Pricing Supplement which is set out in Appendix I;
Arrangers	Black Star Brokerage Limited (“Black Star”) and Stanbic Bank Ghana (“Stanbic”);
Auditors	Ernst & Young Ghana Limited, the statutory auditors of the Issuer for the year ended 31 December 2022. The Issuer’s statutory auditors as of the financial year commencing January 2023 is Ernst & Young Ghana Limited (EY);
Books Closed Period	in relation to a Series or Tranche of Notes, the period of five (5) Business Days commencing after the Last Day to Register and before the Payment Day, during which transfers of the Notes will not be registered, or such other period as the Issuer may decide, subject to the prior approval of the SEC, in order to determine those Noteholders entitled to receive principal and/or interest;
Business Day	a day (other than a Saturday or Sunday or public holiday) on which commercial banks settle GHS payments in Accra, save further that if the Applicable Pricing Supplement so provides, “ <i>Business Day</i> ” shall include a Saturday;
Business Day Convention	means each of the Floating Rate Business Day Convention, the Following Business Day Convention, the Modified Following Business Day Convention and the Preceding Business Day Convention which may be applicable to the calculation of interest;
Calculation Agent	CSD, or such other entity appointed by the Issuer as Calculation Agent, in which event that other entity will act as Calculation Agent with prior approval from the SEC, as specified in the Applicable Pricing Supplement;
Central Securities Depository or “CSD”	the Central Securities Depository (Gh) LTD, a limited liability company duly incorporated under the laws of Ghana, or its nominee, operating as a central securities depository where Noteholders will be credited with the Notes, or any additional or alternate depository approved by the Issuer;
Class of Noteholders	The holders of a Series or Tranche of Notes or, where appropriate, the holders of different Tranches or Series of Notes;
Day	A Gregorian calendar day unless qualified by the word “ <i>Business</i> ”;

Day Count Fraction

in relation to a Series or Tranche of Notes (where applicable) and the calculation of an amount for any period of time (the **Calculation Period**), the Day Count Fraction specified as such in the Terms and Conditions or the Applicable Pricing Supplement and:

- (a) if **Actual/365** or **Act/365** is so specified, means the actual number of Days in the Calculation Period in respect of which payment is being made divided by 365 (or, if any portion of the Interest Period falls in a leap year, the sum of (i) the actual number of Days in that portion of the Interest Period falling in a leap year divided by 366 and (ii) the actual number of Days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (b) if **Actual/Actual (ICMA)** is so specified, means:
 - 1. where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of Days in the Calculation Period divided by the product of (1) the actual number of Days in such Regular Period and (2) the number of Regular Periods in any year; and
 - 2. where the Calculation Period is longer than one Regular Period, the sum of:
 - a. the actual number of Days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of Days in such Regular Period and (2) the number of Regular Periods in any year; and

the actual number of Days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of Days in such Regular Period and (2) the number of Regular Periods normally ending in any year;

- (c) if **Actual/Actual** or **Actual/Actual (ISDA)** is so specified, means the actual number of Days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of Days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of Days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (d) if **Actual/365 (Fixed)** is so specified, means the actual number of Days in the Calculation Period divided by 365;
- (e) if **Actual/360** is so specified, means the actual number of Days in the Calculation Period divided by 360;
- (f) if **30/360, 360/360** or **Bond Basis** is so specified, means the number of Days in the Calculation period divided by 360, calculated on a formula basis as follows:

$$\frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1) + (D_2 - D_1)]}{360}$$

Day Count Fraction = where:

Y₁ is the year, expressed as a number, in which the first Day of the Calculation Period falls;

Y₂ is the year, expressed as a number, in which the first Day immediately following the last Day included in the Calculation Period falls;

M₁ is the calendar month, expressed as a number, in which the first Day of the Calculation Period falls;

M₂ is the calendar month, expressed as a number, in which the first Day

immediately following the last Day included in the Calculation Period falls;

D₁ is the first Day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case **D₁** will be 30; and

D₂ is the Day, expressed as a number, immediately following the last Day included in the Calculation Period unless such number would be 31 and **D₁** is greater than 29, in which case **D₂** will be 30;

(g) if **30E/360** or **Eurobond Basis** is so specified, means the number of Days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1) + (D_2 - D_1)]}{360}$$

Day Count Fraction = where:

Y₁ is the year, expressed as a number, in which the first Day of the Calculation Period falls;

Y₂ is the year, expressed as a number, in which the Day immediately following the last Day included in the Calculation Period falls;

M₁ is the calendar month, expressed as a number, in which the first Day of the Calculation Period falls;

M₂ is the calendar month, expressed as a number, in which the Day immediately following the last Day included in the Calculation Period falls;

D₁ is the first Day, expressed as a number, of the Calculation Period unless such number would be 31, in which case **D₁** will be 30; and

D₂ is the Day, expressed as a number, immediately following the last Day included in the Calculation Period unless such number would be 31, in which case **D₂** will be 30; and

(h) if **30E/360 (ISDA)** is so specified, means the number of Days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1) + (D_2 - D_1)]}{360}$$

Day Count Fraction = where:

Y₁ is the year, expressed as a number, in which the first Day of the Calculation Period falls;

Y₂ is the year, expressed as a number, in which the Day immediately following the last Day included in the Calculation Period falls;

M₁ is the calendar month, expressed as a number, in which the first Day of the Calculation Period falls;

M₂ is the calendar month, expressed as a number, in which the Day immediately following the last Day included in the Calculation Period falls;

D₁ is the first Day, expressed as a number, of the Calculation Period unless (i) that Day is the last Day of February or (ii) such number would be 31, in which case **D₁** will be 30; and

D₂ is the Day, expressed as a number, immediately following the last Day included in the Calculation Period unless (i) that Day is the last Day of February but not the Maturity Date or (ii) such number would be 31, in which case **D₂** will be 30;

Dealers	Black Star, Stanbic, and/or any other entity appointed as a Dealer by the Issuer with prior approval from the SEC, which appointment may be for a specific issue or on an on-going basis, subject to the Issuer's right to terminate the appointment of any such Dealer, as indicated in the Applicable Pricing Supplement;
Default Rate	In relation to a Series or Tranche of Notes, the default rate specified as such in the Applicable Pricing Supplement;
Determination Date	In relation to a Series or Tranche of Fixed Rate Notes, the date specified as such in the Applicable Pricing Supplement;
Determination Period	in relation to a Series or Tranche of Notes, the period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date);
Early Redemption Amount	in relation to a Series or Tranche of Notes, the amount, as set out in Condition 8.4 (<i>Early Redemption Amounts</i>), at which the Notes will be redeemed by the Issuer, pursuant to the provisions of Conditions 8.2 (<i>Redemption for Tax Reasons</i>), 8.3 (<i>Redemption at the Option of the Issuer</i>) and/or Condition 13 (<i>Events of Default</i>);
Encumbrances	any mortgage, lien, pledge, hypothecation, assignment, cession <i>in securitatem debiti</i> , deposit by way of security or any other agreement or arrangement (whether conditional or not and whether relating to existing or to future assets), having the effect of providing a security interest to a creditor or any agreement or arrangement to give any form of a secured claim to a creditor but excluding statutory preferences and any security interest arising by operation of law;
Escrow Account	each temporary account set up with the Escrow Account Bank where all amounts raised from each Series or Tranche will be deposited until transferred to the account designated by the Issuer;
Escrow Account Agreement	the Escrow Account Agreement dated October 23, 2023, and entered into between the Issuer, the Arrangers, the Sponsoring Brokers, and the Escrow Account Bank, as amended, restated, and/or supplemented from time to time;
Escrow Account Bank	Fidelity Bank Ghana Limited or such other entity appointed by the Issuer as Escrow Account Bank, in which event that entity will act as Escrow Account Bank with the prior approval of the SEC, as specified in the Applicable Pricing Supplement;
Event of Default	In relation to a Series or Tranche of Notes, any of the events described in Condition 13 (<i>Events of Default</i>);
Final Redemption Amount	in relation to a Series or Tranche of Notes, the amount of principal specified in the Applicable Pricing Supplement payable in respect of such Tranche or Series of Notes upon the Maturity Date;
Fixed Coupon Amount	In relation to a Series or Tranche of Fixed Rate Notes (where applicable), the amount specified as such in the Applicable Pricing Supplement;
Fixed Interest Payment Date	In relation to a Series or Tranche of Fixed Rate Notes, the date specified as such in the Applicable Pricing Supplement;
Fixed Interest Period	In relation to a Series or Tranche of Fixed Rate Notes, the period from (and including) a Fixed Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Fixed Interest Payment Date or as otherwise set out in the Applicable Pricing Supplement;
Fixed Rate Notes	Notes which will bear interest at the Fixed Rate of Interest, as indicated in the Applicable Pricing Supplement;

Fixed Rate of Interest	In relation to a Series or Tranche of Notes, the fixed rate of interest specified as such in the Applicable Pricing Supplement;
Floating Rate Notes	Notes which will bear interest at a Floating Rate as indicated in the Applicable Pricing Supplement and more fully described in Condition 6.2 (<i>Floating Rate Notes</i>);
Floating Rate	In relation to a Series or Tranche of Notes, the floating rate of interest specified as such in the Applicable Pricing Supplement;
GFIM	The Ghana Fixed Income Market operated by the GSE;
Ghana	The Republic of Ghana;
GHS	The lawful currency of Ghana, being Ghana Cedis, or any success or currency;
Global Note Certificate	A certificate to be issued by the Issuer to the Note Trustee as nominee for Noteholders and evidencing title to issued Notes under the Programme;
GSE	The Ghana Stock Exchange;
Higher Redemption Amount	In relation to a Series or Tranche of Notes, the higher redemption amount specified as such in the Applicable Pricing Supplement;
IFRS	The International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB (as amended, supplemented or re-issued from time to time);
Indebtedness	In respect of the Issuer, any indebtedness in respect of monies borrowed from any third-party lender and (without double counting) guarantees (other than those given in the ordinary course of business) given, whether present or future, actual or contingent;
Interest Commencement Date	In relation to a Series or Tranche of Notes (where applicable) the first date from which interest on the Notes, will accrue, as specified in the Applicable Pricing Supplement;
Interest Determination Date	In relation to a Series or Tranche of Notes, the date specified as such in the Applicable Pricing Supplement;
Interest Payment Date	in relation to a Series or Tranche of Notes, the Interest Payment Date(s) specified in the Applicable Pricing Supplement or, if no express Interest Payment Date(s) is/are specified in the Applicable Pricing Supplement, the last Day of the Interest Period commencing on the preceding Interest Payment Date, or, in the case of the first Interest Payment Date, commencing on the Interest Commencement Date;
Interest Period	In relation to a Series or Tranche of Notes, each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date; or such other periods deemed appropriate and as set out in Applicable Pricing Supplement;
Interest Rate and Rate of Interest	In relation to a Series or Tranche of Notes, the rate or rates of interest applicable to Notes as indicated in the Applicable Pricing Supplement;
ISDA	The International Swaps and Derivatives Association Inc.;
ISDA Definitions	The 2006 ISDA Definitions published by ISDA (as amended, supplemented, revised or republished from time to time) as specified in the Applicable Pricing Supplement;
Issue Date	In relation to a Series or Tranche of Notes, the date specified as such in the Applicable Pricing Supplement;
Issue Price	In relation to a Series or Tranche of Notes, the price specified as such in the Applicable Pricing Supplement;

Issuer	Letshego Ghana Savings and Loans PLC, a public limited liability company incorporated under the laws of Ghana with company registration number PL000232015 and licensed as a savings and loans company under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930);
Last Day to Register	With respect to a particular Series or Tranche of Notes (as specified in the Applicable Pricing Supplement), the last date or dates preceding a Payment Day on which the Registrar will record the transfer of Notes in the Register for that particular Series or Tranche of Notes and whereafter the Register is closed for further transfers or entries until the Payment Day;
Letshego Ghana Group	The Issuer and any other company or entity whose financial results are consolidated with the financial results of the Issuer in accordance with IFRS;
Margin	In relation to a Series or Tranche of Notes (where applicable), the margin specified as such in the Applicable Pricing Supplement;
Material Indebtedness	Any Indebtedness amounting in aggregate to an amount which equals or exceeds the greater of (i) GHS 5,000,000 or (ii) 10% (ten percent) of the total assets of the Issuer as published in the latest audited financial statements of the Issuer (or its equivalent in other currencies at the time of the occurrence of an Event of Default);
Material Subsidiary	Any subsidiary (i) of which the Issuer owns more than 50% (fifty percent) of the ordinary shares and (ii) which represents at least 15% (fifteen percent) of the total assets of the Issuer as published in the Issuer's latest audited financial statements;
Maturity Date	In relation to a Series or Tranche of Notes, the date specified as such in the Applicable Pricing Supplement;
Minimum Redemption Amount	In relation to a Series or Tranche of Notes, the minimum redemption amount specified as such in the Applicable Pricing Supplement;
NACA	Nominal annual compounded annually;
NACM	Nominal annual compounded monthly;
NACQ	Nominal annual compounded quarterly;
NACS	Nominal annual compounded semi-annually;
Nominal Amount	In relation to any Note, the total amount, excluding interest and any adjustments on account of any formula, owing by the Issuer under the Note;
Noteholders	The registered holders of the Notes as recorded in the Register;
Notes	Unsecured registered notes issued or to be issued by the Issuer under the Programme, pursuant to this Prospectus;
Note Trustee	Fidelity Bank Ghana Limited and/or any other entity appointed as a Note Trustee by the Issuer with prior approval from the SEC in accordance with the Amended and Restated Trust Deed;
Outstanding	<p>in relation to the Notes, all the Notes issued under the Programme other than:</p> <ul style="list-style-type: none"> (a) those which have been redeemed in full; (c) those which have been purchased and cancelled as provided in Condition 8 (<i>Redemption and Purchase</i>); (d) those which have become prescribed under Condition 12 (<i>Prescription</i>); <p>provided that for each of the following purposes:</p>

- (i) the right to attend and vote at any meeting of the Noteholders; and
- (ii) the determination of how many and which Notes are for the time being Outstanding for the purposes of Conditions 15 (*Amendment of these Conditions*) and 16 (*Meetings of Noteholders*),

all Notes (if any) which are for the time being held by the Issuer (subject to any Applicable Law) or by any person for the benefit of the Issuer and not cancelled shall (unless and until ceasing to be so held), be deemed not to be Outstanding;

Optional Redemption Amount

In relation to a Series or Tranche of Notes, the optional redemption amount specified as such in the Applicable Pricing Supplement;

Optional Redemption Date

The date for redemption of Notes, as specified in the notice of redemption issued to Noteholders in accordance with Condition 8.3;

Paying Agent

Fidelity Bank Ghana Limited, or such other entity appointed by the Issuer as Paying Agent, in which event that other entity will act as Paying Agent with prior approval from the SEC, as specified in the Applicable Pricing Supplement;

Payment Day

Any day which is a Business Day and upon which a payment is due by the Issuer in respect of the Notes;

Permitted Encumbrance

- (a) any Encumbrance existing as at the date of the Applicable Pricing Supplement; or
 - (b) any Encumbrance with regard to receivables of the Issuer or a Material Subsidiary or which is created pursuant to any securitisation or like arrangement in accordance with normal market practice and whereby the Indebtedness is limited to the value of such receivables; or
 - (c) any Encumbrance with respect to inter-company Indebtedness incurred between the Issuer and any subsidiary or between any subsidiaries; or
 - (d) any Encumbrance created over any asset owned, acquired, developed or constructed, provided that the Indebtedness so secured shall not exceed the *bona fide* market value of such asset or the cost of that acquisition, development or construction (including all interest and other finance charges, adjustments due to changes in circumstances and other charges reasonably incidental to such cost, whether contingent or otherwise) and where such market value or cost both apply, the higher of the two; or
 - (e) any Encumbrance over deposit accounts securing a loan equal to the amounts standing to the credit of such deposit accounts, including any cash management system; or
 - (f) any Encumbrance created in the ordinary course of business, which includes, accounts receivable or deposit accounts; or
 - (g) any Encumbrance subsisting over any asset of any subsidiary of the Issuer prior to the date of such entity becoming a subsidiary of the Issuer and not created in contemplation of such entity becoming a subsidiary of the Issuer and any substitute Encumbrance created over that asset (but in any such case the amount of the Indebtedness secured by such Encumbrance, may not be increased, save in the ordinary course of business as set out in sub-clauses (a) to (f) above;
- (save that any Encumbrance referred to in (a) to (g) above, should be equal or less than (i) GHS 5,000,000 or (ii) 10% (ten percent) of the total assets of the Issuer as published in the Issuer's latest audited financial statements: at the time the Encumbrance is established;

Programme	Letshego Ghana Savings and Loans PLC GHS 500,000,000 note programme under which the Issuer may from time-to-time issue Notes;
Programme Amount	The maximum aggregate Nominal Amount of all of the Notes that may be issued and Outstanding under the Programme at any one point in time, being GHS 500,000,000 or such increased amount as is determined by the Issuer from time to time and subject to the approval of the SEC, Bank of Ghana (BoG) and all Applicable Laws as set out in the section of this Prospectus headed " <i>General Description of the Programme</i> ". Any Notes issued will be subject to approval from the BoG and SEC;
Programme Date	The date of this Prospectus being October 26, 2023;
Prospectus	This Prospectus issued by the Issuer on the date stated hereon, as amended, restated, and/or supplemented from time-to-time;
Redemption Date	In relation to a Series or Tranche of Notes, the date upon which the Notes are redeemed by the Issuer, in accordance with Condition 8 (<i>Redemption and Purchase</i>);
Reference Banks	Any of the banks in the Ghanaian inter-bank market selected by the Calculation Agent;
Reference Rate	In relation to a Series or Tranche of Notes (where applicable), the rate specified as such in the Applicable Pricing Supplement;
Reference Price	In relation to a Series or Tranche of Notes (where applicable), the price specified as such in the Applicable Pricing Supplement;
Register	The electronic register of Noteholders maintained by the CSD in terms of Condition 10 (<i>Register</i>);
Registrar	CSD, or any additional or alternative depository approved by the Issuer and the GSE;
Regular Period	<p>(a) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;</p> <p>(b) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "Regular Date" means the Day and the month (but not the year) on which any Interest Payment Date falls; and</p> <p>(c) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "Regular Date" means the Day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;</p>
Relevant Date	In respect of any payment relating to the Notes, the date on which such payment first becomes due as specified in the Applicable Pricing Supplement;
Relevant Screen Page	In relation to a Series or Tranche of Notes (where applicable), the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the Applicable Pricing Supplement, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

Representative	A person duly authorised to act on behalf of a Noteholder, the Note Trustee, the Registrar, the Transfer Agent, the Calculation Agent or the Paying Agent, as the case may be, who may be regarded by the Issuer (acting in good faith) as being duly authorised based upon the tacit or express representation thereof by such Representative, in the absence of express notice to the contrary from such Noteholder, the Note Trustee, the Registrar, the Transfer Agent, the Calculation Agent and the Paying Agent;
SEC	The Securities and Exchange Commission of Ghana;
Series	A Series of Notes which are Identical in all respects (including as to admission to GFIM) except for their respective Issue Dates, Interest Commencement Dates and/ or Issue Prices;
Special Resolution	A resolution passed at a meeting (duly convened) of the Noteholders or a Class of Noteholders, as the case may be, by a majority consisting of not less than three quarters (i.e. seventy five percent) of the votes cast;
Specified Denomination	In relation to each Note in a Tranche or Series of Notes, the amount specified as such in the Applicable Pricing Supplement;
Specified Office	The office of the Note Trustee, the Registrar, the Transfer Agent, the Paying Agent and/or the Calculation Agent as specified in the Applicable Pricing Supplement;
Sponsoring Brokers	Black Star and Stanbic;
Sub-unit	With respect to GHS, the lowest amount of such currency that is available as legal tender in the country of such currency;
Terms and Conditions	The terms and conditions incorporated in the section headed “ <i>Terms and Conditions of the Notes</i> ” in accordance with which the Notes will be issued, which terms and conditions may be amended by an Applicable Pricing Supplement;
Tranche	In relation to any particular Tranche, all Notes which are identical in all respects (including as to admission to GFIM); and
Transfer Agent	CSD, or any additional or alternate depository approved by the Issuer and GSE.

2. GENERAL DESCRIPTION OF THE PROGRAMME

Capitalised terms used in this section headed “General Description of the Programme” shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

The Issuer may from time-to-time issue one or more Series or Tranches of Notes under the Programme, pursuant to this Prospectus, provided that the aggregate Nominal Amount of all of the Notes issued and Outstanding under the Programme from time to time does not exceed the Programme Amount. The Issuer may increase the Programme Amount, subject to SEC approval. This Prospectus and any supplement will only be valid for the issue of Notes in an aggregate Nominal Amount which does not exceed GHS 500,000,000 over five (5) years, from date of this Prospectus.

The final Issue Price, aggregate principal amount and interest payable in respect of the Notes and any other terms and conditions not contained in the Terms and Conditions, which are applicable to any Series or Tranche will be agreed between the Issuer, the Arrangers and, if applicable, the relevant Dealers at the time of issuance in accordance with prevailing market conditions and will be set forth in the Applicable Pricing Supplement issued in respect of the Series or Tranche. Each Applicable Pricing Supplement will be submitted for approval by the SEC.

Notes will be issued under the Programme in Series or Tranches. Details applicable to each Series or Tranche will be specified in the Applicable Pricing Supplement. The Notes shall constitute unsecured Notes and shall be at either a Floating Rate or Fixed Rate of Interest.

The Issuer has entered into an Amended and Restated Trust Deed with Fidelity Bank Ghana Limited as Note Trustee (the “**Amended and Restated Trust Deed**”) for the protection and enforcement of the rights of Noteholders. The Issuer has also entered into an Amended and Restated Agency Agreement with Fidelity Bank Ghana Limited as Paying Agent and Paying Bank, and the Central Securities Depository (Gh) LTD as Registrar, Transfer Agent, and Calculation Agent (the “**Amended and Restated Agency Agreement**”). The Noteholders are bound by, subject to, and are deemed to have knowledge of all the provisions of this Prospectus, the Applicable Pricing Supplement, the Amended and Restated Trust Deed and the Amended and Restated Agency Agreement. Copies of the Amended and Restated Trust Deed will be available for inspection during usual business hours at the offices of the Note Trustee, for the time being, at Ridge Tower, West Ridge, Accra, Ghana.

This Prospectus will only apply to existing issued Notes under the GHS 300,000,000 note programme (“Expired Programme”) and new Notes, that are issued under the Programme.

A copy of the Applicable Pricing Supplement relating to a Series or Tranche of Notes will be delivered to the GSE, before the Issue Date, and the Notes in that Series or Tranche may be traded by or through members of the GSE from the date specified in the Applicable Pricing Supplement, in accordance with the applicable procedures of the GFIM. The settlement of trades on the GFIM of the GSE will take place in accordance with the electronic settlement procedures of the GFIM and the CSD for all trades done through the GFIM.

The Notes may be issued on a continuing basis and be placed by one or more of the Dealers specified under the section headed “*Summary of the Programme*” and any additional Dealers appointed under the Programme from time to time by the Issuer, which appointment may be for a specific issue or on an on-going basis. References in this Prospectus to the “relevant Dealers” shall, in the case of Notes being (or intended to be) placed by more than one Dealer, be to all Dealers agreeing to place such Notes.

3. LEGAL BASIS AND RATIONALE FOR THE PROGRAMME

Capitalised terms used in this section headed “Legal Basis and Rationale for the Programme” shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

3.1. LEGAL BASIS FOR THE PROGRAMME

The Programme and the admission of Notes on the GFIM have been approved by the board of directors of the Issuer by an extract of a resolution of the board of directors of the Issuer dated September 4, 2023.

The shareholder of the Issuer has also approved the Programme and the admission of Notes on the GFIM by a written resolution passed on June 27, 2023.

3.2. RATIONALE FOR THE PROGRAMME

The Issuer has established the Programme to raise debt financing of up to GHS 500,000,000 for the purpose set out in Section 3.3 below.

3.3. USE OF PROCEEDS

The Issuer will issue the Notes in Series or Tranches over the duration of the Programme for the following purposes:

Table 1: Breakdown of Use of Proceeds

Use of Proceeds	% Allocation (Indicative)
Write new loans of existing products as part of the Issuer’s strategy to expand its loan portfolio	70%
Refinance existing debts – this will be used to redeem indebtedness under the Expired Programme	15%
Fund working capital and liquidity management activities	15%

Any other corporate purposes as the Issuer may determine in connection with a Series or Tranche and captured in the Applicable Pricing Supplement approved by the SEC.

The Issuer shall clearly state in the Applicable Pricing Supplement of each Series or Tranche, the definitive percentage(s) in which the offer proceeds will be utilized in connection with the use of proceeds highlighted above.

4. SUMMARY OF THE PROGRAMME

The following summary does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Prospectus and, in relation to the terms and conditions of any particular Series or Tranche of Notes, the Applicable Pricing Supplement. Words and expressions defined in the Terms and Conditions shall have the same meanings in this summary.

PARTIES

Arrangers and Sponsoring Brokers	<p>Black Star Brokerage Limited (“Black Star”), a wholly owned Ghana limited liability company incorporated under the laws of Ghana and is located at The Rhombus, Plot 24, Tumu Avenue, Kanda Estates, Accra.</p> <p>Stanbic Bank Ghana LTD (“Stanbic”), a private limited liability company incorporated under the laws of Ghana and whose registered office is at Stanbic Heights, Plot 215 South Liberation Link, Airport City, Accra, Ghana</p> <p>Any other Arranger and Sponsoring Broker appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Series or Tranche of Notes.</p>
Calculation Agent	<p>CSD, or such other entity appointed by the Issuer as Calculation Agent, in which event that other entity will act as Calculation Agent with prior approval from the SEC, as specified in the Applicable Pricing Supplement.</p>
Escrow Account Bank	<p>Fidelity Bank Ghana Limited, or such other entity appointed by the Issuer as Escrow Account Bank in which event that other entity will act as Escrow Account Bank with prior approval from the SEC, as specified in the Applicable Pricing Supplement.</p>
Dealers	<p>Black Star, Stanbic and any additional Dealers appointed by the Issuer from time to time, which appointment may be for a specific issue or on an on-going basis subject to the Issuer’s right to terminate the appointment of any Dealer.</p>
Issuer	<p>Letshego Ghana Savings and Loans PLC (with company registration number <i>PL000232015</i>), a public limited liability company duly incorporated under the laws of Ghana and licensed as a savings and loans company under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).</p>
Note Trustee	<p>Fidelity Bank Ghana Limited, a public limited liability company incorporated under the laws of Ghana and whose registered office is at Ridge Tower, West Ridge, Accra or such other entity appointed by the Issuer as Note Trustee, in which event that other entity will act as Note Trustee with prior approval from the SEC, as specified in the Applicable Pricing Supplement.</p>
Paying Agent	<p>Fidelity Bank Ghana Limited, or such other entity appointed by the Issuer as Paying Agent, in which event that other entity will act as Paying Agent with prior approval from the SEC, as specified in the Applicable Pricing Supplement.</p>
Paying Bank	<p>Fidelity Bank Ghana Limited, or such other entity appointed by the Issuer as Paying Bank in which event that other entity will act as Paying Bank with prior approval from the SEC, as specified in the Applicable Pricing Supplement.</p>
Transfer Agent and Registrar	<p>Central Securities Depository (GH) LTD, a company incorporated under the laws of Ghana and licensed by the SEC as a securities depository and whose registered office is at the 4th Floor, Cedi House, Liberia Road, Accra, (“CSD”), or such other entity appointed by the Issuer as Transfer Agent and Registrar, in which event that other entity will act as Transfer Agent and Registrar with prior approval from the SEC, as specified in the Applicable Pricing Supplement.</p>

GENERAL

Costs of Programme

The total cost and expense of the Programme is not anticipated to exceed 5% (five percent) of the Programme Amount (GHS 500,000,000). The Issuer will bear all costs relating to the Programme. The estimated cost of the Programme (excluding payments under Expired Programme and taxes) is summarised below:

Table 2: Summarised Estimated Cost of Programme

Item	Amount in GHS	% of Total Programme
Advisory Fees	6,868,000	1.374%
Legal due diligence	470,000	0.094%
Accounting due diligence	148,000	0.030%
Financial advisory & arranger	6,250,000	1.250%
Regulatory Fees (SEC)	290,000	0.058%
Regulatory Fees (GSE)	150,000	0.030%
Central Securities Depository Fees	90,000	0.018%
Printing, Publicity and Other Cost	150,000	0.030%
Total Costs	7,548,000	
% of Programme		1.510%

Admission	Application has been made for the Notes to be admitted to listing and trading on the GFIM of the GSE. Trading in admitted Notes is subject to the listing rules of the GFIM and Notes will be settled in accordance with the applicable GFIM and CSD settlement rules and procedures.
Cross Default	The terms of the Notes will contain a cross-default provision relating to indebtedness for money borrowed having an aggregate outstanding amount which equals the greater of GHS 5,000,000 or 10% (ten percent) of the total assets of the Issuer set out in the Issuer's latest published audited financial statements (or its equivalent in any other currency) from time to time, or any guarantee of or indemnity in respect of any such indebtedness as further described in Condition 13.1.4 (Cross Default).
Currency of Notes	Ghana Cedis or any successor currency.
Denomination	Notes will be issued in such denominations as may be agreed by the Issuer and the relevant Dealers and as indicated in the Applicable Pricing Supplement, save that the minimum denomination of each Note will be such as may be allowed or required from time to time by the central bank or regulator or any laws or regulations applicable to the Notes.
Description of Programme	Letshego Ghana Savings and Loans PLC GHS 500,000,000 note programme.
Distribution	Notes will be distributed by way of public offering, or any other means permitted under Ghanaian law, and in each case on a syndicated or non-syndicated basis as may be determined by the Issuer and the relevant Dealers and reflected in the Applicable Pricing Supplement;
Form of Notes	Notes will be issued in the form of registered notes as described in this Prospectus under the section headed "Form of the Notes". Each Series or Tranche of Notes will be admitted on the GFIM of the GSE and will be issued in uncertificated form. Notes will be held electronically on the CSD. (See the section of this Prospectus headed "Form of the Notes");
Governing Law	The Notes, the Amended and Restated Trust Deed and the Amended and Restated Agency Agreement will be governed by and construed in accordance with the laws of Ghana in force from time to time.
Interest	Notes will be interest-bearing, and interest will accrue at a fixed rate or a floating rate or other variable rate as set forth in the Applicable Pricing Supplement.
Interest Period(s)/ Interest Payment Date(s)/ Interest Rate	The Interest Rate, Interest Payment Date(s) and Interest Period(s), if any, applicable to a Series or Tranche of Notes will be specified in the Applicable Pricing Supplement.
Issue and Transfer Taxes	As at the Programme Date, no securities transfer tax or any similar tax is payable in respect of the issue, transfer or redemption of the Notes (see the section of this Prospectus headed " <i>Taxation in Ghana</i> "). Any future transfer duties and/or taxes that may be introduced in respect of (or may be applicable to) the transfer of Notes will be for the account of Noteholders.
Issue Price	This is the price at which Notes may be issued. Notes will be issued either on a fully paid basis and at their Nominal Amount, or at a discount or premium to their Nominal Amount as specified in the Applicable Pricing Supplement. The price and amount to be issued under any Tranche or Series will be determined by the Issuer and the relevant Dealers at the time of issue in accordance with prevailing market conditions.
Maturities of Notes	Such maturity(ies) as specified in the Applicable Pricing Supplement.
Negative Pledge	The Notes will have the benefit of a negative pledge as described in Condition 5 (<i>Negative Pledge</i>) of the Terms and Conditions.
Notes	Notes may comprise:

Fixed Rate Notes Fixed rate interest will be payable in arrears on such date or dates as may be agreed between the Issuer and the relevant Dealers, as indicated in the Applicable Pricing Supplement and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealers.

Floating Rate Notes Floating Rate Notes will bear interest calculated at a rate determined: (i) on the same basis as the floating rate under a notional interest rate swap transaction governed by an agreement incorporating the International Swaps and Derivatives Association (“ISDA”) Definitions; or (ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quoting service; or (iii) on the basis of the prevailing 182 day Government of Ghana treasury bill rate plus or minus; or (iv) on such other basis as may be agreed between the Issuer and the relevant Dealers, as indicated in the Applicable Pricing Supplement.

The Margin (if any) relating to such floating Rate Notes will be agreed between the Issuer and the relevant Dealers for each issue of Floating Rate Notes, as indicated in the Applicable Pricing Supplement.

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both, as indicated in the Applicable Pricing Supplement.

The Interest Period for Floating Rate Notes may be 6 (six) months, 1 (one) or 2 (two) years or such other period as the Issuer and the relevant Dealers may agree, as indicated in the Applicable Pricing Supplement.

Other Notes Terms applicable to any other type of Notes as agreed between the Issuer and the relevant Dealers in respect of the admitted Notes, will be set out in the Applicable Pricing Supplement.

Noteholders The holders of Notes which are recorded as the registered Noteholders of those Notes in the Register maintained by the CSD;

Programme Expiry The Programme will expire five (5) years after the date of this Prospectus. All Notes issued prior to the expiry of the Programme will be valid and remain the contractual obligation of the Issuer;

Rating On 30 August 2023, the Programme was rated by the Global Credit Rating Co., an international credit rating agency. The Programme was rated “BBB- (GH)” with a stable outlook. The Issuer was rated “BBB- (GH)” with a stable outlook for long term issuances and “A3 (GH)” with a stable outlook for short term issuances. The previous rating of the Issuer (February 2023) was “BBB- (GH)” with a negative outlook for long term issuances and “A3 (GH)” with a negative outlook for short term issuances. Unrated Tranches or Series of Notes may also be issued. The rating assigned to the Issuer and/or the Programme and/or the Notes, as the case may be, as well as the rating agency(ies) which assigned such rating(s), will be specified in the Applicable Pricing Supplement;

Redemption	<p>A Series or Tranche of Notes will, subject to the Applicable Pricing Supplement, be redeemed on the Maturity Date, as set out in Condition 8.1 (<i>Redemption at Maturity</i>).</p> <p>If so specified in the Applicable Pricing Supplement, the Issuer may redeem the Notes of any Series or Tranche at any time prior to the Maturity Date following the occurrence of a change in law and/or for tax reasons, as set out in Condition 8.2 (<i>Redemption for Tax Reasons</i>), or unless otherwise set out in the Applicable Pricing Supplement.</p> <p>If “<i>Early Redemption at the Option of the Issuer</i>” is specified as applicable in the Applicable Pricing Supplement or pursuant to Condition 8.3 (<i>Redemption at the Option of the Issuer</i>), the Issuer may, having given not less than 30 (thirty) Days nor more than 60 (sixty) Days irrevocable notice (or such other period of notice as may be specified in the Applicable Pricing Supplement) to the Noteholders in accordance with Condition 14 (<i>Notices</i>), redeem the Series or Tranche of Notes on any Optional Redemption Date(s), or unless otherwise set out in the Applicable Pricing Supplement.</p>
Sale	Notes will be sold within the Republic of Ghana only.
Register	The Register will be maintained electronically on a book-entry system in the CSD and a single Global Note Certificate will be issued to the Note Trustee in respect of each Series or Tranche of Notes. The Register of Notes in issue will be held and updated by the CSD, which shall record each Series or Tranche of Notes, the number of Notes in each Series or Tranche held by each Noteholder and the names, addresses and bank account details of each Noteholder.
Settlement and Clearing	Each Series or Tranche of Notes which is held in the CSD will be cleared and settled in accordance with the applicable GFIM and CSD settlement procedures. The CSD acts as the approved electronic clearing house, and carries on the role of matching, clearing and facilitation of settlement of all transactions carried out on the GFIM. Each Series or Tranche of Notes which is held in the CSD will be cleared by participants who will follow the electronic settlement procedures prescribed by the GFIM and the CSD.
Selling Restrictions	For a description of the restrictions on offers, sales and deliveries of the Notes and on distribution of offering material in the Republic of Ghana see the section headed “ <i>Subscription and Sale</i> ”.
Size of the Programme	As at the Programme Date, the Programme Amount is GHS 500,000,000. This Prospectus will only apply to Notes issued under the Programme in an aggregate Nominal Amount which does not exceed the Programme Amount. The Issuer may increase the Programme Amount, subject to SEC approval in the manner set out in the section of this Prospectus headed “ <i>General Description of the Programme</i> ”. The Programme Amount at the time of the issue of any Series or Tranche of Notes will be set out in the Applicable Pricing Supplement
Status of Notes	The Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank pari-passu and rateably without any preference among themselves (subject to Condition 5 (Negative Pledge) and, save for certain debts required to be preferred by law), equally with all other present or future unsecured and unsubordinated obligations of the Issuer from time to time outstanding.
Taxation	The Issuer is a Ghana resident for tax purposes. A summary of the applicable tax legislation in respect of the Notes, as at the Programme Date, is set out in the section of this Prospectus headed “ <i>Taxation in Ghana</i> ”. The summary does not constitute tax advice. Potential investors in the Notes should, before making an investment in the Notes, consult their own professional advisers as to the potential tax consequences of, and their tax positions in respect of, an investment in the Notes.

Terms and Conditions

The terms and conditions of the Notes are set out in the section of this Prospectus headed "*Terms and Conditions of the Notes*". The Applicable Pricing Supplements may specify other terms and conditions (which may replace, modify or supplement the Terms and Conditions) in relation to specific terms and conditions of the Notes of any Series or Tranche of Notes issued.

Use of Proceeds

The Issuer will use the proceeds from the issuance of the Notes to:

- | | |
|--|-----|
| a. write new loans of existing products as part of the Issuer's strategy to expand its loan portfolio | 70% |
| b. refinance existing debts – this will be used to redeem indebtedness under the Expired Programme and | 15% |
| c. fund working capital and liquidity management activities | 15% |

The percentages above are indicative.

Any other corporate purposes as the Issuer may determine in connection with a Series or Tranche and captured in the Applicable Pricing Supplement approved by the SEC.

The Issuer shall clearly state in the Applicable Pricing Supplement of each Series or Tranche, the definitive percentage(s) in which the offer proceeds will be utilized in connection with the use of proceeds highlighted above.

Withholding Taxes

As at the Programme Date, all payments of principal and interest in respect of the Notes will be made after the deduction of withholding or on account of taxes levied in Ghana and will be subject to certain exceptions as provided in Condition 9 (Taxation). Currently, the Issuer is required by the Income Tax Act, 2015 (Act 896) (as amended), to withhold tax at the rate of 8% on all interest payments to Noteholders, except where the Noteholders are exempted by Applicable Law.

Noteholders are advised to seek professional tax advice concerning their specific tax obligations relating to investing in the Notes.

5. FORM OF THE NOTES

Capitalised terms used in this section headed "Form of the Notes" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section, or this is clearly inappropriate from the context.

1. Notes will be issued in the form of registered notes. Only admitted Notes will be issued under the Programme. Each Note will be unsecured.
2. The Notes shall be held electronically on the CSD.
3. The Issuer shall issue a single Global Note Certificate to the Note Trustee (in respect of each Series or Tranche of Notes) who will hold all the Notes as nominee for the Noteholders. All Noteholders will be required to open and maintain CSD accounts, which will be credited with the Notes upon allotment.
4. All payments for the Notes will be made in the specified denomination set forth in the Applicable Pricing Supplement.
5. The Registrar shall maintain a Register which shows a record of Noteholders' respective electronic book entries on the CSD, the particulars of Noteholders and their respective holdings.
6. The Register will be maintained electronically on a book-entry system on the CSD, and no certificates will be issued to individual Noteholders.
7. Entry on the Register shall represent proof of ownership of the rights of a Noteholder in respect of the Notes held, and the Issuer shall regard the Register as the conclusive evidence of title to the Notes.

If Notes are transferred subsequent to issue, title to Notes and rights of ownership shall pass upon entry in the Register in accordance with the prevailing guidelines and rules of the CSD on transfer of securities and in the manner stated under Condition 11 of the Terms and Conditions.

6. TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes to be issued by the Issuer which will be incorporated by reference into each Note. A Series or Tranche of Notes will be issued on, and subject to, the below Terms and Conditions, as replaced, amended and/or supplemented by the terms and conditions of that Series or Tranche of Notes set out in the Applicable Pricing Supplement.

Before the Issuer issues any Series or Tranche of Notes, the Issuer shall complete and sign and deliver a pricing supplement based on the *pro forma* Applicable Pricing Supplement included in the Prospectus setting out details of such Notes.

If there is any conflict or inconsistency between the provisions set out in the Applicable Pricing Supplement and the provisions set out in these Terms and Conditions of the Notes, then the provisions in the Applicable Pricing Supplement will prevail.

Words and expressions used in the Applicable Pricing Supplement shall have the same meanings as used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated. Any reference to legislation or a statute shall be to such legislation or statute as amended, varied or re-enacted from time to time.

1. ISSUE

- 1.1 The Issuer may, at any time and from time to time and on such dates the Issuer deems fit (without the consent of any Noteholder), issue one or more Series or Tranche(s) of Notes pursuant to the Programme and the Amended and Restated Trust Deed, provided that the aggregate Nominal Amount of all of the Notes issued and Outstanding under the Programme from time to time does not exceed the Programme Amount.
- 1.2 Notes will be issued in Series or Tranches. A Series or Tranche of Notes will be issued on, and subject to, the applicable Terms and Conditions, as replaced, amended and/or supplemented by the terms and conditions of that Series or Tranche of Notes set out in the Applicable Pricing Supplement relating to that Series or Tranche of Notes.
- 1.3 The directors of the Issuer may issue Notes to such persons on such dates as the directors deem fit. The Issuer reserves the right, in its sole discretion, to refuse any application in whole or in part, or to accept some applications for the Notes in full and others in part, or to refuse all applications for the Notes on any basis determined by it.
- 1.4 The value of each Note and any additional amounts payable in respect of each Note issued by the directors of the Issuer shall be as recorded in the Applicable Pricing Supplement.
- 1.5 The Noteholders are, by virtue of their subscription for or purchase of the Notes, deemed to have notice of, entitled to the benefit of, and are subject to all the provisions of the Amended and Restated Trust Deed.

2. FORM AND DENOMINATION

- 2.1 Each Note may be a Fixed Rate Note, a Floating Rate Note, or such combination of any of the foregoing or such other type of Note as may be determined by the Issuer and specified in the relevant Applicable Pricing Supplement.
- 2.2 All payments in relation to the Notes will be made in GHS. Each Note will be issued in the Specified Denomination indicated in the Applicable Pricing Supplement.
- 2.3 All Noteholders will be required to open and maintain CSD accounts, which will be credited with the Notes upon allotment.
- 2.4 All Notes are in dematerialised form and will be electronically maintained on the CSD with an identifying number that will be recorded in the Register.

3. TITLE

- 3.1 Each holder of Notes will be named in the Register as the registered holder of each Series or Tranche of Notes issued.
- 3.2 Title to the Notes shall pass by registration in the Register, unless Applicable Laws provide otherwise or provide for additional formalities for transfer of title. In so far as Applicable Law requires notification to the debtor for a valid transfer of title to the Notes, the registration of the transfer in the Register shall constitute evidence of this notification. Except as ordered by a court of competent jurisdiction or as required by law, the Noteholder as reflected in the Register, shall be deemed to be and may be treated as the absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the Noteholder.
- 3.3 The Issuer shall issue a single Global Note Certificate to the Note Trustee in respect of each Series or Tranche of Notes. The CSD shall maintain a record of Noteholders' respective electronic book entries in the Register showing the particulars of Noteholders and their respective holdings.
- 3.4 The Issuer, the Note Trustee, the Registrar, the Calculation Agent, the Transfer Agent and the Paying Agent shall recognise a Noteholder as the sole and absolute owner of the Notes registered in that Noteholder's name in the Register (notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) and shall not be bound to enter any trust in the Register or to take notice of or to accede to the execution of any trust, express, implied or constructive, to which any Note may be subject.

4. STATUS OF NOTES

The Notes are direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* and rateably without any preference among themselves and (save for certain debts required to be preferred by law) equally with all other present and future unsecured and unsubordinated obligations of the Issuer from time to time outstanding.

5. NEGATIVE PLEDGE

- 5.1 For so long as any Series or Tranche of the Notes remains Outstanding, the Issuer (including any Material Subsidiary) undertakes that it shall not create or permit the creation of any Encumbrances other than Permitted Encumbrances over any of their present or future business undertakings, assets or revenues to secure any present or future Indebtedness (save for those which have been accorded a preference by law) without at the same time securing all Notes equally and rateably with such Indebtedness or providing such other security or arrangement as may be approved by Special Resolution of the Noteholders, unless the provision of any such security is waived by a Special Resolution of the Noteholders.
- 5.2 The Issuer shall be entitled, but not obliged, to form, or procure the formation of, a trust or special purpose company (or more than one), or appoint, or procure the appointment of, an agent or agents to hold any such rights of security for the benefit or on behalf of such Noteholders.

6. INTEREST

6.1 Fixed Rate Notes

- 6.1.1 Each Fixed Rate Note bears interest on its Nominal Amount which is Outstanding from (and including) the Interest Commencement Date specified in the Applicable Pricing Supplement at the rate(s) per annum equal to the Fixed Rate of Interest so specified, payable in arrears on the Fixed Interest Payment Dates in each year up to and including the Maturity Date.
- 6.1.2 The first payment of interest will be made on the Fixed Interest Payment Date after the Interest Commencement Date.
- 6.1.3 Except as provided in the Applicable Pricing Supplement, the amount of interest payable per Note on each Fixed Interest Payment Date in respect of the Fixed Interest Period ending on

- 6.1.4 (but excluding) such date will amount to the Fixed Coupon Amount.
- 6.1.5 If interest is required to be calculated for a period other than a Fixed Interest Period, such interest shall be calculated by applying the Fixed Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, as specified in the Applicable Pricing Supplement, and rounding the resultant figure to the nearest Sub-unit, half such Sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

6.2 Floating Rate Notes

Interest Payment Dates

Each Floating Rate Note bears interest on its Nominal Amount which is Outstanding from (and including) the Interest Commencement Date specified in the Applicable Pricing Supplement, and such interest will be payable in arrears on the Interest Payment Date(s) in each year specified in the Applicable Pricing Supplement. Such interest will be payable in respect of each Interest Period (which expression shall, in these Terms and Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

Rate of Interest

The Rate of Interest payable from time to time in respect of the Floating Rate Notes will be determined in the manner specified in the Applicable Pricing Supplement.

Minimum and/or Maximum Rate of Interest

If the Applicable Pricing Supplement specifies a minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of any such Interest Period determined in accordance with the above provisions is less than such minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such minimum Rate of Interest. If the Applicable Pricing Supplement specifies a maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of any such Interest Period determined in accordance with the above provisions is greater than such maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such maximum Rate of Interest.

Interest Determination, Screen Rate Determination including Fallback Provisions

Where ISDA determination is specified in the Applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the Applicable Pricing Supplement) the Margin (if any). For the purposes of this sub-paragraph, **ISDA Rate** for an Interest Period means a rate equal to the Floating Rate that would be determined by such agent as is specified in the Applicable Pricing Supplement under an interest rate swap transaction if that agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the most recent ISDA Definitions and under which:

- (a) the Floating Rate Option is as specified in the Applicable Pricing Supplement;
- (b) the Designated Maturity is the period specified in the Applicable Pricing Supplement; and

the relevant Reset Date, as specified in the Applicable Pricing Supplement.

For the purposes of the above sub-paragraph **Floating Rate**, **Floating Rate Option**, **Designated Maturity** and **Reset Date** have the meanings given to those terms in the ISDA Definitions specified in the Applicable Pricing Supplement.

Where screen rate determination is specified in the Applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject to the provisions below, be either:

- (a) if the Relevant Screen Page is available,
- (i) the offered quotation (if only one quotation appears on the screen page); or
 - (ii) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage per annum) for the Reference Rate which appears on the Relevant Screen Page as at 11h00 (or as otherwise specified in the Applicable Pricing Supplement) (Accra time) on the Interest Determination Date in question plus or minus (as indicated in the Applicable Pricing Supplement) the Margin (if any), all as determined by the Calculation Agent. If five or more such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations; or

if the Relevant Screen Page is not available or if, in the case of (i) above, no such offered quotation appears or, in the case of (ii) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph, the Calculation Agent shall request the principal office of each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately 11h00 (Accra time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Calculation Agent; or

- (b) if the Rate of Interest cannot be determined by applying the provisions of (a) and (b) above, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks offered, at approximately 11h00 (Accra time) on the relevant Interest Determination Date, deposits in an amount approximately equal to the Nominal Amount of the Notes of the relevant Series or Tranche, for a period equal to that which would have been used for the Reference Rate to prime banks in the Accra inter-bank market plus or minus (as appropriate) the Margin (if any). If fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the Rate of Interest for the relevant Interest Period will be determined by the Calculation Agent as the arithmetic mean (rounded as provided above) of the rates for deposits in an amount approximately equal to the Nominal Amount of the Notes of the relevant Series or Tranche, for a period equal to that which would have been used for the Reference Rate, quoted at approximately 11h00 (Accra time) on the relevant Interest Determination Date, by the Reference Banks plus or minus (as appropriate) the Margin (if any). If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period).

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the Applicable Pricing Supplement, the Rate of Interest in respect of such Notes will be determined as provided in the Applicable Pricing Supplement.

6.3 Determination of Rate of Interest and Calculation of Interest Amount

The Calculation Agent, will at, or as soon as is practicable after, each time at which the Rate of Interest is to be determined, determine the Rate of Interest and calculate the interest amount payable in respect of each Note in respect of each Specified Denomination for the relevant Interest Period for review by the Note Trustee, and the Calculation Agent shall notify the Issuer, the Paying Agent, the Noteholders, and the Note Trustee of the Rate of Interest and the interest amount payable for the relevant Interest Period and the relevant Interest Payment Date (the Rate of Interest and relevant Interest Payment Date only for Noteholders) no later than the 4th Business Day after calculating the same.

The Calculation Agent, will at, or as soon as is practicable on, the first day of the Books Closed Period determine the Rate of Interest and calculate the interest amount payable in respect of each Note in respect of each Specified Denomination for the relevant Interest Period for review by the Note Trustee, and the Calculation Agent shall notify the Issuer, the Noteholders, the Paying Agent, and the Note Trustee of the Rate of Interest and the interest amount payable for the relevant Interest Period and the relevant Interest Payment Date no later than the 4th Business Day after calculating the same.

Each interest amount shall be calculated by applying the Rate of Interest to the Specified Denomination, multiplying such sum by the applicable Day Count Fraction and rounding the resultant figure to the nearest Sub-unit, half a Sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Notification of Rate of Interest and Interest Amount

Each interest amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to the Issuer, the Noteholders, the Paying Agent, and the Note Trustee in accordance with Condition 14 (Notices).

Certificates to be Final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this subparagraph 6.3, by the Calculation Agent shall (in the absence of wilful deceit, bad faith or manifest error or proven error) be binding on the Issuer, the Paying Agent, the Note Trustee, and all Noteholders and in the absence as aforesaid no liability to the Issuer or the Noteholders shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

6.4 Accrual of Interest

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date of its redemption unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue at the Default Rate specified in the Applicable Pricing Supplement until the date on which all amounts due in respect of such Note have been paid.

6.5 Business Day Convention

If any Interest Payment Date specified in the Applicable Pricing Supplement to be subject to adjustment in accordance with a Business Day Convention, would otherwise fall on a Day that is not a Business Day, then, if the Business Day Convention specified is:

- (a) the **Floating Rate Business Day Convention**, such Interest Payment Date shall be postponed to the next Day that is a Business Day unless it would thereby fall into the next calendar month, in which event: (i) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day of the month in which such Interest Payment Date would have fallen had it not been subject to adjustment; or

- (b) the **Following Business Day Convention**, such Interest Payment Date shall be postponed to the next Day which is a Business Day; or
- (c) the **Modified Following Business Day Convention**, such Interest Payment Date shall be postponed to the next Day that is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (d) the **Preceding Business Day Convention**, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

7. PAYMENTS

7.1 General

Payments of principal and/or interest shall be made to the registered holder of such Note, as set forth in the Register on the close of business on the Last Day to Register (as specified in the Applicable Pricing Supplement).

Method of Payment

- a) Payments will be made in GHS by credit or transfer, by means of electronic settlement, to the Noteholder.
- b) Payments of interest and/or principal amounts shall be made by the Issuer via electronic funds transfer to the account designated for the purpose by the Note Trustee (the "**Trust Account**") by 9:00am on the fourth (4th) Business Day before the relevant Payment Day or Interest Payment Date. Such payment into the Trust Account by the Issuer shall be a valid discharge by the Issuer of its obligation to pay interest or principal amounts due on the Notes, as the case may be.
- c) On receipt of funds in the Trust Account, the Note Trustee shall make payment to the Noteholders via electronic funds transfer to the Noteholder on the relevant Payment Day or Interest Payment Date. In the event that, for any reason, payment by means of electronic funds transfer is not possible, payment will be made by cheque in the manner set out in the remainder of this Condition 7. In the case of joint Noteholders, payment by electronic funds transfer will be made to the account of the Noteholder first named in the Register.
- d) The Note Trustee shall make payment by cheque to Noteholders who request payments in respect of the Notes to be made by cheque. Payment by cheque, in the case of joint Noteholders, shall be made to the first one of them named in the Register. Payment of cheques shall be a valid discharge by the Note Trustee of the obligation upon it to pay interest or principal amounts, as the case may be. Cheques will be dated with the Payment Day. Cheques should be posted by registered post to the address of the Noteholder in the Register (in the case of joint Noteholders, the address set forth in the Register of that one of them who is first named in the Register) provided that neither the Issuer nor its agents shall be responsible for any loss in transmission and the postal authorities shall be deemed to be the agent of the Noteholders for the purposes of all cheques posted. The cheque will be mailed 1 Business Day before the Payment Day.
- e) Payments will be subject in all cases to any fiscal or other laws, directives and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 9 (*Taxation*).
- f) If the Issuer is prevented or restricted directly or indirectly from making any payment by electronic funds transfer in accordance with the preceding paragraph (whether by reason of strike, lockout, fire, explosion, floods, riot, war, accident, act of God, embargo, legislation, shortage of or breakdown in facilities, civil commotion, unrest or disturbances, cessation of labour, Government interference or control or any other cause or contingency beyond the control of the Issuer), the Issuer shall make such payment by cheque marked "*not transferable*" (or by such number of cheques as may

be required in accordance with applicable banking law and practice to make payment of any such amounts). Such payments by cheque shall be sent by the fifth (5th) Business Day before the relevant Payment Day or Interest Payment Date by registered post to the address of the Note Trustee.

Payment Day

If the date for payment of any amount in respect of any Note is not a Business Day, subject to the applicable Business Day Convention, the holder thereof shall not be entitled to payment until the following Business Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay.

7.2 Interpretation of Principal and Interest

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- 7.2.1 any additional amounts which may be payable with respect to principal under Condition 9 (*Taxation*);
- 7.2.2 the Final Redemption Amount of the Notes or the Early Redemption Amount of the Notes, as the case may be;
- 7.2.3 the Optional Redemption Amount(s) (if any), as specified in the Applicable Pricing Supplement, of the Notes; and
- 7.2.4 any premium and any other amounts which may be payable by the Issuer under or in respect of the Notes, but excluding for the avoidance of doubt, interest.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 9 (*Taxation*).

8. REDEMPTION AND PURCHASE

8.1 Redemption at Maturity

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer in GHS at its Final Redemption Amount specified in or determined in the manner specified in the Applicable Pricing Supplement on the Maturity Date.

8.2 Redemption for Tax Reasons

Notes may be redeemed at the option of the Issuer at any time (in the case of Notes other than Floating Rate Notes having an Interest Rate then determined on a floating basis) or on any Interest Payment Date (in the case of Floating Rate Notes), on giving not less than 30 (thirty) Days nor more than 60 (sixty) Days' notice to the Noteholders prior to such redemption, in accordance with Condition 14 (*Notices*) (which notice shall be irrevocable), if the Issuer, immediately prior to the giving of such notice, is of the reasonable opinion that:

- 8.2.1 as a result of any change in, or amendment to, the laws or regulations of Ghana or any political sub-division of, or any authority in, or of, Ghana having power to tax, or any change or amendment which becomes effective after the relevant Issue Date, the Issuer is or would be required to pay additional amounts as provided or referred to in Condition 9 (*Taxation*); and
- 8.2.2 the requirement cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 (ninety) Days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Notes may be redeemed by the Issuer in accordance with this Condition 8.2 in whole or in part.

A redemption in part may be effected by the Issuer:

8.2.2.1 notwithstanding that such partial redemption may not entirely avoid such obligation to pay additional amounts as provided for or referred to in Condition 9 (*Taxation*); and

8.2.2.2 *mutatis mutandis* in the manner described in Condition 8.3 (*Redemption at the Option of the Issuer*), provided that the references to the giving of notice therein and to the Minimum Redemption Amount and the Higher Redemption Amount (both as specified in the Applicable Pricing Supplement) therein shall be disregarded for such purposes.

Notes redeemed for tax reasons pursuant to this Condition 8.2 will be redeemed at their Early Redemption Amount referred to in Condition 8.4 (*Early Redemption Amounts*), together (if appropriate) with interest accrued from (and including) the immediately preceding Interest Payment Date to (but excluding) the date of redemption or as specified in the Applicable Pricing Supplement.

8.3 Redemption at the Option of the Issuer

8.3.1 If the Issuer is specified in the Applicable Pricing Supplement as having an option to redeem, the Issuer may, having given not less than 30 (thirty) Days nor more than 60 (sixty) Days irrevocable notice to the Noteholders in accordance with Condition 14 (*Notices*) or unless otherwise specified in the Applicable Pricing Supplement, redeem all or some of the Notes (to which such Applicable Pricing Supplement relates) then Outstanding on the Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the Applicable Pricing Supplement, together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date(s). The Issuer may exercise the right to optional redemption when its cost of borrowing is lower than the interest rate on the Notes, or if the Issuer decides to restructure its balance sheet.

8.3.2 Any such redemption must be of a Nominal Amount equal to the Minimum Redemption Amount or a Higher Redemption Amount, both as indicated in the Applicable Pricing Supplement.

8.3.3 In the case of a partial redemption of Notes, the Notes to be redeemed (**Redeemed Notes**) shall be selected not more than 30 (thirty) Days prior to the date fixed for redemption (such date of selection being hereinafter called the **Selection Date**).

8.3.4 In the case of Redeemed Notes, a list of the serial numbers of such Redeemed Notes will be included in the notices to the Noteholders given in accordance with Condition 14 (*Notices*). In the case of partial redemption, each Note in a Series or a Tranche shall be redeemed in the same percentage of its principal amount outstanding. In the case of partial redemption of all Notes, each Series or Tranche shall be redeemed in that percentage of the funds available for payment in redemption as the aggregate principal amount outstanding in that Series or Tranche bears to the aggregate principal amount of all Notes outstanding and each Note in the Series or Tranche shall be redeemed in the same percentage of principal amount outstanding, subject to compliance with any Applicable Laws.

8.4 Early Redemption Amounts

For the purpose of Conditions 8.2 (*Redemption for Tax Reasons*), and/or Condition 13 (*Events of Default*), the Notes will be redeemed at the Early Redemption Amount calculated as follows:

8.4.1 in the case of Notes with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof; or

8.4.2 in the case of Notes with a Final Redemption Amount which is or may be less or greater than the Issue Price, at the amount specified in, or determined in the manner specified in, the Applicable Pricing Supplement or, if no such amount or manner is so specified in the Pricing Supplement, at their Nominal Amount; or

8.4.3 Such other amount or method of calculation of the amount payable as is provided in the Applicable Pricing Supplement.

Where such calculation is to be made for a period which is not a whole number of years, it shall be calculated on the basis of actual Days elapsed divided by 365 (three hundred and sixty-five), or such other calculation basis as may be specified in the Applicable Pricing Supplement.

8.5 Purchases

The Issuer or any of its subsidiaries may at any time purchase Notes at any price in the open market or otherwise. Such Notes may, subject to Applicable Law, be held, resold, or, at the option of the Issuer, cancelled.

8.6 Cancellation

Notes purchased by or on behalf of the Issuer, or by any subsidiaries may be cancelled and if so, together with all Notes redeemed by the Issuer, may not be reissued or resold and the obligations of the Issuer in respect of any cancelled Notes shall be discharged. The CSD shall be notified of the cancellation of any Notes.

9. TAXATION

The Issuer is required by the Income Tax Act, 2015 (Act 896) (as amended) currently, to withhold tax at the rate of 8% on all interest payments to Noteholders except where the Noteholders are exempted under Applicable Law.

10. REGISTER

10.1 The Register of Noteholders:

- (a) shall contain the names, addresses and bank account numbers of the registered Noteholders;
- (b) shall show the total Nominal Amount of the Notes held by Noteholders;
- (c) shall show the dates upon which each of the Noteholders was registered as such;
- (d) shall show the serial numbers of the Notes issued and the dates of issue of each Note thereof; and
- (e) shall be closed during the Books Closed Period.

10.2 The CSD shall make information on Noteholders contained in the Register available to any Noteholder or any person authorised in writing by the Noteholder as they may reasonably request.

10.3 The CSD shall alter the Register in respect of any change of name, address or account number of any of the Noteholders of which it is notified.

10.4 Except as provided for in these Terms and Conditions or as required by law, in respect of the Notes, the Issuer, Note Trustee, Paying Agent, Calculation Agent, and CSD will only recognise a Noteholder as the owner of the Notes registered in that Noteholder's name as per the Register.

10.5 Except as provided for in these Terms and Conditions or as required by law, the CSD shall not be bound to enter any trust in the Register or to take notice of or to accede to the execution of any trust (express, implied or constructive).

11. TRANSFER OF NOTES

The transfer of Notes shall be effected in accordance with the prevailing guidelines and procedures of the CSD relating to the transfer of securities as may be implemented from time to time.

- 11.1 Notes may only be transferred, in whole or in part, in amounts of not less than the Specified Denomination (or any multiple thereof).
- 11.2 Subject to this Condition 11 the Registrar will, upon being notified of a transfer of Notes, record the transfer of Notes (or the relevant portion of such Notes) in the Register.
- 11.3 The transferor of any Notes will be deemed to remain the owner thereof until the transferee is registered in the Register as the holder thereof.
- 11.4 Before any transfer of Notes is registered in the Register, all relevant transfer taxes (if any) and charges by the CSD and brokers must have been paid by the transferor and/or the transferee and such evidence must be furnished as the Issuer and the Transfer Agent may reasonably require as to the identity and title of the transferor and the transferee.
- 11.5 No transfer of Notes will be registered whilst the Register is closed as contemplated in Condition 10 (*Register*).

In the event of a partial redemption of Notes under Condition 8.3 (*Redemption at the Option of the Issuer*), the Registrar shall not be required in terms of Condition 8.3 (*Redemption at the Option of the Issuer*), to register the transfer of any Notes during the period beginning on the tenth Business Day before the date of the partial redemption and ending on the date of the partial redemption (both inclusive).

12. PRESCRIPTION

Annual report on all unclaimed principal and interest outstanding for one year or more after payment became due, shall be made to the SEC. Claims against the Issuer for principal and interest outstanding shall become void unless presented for payment within 6 years from the date on which such payment first becomes due.

13. EVENTS OF DEFAULT

- 13.1 If, for any particular Series or Tranche of Notes, one or more of the following events or unless otherwise set out in the Applicable Pricing Supplement (**Events of Default**) shall have occurred and be continuing:

13.1.1 *Non-Payment*

The Issuer fails to pay any principal or interest due under the Notes on its due date for payment thereof and any such **failure** continues for a period of 5 (five) Business Days, after receiving written notice from any of the Noteholders and the Note Trustee demanding such payment; or in accordance with 6.3 on accrual of interest; or

13.1.2 *Negative Pledge*

the Issuer or any other Material Subsidiary, as the case may be, fails to remedy a breach of Condition 5 (*Negative Pledge*) within 30 (Thirty) Business Days of receiving written notice from the Noteholders and/or the Note Trustee demanding such remedy; or

13.1.3 *Breach of Material Obligations*

the Issuer fails to perform or observe any of its other material obligations or undertakings (not specifically covered elsewhere in this Condition 13) under or in respect of any of the Notes and such failure continues for a period of 15 (fifteen) Days after receipt by the Issuer of a notice from the Noteholders and the Note Trustee (in accordance with Condition 14 (*Notices*)) in respect of such failure specifying the failure and requesting the Issuer to remedy same; or

13.1.4 Cross Default

the Issuer or any Material Subsidiary, as the case may be, defaults on the payment of the principal or interest, or any obligations in respect of Material Indebtedness of, or assumed or guaranteed by the Issuer, or any Material Subsidiary, as the case may be, when and as the same shall become due and payable and where notice has been given to the Issuer or any Material Subsidiary, as the case may be, of the default and if such default shall have continued for more than the notice period (if any) applicable thereto and the time for payment of such interest or principal or other obligation has not been effectively extended or waived, or if any such obligations in respect of any Material Indebtedness of, or assumed or guaranteed by, the Issuer or any Material Subsidiary, as the case may be, shall have become repayable before the due date thereof as a result of acceleration of maturity by reason of the occurrence of any event of default thereunder; or

13.1.5 Authorisation and Consents

any action, condition or thing, including obtaining any consent, licence, approval or authorisation now or in future necessary to enable the Issuer to comply with its obligations under the Notes is not fulfilled or in place, or any such consent, licence, approval or authorisation is revoked, modified, withdrawn or withheld or ceases to be in full force and effect, resulting in the Issuer being unable to perform any of its payment or other obligations in terms of the Notes and the Issuer fails to take reasonable steps to remedy such circumstances within 7 (seven) Business Days of receiving written notice from the Noteholders and the Note Trustee demanding such remedy; or

13.1.6 Insolvency etc.

an order by any court of competent jurisdiction or authority for the winding-up, dissolution, corporate rescue proceedings or placement under supervision and commencement of business rescue proceedings of the Issuer or any Material Subsidiary, as the case may be, is made whether provisionally (and not dismissed or withdrawn within 30 (thirty) Days thereof) or finally, or the Issuer or any Material Subsidiary, as the case may be, is placed under voluntary liquidation or curatorship or a meeting is convened to consider the passing of a resolution, or a resolution is passed, to authorise the implementation of any business rescue proceedings in respect of the Issuer or any Material Subsidiary, provided that no liquidation, curatorship, winding-up, dissolution or business rescue proceedings shall constitute an Event of Default if (i) the liquidation, winding-up, dissolution or business rescue proceedings is for the purposes of effecting an amalgamation, merger, demerger, consolidation, reorganisation or other similar arrangement within the Letshego Ghana Group with any third party; or (ii) the liquidation, winding-up, dissolution or business rescue proceedings is for the purposes of effecting an amalgamation, merger, demerger, consolidation, reorganization or other similar arrangement, the terms of which were approved by a Special Resolution of Noteholders before the date of the liquidation, winding-up, dissolution or business rescue proceedings; or

13.1.7 Winding-up etc.

the Issuer or any Material Subsidiary, as the case may be, initiates or consents to judicial proceedings relating to itself under any applicable compromise with creditors, liquidation, winding-up, business rescue or insolvency or other similar laws or compromises or attempts to compromise, with its creditors generally (or any significant class of creditors) or any meeting of creditors is convened by the Issuer or any Material Subsidiary, as the case may be, to consider a proposal for an arrangement or compromise with its creditors generally (or any significant class of its creditors), save for any such initiation, consent, attempt or convening of a meeting which relates to the Issuer or any of its Material Subsidiary and is for the purposes of an internal reconstruction or reorganisation within the Letshego Ghana Group; or

13.1.8 Enforcement Proceedings

if a person validly attaches in execution the whole or a material part of the undertaking or assets of the Issuer or any Material Subsidiary, as the case may be, or an execution or attachment or other process is validly levied, enforced upon, sued out or put in force against the whole or a material part of the undertaking or assets of any of them in both instances following a judgement against the Issuer or any Material Subsidiary, as the case may be, by a court of competent

jurisdiction and such is not discharged within 30 (thirty) Days; or

13.1.9 **Other**

Any other Event of Default provided for such Series or Tranche of Notes, as specified in the Applicable Pricing Supplement, then the Note Trustee at its discretion, or if requested in writing by the Noteholders of not less than one-fourth in principal amount of the Notes then outstanding or if so directed by a Special Resolution (subject in each case to being indemnified and/or secured to its satisfaction), shall give written notice to the Issuer at the registered office of the Issuer, effective upon the date of receipt thereof by the Issuer, declare the Notes held by the Noteholder to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Early Redemption Amount (as described in Condition 8.4 (*Early Redemption Amounts*), together with accrued interest (if any) to the date of repayment, or as specified in the Applicable Pricing Supplement, provided that no such action may be taken by a holder of Notes and the Note Trustee if the Issuer withholds or refuses to make any such payment in order to comply with any law or regulation of Ghana or to comply with any order of a court of competent jurisdiction.

13.1.10 **Notification of Event of Default**

If the Issuer becomes aware of the occurrence of any Event of Default, the Issuer shall forthwith notify the Note Trustee and all Noteholders in accordance with Condition 14 (*Notices*).

14. **NOTICES**

14.1 Notices to Noteholders shall be valid if:

- (i) mailed to their registered addresses appearing in the Register or any such notice shall be deemed to have been given on the tenth Day after the Day on which it is mailed; or
- (ii) published, not earlier than 4 (four) Days after the date of posting of such notice in terms of this Condition in an English language daily newspaper of national circulation in Ghana approved by the Note Trustee.

14.2 Any notice to the Issuer shall be deemed to have been received by the Issuer, if delivered to the registered office of the Issuer, on the date of delivery, and if sent by registered mail, on the tenth Day after the Day on which it is sent. The Issuer may change its registered office upon prior written notice to the Note Trustee and Noteholders specifying such new registered office.

14.3 Notices to the Note Trustee, Paying Agent, Calculation Agent, Registrar or Transfer Agent will be deemed to have been validly given if delivered to the Specified Office of the Note Trustee, Paying Agent, Calculation Agent, Registrar or Transfer Agent, as the case may be.

15. **AMENDMENT OF THESE TERMS AND CONDITIONS**

15.1 These Terms and Conditions set out all the rights and obligations relating to the Notes and, subject to further provisions of this Condition, no addition, variation or consensual cancellation of these Terms and Conditions shall be of any force or effect unless the amendments have been reduced to writing and signed by or on behalf of the Issuer and the Note Trustee subject to the approval of the SEC.

15.2 The Note Trustee may agree, without the consent of the relevant Class of Noteholders, any modification of the Terms and Conditions which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is established, provided that such modification is not prejudicial to the interests of the Noteholders.

Any such modification shall be binding on the relevant Class of Noteholders and any such modification shall be communicated to the relevant Class of Noteholders in accordance with Condition 14 (*Notices*) as soon as is practicable thereafter.

15.3 The Issuer may with the prior sanction of a Special Resolution of Noteholders or with the prior

written consent of Noteholders holding not less than three quarters (i.e. seventy five percent) in Nominal Amount of the Notes Outstanding from time to time, amend these Terms and Conditions, provided that no such amendment shall be of any force or effect unless notice of the intention to make such amendment shall have been given to all Noteholders in terms of Condition 14 (*Notices*).

- 15.4 The Note Trustee may, without the consent of the Noteholders, agree on such terms as it may specify to the substitution of the Issuer's successor in business where the substitution of the Issuer is as a result of a merger, an acquisition, or other form of business combination involving the Issuer.
- 15.5 Subject to obtaining the prior consent of the Noteholders, the Note Trustee may agree on such terms as it may specify to the substitution of the Issuer where the Issuer is substituted with its affiliate in its place as issuer under the Amended and Restated Trust Deed and the Notes.
- 15.6 The Note Trustee may agree to any modification to these Terms and Conditions or the Amended and Restated Trust Deed which is in the opinion of the Note Trustee not materially prejudicial to the rights of Noteholders.

16. MEETINGS OF NOTEHOLDERS

16.1 Convening of Meetings

- 16.1.1 The Issuer or Note Trustee may at any time convene a meeting of Noteholders (a **Meeting** or **the Meeting**). The Issuer or Note Trustee (subject to it being indemnified to its satisfaction) shall convene a Meeting upon the requisition in writing of the holders of at least 20% (twenty percent) of the aggregate Nominal Amount which is Outstanding of the Notes (**Requisition Notice**).
- 16.1.2 Whenever the Issuer or Note Trustee wishes or is required to convene a Meeting, it shall forthwith give notice in writing to the Note Trustee or Issuer, the agents, and Noteholders of the place, Day and hour of the meeting and of the nature of the business to be transacted at the Meeting.
- 16.1.3 All Meetings of Noteholders shall be held at such place as may be determined by the Issuer or Note Trustee.
- 16.1.4 Any director or duly authorised Representative of the agents, Issuer or Note Trustee, and any other person authorised in writing by the Issuer or Note Trustee, may attend and speak at a Meeting of Noteholders, but shall not be entitled to vote, other than as a Proxy (as defined below) or duly authorised Representative of a Noteholder.

16.2 Requisition

- 16.2.1 A Requisition Notice shall state the nature of the business for which the Meeting is to be held and shall be deposited at the registered office of the Issuer.
- 16.2.2 A Requisition Notice may consist of several documents in like form, each signed by one or more requisitionists.

16.3 Convening of Meetings by Requisitionists

If the Issuer does not proceed to cause a Meeting to be held within 10 (ten) Days of the deposit with the company secretary of the Issuer of a Requisition Notice, requisitionists who together hold not less than 20% (twenty percent) of the aggregate Nominal Amount which is Outstanding of the Notes for the time being, may instruct the Note Trustee to convene the Meeting (subject to it being indemnified to its satisfaction), but the Meeting so convened shall be held within 30 (thirty) Days from the date of such deposit.

16.4 Notice of Meeting

- 16.4.1 Unless the holders of at least 75% (seventy-five percent) of the aggregate Nominal Amount

which is Outstanding of the Notes agree in writing to a shorter period, at least 21 (twenty-one) Days written notice specifying the place, Day and time of the Meeting and the nature of the business for which the Meeting is to be held shall be given by the Issuer or Note Trustee to the Issuer or Note Trustee, the agents, and Noteholders. Such notice is required to be given in accordance with Condition 14 (Notices).

16.4.2 The notice shall set out the full text of any resolutions to be proposed unless the Note Trustee agrees that the notice shall instead specify the nature of the resolutions without including the full text.

16.4.3 The accidental omission to give such notice to the agents or Issuer or Note Trustee or any Noteholder or the non-receipt of any such notice, shall not invalidate the proceedings at a Meeting.

16.5 Quorum

A quorum at a Meeting shall for the purposes of considering:

16.5.1 an ordinary resolution generally, consist of Noteholders present in person or by Proxy and holding in the aggregate not less than one-third of the aggregate Nominal Amount Outstanding of the Notes;

16.5.2 a Special Resolution, consist of Noteholders present in person or by Proxy and holding in the aggregate not less than 75% (seventy five percent) of the aggregate Nominal Amount which is Outstanding of the Notes.

16.5.3 No business shall be transacted at a meeting of the Noteholders unless a quorum is present at the time when the Meeting proceeds to business.

16.6 Chairman

16.6.1 The chairman of the Meeting shall be appointed by the Note Trustee.

16.6.2 An individual (who may, but need not, be a Noteholder) nominated in writing by the Note Trustee or Issuer may take the chair at any Meeting but, if no such nomination is made or if the individual nominated is not present within 15 (fifteen) minutes after the time fixed for the Meeting, those present shall elect one of themselves to take the chair failing which, the Issuer or Note Trustee may appoint a chairman.

16.6.3 The chairman of an adjourned Meeting need not be the same person as was the chairman of the original Meeting.

16.7 Adjournment

16.7.1 Subject to the provisions of this Condition 16 (*Meetings of Noteholders*) the chairman may, with the consent (which consent shall not be unreasonably withheld and/or delayed) of and shall on the direction of the Issuer and Note Trustee, adjourn the Meeting from time to time and from place to place.

16.7.2 No business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place.

16.7.3 At least 14 (fourteen) Days written notice of the place, Day and time of an adjourned Meeting shall be given by the Note Trustee or Issuer to the Note Trustee or Issuer, the agents and each Noteholder. In the case of a Meeting adjourned in terms of Condition 16.8, the notice shall state that the Noteholders present in person or by Proxy at the adjourned Meeting will constitute a quorum.

16.8 Adjournment for Want of Quorum:

If within 30 (thirty) minutes after the time fixed for any Meeting a quorum is not present, then:

- (a) in the case of a Meeting requested by Noteholders, it shall be dissolved; and
- (b) in the case of any other Meeting (unless the Issuer and the Note Trustee otherwise agree), it shall be adjourned for such period (which shall be not less than 14 (fourteen) Days and not more than 42 (forty-two) Days and to such place as the chairman determines (with the approval of the Issuer or Note Trustee); provided that:
 - (i) The Meeting shall be dissolved if the Issuer and the Note Trustee so decide; and
 - (ii) no Meeting may be adjourned more than once for want of a quorum.

If at such adjourned Meeting a quorum is not present, the Noteholders present in person or by proxy shall constitute a quorum for the purpose of considering any resolution, including a Special Resolution.

16.9 Participation:

The following may attend and speak at a Meeting:

- (a) Noteholders or the Proxies or Representatives of the Noteholders;
- (b) Representatives of the Issuer, the Note Trustee and the CSD;
- (c) the financial advisers of the Issuer and the Note Trustee;
- (d) the legal counsel to the Issuer, the Note Trustee, the CSD and such advisers; and
- (e) any other person approved by the Meeting or the Issuer or the Note Trustee.

16.10 How questions are decided

- 16.10.1 At a Meeting, a resolution put to the vote shall be decided on a show of hands unless, before or on the declaration of the result of the show of hands, a poll is demanded by the chairman, the Note Trustee, the Issuer, or by any one of the Noteholders present in person or by Proxy.
- 16.10.2 Unless a poll is demanded, a declaration by the chairman that on a show of hands a resolution has been carried, or carried by a particular majority, or lost, shall be conclusive evidence of that fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.
- 16.10.3 A poll demanded on the election of a chairman or on the question of the adjournment of a Meeting shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairman of the Meeting directs and the result of such poll shall be deemed to be the resolution of the Meeting.
- 16.10.4 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall not be entitled to a casting vote in addition to the vote, if any, to which he is entitled.

16.11 Votes

On a show of hands every Noteholder present in person or by Proxy shall have one vote. On a poll every Noteholder, present in person or by proxy, shall have one vote for each value of the minimum denomination i.e., one vote for each GHS 1 of Notes held (as stated in the Applicable Pricing Supplement) of the Nominal Amount which is Outstanding of the Notes held by him. The joint holders of Notes shall have only one vote on a show of hands and one vote on a poll for each value of the minimum denomination i.e. one vote for each GHS 1 of Notes held (as stated in the Applicable Pricing Supplement) of the Nominal Amount which is Outstanding of the Notes of which they are the registered holder and the vote may be exercised only by that holder present whose name appears first on the Register in the event that more than one of such joint holders is present in person or by Proxy at the Meeting.

16.12 Proxies and representatives

16.12.1 Noteholders may:

(a) Present in person; or

through any appointed person (a **Proxy**), by an instrument in writing (a **Form of Proxy**), signed by the holder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney of a duly authorised officer of the corporation, vote on a poll or on a show of hands.

16.12.2 A person appointed to act as Proxy need not be a Noteholder.

16.12.3 The Form of Proxy shall be deposited at the registered office of the Issuer or at the office where the Register is kept or at such other office as the Issuer may determine not less than 24 (twenty-four) hours before the time appointed for holding the Meeting or adjourned Meeting at which the person named in such Form of Proxy proposes to vote, and in default, the Proxy shall be invalid.

16.12.4 No Form of Proxy shall be valid after the expiration of 6 (six) months from the date named in it as the date of its execution.

16.12.5 A Proxy shall have the right to demand or join in demanding a poll.

16.12.6 Notwithstanding Condition 16.12.4, the Form of Proxy shall be valid for any adjourned Meeting, unless the contrary is stated thereon.

16.12.7 A vote given in accordance with the terms of a Proxy shall be valid notwithstanding the previous death or incapacity of the principal or revocation of the Proxy or of the authority under which the Form of Proxy was executed or the transfer of Notes in respect of which the Proxy was given, provided that no intimation in writing of such death, incapacity or revocation shall have been received by the Issuer at the office of the Registrar more than, and that the transfer has been given effect to less than, 12 (twelve) hours before the commencement of the Meeting or adjourned Meeting at which the Proxy is to be used.

16.12.8 Any Noteholder, which is a corporation, may by resolution of its directors or other governing body authorise any person to act as its Representative in connection with any Meeting or proposed Meeting of Noteholders. Any reference in this Condition 16 (*Meetings of Noteholders*) to a Noteholder present in person includes such a duly authorised Representative of a Noteholder.

16.13 Powers:

16.13.1 Subject to the Terms and Conditions and the provisions of the Amended and Restated Trust Deed, a Meeting shall have power (exercisable by Special Resolution), without prejudice to any other powers conferred on it or any other person:

- a) to approve any proposal by the Issuer for any modification, abrogation, variation or compromise of any provisions of the Amended and Restated Trust Deed or the Terms and Conditions or any arrangement in respect of the obligations of the Issuer under or in respect of the Notes;
- b) to approve the exchange or substitution of the Notes for, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed;
- c) to waive any breach or authorise any proposed breach by the Issuer of its obligations under or in respect of the Amended and Restated Trust Deed, the Notes or the Amended and Restated Agency Agreement; or any act or omission which might otherwise constitute an Event of Default;
- d) to remove any Note Trustee;

- e) to approve the appointment of a new Note Trustee;
- f) to authorise the Note Trustee (subject to it being indemnified and/or secured to its satisfaction) or any other person to execute all documents and do all things necessary to give effect to a Special Resolution;
- g) to discharge or exonerate the Note Trustee from any liability in respect of any act or omission for which it may become responsible under the Amended and Restated Trust Deed or the Notes;
- h) to give any other authorisation or approval which, under the Amended and Restated Trust Deed or the Notes, is required to be given by Special Resolution; and
- i) to appoint any persons as a committee to represent the interests of the Noteholders and to confer upon such committee any powers which the Noteholders could themselves exercise by Special Resolution.

16.13.2 A decision to:

- a) amend the Maturity Dates or redemption of any of the Notes, and any Interest Payment Date on the Notes;
- b) reduce or cancel the principal amount of, or any premium payable on redemption of, the Notes;
- c) reduce the Interest Rate/s in respect of the Notes or to vary the method or basis of calculating the amount of interest, Interest Rate/s or the basis for calculating any interest in respect of the Notes;
- d) if a minimum Interest Rate and/or a maximum Interest Rate is specified, reduce any such minimum and/or maximum;
- e) vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount;
- f) vary the currency or currencies of payment of the Notes; or
- g) modify the provisions concerning the quorum required at any Meeting of Noteholders or any adjournment of such Meeting or the majority required to pass the Special Resolution, may only be taken following approval by a Special Resolution.

16.13.3 Any Special Resolution duly passed shall be binding on Noteholders (whether or not they were present at the Meeting at which such resolution was passed).

16.14 Resolution binds all Noteholders:

Subject to clause 16.15 (Written Resolution), a resolution of the Noteholders shall be binding upon the Noteholders whether or not present at such Meeting, and each of the Noteholders shall be bound to give effect to it accordingly. Notice of the result of every vote on a resolution shall be given to the Noteholders (with a copy to the Issuer when the meeting is convened by the Note Trustee or where the relevant Meeting was convened by the Issuer, the Note Trustee) within 14 (fourteen) days of the conclusion of the Meeting.

16.15 Written Resolution

A written resolution signed by the holders of at least three quarters of the aggregate Nominal Amount outstanding of the Notes taken together shall take effect as if it were a Special Resolution.

16.16 Minutes

16.16.1 The Issuer shall cause minutes of all resolutions and proceedings of Meetings to be duly entered in the minute books of the Issuer.

- 16.16.2 Any such minutes as aforesaid, if purporting to be signed by the chairman of the Meeting at which such resolutions were passed or proceedings held or by the chairman of the next succeeding Meeting, shall be receivable in evidence without any further proof, and until the contrary is proved, a meeting of Noteholders in respect of the proceedings of which minutes have been so made shall be deemed to have been duly held and convened and all resolutions passed there at, or proceedings held, to have been duly passed and held.

16.17 Mutatis mutandis application

The provisions of this Condition 16 (*Meetings of Noteholders*) shall apply *mutatis mutandis* to the calling and conduct of Meetings on an individual Tranche, Series or Class of Noteholders, as the case may be.

17. FURTHER ISSUES

Subject to the approval of the SEC, the Issuer shall be at liberty from time to time without the consent of the Noteholders to create and issue further Notes in accordance with the Amended and Restated Trust Deed having terms and conditions the same as any of the other Notes issued under the Programme or the same in all respects save for the amount and date of the first payment of interest thereon, the Issue Price and the Issue Date, so that the further Notes shall be consolidated to form a single Series with the Outstanding Notes.

18. ENFORCEMENT

- 18.1 At **any** time after the Notes become due and payable, the Note Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer as it may think fit to enforce the terms of the Amended and Restated Trust Deed and the Notes, but it shall not take any such proceedings unless:
- (a) it shall have been so directed by a Special Resolution; and
 - (b) it shall have been indemnified to its satisfaction by the Noteholders.
- 18.2 No Noteholder may proceed directly against the Issuer unless the Note Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.
- 18.3 The Note Trustee shall apply the amounts received or recovered upon enforcement as follows:
- (a) first, towards the payment of all costs, expenses and liabilities incurred by the Note Trustee (or its agent) in the enforcement process or in the performance of its duties under these Terms and Conditions or the Amended and Restated Trust Deed;
 - (b) second, towards the payment of all outstanding amounts under the senior unsecured Notes and/or unsubordinated and unsecured debts of the Issuer at the time. If the amounts received by the Note Trustee are not sufficient to pay such amounts in full, the Note Trustee shall apply them pro rata on the basis of the amount due to each relevant Noteholder and/or unsubordinated and unsecured creditor entitled to such payment;
 - (c) third, towards payment to any person entitled thereto in priority to the Issuer (if any); and
 - (d) fourth, payment of the balance (if any) to the Issuer.

19. INDEMNIFICATION OF THE NOTE TRUSTEE

- 19.1 The Amended and Restated Trust Deed contains provisions for the indemnification of the Note Trustee and for its relief from responsibility in certain circumstances. Subject to the fiduciary obligations of the Note Trustee to the Noteholders, the Note Trustee may enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit. The Note Trustee is not responsible for the validity, sufficiency or enforceability of the Amended

and Restated Trust Deed or the Notes, nor is the Note Trustee obliged to take any action unless indemnified and/or secured to its satisfaction. The Note Trustee is also entitled to be paid its costs and expenses in priority to the claims of the Noteholders.

- 19.2 In the exercise of its powers and discretion under these Terms and Conditions and the Amended and Restated Trust Deed (including but not limited to those referred to in this Condition 19), the Note Trustee will have regard to the interests of the Noteholders as a class and will not be responsible for any consequence of such exercise for individual Noteholders of Notes as a result of such Noteholders being connected in any way with a particular territory or otherwise. The Note Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer, any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders.

20. GOVERNING LAW AND JURISDICTION

- 20.1 These Terms and Conditions, all rights and obligations to the Notes and the Amended and Restated Trust Deed are governed by and shall be construed in accordance with the laws of Ghana in force from time to time.
- 20.2 The Parties agree that the courts of Ghana shall have exclusive jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with the Amended and Restated Trust Deed or the Notes.

7. DESCRIPTION OF LETSHEGO GHANA SAVINGS AND LOANS PLC

7.1. Overview

Letshego Ghana Savings and Loans PLC (“**Letshego**” or the “**Issuer**” or the “**Company**”) is a leading Savings and Loans company in Ghana’s Non-Bank Financial Institutions (“**NBFI’s**”) sector licensed to provide financial services. The Company was established in 2010 under the name African Financial Services(Gh) Limited (“**AFS**”), a subsidiary of the AFB Group, which also has operations in Kenya, Tanzania and Zambia and later rebranded as African Finance Business (AFB) IN 2013. The company has since grown steadily to a staff compliment of over 180 employees, spread across 26 outlets and serving over five (5) million customers through strategic partnerships, innovative technology and digital delivery channels. In 2016, the Company was wholly acquired by Letshego Holdings Limited, Africa’s largest payroll lender. In 2019, after the acquisition, the company undertook another rebranding exercise that saw a change in name from AFB to Letshego Ghana Savings and Loans PLC. In August 2023, Letshego Ghana secured BBB - (GH)with a stable outlook rating from the Global Credit Rating on the back of robust asset base and good performance outlook for the Programme. This is indicative of the degree of financial strength and credibility of Letshego Ghana.

Figure 1 Diagrammatic Representation of Letshego Holdings Limited

HOLDING STRUCTURE

Letshego Holdings Limited



*Mauritius and South Africa are not customer franchises.

The Letshego Group is a proudly African multinational organization, headquartered and listed in Botswana and focused on delivering inclusive finance solutions to underserved populations across eleven (11) Sub-

Saharan markets. They operate in Southern, East and West Africa. The eleven subsidiaries are Botswana, Namibia, Rwanda, Kenya, Mozambique, Uganda, Eswatini, Lesotho, Nigeria, Tanzania and Ghana. In addition, Letshego Group has a staff base of about 3,000.

Some of the main uses of Letshego Ghana loans are:

- (a) to support the individual during times of emergency;
- (b) to allow the development of family entrepreneurial activities;
- (c) to support children in education;
- (d) to purchase life-enhancing assets; and
- (e) to finance unforeseen medical emergencies.

Letshego's mission is to "Transform the financial services landscape in Africa, using technology to create valuable choices for people and small businesses". The Company's business model is based on the payroll lending model targeted at government workers which is widely recognized as the lowest risk model within the unsecured consumer loan industry. Repayments of deployed Letshego's loans are made directly from the employer at a payroll level and borrower ability to repay is continually monitored. Affordability is determined based on proven income and a proprietary methodology is used to set lending levels together with the individual borrower and the employer. The primary lending model is based on a responsible and robust tripartite relationship between employer, borrower and Letshego Ghana. The company prides itself in prudent lending, swiftness and efficiency. This means that in general, cash advances are made immediately to borrowers who meet the appropriate criteria.

The shareholder and management team of Letshego Ghana have many years of experience gained across Africa in the delivery of credit for the benefit of African working people, and have long-standing relationships with clients, communities and other partners across the continent. Letshego Ghana's core philosophy is that there are high levels of demand from consumers for credit which should be provided while consistently maintaining responsible lending practices, superior risk management and operational excellence.

Hence Letshego Ghana's strategic focus is:

- (a) to be the leading responsible lender of choice for the targeted client base;
- (b) to serve consumers with valuable product offering through its nationwide branch network;
- (c) to increase its core market share with a steady and profitable approach; and
- (d) to maintain the highest standards of risk management in the industry.

Takeover Offers or Bids

Letshego Ghana has neither received any takeover offers from third parties nor made any takeover bid for other companies' shares during the last and current financial year.

Key Strengths

1. Experienced Board of Directors;
2. Strong Parent Company;
3. Proprietary systems used in risk and data management; and
4. Excellent customer service.

Service Offering

The Company's main service offerings to its existing and prospective clients include:

Deduction at Source Loans

Loan provision is the core business of Letshego Ghana. The Company has a wide spectrum of loans intended to cater to a variety of client financial needs. Loans are disbursed with little to no default risk as monthly deductions are made from borrowers' salaries. Letshego's loans are targeted toward individuals and SMEs who seek funds to finance small projects or supplement their disposable incomes. Currently, we offer innovative financial solutions to staff of Ghana Armed Forces, Ghana Police and all Government employees. We also have relationships with reputable organizations like the Volta River Authority, Ghana Shippers' Authority, University of Cape Coast, etc. whose staff enjoy our products. Our competitive deduction at source loans values ranges from GHS1,000 to GHS 200,000

Insurance

Letshego Ghana has collaborated with five insurance companies to provide credit life protection for customers who face the unfortunate circumstances of death, permanent or temporary disability and hospitalization. This initiative aims to prioritize customer protection and mitigate the credit risk associated with these occurrences.

Edusolution

The company also introduced the Edusolution product. The product was to support micro, small and medium-sized entrepreneurs in the educational sector with current emphasis on private basic schools; Edusolution launched in collaboration with the Ghana National Association of Private Schools in 2018 was to offer schools access to finance to enable them embark on projects such as;

- Construction of school building, auditorium etc.
- To build laboratories – computer lab, science labs etc.
- Purchase school bus
- For repair and renovation of existing infrastructure.
- To start new facility ie stationery, library, canteen, uniform shop etc.
- Overdraft facility for working capital needs –pay salaries, teaching devices, furniture etc.

Mobile Loans (Qwikloan)

Letshego Ghana in partnership with MTN Ghana introduced and innovative mobile loan product dubbed (Qwikloan) unto the market in 2017. QwikLoan is an easy access, 30-day micro/small loan ranging from GHS 50.00 to GHS 3000.00, depending on how customers manage their loans and repayments. This product was to serve the underserved in a convenient, fast and reliable way while also providing inclusive finance to customers. The product has and continue to make the day-to-day living of our customers easier and allow them to build assets, mitigate shocks related to emergencies, illness and make productive investment. The cumulative disbursement as at April 2023 is over GHS1 billion to more than five (5) million customers served.

Currently Letshego Ghana is one of the largest Savings and Loans companies in Ghana in terms of customer numbers and is considered as one of the fastest growing financial institutions on the market.

Branch Network

The Company has an extensive network of 26 branches, which are located across the country.

Table 3: Breakdown of Branch Presence

Figure 2: Diagrammatical Branch Network

Region	Branch Presence
Ashanti	6
Brong-Ahafo	2
Central	2
Eastern	3
Greater Accra	2
Northern	1
Western North	1
Upper East	1
Savannah	1
Upper West	1
Oti	1
Volta	1
Western	1
Ahafo	1
Bono East	2
TOTAL	26



Human Resource Management

Letshego Ghana is directed by a four (4) member Board of Directors and an eight (8) member Management Team.

The Board of Directors

Blaise Mankwa, Independent Non-Executive Director (Chairman), 72 years

Blaise has a long and distinguished career in accountancy practice and banking in Ghana and other African countries for over 3 decades. He obtained a Masters in Business Administration (MBA) from Manchester Business School and is a Fellow of the Chartered Institute of Bankers (FCIB) UK and Chartered Institute of Management Accountants (FCIMA), UK. He served as a Non-Executive Director of the Board and served as the Managing Director of Universal Merchant Bank (UMB). He began his banking career with Barclays Bank Ghana Limited and later joined KPMG, where he worked closely with the World Bank team tasked with restructuring the banking system in Ghana. From there, he moved to senior positions in Ghana Commercial Bank (GCB) and Standard Chartered Bank in Ghana, Tanzania and Zimbabwe.

Ibrahim Obosu, Executive Director, 43 years

Ibrahim has several years of experience in financial controls, strategic finance, management accounting and business strategy. His experience spans several industries with stints in the hospitality and financial services industries. Prior to joining Letshego Ghana, he was the Head of Finance at Midindi Hotels. Ibrahim holds a Bachelor's degree in Accounting and Applied Accounting from the University of Cape Coast and has an MSc Micro Finance from the Pentecost University of Ghana. He is also a candidate for the Association of Chartered Certified Accountants certification.

Geoffrey Martin Kitakule, Non-Executive Director, 52 years

Geoffrey's career in the finance industry spans two decades. He is currently Letshego's Group Head of Strategic Operations. He holds a Master's in Business Administration, Finance, an MSc. Computer Science and a Master of Laws in Information Technology and Telecommunications law. Prior to his current role,

Geoffrey was the country CEO of Letshego Uganda for over a decade. He was responsible for managing Ugandan operations. Before joining Letshego Uganda in April 2008, Geoffrey was the Lead Specialist, Corporate Finance in charge of Corporate Finance Advisory of the East African Development Bank in Kampala. He was also a onetime Investment Manager at the National Social Security Fund, where he managed pension funds. Geoffrey, in the early part of his career was a Planning & Analysis Manager of MTN Uganda, a position he held for five years with oversight responsibility of business operations and planning.

Christian Sottie, Independent Non-Executive Director, 66years

He retired as the Controller and Accountant General of the Republic of Ghana in September 2016. As Controller and Accountant General, his responsibility was to manage and oversee payment of salaries of the entire government workforce. Christian is a graduate member of the Institute of Chartered Accountants (Ghana). He is currently a technical advisor to the Commissioner General, Ghana Revenue Authority. Responsible for the business process improvement. Facilitating introduction of technological systems to improve revenue collection. He served as a consultant for the Bank of Ghana and Ghana Civil Aviation Authority in business development, engagement in leadership training and development. He has served on the board of some notable institutions as SIC Company, Internal Audit Agency, Ghana Road Fund, Ghana Interbank Payment Settlement System (GhiPSS).

Proposed Directors

The Issuer is waiting for the Bank of Ghana's approval of the directors below to finalize the appointment.

Nii Amankra Tetteh, Chief Executive Officer

Nii Amankra has had a successful banking career over two decades. He holds an Executive MBA from China Europe International Business School (CEIBS) and has a post graduate Certificate from the University of Leicester. His banking career started in Standard Chartered Bank in August of 2001 where he grew in the Wholesale Bank department from a Trade Operations assistant to a star Corporate Services Manager. In February of 2006, following his passion for SME Banking, he joined Barclays Bank, now Absa Bank, as a Business Development Manager for the newly formed Local Business Team. In this role, Nii pioneered many SME innovations including the Business Club concept as a B2B marketing tool. He progressed within the Barclays Bank Ghana leadership cohort; with appointments in the Retail Banking Business in 2009 as a Cluster Manager, through to Head of Retail Distribution in 2010 and appointment as the Head of Retail Business in 2013. His stellar performance led to a regional responsibility in 2014, as Head for Branch Optimization covering Barclays Africa's 12 Markets outside of South Africa. Nii Amankra returned to Barclays Bank of Ghana Limited, Accra in September of 2016 as Director, Retail & Business Banking, a role he held until November 2017. This period was marked by historic performance outcomes for the Retail Business in the year of its centenary (2017). Nii Amankra was later appointed Managing Director/CEO of Bayport Savings and Loans PLC, on December 1, 2017, superintending the strategic consolidation, turnaround and delivery of Bayport's best results in its 18- year history in Ghana. Prior to joining Letshego Ghana, Nii was the Executive Director for Business at Universal Merchant Bank (UMB) from June 9, 2021, where he was responsible for leading the growth agenda for the business lines of the Bank. In this role Nii in 23 months ignited a significant uptick of all the revenue lines and Business rhythm that delivered efficiency, greater capacity for delivery, and superior results in an enhanced control environment. He also supported the push to re-engineer the credit process to more efficient turn- around-times.

Poelo Mkpayah, Chief Finance Officer

Poelo is a highly accomplished professional with over fifteen years (15) record of accomplishment of success in the financial industry. She has extensive experience in accounting, financial reporting, auditing, banking, and finance, and has been instrumental in driving growth and sustainability. She has served as a Committee Member of the Botswana Institute of Chartered Accountants (BICA) Integrated Reporting Committee, whose main mandate was to spearhead and influence the adoption of Integrated Reporting. Prior to working with Letshego Ghana, she worked with Letshego Holdings Limited (shareholder of Letshego Ghana) as the Head of Group Reporting & Compliance. Her other previous roles include Principal Accountant for Botswana Development Corporation and External auditor with Ernst and Young Botswana. She holds a Bachelor's Degree in Accounting from the University of Botswana, a Certified Chartered Accountant (FCPA) and currently undergoing a Senior Leadership Development Programme with GIBS.

Name of Director	Date of Appointment	Position	Period served	Other Directorships
Blaise Mankwa Email: bomankwa@renaficagroup.com bomankwa@gmail.com	17 Mar 2017	Independent Non-Executive Director	6 years	Investment Group Capital Limited Ideal Pension Trust Limited Meridian Hospitals Group Myroc Foods Processing Company Renaissance Africa Group LTD
Ibrahim Obosu Email: IbrahimO@letshego.com	14 Oct 2015	Executive Director	8 years	Shapefly Ghana Limited
Geoffrey Martin Kitakule Email: gkitakule@letshego.com	5 Feb 2021	Non-Executive Director	2 years	Letshego Uganda & Tanzania
Christian Sottie Email: ct1sottie@yahoo.com	5 Jul 2023	Independent Non-Executive Director	2 months	Director of SIC Insurance Director of Internal Audit Agency
Proposed Directors (Pending BoG Approval)				
Nii Amankra Tetteh Email: nia@letshego.com		Executive Director	N/A	Bayport Savings and Loans
Poelo Mkpayah Email: poelom@letshego.com		Executive Director	N/A	N/A

Directors' Fees and Benefits

Aggregate remuneration of the Directors was GHS 184,188 for the 2022 financial year.

The Management Team

Nii Amankra Tetteh, Chief Executive Officer ((See Board profile above)

Poelo Mkpayah, Chief Finance Officer (See Board profile above)

Akua Owusua Donnir, Chief Risk Officer

Akua has over a decade of experience in the financial services industry. She has in-depth knowledge in Credit administration, recoveries, collection, and monitoring as well as relationship management. Before joining Letshego, she held diverse portfolios with UT bank as a credit manager and rose through the ranks to become a Unit Head with oversight responsibilities of all premier branches. Prior to joining UT Bank, she worked with Standard Chartered Bank as a sales executive where she sold most of the bank's products.

Ibrahim Obosu, Chief Operations Officer (See Board profile above)

Justice Sagoe, Head of Marketing and Products

Justice is a professional with experience in Credit and Compliance management, overall Business Operations and Business Administration. Prior to joining Letshego he was the Chief Operating Officer at Pak Microfinance Company Limited. He also spent some years at Liberty Trust Microfinance Ltd, where he served as the General Manager. Prior to that, he worked with Dream Finance Limited, where he held the position of a zonal Manager and oversaw four branches within the zone. Justice also worked at DG Capital where he played a number of important roles. He was a credit officer at one point and later became the Regional Credit Manager. He also worked at Chrisline Financial Services and was promoted from the position of a Credit Officer to Branch Manager. He holds a bachelor's in arts, where he majored in Economics and a Master's Degree in Business Administration (Finance) both from the University of Ghana, Legon.

Serwaa Agyeman-Lamptey, Head, People and Culture

Serwaa has over ten years of experience in the field of Human Resource management. She began her career at Ministry of Foreign Affairs, before moving on to Ghana Commercial bank. From there, Serwaa went on to Finatrade Group, a commercial trading company as a Human Resource generalist for 6 years. She later continued to Ghana Life Insurance as Head of HR and Administration before joining Letshego in October 2015 as Head of People Experience. She holds a degree in Philosophy from University of Ghana and an MBA Human Resource from Wisconsin University. She is a certified HR Professional.

Richard Nii Koney Odamtten, Head Cyber Security

He has over twelve (12) years' experience in IT operations and management spanning advertising and financial services sector. He is a pioneer staff who started first as IT Manager, building the branch IT infrastructure from scratch and responsible for managing the IT operations and projects across all branches. He has electrical and electronics engineering background. He is very experienced in the field of IT operations management, innovation management, project management, technical training and has undergone training in systems auditing.

Emmanuel Yaw Boafo, Head Internal Audit

He is a Fellow of the Association of Chartered Certified Accountants (ACCA) Member of the Institute of Chartered Accountants Ghana (ICAG) Institute of Internal Auditors (IIA) Ghana He has over 15 years' experience in auditing, risk management, compliance, anti-money laundering and accountancy having previously worked with Deloitte and Touché Chartered Accountants, CFC Savings and Loans and Bayport Savings and Loans Limited respectively. While at Deloitte, he led different teams to carry out financial statements and forensic audits for several institutions in the various sectors of the economy. At CFC as Head of Internal Audit, he played a key role in setting up the audit, risk, and compliance functions. Yaw was very influential in helping the firm to secure a Savings and Loans license by drafting the key policies and procedures for the company's new business. With his innovative training approach, he helped to promote a compliance culture at Bayport where he headed the Compliance and Anti-Money Laundering department.

Employees

Table 5: Permanent vs. Temporary employees over the last three (3) years

Region	Permanent Employees			Temporary Employees		
	2020	2021	2022	2020	2021	2022
Ashanti	21	20	20	-	-	-
Central	6	6	6	-	-	-
Eastern	13	13	13	-	-	-
Greater Accra	113	110	106	-	-	-
Northern	9	9	9	-	-	-
Western North	2	2	2	-	-	-
Upper East	3	3	3	-	-	-
Upper West	3	3	3	-	-	-
Volta	6	6	6	-	-	-
Western	3	3	3	-	-	-
Ahafo	2	1	1	-	-	-
Bono East	9	10	10	-	-	-
TOTAL	189	185	181	-	-	-

Related Party Transactions (GHS)

Table 6: Trading Transactions

Interest expense	2020	2021	2022
Letshego Holdings Ltd	2,836,310	4,778,277	6,795,131
Letshego Kenya Ltd	404,200	-	-
Total	3,240,510	4,778,277	6,795,131

Table 7: Amount Due to related parties (Shareholders loans)

Interest expense	2020	2021	2022
Letshego Holdings Ltd	82,451,876	115,420,760	123,227,106
Total	82,451,879	115,420,760	123,227,106

Directors' Interests and Disclosures

- (a) None of the directors holds interest in the Issuer as at the date of this Prospectus.
- (b) Directors of the Issuer do not intend to partake in this Programme.
- (c) Directors and affiliates of the Issuer do not have any contracts outside their current role as directors and affiliates with the Issuer.

Disclosure of Interests by Advisors

As at the date of this Prospectus:

- (a) Stanbic and Black Star hold no shares of the Issuer. No employee or principal of Stanbic and Black Star hold any interest in any shares of the Issuer.
- (b) UHY Voscon Chartered Accountants hold no shares of the Issuer. No employee or partner of UHY Voscon Chartered Accountants holds any interest in any shares of the Issuer.
- (c) Keystone Solicitors holds no Issuer shares. No employee or partner of Keystone Solicitors holds any interest in any Issuer shares.

Other Disclosures

Relationships among Directors - There are no family relationships among the directors.

The Bankruptcy Petitions - None of the directors have filed any petitions under the bankruptcy law, or any partners or company associated with the directors.

Criminal Proceedings or Convictions for Fraud or Dishonesty - None of the directors have any criminal convictions or is a named subject of any pending criminal proceeding relating to fraud.

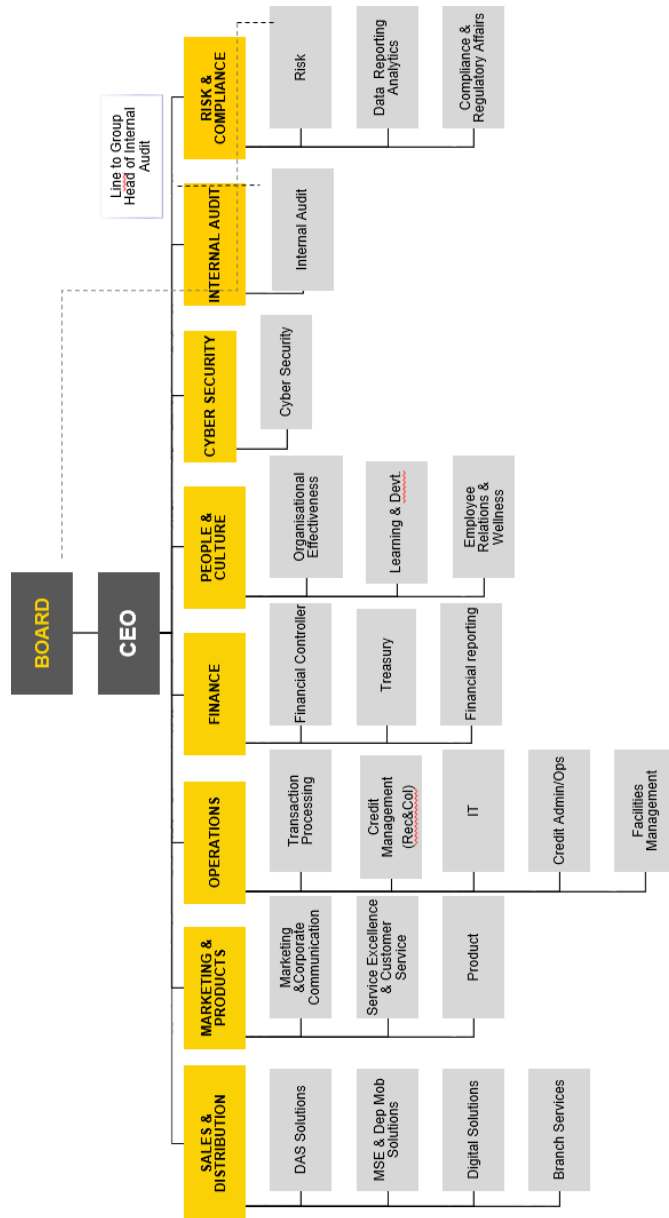
Prohibition against Financial Advisory or Capacity to hold Office - None of the directors, or persons who have been nominated to be directors have been subject of any judgment or ruling of any court of competent jurisdiction, tribunal or permanent body permanently or temporarily restraining him from acting as an investment advisor, dealer in securities, director, employee of a corporate body or engaging in any type of business practice or activity or profession.

Materiality of Management Interest in Letshego's Business Affairs - No member of management or any other person related to them have any material business interests or contracts in or with Letshego Ghana either directly or indirectly.

Directors Powers to Borrow and Charge Letshego's Assets - The directors may exercise all the powers of the Company, as contained in the Company's constitution, to borrow money or charge the property and undertaking or any part thereof, and to issue debentures. Such powers can be varied by amending the Company's constitution.

Organizational Structure

Figure 3: Organizational Structure



Board Committees

In line with exemplary corporate governance and prevailing best practices, the board of directors has instituted the Audit, Risk and Compliance Committee (ARC) and Cyber Risk Committees. Mr. Christian Sottie, an independent non-executive director chairs both ARC and Cyber Risk committees, with committee members comprising Emmanuel Yaw Boafo, Akua Owusua Donnir and Richard Odamtten respectively. Additionally, Mr. Ibrahim Obosu, an executive director joins all three committees as an invitee. The ARC's role is to assess the robustness and effectiveness of the organization's internal control systems, accounting protocols, information systems, both internal and external audit procedures, regulatory reporting mechanisms, compliance operations, and risk management strategies, including credit risk.

The cyber risk committee's role is to evaluate the institution's vulnerability to cyber threats, ensuring that periodic risk assessments are carried out, identifying potential areas of weakness, and ensuring that appropriate controls are in place.

The functions carried out by the ARC and cyber risk committees to achieve these objectives include:

Table 8: Functions carried out by the Audit, Risk and Compliance (ARC) and Cyber Risk Committees

Function	Details
Internal Control	Monitor that management creates and maintains an effective internal control environment. Satisfy itself that appropriate policies are in place and are being adhered to
Financial Control	Monitor the adequacy and reliability of management information. Monitor the efficiency of management information systems. Satisfy itself that the expertise and resources of the finance function are appropriate. Review and approve financial statements and reports to be published, for proper disclosure and for compliance with IFRS. Confirm that accounting policies are appropriate. Review judgmental areas in the financial statements. Review capital expenditure control. Monitor tax management and compliance
Internal Audit	Monitor the staffing, skills, work plan and performance of the internal audit function. Receive regular reports from internal audit on its findings
External Audit	Recommend to the Board the appointment of the auditors, agree their work plan and monitor their performance. Discuss in closed session with the auditors – attitudes, relationships, tone
Regulatory Reporting	Review the regulatory reporting process
Compliance	Review the compliance processes, and receive reports on non-compliance with laws and regulations
Risk	Evaluate the risk management methodology that is applied. Review specific risks and the management of fraud, dishonesty and physical security risks
Credit risk	Approve credit policies and limits. Monitor that procedures are in place to price for, manage and control credit risk. Review credit risk management information and reporting to the Board. Review the adequacy of impairments
Cyber risk	The committee ensures the institution complies with cybersecurity regulations specific to the financial industry. This includes adherence to regulations set by Bank of Ghana and also ensuring appropriate controls in the institutions internal process to mitigate the risk of threats.

Letshego Ghana also has a Business Continuity and Disaster Recovery Plan as well as senior management succession plan in place. The committees have their charters approved by the board which are held quarterly, and minutes are reflected in the subsequent board meetings.

Shareholders and their shareholding structure

Letshego Ghana is wholly owned by Letshego Holdings limited, headquartered in Gaborone, Botswana. Letshego Holdings Limited is an African multinational, first opening its doors in Botswana more than 21 years ago by offering loans to government employees. The Group has over 3,000 employees comprising more than 21 nationalities and supports public and private sector individual customers as well as micro and small entrepreneurs. Letshego has operations in eleven (11) Saharan African markets including Eswatini, Kenya, Lesotho, Mozambique, Namibia, Nigeria, Rwanda, Tanzania, Botswana, Uganda and Ghana.

Letshego Holdings Limited (the group holding company) is listed on the Botswana Stock Exchange, with a subsequent listing including a subsidiary listing on the Namibian Stock Exchange and Johannesburg Stock Exchange.

The authorised shares of the Company are 100,000,000 ordinary shares of no-par value, out of which 19,453,968 have been issued. As at the date of this Prospectus, the Issuer's stated capital is GHS 80,546,314.

Table 9: Shareholding Structure for the Issuer

Shareholder	% Shareholding
Letshego Holding Limited	100%

Table 10: Share Based Payment Reserve

Share Based Payments reserve	2020	2021	2022
Letshego Holdings Ltd	743,112	773,380	-
Total	743,112	773,380	-

Table 11: Summary of Capital Transactions over the last three (3) years

The below are the capital transactions over the last three years:

	31/12/2020		31/12/2021		31/12/2022	
	Number of shares	Share Capital	Number of shares	Share Capital	Number of shares	Share Capital
As at 1st January	9,453,968	30,546,314	9,453,968	30,546,314	9,453,968	30,546,314
Additional share capital raised	-	-	-	-	10,000,000	50,000,000
Total	9,453,968	30,546,314	9,453,968	30,546,314	19,453,968	80,546,314

Table 12: Top 10 Shareholders for Letshego Holdings Limited

Top Ten Shareholders		31 December 2022	
		Shares held ('000)	
		Number	%
Botswana Life Insurance Limited	Non-Public	597,235,521	27.79
FNB Botswana Nominees Re: BIFM - Act Mem & DP EQ	Public	405,529,315	18.87
Botswana Public Pension Fund Vunani	Public	251,001,237	11.68
Stanbic Nominees Botswana RE BPOPF WT PRO PORT MCP	Public	77,601,240	3.61
SCBN (PTY) LTD RE: CITI 024/76 SCBN (PTY) LTD RE: CITI 024/76	Public	73,571,687	3.42
Hitesh Natwarlal Anadkat	Public	63,053,394	2.93
Business Doctor Investment Limited	Non-Public	51,338,913	2.39
Stanbic Nominees Botswana RE BIFM MLF	Public	46,734,600	2.17
Stanbic Nominees Botswana Re Bifm PLEF	Public	44,869,554	2.09
Stanbic Nominees Botswana Re Morula Re DPF	Public	28,650,000	1.33
		1,639,585,461	76.29
Other corporate entities, nominees and trusts and individuals		505,538,625	23.52
Treasury shares		3,989,970	0.19
Total		2,149,114,056	100

Statement of Indebtedness

Expired Programme

As at 26 October 2023, Letshego Ghana had existing Notes of GHS 185,655,518.19 which are admitted on the GFIM of the GSE.

Table 13: Exiting Notes under Expired Programme

Debt	Notional Amount	Maturity Date
Expired Programme	GHS 185,655,518.19	Varies from 30 January 2024 - 15 September 2026

Comprehensive statement of indebtedness

Table 14: Indebtedness of the Issuer

Lender	Type of Facility	Agreement Date	Maturity Date	Principal	Outstanding Amount (GHS)	Status
TERM LOANS						
ABSA	Term Loan	31/03/2022	31/03/2025	60,000,000	38,048,908.10	Secured
Cal Bank	Term Loan	01/12/2020	01/12/2023	30,000,000	19,248,634.73	Secured
Blue Orchard	Term Loan	16/06/2021	16/06/2025	GHS equivalent of USD 7,000,000	38,979,736.73	Secured
Enabling Capital	Term Loan	03/11/2021	03/11/2025	GHS equivalent of USD 8,000,000	68,014,161.17	Secured
DWM Income Funds	Term Loan	20/10/2021	20/10/2025	GHS equivalent of USD 6,000,000	42,408,654.10	Secured

Letshego Holdings Ltd	Term Loan	20/12/2020	20/12/2023	GHS equivalent of USD 18,950,000	160,218,699.86	Unsecured
Fidelity Bank Ghana	Term Loan	15/06/2023	14/08/2023	10,000,000	5,134,977.72	Secured
Sub Total					372,053,772.41	

Indebtedness of the Issuer Under the Expired Bond Programme

In May 2018, the BoG and SEC approved the increase in the Note Programme amount from GHS 100,000,000 to GHS 300,000,000. Following the expansion of the Programme, SEC approved the extension of expiry to December 2021 which allowed the issuance of any outstanding amount under the Programme. BoG in August 2022 approved the extension of the Programme from GHS 300,000,000 to GHS 500,000,000. The total amount outstanding under the Programme as at October 26, 2023 is GHS 185,655,518.19. The table below provides the Issuer's indebtedness in the expired programme.

MTN OUTSTANDING BONDS						
Tranche	Tenor	Coupon	Issued Date	Maturity Date	Principal Amount (GHS)	Security Status
Tranche 11	7 – Year	182- day + 4.25%	3-Mar-17	3-Mar-24	8,941,158.30	Senior Unsecured
Tranche 12	7 – Year	182- day + 4.25%	20-Mar-17	20-Mar-24	6,888,759.54	Senior Unsecured
Tranche 16	7 - Year	19.10%	16-May-18	16-May-25	24,000,000.35	Senior Unsecured
Tranche 17	6 - Year	182- day + 5.00%	22-May-18	22-May-24	42,609,600.00	Senior Unsecured
Tranche 21	6 - Year	182- day + 5.00%	01-Oct-18	01-Oct-24	3,518,000.00	Senior Unsecured
Tranche 23	6 - Year	182- day + 6.00%	16-Oct-18	16-Oct-24	19,179,000.00	Senior Unsecured
Tranche 24	5 - Year	182- day + 6.00%	30-Jan-19	30-Jan-24	8,000,000.00	Senior Unsecured
Tranche 25	5 - Year	182- day + 6.50%	04-Jun-19	04-Jun-24	3,159,000.00	Senior Unsecured
Tranche 26	3 – Year	19.75%	15-Sept-21	15-Sept-24	53,174,686.00	Senior Unsecured
Tranche 27	5 - Year	21.00%	15-Sept-21	15-Sept-26	16,185,314.00	Senior Unsecured
Sub Total					185,655,518.19	
Overall Total (Notes + Term Loans)					602,236,878.06	

Details of PPE

As at the date of this Prospectus, Letshego Ghana Savings and Loans PLC has lease contracts at the following branch offices:

Table 15: Details of Issuer's PPE

Branch Name	Cost	Encumbrances	Start Date	End Date
Lease Contracts				
HQ	2,519,318	N/A	1-Jan-23	31-Dec-25
Accra Branch	194,822	N/A	1-Jul-21	30- Aug-25
Kumasi Branch -Bantama	192,305	N/A	16-Jun-22	6- Feb-24
Tamale Branch	216,000	N/A	1-Aug-20	31- July-24
Koforidua Branch	100,800	N/A	1-May-23	28- July-25
Takoradi Branch	86,400	N/A	1-May-22	30- April-25
Cape Coast Branch	60,000	N/A	1-Jan-21	31-Dec-23
Bolga Branch	81,600	N/A	1-Aug-20	31-Jul-24
Wa Branch	43,200	N/A	1-Apr-20	1-Feb-25
Sunyani Branch	168,000	N/A	15-Jul-20	14-Jul-24
Ho Branch	138,000	N/A	31-May-21	31-Dec-23
Yendi Branch	25,200	N/A	1-Apr-22	1-March-25
Hohoe Branch	121,500	N/A	1-Nov-19	31-Oct-24
Nkawkaw Branch	201,600	N/A	1-Aug-19	31- July-25
Mampong Branch	12,000	N/A	1-Sep-21	31-Dec-23
Techiman Branch	46,800	N/A	1-Apr-22	31-Mar-24
Akim Oda Branch	23,460	N/A	1-Jun-22	22- June 24
Agona Swedru Branch	43,200	N/A	1-Sep-20	31-Dec-23
Kintampo Branch	16,800	N/A	1-Jan-21	31- Dec-23
Goaso Branch	40,800	N/A	1-Jan-21	31-Dec-24
Obuasi Branch	16,900	N/A	1-Sep-21	31-Dec-23
Nsawam Branch	36,000	N/A	1-Sep-20	31-Jan -24
Konongo Branch	42,700	N/A	1-Aug-20	31- Jan-24
Kumasi Branch -Asafo	1,900,000	N/A	16 Jun 22	30 June 24
Dormaa Branch	61,200	N/A	1 Nov 18	31-Dec-23
Sefwi Wiawso Branch	27,000	N/A	1-Jan-21	1-Aug-25
Any Other PPE	18,959,430.68	N/A	-	-

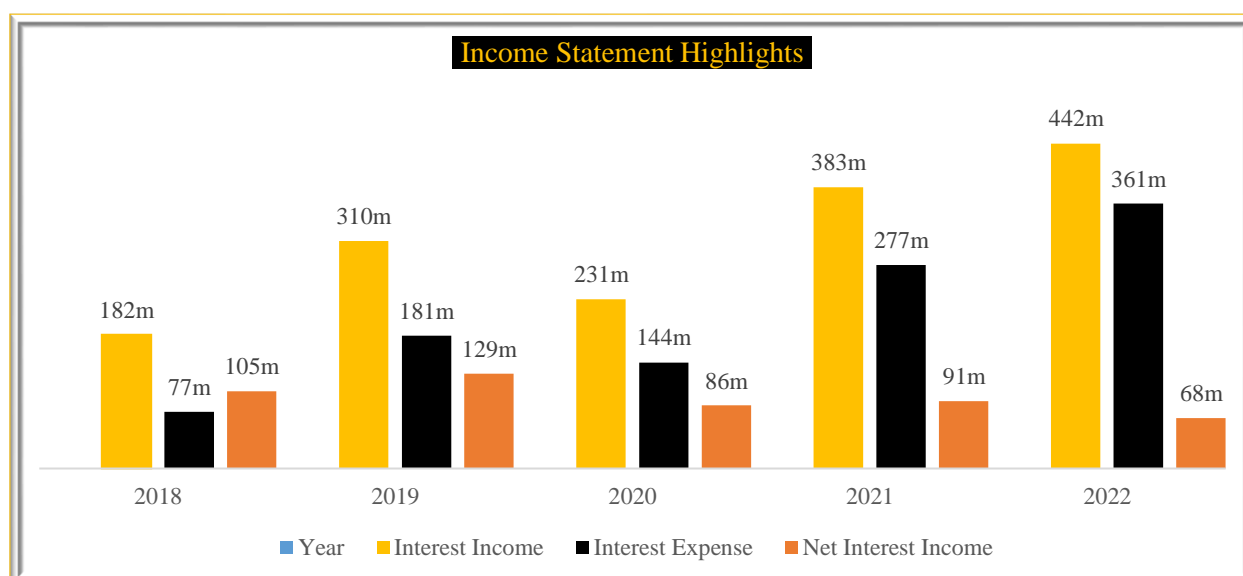
Historical Statement of Comprehensive Income of Letshego Ghana

Letshego's interest income grew by 70% from 2018 to 2019. The interest income for the year 2020, however, decreased by 25% largely due to Covid 19. Interest income for 2021 and 2022 grew by 66% and 91% respectively from 2020. This growth is primarily attributed to the Company's efficient payroll business that is focused on high value and less risky Government employees and employees from other reputable Institutions.

Interest expense on the other hand increased on an average of GHS 208 million for the 5 years period due to higher funding cost. The company incurred an impairment loss of GHS 30 million due to its exposure to Government of Ghana bonds in the year 2022 because of the DDEP program.

The intention of listing is to raise sufficient additional local borrowings to augment business operations and grow the book.

Figure 4: Highlights of Income Statement (GHS in millions)



i. Interest and administrative income

GHC '000	Year ending 31 December 2018	Year ending 31 December 2019	Year ending 31 December 2020	Year ending 31 December 2021	Year ending 31 December 2022	6 months ended 30 June 2023
Interest income	181,907	309,598	232,055	384,829	443,280	209,798
Administrative fee income	10,405	13,933	7,513	28,517	68,430	12,305
Total interest and admin. fee income	192,312	323,531	239,568	413,346	511,710	222,103

Interest income is generated from interest on mobiles, payroll and MSE loans. The CAGR of 19% over the historical period FY 2018 to 2023. Interest and administrative fee income increased by 180%, 68% in FY 2018 and 2019 respectively, decrease by 26% in FY 2020, increase by 73%, and 24% in FY 2021 and 2022 respectively, and declined by 57% in FY 2023. The decline in FY 2020 was mainly due to the COVID-19 pandemic.

ii. Interest and administrative fee expense

GHC '000	Year ending 31 December 2018	Year ending 31 December 2019	Year ending 31 December 2020	Year ending 31 December 2021	Year ending 31 December 2022	6 months ended 30 June 2023
Interest expense	77,157	180,585	146,388	293,616	374,833	162,609
Administrative fee expense	26,226	39,421	15,872	18,282	34,661	-
Total interest and admin. fee expense	103,383	220,006	162,260	311,898	409,494	162,609

Total interest and administrative fee expense grew at a CAGR over the historical period FY 2018 to 2023 by 9%. It grew by 245%, 112% in the FY 2018 and 2019 respectively, declined by 26% in FY 2020, increased by 92% and 31% in FY 2021 and 2022 respectively. It further declined by 60% in 2023, The increase in interest and administrative expense was due to the high cost of funding.

iii. Operating expenses

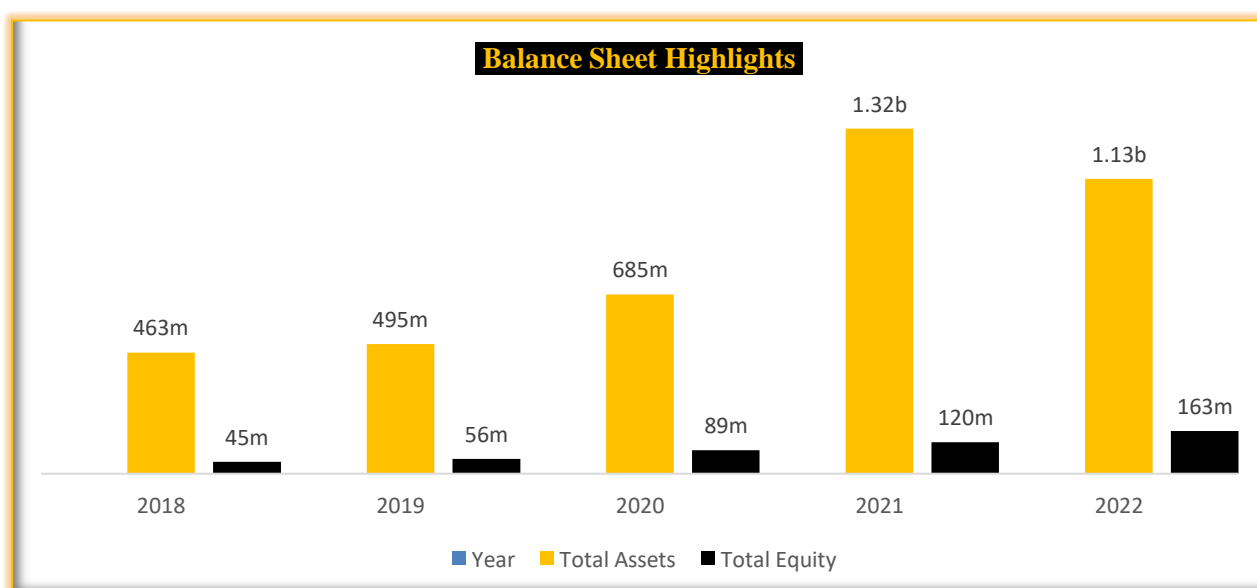
GHC '000	Year ending 31 December 2018	Year ending 31 December 2019	Year ending 31 December 2020	Year ending 31 December 2021	Year ending 31 December 2022	6 months ended 30 June 2023
Net impairment charge on loans	51,043	49,663	(16,813)	4,963	19,875	(6,299)
Net impairment charge on investment	-	-	-	-	30,943	-
Personnel cost	10,485	11,790	13,907	15,657	16,516	10,738
Other operating expenses	15,365	28,627	33,028	25,594	27,340	36,721
Operating expenses	76,893	90,081	30,123	46,215	94,674	41,159

Operating expenses include both direct and indirect cost of running the operations of the company. The CAGR over the historical period FY 2018 to 2023 declined by 11%. Operating expense increased significantly by 104% in 2022, this was as a result of impairment loss of GHS 30 million due to its exposure to Government of Ghana bonds in the year 2022 because of the DDEP program.

Historical Statement of Financial Position of Letshego Ghana

The Company's equity value increased from GHS 45 million to GHS 163 million from 2018 to 2022. Total assets on the other hand also grew from GHS 463 million from 2018 to GHS 1.3 billion in 2021 representing a 4-year growth of 185%. The significant increase in total assets was on the back of loan book growth of over 100% for the 4 years. However, in 2022, there was a 14% decline in total assets due to the economic volatility experienced in Ghana. This included sharp increases in inflation, cost of funds and cost of livings. There was a slowdown in overall economic activities especially in the financial services sector where we experience a delay repayment from government for up to 3 months.

Figure 5: Highlights Financial Position (GHS in millions)



i. Net loans and advances

GHC '000	Year ending 31 December 2018	Year ending 31 December 2019	Year ending 31 December 2020	Year ending 31 December 2021	Year ending 31 December 2022	6 months ended 30 June 2023
Net loans and advances	397,082	421,964	552,484	872,728	852,877	807,697
impairment for the year	75,529	55,473	29,935	18,858	274,900	32,508
Gross loans and advances to customers	472,611	477,437	582,419	891,586	1,127,777	840,205

Net loans and advances include mobile, payroll and Edusolution loans. It grew at a 5-year CAGR of 16% from 2018 to 2022. Net loans and advances grew from GHC 472,611,000 in 2018 to GHC 1,127,777,000 in 2022. Net loans and grew at 142%, 6%, 31%, 58% in FY 2018, FY 2019, FY 2020, FY 2021 respectively, and declined by 2% and 5% in 2022 and 2023 respectively.

ii. Investment

GHC '000	Year ending 31 December 2018	Year ending 31 December 2019	Year ending 31 December 2020	Year ending 31 December 2021	Year ending 31 December 2022	6 months ended 30 June 2023
GOG bond	-	-	37,105	216,081	189,869	169,338
Fixed deposit	-	-	-	93,581	24,240	-
Gross investment	-	-	37,105	309,662	214,109	169,338
Impairment from DDEP	-	-	-	-	(30,943)	-
Net investment	-	-	37,105	309,662	183,166	169,338

Investment in Government of Ghana bonds and fixed deposit commenced in FY 2020 at GHC 37,105,000. It grew to GHC 309,662 in FY 2021 representing a percentage growth of 735% and significantly declined in FY 2022 to GHC 183,166,000 representing a percentage decline of 41%. The significant decline in investment was mainly due to the GOG bonds. The Government of Ghana on 5th December, 2022 launched Ghana's Domestic Debt Exchange programme. It was an invitation for the voluntary exchange of the domestic notes and bonds of the Republic, including E.S.L.A. PLC and Daakye Bonds for a package of new bonds to be issued by the Republic of Ghana. Letshego Ghana participated in the bond exchange. This resulted in the impairment of the GOG bonds after the exchange.

iii. Deposit from customers

GHC '000	Year ending 31 December 2018	Year ending 31 December 2019	Year ending 31 December 2020	Year ending 31 December 2021	Year ending 31 December 2022	6 months ended 30 June 2023
Deposit from customers	47,906	6,067	27,773	129,855	16,708	68,935
	47,906	6,067	27,773	129,855	16,708	68,935

Deposits from customers include savings and fixed deposits accounts. Deposit to customers grew at a 5-year CAGR of 19% over the historical period of FY 2018 to 2022. It stood at GHC 47,906,000 as at 31 December, 2018 and declined to GHC 16,708,000 in FY 2022. Deposit to customers significantly increased by 349% in FY

2018, declined by 87% in FY 2019, grew by 358% and 368% in FY 2020 and FY 2021 respectively. It declined by 87% in FY 2022 due to the company unwinding customer deposits as the market was unstable and interest rates were volatile. It increased significantly by 313% in 2023 as a result of a more stable market and interest rate.

iv. Borrowings

GHC '000	Year ending 31 December 2018	Year ending 31 December 2019	Year ending 31 December 2020	Year ending 31 December 2021	Year ending 31 December 2022	6 months ended 30 June 2023
External borrowing	246,355	244,478	288,186	539,411	528,948	456,207
Intercompany	-	22,571	82,452	115,421	123,227	157,981
	246,355	267,049	370,638	654,832	652,175	614,188

External borrowing consists of note program, term loans and Development Funding Institution (DFIs). Borrowings grew at a CAGR of 21% over the historical period FY 2018 to 2022.

The company's borrowings increased by 142%, 8%, 39%, 77% in FY 2018, FY 2019, FY 2020, FY 2021 and a decline of 0.4% and 6% in FY 2022 and 2023 respectively. The increase in liabilities over the historical period was on the back on borrowings, from GHC 246,355,000 to GHC 614,188,000 which constitute 62% of total liabilities.

8. DOCUMENTS INCORPORATED BY REFERENCE

Capitalised terms used in this section headed "Documents Incorporated by Reference" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

The following documents shall be deemed to be incorporated in, and to form part of, this Prospectus:

- (a) all amendments and supplements to this Prospectus prepared by the Issuer from time to time;
- (b) as at the Programme Date, the published audited annual financial statements, and notes thereto, of the Issuer for the five financial years ended 31 December, 2018, 31 December, 2019, 31 December, 2020, 31 December, 2021 and 31 December, 2022 and in respect of any issue of Notes after the Programme Date, the published audited annual financial statements, and notes thereto, of the Issuer in respect of further financial years, as and when such published audited financial statements become available;
- (c) the financial report as prepared by UHY Voscon Chartered Accountants dated 14th July 2023;
- (d) the Amended and Restated Trust Deed, as amended and/or supplemented, entered into between the Issuer and Fidelity Bank Ghana Limited as Note Trustee dated 13th September 2023;
- (e) the Amended and Restated Agency Agreement, as amended and/or supplemented, entered into /between the Issuer, Fidelity Bank Ghana Limited as Paying Agent and Paying Bank, and the Central Securities Depository (Gh) LTD as Registrar, Transfer Agent, and Calculation Agent dated 13th September 2023;
- (f) the Escrow Account Agreement, as amended and/or supplemented, entered into between the Issuer, the Arrangers, Sponsoring Brokers, and Fidelity Bank Ghana Limited as Escrow Account Bank dated October 23, 2023; and

each Applicable Pricing Supplement relating to any Series or Tranche of Notes issued under the Programme, save that any statement contained in this Prospectus or in any of the documents incorporated by reference in and forming part of this Prospectus shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained in any document subsequently incorporated by reference modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

The Issuer will, for as long as any Note remains Outstanding, provide at its registered office as set out at the end of this Prospectus, without charge, to any person, upon request of such person, a copy of all of the documents which are incorporated herein by reference, unless such documents have been modified or superseded, in which case the modified or superseding documentation will be provided. Requests for such documents should be directed to the Issuer at its registered office as set out at the end of this Prospectus.

The Issuer will, subject to the approval of the SEC and for so long as any Note remains Outstanding, publish a new Prospectus or a supplement to this Prospectus, as the case may be, if:

- (b) a change in the condition (financial or otherwise) of the Issuer has occurred which is material in the context of the Notes so admitted and the Issuer's payment obligations thereunder; or
- (c) an event has occurred which affects any matter contained in this Prospectus, the disclosure of which would reasonably be required by Noteholders and/or potential investors in the Notes; or
- (d) any of the information contained in this Prospectus becomes outdated in a material respect; or,

provided that, in the circumstances set out in paragraph (c) above, no new Prospectus or supplement to this Prospectus, as the case may be, is required in respect of the Issuer's audited annual financial statements if such audited annual financial statements are incorporated by reference into this Prospectus.

9. RISK FACTORS

Capitalised terms used in this section headed “Risk Factors” shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

The Issuer believes that the factors outlined below may affect its ability to fulfil its obligations under the Notes. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. In addition, factors which are material for the purpose of assessing the market risks associated with the Notes are also described below. The value of the Notes could decline due to any of these risks, and investors may lose some or all of their investment.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it, or which it may not currently be able to anticipate. Accordingly, the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive.

Prospective investors should also read the detailed information set out elsewhere in this Prospectus to reach their own views prior to making any investment decision.

References below to the “Terms and Conditions”, in relation to Notes, shall mean the “Terms and Conditions of the Notes” set out under the section of this Prospectus headed “Terms and Conditions of the Notes”.

FACTORS THAT MAY AFFECT THE ISSUER’S ABILITY TO FULFIL ITS OBLIGATIONS UNDER NOTES ISSUED UNDER THE PROGRAMME.

Risk Factors Relating to the Republic of Ghana

Investors should be aware that all markets are subject to their own specific legal, economic and political risks. Investors should also note that emerging market economies such as the Republic of Ghana’s are subject to rapid change and the information set out in this Prospectus might become out-dated quickly.

Investors are urged to consult with their own legal and financial advisors before making an investment in the Notes.

General Economic and Political Risks

The Issuer’s business is subject to inherent risks regarding general economic conditions. These conditions include changing economic cycles that affect demand for financial products and services, which the Issuer offers. It should be taken into account that the general political and economic environment in Ghana may or may not have an adverse effect on the business of the Issuer. General trends in political stability in Ghana have given a sense of comfort as regards investing in Ghana.

Macroeconomic Factors

Ghana continues to develop as an emerging economy and the macroeconomic framework remains constantly in flux. Although significant strides have been made by policymakers to reduce inflation to manageable levels as well as stabilize interest rates and other macroeconomic fundamentals, these fundamentals are still in a developing stage. Investors in the Notes should be cognisant of the potential impact of changes in the macroeconomic framework on the business of the Issuer.

Regulatory Framework

The Ghanaian financial services sector continues to develop with the regulator, the Bank of Ghana, having required participants in the financial services sector to increase their capital quite significantly over the past 4 (four) years. Although the Issuer has currently met all its capital obligations, any subsequent increases in the capital requirement by Bank of Ghana would have to be met by the

Issuer and its shareholders and may have an impact on the Issuer's business operations.

Risk Factors Relating to the Issuer

Below are risk factors, which could affect the Issuer's future results and cause them to be different from expected forecasts. The Issuer's results could also be affected by competition and other factors. It should be noted below that the list of factors highlighted in this section may not be a comprehensive list of all the risks that are faced by the Issuer's business.

Expansion in the Issuer's sector of operation

The recent growth and superior returns earned in the Issuer's business segment subject it to the risk of more participants rapidly entering its space of operations. This increases the Issuer's risk from competition in this market segment. Management of the Issuer as a part of a bigger group has over fifty (50) years of successful experience in competing in this market segment and has developed a strong skill set and technical competency to effectively compete in this space. Moreover, recent increases in capital requirement by the Bank of Ghana have increased barriers to entry, which is positive for the Issuer.

Credit risk

Letshego Ghana is exposed to credit risk which is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. This risk type arises principally from the Company's loans and advances to customers and other NBFIs. Letshego Ghana's payroll model decreases this risk type as loan payments are deducted directly from clients' salaries. The Company has averaged a collection rate of 90% between January and April, this year.

Operational risks

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of Letshego Ghana's operations. Letshego Ghana's objective is to manage operational risk in order to prevent material financial losses and damage to the Company's standing with its stakeholders.

Information Technology Risks

The Issuer is subject to the risks of its information technology systems failing and breaches in its security systems. Events such as vandalism and viruses could have adverse effects on the Issuer's IT systems.

Market risk

All financial institutions face market risk. Market risk occurs when changes in market prices, such as interest rate, equity prices, foreign exchange rates and credit spreads affect the Company's income or the value of its holdings of financial instruments. Forex losses have been the main challenge of Letshego Ghana in past years; however, the Company is managing and controlling market risk exposures within acceptable parameters, while optimizing the return on risk by diversifying our portfolios and constantly monitoring market conditions.

Liquidity risk

Liquidity risk occurs when the company encounters challenges in meeting obligations from its financial liabilities. Letshego Ghana ensures that it has sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses to the Company or its good standing with its stakeholders.

Risks Relating to the Notes

The Notes may not be a suitable investment for all investors

Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;

- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such an investment will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (d) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured and appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

There is no active trading market for the Notes

Notes issued under the Programme will be new securities which may not be widely distributed and for which there is currently no active trading market (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single series with a Tranche of Notes which is already issued). If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. There is no assurance as to the development or liquidity of any trading market for any particular Tranche of Notes.

The Notes may be redeemed prior to maturity

Unless in the case of any particular Tranche of Notes the Applicable Pricing Supplement specifies otherwise, in the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the government of Ghana or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all Outstanding Notes in accordance with the Conditions.

In addition, if in the case of any particular Tranche of Notes the Applicable Pricing Supplement specifies that the Notes are redeemable at the Issuer's option when its cost of borrowing is lower than the interest rate on the Notes, or if the Issuer decides to restructure its balance sheet, the Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

Risks related to the structure of the particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

Notes subject to optional redemption by the Issuer

An optional redemption feature is likely to limit the market value of the Notes. During any period when the Issuer may elect to redeem the Notes, the market value of those Notes generally will not rise

substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to re-invest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Variable Rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than the then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate may at any time be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

Modification and waivers and substitution

The Terms and Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

Change of law

The Notes are governed by and will be construed in accordance with Ghanaian law in effect as at the Programme Date. No assurance can be given as to the impact of any possible judicial decision or change to Ghanaian law or administrative practice in Ghana after the Programme Date.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

10. REPORTING ACCOUNTANT FINANCIAL REPORT



P.O. Box LA 476, La,
Accra2nd Floor,
Cocoshe House
Opposite Silver Star
Tower Agostinho Neto
Close Airport
Residential
Area Accra-Ghana.

Phone +233 30 2683 430/4
Email info@uhyvoscon-gh.com
Web www.uhyvoscon-gh.com
Digital Address: GA-057-1475

Reporting accountants' report on the historical financial information

14th July, 2023

The Board of Directors
Letshego Ghana Savings and Loans PLC
4th floor, Cocoshe House
Off Agostino Neto Road,
Airport City Accra, Ghana.

Dear Sirs,

Reporting Accountants' Report on the Historical Financial Statements of Letshego Ghana Savings and Loans PLC for the five years ended 31 December, 2018-2022 in respect of the proposed GHS 500,000,000 Bond Programme

The financial statements for the five years ended 31 December, 2018 were audited by PricewaterhouseCoopers, Ghana and the years ended 31 December, 2019, 2020, 2021 and 2022 were audited by Ernst and Young, Ghana for which the auditors issued clean audit reports from 2018 to 2022.

We have reviewed the accompanying historical financial information of Letshego Ghana Savings and Loans PLC, which comprises the statements of financial positions as at 31 December 2018 to 31 December 2022, statements comprehensive income, cash flows, changes in equity for the years then ended, and notes including summary of significant accounting policies. We report on this historical financial information for the purpose of bond issuance.

Responsibility of the Directors

The directors are responsible for the preparation of the historical financial information that give a true and fair view in accordance with International Financial Reporting Standards and in a manner required by the Companies Act, 2019 (Act 992), and for such internal control as the Directors determine is necessary to enable the preparation of the historical financial statements that are free from material misstatement, whether due to fraud or error. The financial information is the responsibility of the Directors of Letshego Ghana Savings and Loans PLC who have initiated the bond issuance. The Directors of Letshego are also responsible for the contents of any document(s) in which this report is included.

Independent Reviewer's responsibility

Our responsibility is to express a conclusion on these financial statements. We conducted our review in accordance with the International Standards on Review Engagements (ISRE 2400) (Revised), Engagements to Review Historical Financial Statements. ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial information, taken as a whole, is not prepared in all material respects in accordance with the applicable financial reporting framework. The Standard also requires us to comply with relevant ethical requirements.

A review of financial information in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial information does not give a true and fair view of the financial positions of Letshego Ghana Savings and Loans PLC as at 31 December 2018, 2019, 2020, 2021 and 2022 and of its financial performance and cash flows for the periods then ended, in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 1963 (Act 179) and Companies Act, 2019 (Act 992) where applicable.

Yours faithfully,

Emmanuel D. Abbey
Partner
(ICAG/P/1167) *UHY VOSCON*
For and on behalf of:
UHY Voscon Chartered Accountants
(ICAG/F/2023/086) 2nd Floor, Cocoshe,
Opposite Silver Star Tower, Agostino Neto Close
Airport Residential Area
Email: info@uhyvoscon-gh.com
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Date *14th July, 2023*

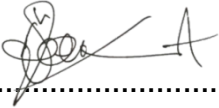

Directors' report on the projected financial information

The directors are pleased to present the projected financial information of Letshego Ghana Savings and Loans PLC for the years ending December 2023 through 2027.

The Directors of Letshego Ghana Savings and Loans PLC are responsible for the Projections, including the assumptions set out in the prospectus of the Company, on which it is based and for the financial information from which it has been prepared. This responsibility includes determining whether the assumptions, barring unforeseen circumstances, provide reasonable basis for the preparation of the projections, whether the projections have been properly compiled on the basis stated and whether the Projection is presented on a basis consistent with the accounting policies of Letshego Ghana Savings and Loans PLC.

The projected financial information has been prepared on the basis and assumptions underlying the five-year strategic plan from 2023 to 2027, bond issuance and macro-economic factors of the Ghanaian economy.

By the order of the Board

Name of Director	Blaise Mankwa	Name of Director	Geoffrey Kitakule
Signature		Signature	
Date	26th October 2023	Date	26th October 2023

SUMMARY OF HISTORICAL FINANCIAL STATEMENT

Assets (GHC '000)	H1 2023	2022	2021	2020	2019	2018
Cash and bank balance	116,989	58,283	141,300	69,105	47,632	31,064
Investment securities	169,338	183,165	257,803	37,105	-	-
Loans and advances to customers	807,698	852,877	872,728	552,484	421,964	397,082
Other assets	54,885	15,696	28,042	3,603	3,419	11,951
Deferred commission expense		-	11,954	16,735	-	6,204
Deferred income tax asset	773	5,972	3,104	2,984	14,088	12,206
Property and equipment	5,645	3,333	3,104	2,984	3,243	3,690
Right of use assets	-	4,250	3,430	1,301	2,175	-
Intangible assets	<u>1,046</u>	<u>985</u>	<u>1,053</u>	<u>1,521</u>	<u>2,612</u>	<u>776</u>
Total assets	<u>1,156,374</u>	<u>1,124,561</u>	<u>1,319,415</u>	<u>684,838</u>	<u>495,134</u>	<u>462,974</u>
Liabilities						
Customer deposits	68,935	16,708	129,855	27,773	6,067	47,906
Collateral deposits	275,168	266,239	364,410	141,890	126,904	84,594
Other liabilities	22,904	17,361	36,777	29,732	22,514	11,713
Lease liabilities	-	17	66	6	1,694	-
Deferred fee income	-	-	-	-	-	10,947
Current income tax	3,301	11,770	13,247	25,760	14,845	16,419
Borrowings	<u>614,189</u>	<u>652,175</u>	<u>654,832</u>	<u>370,639</u>	<u>267,049</u>	<u>246,355</u>
Total liabilities	<u>984,497</u>	<u>964,271</u>	<u>1,199,187</u>	<u>595,800</u>	<u>439,074</u>	<u>417,933</u>
Equity						
Stated capital	80,546	80,546	30,546	30,546	30,546	30,546
Retained earnings	12,204	11,173	37,587	22,007	5,700	308
Statutory reserves	51,321	51,321	51,321	35,742	19,435	14,042
Credit risk reserve	27,805	-	773	743	379	145
Share based payment reserve	-	<u>17,250</u>	-	-	-	-
Total equity	<u>171,876</u>	<u>160,290</u>	<u>120,228</u>	<u>89,038</u>	<u>56,060</u>	<u>45,041</u>
Total liabilities and equity	<u>1,156,373</u>	<u>1,124,561</u>	<u>1,319,415</u>	<u>684,838</u>	<u>495,134</u>	<u>462,974</u>

GHC '000	period ended 30th June 2023	year ended 31st December 2022	year ended 31st December 2021	year ended 31st December 2020	year ended 31st December 2019	year ended 31st December 2018
Interest income	209,798	442,302	383,087	230,572	309,598	181,907
Other interest and similar income	-	978	1,742	1,483	-	-
Interest expense	(162,609)	(374,475)	(277,038)	(144,109)	(180,585)	(77,157)
Interest and similar expense	-	(358)	(16,578)	(2,279)	-	-
Net interest income	<u>47,189</u>	<u>68,446</u>	<u>91,214</u>	<u>85,666</u>	<u>129,013</u>	<u>104,750</u>
Fee income	11,825	18,407	20,096	7,346	13,841	10,405
Commission expenses	-	(34,661)	(18,282)	(15,872)	(39,421)	(26,226)
Net fee and commission expense	11,825	(16,255)	1,815	(8,526)	(25,580)	(15,821)
Other operating income	480	50,024	8,421	168	92	-
Operating income	59,494	102,215	101,450	77,308	103,525	88,928
Impairment charge on loans and advances	6,299	(19,875)	(4,963)	16,813	(49,663)	(51,043)
Impairment charge on investment securities	-	(30,943)	-	-	-	-
Personnel costs	(10,738)	(16,516)	(15,658)	(13,908)	(11,790)	10,485
Operating expenses	<u>(36,721)</u>	<u>(27,360)</u>	<u>(25,594)</u>	<u>(33,029)</u>	<u>(28,628)</u>	<u>(15,365)</u>
Profit before tax	18,335	7,521	55,235	47,184	13,444	12,035
Income tax expense	<u>(6,749)</u>	<u>(16,686)</u>	<u>(24,075)</u>	<u>(14,570)</u>	<u>(2,658)</u>	<u>(2,462)</u>
Profit for the year	<u>11,586</u>	<u>(9,165)</u>	<u>31,160</u>	<u>32,614</u>	<u>10,786</u>	<u>9,572</u>
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	<u>11,586</u>	<u>(9,165)</u>	<u>31,160</u>	<u>32,614</u>	<u>10,786</u>	<u>9,572</u>
Earnings per share	0.60	-0.72	3.3	3.45	1.14	1.01

Statement of changes in equity for the five and half-year ended 31 December

GHC 000	period ended 30th June	year ended 31st December	year ended 31st December	year ended 31st December	year ended 31st December	year ended 31st December
	2023	2022	2021	2020	2019	2018
1 January	160,290	120,228	89,038	56,060	45,041	34,364
Net profit/ (loss) the year	11,586	(9,165)	31,160	32,6140	10,786	9,572
Share based payment reserve	-	(773)	30	365	233	105
New share capital issued	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance at 31 December	<u>171,876</u>	<u>160,290</u>	<u>120,228</u>	<u>89,038</u>	<u>56,060</u>	<u>45,041</u>

Statement of cash flow for the five and half years

	period ended 30th June 2023	year ended 31 st December 2022	year ended 31 st December 2021	year ended 31 st December 2020	year ended 31 st December 2019	year ended 31 st December 2018
GHC '000						
Cash flows from operating activities	88,641	25,698	130,807	20,734	58,260	(84,509)
Interest paid on borrowings	(158,705)	(103,865)	(78,816)	(50,406)	(45,529)	(30,082)
Interest paid on customer deposits	(3,904)	(14,292)	(16,578)	-	-	-
Interest received (Treasury bonds)	4,309	12,227	6,159	-	-	-
Interest paid on lease liability	(363)	(358)	(358)	(10)	-	-
Income tax paid	<u>(6,749)</u>	<u>(12,181)</u>	<u>(31,807)</u>	<u>(6,303)</u>	<u>(6,114)</u>	<u>(197)</u>
Net cash inflow from / (used in) operating activities	<u>(76,772)</u>	<u>(92,772)</u>	<u>9,407</u>	<u>(35,974)</u>	<u>6,617</u>	<u>114,788</u>
Cash flows from investing activities						
Purchase of property and equipment	(1,282)	(1,874)	(1,564)	(1,070)	(1,263)	(1,820)
Purchase of treasury bonds	(13,414)	(99,549)	(22,094)	(37,105)	-	-
Redemption of treasury bonds	-	7,000	2,000	-	-	-
Proceeds from sale of investment securities	-	149,160	-	-	-	-
Proceeds from disposal of property and equipment	-	235	59	176	95	241
Purchase of intangible assets	<u>(863)</u>	<u>(707)</u>	<u>(540)</u>	-	<u>(2,769)</u>	<u>(214)</u>
Net cash used in investing activities	<u>(15,558)</u>	<u>54,2645</u>	<u>(220,990)</u>	<u>(37,999)</u>	<u>(3,937)</u>	<u>(1,793)</u>
Cash flows from financing activities						
Drawdown from borrowings	-	134,564	400,312	152,659	30,663	209,354
Repayment of borrowings	(55,143)	(174,975)	(112,333)	(53,446)	(4,000)	(75,445)
Lease liability-Principal	-	<u>(4,098)</u>	<u>(4,202)</u>	<u>(3,767)</u>	<u>(2,416)</u>	-
Net cash flow from financing activities	<u>(55,143)</u>	<u>(44,509)</u>	<u>283,777</u>	<u>95,446</u>	<u>24,247</u>	<u>133,909</u>
Net increase/ Decrease in cash and cash equivalents	(147,472)	(83,016)	72,194	21,473	26,927	17,328
Cash and cash equivalent at 1 st January	<u>264,461</u>	<u>141,300</u>	<u>69,105</u>	<u>47,632</u>	<u>20,705</u>	<u>3,377</u>
	<u>116,989</u>	<u>58,284</u>	<u>141,300</u>	<u>69,105</u>	<u>47,632</u>	<u>20,705</u>

Notes to the financial statements

1.0 Reporting entity

Letshego Ghana Savings and Loans PLC is a public limited company incorporated and domiciled in the Republic of Ghana. The company is licensed as a Non-Bank Financial Institution under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). The company's corporate bonds have been admitted on the Ghana Fixed Income Market of the Ghana Stock Exchange. The company is a wholly owned subsidiary of Letshego Holdings Limited, a company incorporated in Republic of Botswana.

2.1 Basis of preparation

2.1.1 Basis of presentation of the financial statements

The Company presents its statement of financial position broadly in order of liquidity. Financial assets and financial liabilities are offset, and the net amount reported in the statement of financial position only when there is a current legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liability simultaneously. Income and expenses are not offset in profit or loss unless required or permitted by any accounting standard or interpretation, and as specifically disclosed in the accounting policies of the bank.

2.1.2 Basis of measurement

The financial statements have been prepared under the historical cost convention as modified to include the fair valuation of certain financial instruments to the extent required or permitted under the Bank's accounting policies.

2.1.3 Functional and presentation currency

These financial statements are presented in Ghana Cedis (GH¢), which is the Bank's functional currency.

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057-1475

Reporting accountants' report on the forecast financial information

14th July, 2023

The Board of Directors
Letshego Ghana Savings and Loans PLC
4th floor, Cocoshe House
Off Agostino Neto Road, Airport
City Accra, Ghana.

Dear Sirs,

Independent Reporting Accountants' report on the Forecast financial information of Letshego Ghana Savings and Loans PLC for the five years ending 31 December, 2023, 2024, 2025, 2026 and 2027

We have examined the accounting bases and the hypothetical assumptions underlying the forecasts financial statements of Letshego Ghana Savings and Loans PLC, which comprises forecast statements of financial position, statements of comprehensive income and statements of cash flows for the period 2023 to 2027. We have examined the forecast financial statements which have been prepared in accordance with the International Standards on Assurance Engagements ISAE 3400 applicable to the examination of prospective financial information and also for inclusion in the Prospects (the "Prospectus") of Letshego Ghana Savings and Loans PLC for the purpose of a bond issuance.

The financial Projections have been prepared in line with the Company's accounting policies and are based on International Financial Reporting Standards (IFRS).

Directors' responsibility

The Directors of Letshego Ghana Savings and Loans PLC are responsible for the Projection, including the assumptions set out in the prospectus of the Company, on which it is based and for the financial information from which it has been prepared. This responsibility includes determining whether the assumptions, barring unforeseen circumstances, provide reasonable basis for the preparation of the Projection, whether the Projection has been properly compiled on the basis stated and whether the Projection is presented on a basis consistent with the accounting policies of Letshego Ghana Savings and Loans PLC.

Our independence and quality control

We are independent of the Company within the meaning International Ethics Standards Board for Accountants' (IESBA) Code of Ethics for Professional Accountants which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies International Standards on Quality Management (ISQM) 1 and 2 Quality Management for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting accountants' responsibility

Our responsibility is to provide a limited assurance report on the Projections prepared for the purpose of complying with the accounting policies of Letshego Ghana Savings and Loans PLC. We conducted our assurance engagement in accordance with the International Standards on Assurance Engagements (ISAE) 3400, The Examination of Prospective Financial Information. This standard requires us to obtain sufficient appropriate evidence as to whether:

- Management's best-estimate assumptions on which the projection is based are not unreasonable and are consistent with the purpose of the information;
- The Projection is properly prepared on the basis of the assumptions;
- The Projection is properly presented and all material assumptions are adequately disclosed; and
- The Projection is prepared and presented on a basis consistent with the accounting policies of Letshego Ghana Savings and Loans PLC for the period concerned.

In a limited assurance engagement, the evidence gathering procedures are more limited than for a reasonable assurance engagement and, therefore, less assurance is obtained than in a reasonable assurance engagement. We believe our evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Conclusion

Based on our examination of the evidence obtained, nothing has come our attention which causes us to believe that:

- The assumptions, barring unforeseen circumstances, do not provide a reasonable basis for the preparation of the projections;
- The projections have not been properly compiled on the basis stated;
- The projections have not been properly presented and all material assumptions are not adequately disclosed; and
- The projections are not presented on a basis consistent with the accounting policies of Letshego Ghana Savings and Loans PLC and International Financial Reporting Standards (IFRS).

Actual results are likely to be different from the Projection since anticipated events frequently do not occur as expected and the variation may be material; accordingly, no assurance is expressed regarding the achievability of the Projection.

Yours faithfully,

Emmanuel K. D.
AbbeyPartner
(ICAG/P/1167)

For and on behalf of: *UHY VOSCON*
UHY Voscon (ICAG/F/2023/086)
Chartered Accountants 2nd
Floor, Cocoshie,
Opposite Silver Star Tower, Agostino
Neto Close Airport Residential Area
Email: info@uhyvoscon-gh.com
Website: www.uhyvoscon-gh.com

Date *14th July, 2023*

Executive summary

This report has been prepared to summarise the information provided by the Directors of Letshego Ghana Savings and Loans and their basic assumptions at the time of their projections for the five years ending 31 December 2027.

The offer

Letshego Ghana Savings and Loans is in the process of raising a sum of GHS 500,000,000 from investors over the five years forecast period. Proceeds from the offer is expected to be used to augment the working capital requirements, business expansion and the repayments of existing commitments over the forecast period.

Forecast statement of financial position for the five years ending 31 December

<u>Assets (GHS'000)</u>	<u>2027</u>	<u>2026</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Cash and cash equivalent	76,418	86,839	98,681	116,095	178,608
Investment securities	165,510	172,560	171,754	170,892	169,000
Loans and advances to customers	1,418,493	1,300,766	1,160,168	1,030,217	928,458
Other assets	35,097	31,906	29,006	26,369	18,835
Property, plant and equipment	4,257	3,870	3,518	3,610	3,666
Right of use	4,064	4,253	4,429	4,590	4,740
Deferred tax asset	7,843	8,715	9,683	10,759	11,954
Intangible assets	<u>1,959</u>	<u>1,772</u>	<u>1,600</u>	<u>1,443</u>	<u>1,299</u>
Total assets	<u>1,713,641</u>	<u>1,610,681</u>	<u>1,478,839</u>	<u>1,363,975</u>	<u>1,316,560</u>
Liabilities					
Customer deposits	135,672	123,338	117,465	90,358	53,152
Other liabilities	19,172	17,430	17,969	18,524	19,097
Lease liabilities	30	27	24	21	19
Cash collateral	107,393	162,540	189,042	251,409	225,862
Current income tax	17,794	16,177	15,860	15,549	15,244
Borrowings	<u>800,197</u>	<u>817,820</u>	<u>787,184</u>	<u>729,347</u>	<u>803,573</u>
Total liabilities	<u>1,080,258</u>	<u>1,137,332</u>	<u>1,127,544</u>	<u>1,105,208</u>	<u>1,116,947</u>
Equity					
Stated capital	80,546	80,546	80,546	80,546	80,546
Retained earnings	339,363	228,599	145,622	85,323	48,133
Statutory reserve	179,503	134,597	99,321	70,402	51,321
Credit risk reserve	32,269	28,060	24,400	21,218	18,450
Long term incentive provision	<u>1,702</u>	<u>1,547</u>	<u>1,406</u>	<u>1,278</u>	<u>1,162</u>
Total equity	<u>633,383</u>	<u>473,349</u>	<u>351,295</u>	<u>258,767</u>	<u>199,612</u>
Total liabilities and equity	<u>1,713,641</u>	<u>1,610,681</u>	<u>1,478,839</u>	<u>1,363,975</u>	<u>1,316,560</u>

Financial position ratios

	Actual 31 Dec 22	Forecast 31 Dec 23	Forecast 31 Dec 24	Forecast 31 Dec 25	Forecast 31 Dec 26	Forecast 31 Dec 27
Non-current assets to total assets	1%	3%	2%	1%	1%	1%
Loans and advances to total assets	76%	71%	76%	78%	81%	83%
Customer deposits to loans and advances	2%	6%	9%	10%	9%	10%
Cash to total assets	5%	14%	9%	7%	5%	4%
Return on equity	(6%)	19%	22%	20%	19%	19%
Assets Growth/(Decline)						
Cash and cash equivalent	(59%)	206%	(35%)	(15%)	(12%)	(12%)
Total loans and advances to customers	(2%)	9%	11%	13%	12%	9%
Other assets	(44%)	20%	40%	10%	10%	10%
PPE	7%	10%	(2%)	(3%)	10%	10%
Intangible assets	(6%)	32%	11%	11%	11%	11%
Total assets	(15%)	17%	4%	8%	9%	6%
Liabilities Growth/(Decline)						
Deposits from customers	(87%)	218%	70%	30%	5%	10%
Other liabilities and accounts payable	(53%)	10%	(3%)	(3%)	(3%)	10%
Borrowings	-	23%	(9%)	8%	4%	(2%)
Total liabilities	(20%)	16%	(1%)	2%	1%	(5%)

Forecast statement of comprehensive income for the five years ending 31st December

<u>GHS '000</u>	<u>2027</u>	<u>2026</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Interest income	749,608	683,684	617,576	564,799	520,113
Interest expense	<u>(466,910)</u>	<u>(446,718)</u>	<u>(421,360)</u>	<u>(395,737)</u>	<u>(382,760)</u>
Net interest income	282,698	236,966	196,216	169,063	137,353
Fee and commission income	45,695	41,541	34,617	28,848	24,040
Other operating income	<u>-</u>	<u>-</u>	<u>2,750</u>	<u>3,056</u>	<u>10,082</u>
Operating income	328,393	278,507	233,584	200,966	171,475
Net impairment charge on loans and advances	(26,211)	(23,224)	(18,710)	(15,735)	(30,680)
Personnel costs	(42,107)	(38,988)	(36,100)	(33,119)	(28,799)
Operating expenses	<u>(96,792)</u>	<u>(87,992)</u>	<u>(77,985)</u>	<u>(69,486)</u>	<u>(60,233)</u>
Profit before tax	163,283	128,303	100,789	82,626	51,763
Income tax expense	<u>(42,340)</u>	<u>(38,491)</u>	<u>(30,237)</u>	<u>(24,788)</u>	<u>(13,603)</u>
Profit for the year	<u>120,943</u>	<u>89,812</u>	<u>70,552</u>	<u>57,838</u>	<u>38,160</u>
Other comprehensive income	-	-	-	-	-
Total comprehensive income	<u>120,943</u>	<u>89,812</u>	<u>70,552</u>	<u>57,838</u>	<u>38,160</u>

Forecast statement of cash flow for the five-year ended 31 December

<u>GHS'000</u>	<u>2027</u>	<u>2026</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Profit before tax	163,283	128,302	100,789	82,626	51,764
Adjustments for:					
Depreciation of property and equipment	1,388	1,262	1,147,	1,043	948
Depreciation of right of use	549	528	508	488	469
Amortisation of intangibles	380	358	338	319	548
Net impairment charge	46,416	41,592	35,408	30,915	43,880
Interest expense on borrowing	428,591	408,182	381,478	359,885	346,043
Interest earned on treasury bills	(5,237)	(6,983)	(7,936)	(10,581)	(16,278)
Net foreign exchange movement	(10,168)	(5,046)	(9,764)	(27,412)	(39,654)
Change in working capital:					
Decrease/(Increase) in loans and advances	(164,142)	(182,190)	(165,359)	(132,675)	(103,006)
Decrease/(Increase) in other assets	(3,191)	(2,901)	(2,637)	(7,534)	(3,139)
(Decrease)/Increase in customer deposits	12,333	5,874	27,108	37,206	36,444
(Decrease)/Increase in other liabilities	1,742	(539)	(555)	(573)	1,736
(Decrease)/Increase in collateral deposit	<u>(55,147)</u>	<u>(26,502)</u>	<u>(62,367)</u>	<u>25,547</u>	<u>(40,377)</u>
Cash flows from operating activities	416,797	361,937	298,158	359,254	279,378
Interest paid on borrowings	(364,302)	(346,954)	(324,256)	(305,902)	(294,137)
Interest paid on customer deposits	(20,351)	(22,201)	(23,493)	(22,589)	(24,070)
Interest received (Treasury bonds)	3,929	5,236	5,951	7,935	12,209
Interest paid on lease liability	(376)	(341)	(348)	(356)	(363)
Income tax paid	<u>(39,851)</u>	<u>(37,205)</u>	<u>(28,850)</u>	<u>(23,287)</u>	<u>(16,112)</u>
Net cash inflow from / (used in) operating activities	<u>(4,154)</u>	<u>(39,528)</u>	<u>(72,838)</u>	<u>15,055</u>	<u>(43,095)</u>

Forecast statement of cash flow for the five-year ended 31 December (continued)

Cash flows from investing activities

Purchase of property and equipment	(1,775)	(1,614)	(1,056)	(987)	(1,282)
Purchase of treasury bonds	7,050	(806)	(862)	(1,892)	14,167
Redemption of investment securities	6,650	-	-	-	-
Purchase of intangible assets	(567)	(530)	(495)	(463)	(863)
Net cash used in investing activities	<u>11,358</u>	<u>(2,950)</u>	<u>(2,413)</u>	<u>(3,342)</u>	<u>12,021</u>

Cash flows from financing activities

Drawdown from borrowings	410,835	360,220	365,792	345,106	472,300
Repayment of borrowings	(428,459)	(329,584)	(307,954)	(419,332)	(320,901)
Net cash flow from financing activities	<u>(17,625)</u>	<u>30,636</u>	<u>57,837</u>	<u>(74,226)</u>	<u>151,398</u>

Net increase/ Decrease in cash and cash equivalents

	(10,421)	(11,842)	(17,414)	(62,513)	120,325
Cash and cash equivalent at 1 st January	<u>86,839</u>	<u>98,681</u>	<u>116,095</u>	<u>178,608</u>	<u>58,283</u>
Cash and cash equivalent at 31st December	<u>76,418</u>	<u>86,839</u>	<u>98,681</u>	<u>116,095</u>	<u>178,608</u>

Assumptions and extract of notes

Letshego's profit projections

The Directors are of the opinion that subject to unforeseen circumstances and based on the assumptions stated below, the profit/(Loss) after taxation will be GH¢ 38,160,000, GH¢57,838,000, GH¢70,552,000, GH¢89,812,000 and GH¢ 120,943,000 for the years ending 31 December 2023, 2024, 2025, 2026 and 2027 respectively.

Methodology and procedures

We have reviewed the compilation of the financial projections to enable us to report on whether it has been prepared based on the underlying assumptions.

In so far as our work relates to projections, we accept no responsibility for the projections, or for the ultimate realization of the prospective financial information. The bases and assumptions are the sole responsibility of the directors of Letshego. Furthermore, please note that, since any prospective financial information relates to the future and may be affected by unforeseen events, there may be differences between forecast, estimated, budgeted or projected results and the actual results because events and circumstances frequently do not occur as expected, and that those differences may be material. Consequently, we do not express any opinion as to whether the actual results achieved will correspond to those planned, projected or forecast.

The reviews were limited primarily to inquires of the Company's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. Our procedures and enquires did not include verification work nor constitute an audit in accordance with International Standards on Auditing issued by the International Federation of Accountants and, accordingly, we did not express an audit opinion.

Bases and assumptions

The following are the bases and principal assumptions underlying the financial projections for the five years ending 31 December 2027.

Bases

The Company's audited financial statements for the period ended 31 December 2022 have been prepared on a basis consistent with the accounting policies adopted by the Company, under the International Financial Reporting Standards (IFRS)

i. Interest and administrative fee income

GHC '000	Actual	Projections				
	12 months to 31 December 2022	Year ending 31 December 2023	2024	2025	2026	2027
Interest income	443,280	520,113	564,799	617,576	683,684	749,608
Admin. fee income	68,430	34,122	31,904	37,367	41,541	45,695
Total interest and admin. fee income	511,710	554,235	596,703	654,943	725,225	795,303

Interest income is generated from interest on mobiles, payroll and MSE loans. The Directors envisage that interest and other administrative income will decline at a CAGR of 8% over the forecast period FY 2023 to 2027 from a CAGR of 22% over the historical period FY 2018 to 2022. Interest and administrative fee income to increase by 18% in FY 2023, decrease by 9% in FY 2024 and 2025 and increase by 11% and 10% in FY 2026 and 2027 respectively.

ii. Interest and administrative fee expense

GHC '000	Actual	Projections				
	12 months to 31 December 2022	Year ending 31 December 2023	2024	2025	2026	2027
Interest expense	374,833	382,760	395,737	421,359	446,718	466,910
Admin. fee expense	34,661	-	-	-	-	-
Total interest and admin. fee expense	409,494	382,760	395,737	421,359	446,718	466,910

Interest expense consist of interest on note program, related party loan, mobile loans term, loans, bank overdraft, deposit from customers, Direct Funding Institutions (DFIs) and lease liabilities. Interest expense and administrative expenses will decline at a CAGR of 4% over the forecast period FY 2023 to 2027 as compared to a CAGR of 32% over the historical period FY 2018 to 2022. The directors expect interest and administrative fee expense to increase by 2%, 3%, 6%, 6% and 5% in FY 2023, 2024, 2025, 2026 and 2027 respectively.

iii. Operating expenses

GHC '000	Actual	Projections				
	12 months to 31 December 2022	Year ending 31 December 2023	2024	2025	2026	2027
Net impairment charge on loans	19,875	30,680	15,735	18,710	23,224	26,211
Net impairment charge on investment	30,943	-	-	-	-	-
Personnel cost	16,516	28,799	33,119	36,100	38,988	42,107
Other operating expenses	27,340	60,233	69,486	77,985	87,992	96,792
Operating expenses	94,674	119,712	118,340	132,795	150,204	165,110

Operating expenses include both direct and indirect cost of running the operations of the company. The CAGR over the historical period FY 2018 to 2022 increased by 4% and it is expected to increase at 7% over the forecast period FY 2023 to 2027. The Directors envisage an increase of 88% in FY 2023, a decline of 1% in FY 2024 and a growth of 12%, 13% and 10% in FY 2025, 2026 and 2027 respectively.

iv. Loans and advances to customers

GHC '000	Actual	Projections				
	12 months to 31 December 2022	Year ending 31 December 2023	2024	2025	2026	2027
Net loans and advances	852,877	928,458	1,030,218	1,160,168	1,300,77	1,418,493
impairment for the year	27,490	39,946	54,395	70,867	90,303	111,684
Gross loans and advances to customers	880,367	968,404	1,084,612	1,231,035	1,391,070	1,530,177

Net loans and advances include mobile, payroll and Edusolution loans. It is expected that the CAGR over the forecast period FY 2023 to 2027 will increase by 9% as compared to an increase of 16% over the historical period FY 2018 to 2022. Net loans and advances stood at GHC 852,877 million as at 31 December 2022 and it is projected to increase by 9%, 11%, 13%, 12% and 9% by end of December FY 2023, 2024, 2025, 2026 and 2027 respectively. The Directors expect the growth of loans and advances to constitute an average of 78% of total assets.

The cash collateral to loans ratio over the forecast period increased by 24%, 24%, in the FY 2023, 2024 respectively, reduced to 16%, 13% and 8% in FY 2025, 2026 and 2027. This was because the cash collateral was set up during the rollout phase of the mobile product to ensure that loans disbursed are recovered through a mobile phone interfaced regulated partner. This has been achieved over the 6 years of the product with collections rate of over 90%. This will be unwounded over the years and all systems and processes have been bedded.

v. Deposit from customers

GHC '000		Actual	Projections				
		12 months to 31 December 2022	Year ending 31 December 2023	2024	2025	2026	2027
Deposits	from	16,708	53,152	90,358	117,465	123,338	135,672
customers							
		16,708	53,152	90,358	117,465	123,338	135,672

Deposits from customers include savings and fixed deposits accounts. The Directors have projected deposit to customers to increase at a CAGR of 21% for the FY 2023 to 2027, as compared to a decline of 19% over the historical period of FY 2018 to 2022. It stood at GHC 16,708 million as at 31 December, 2022. This resulted in a significant increase for the FY 2023 OF 218%. The Directors expect a consistent growth in deposit from customers at 70%, 30%, 5%, 10% for the FY 2024, 2025, 2026 and 2027 respectively.

vi. Other assets

GHC '000		Actual	Projections				
		12 months to 31 December 2022	Year ending 31 December 2023	2024	2025	2026	2027
Other assets		15,696	18,835	26,369	29,006	31,906	35,097
		15,696	18,835	26,369	29,006	31,906	35,097

The components of other assets include prepayments and other receivables (such as insurance commission, sundry receivables). It is expected that other assets will increase at a CAGR of 13% over the forecast period FY 2023 to 2027 from a CAGR of 6% over the historical period of FY 2018 to 2022. The Directors expect other assets to increase by 20%, 40%, 10%, 10% and 10% with the forecast period of 2023, 2024, 2025, 2026 and 2027.

vii. Other liabilities

GHC '000	Actual	Projections	2024	2025	2026	2027
	12 months to 31 December 2022	Year ending 31 December 2023				
Other liabilities	17	19	21	24	27	30
	17	19	21	24	27	30

The components of other liabilities include accrued expenses, insurance commission, payroll accruals, withholding tax. The Directors have projected other liabilities to increase at a CAGR of 10% over the forecast period FY 2023 to 2027 from a CAGR of 7% over the historical period FY 2018 to 2022. Other liabilities are projected to constitute, on an average, 2% of total liabilities over the forecast period, which compares to relatively higher to a historical average of 4%. It is expected to increase by 10% in FY 2023, decrease by 3% between FY 2024 to 2026 and increase by 10% in FY 2027.

viii. Borrowing

GHC '000	Actual	Projections	2024	2025	2026	2027
	12 months to 31 December 2022	Year ending 31 December 2023				
External borrowing	528,948	686,507	606,428	634,424	665,500	632,643
Intercompany	123,227	117,066	122,919	152,760	152,320	167,552
	652,175	803,573	729,347	787,184	817,820	800,197

External borrowing consists of note program, term loans and Development Funding Institution (DFIs). Borrowings increased at a CAGR of 21% over the historical period FY 2018 to 2022 and it is expected to decline at a CAGR of 8% over the forecast period FY 2023 to 2027. On a whole, total borrowing is expected to grow by 23% in FY 2023, decline by 9% in FY 2024, increase by 8% and 4% in FY 2025 & 2026 respectively and decline by 2% in FY 2027.

The Directors expect a growth of 30% in FY 2023, a decline of 12% in FY 2024, a growth of 5% in FY 2025 & 2026 and a decline of 5% in FY 2027 for external loans. It is projected to constitute an average of 58% of total liabilities over the forecast period, which compares lower to the 53% recorded over the historical period FY 2018 to 2022.

Intercompany loans, which stood at GHC 123,227 million as at 31 December, 2022 is projected to decline by 5% in FY 2023, grow by 5%, 24% and 10% in the FY 2024, 2025 and 2027.

General assumptions

- There will be no material changes in the accounting policies currently adopted by Letshego.
- The financial forecast was done based on the current prevailing macro-economic landscape. This will not take into account any drastic changes in the political and economic environment that may arise beyond this period and leading into 2024 general elections.
- There will be no drastic changes in the political and economic environment that will adversely affect the operations of Letshego despite the 2024 general elections.
- Operating results will be affected by industrial disputes within the financial service sector or in the country.
- There will be no new legislation materially affecting the financial services industry.
- There will be no litigation with diverse material consequence to Letshego

Basis of preparation

The projected financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and interpretations issued by the IFRS Interpretations Committee. Additional information required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit Taking Institutions Act, 2016 (Act 930) have been included, where appropriate. These financial statements have been prepared under the historical cost convention.

The preparation of financial statements is in conformity with IFRS and requires the use of certain critical accounting estimates. It also requires the directors to exercise judgment in the process of applying the Company's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed.

Use of estimates and judgments

The preparation of the projected financial statements requires the Directors to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Significant accounting policies

Revenue and costs

Interest income and expense

Interest income is recognised in profit or loss at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees and administration charges paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

Fees, commissions and other income

Fees and commissions are recognised on an accrual basis when the service has been provided. Commission and fees received by the entity to originate a loan are recognised on a time-apportionate basis over the period the service is provided. Commission expenses, which relate mainly to agency and collection charges, are expensed as the related services are received.

Taxation

Current tax income

Current income tax comprises tax payable calculated on the basis of the expected taxable income for the year, using tax rates enacted at the reporting date, and any adjustment of tax payable for previous years.

Deferred tax income

Deferred income tax is provided on temporary differences. Temporary differences are differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax base. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the reporting date.

Deferred tax is recognised in profit or loss except to the extent that it relates to a transaction that is recognised directly in equity, or a business combination. The effect on tax of any changes in tax rates is recognised in profit or loss, except to the extent that it relates to items previously charged or credited directly to equity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the associated unused tax losses and deductible temporary differences can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**Agreed-upon procedures report
to the directors of
Letshego Ghana Savings and Loans PLC**

Purpose of this Agreed-Upon Procedures Report

Our report is solely for the purpose of assisting Letshego Ghana Savings and Loans PLC in examining its statement of indebtedness to receive approval from the Securities and Exchange Commission for the proposed GHC 500 million Bond Programme and may not be suitable for another purpose. This report is intended solely for Letshego Ghana Savings and Loans PLC and the Securities and Exchange Commission, and should not be used by, or distributed to any other parties.

Responsibility of the Engaging Party

Letshego Ghana Savings and Loans PLC has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

Letshego Ghana Savings and Loans PLC is responsible for the subject matter on which the agreed-upon procedures are performed.

Examiner's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the International Standard on Related Services (ISRS) 4400 (Revised), Agreed-Upon Procedures Engagement. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with Letshego Ghana Savings and Loans PLC, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion.

Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Control

We have complied with the ethical requirements of the International Ethics Standards Board for Accountants (IESBA) code of ethics and other relevant ethical requirements.

The firm applies the International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audit and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, International Standard on Quality Management (ISQM) 2, Engaging Quality Reviews and accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements including International Ethics Standards Board for Accountants (IESBA) code of ethics, professional standards, and applicable legal and regulatory requirements.

**Agreed-upon procedures report
to the directors of
Letshego Ghana Savings and Loans PLC**

Procedures and Findings

We have performed the procedures described below, which were agreed upon with Letshego Ghana Savings and Loans PLC in the terms of engagement on the examination of the statement of indebtedness.

	Procedures	Findings
1	Obtain from management the board of directors' resolution and examine for authorization and approval of borrowing.	<p>We obtained from management the board of directors' resolution and examined it for authorization and approval of borrowings.</p> <p>No material exceptions were noted.</p>
2	Obtain from management the borrowings working schedules which contain loan amount available under each loan agreement, interest amount and outstanding principal as at 31 July 2023 and compare with balances represented in the statement of indebtedness.	<p>We obtained from management the borrowings working schedules which contain the loan amount available under each loan agreement, interest amount and outstanding principal as at 31 July 2023 and compared with balances represented in the statement of indebtedness.</p> <p>No material exceptions were noted.</p>
3	Obtain from management the loan agreements and examine for authorization and verification of the terms and conditions of the borrowings.	<p>We obtained from management the loan agreement, examined for authorization and verified the terms and conditions of the borrowings.</p> <p>No material exceptions were noted.</p>
4	Recompute interest expense and trace interest and principal repayments to confirm outstanding borrowings (as attached in the appendix) and compare with outstanding borrowings reported by the engaging party as at 31 July 2023.	<p>We recomputed interest expense and traced interest and principal repayments to confirm outstanding borrowings and compared with outstanding borrowings reported by the engaging party as at 31 July 2023.</p> <p>No material exceptions were noted.</p>
5	Test the closing exchange rates for translation of foreign currency denominated borrowings.	<p>We tested the exchange rate for translation of foreign currency denominated borrowings using the rates provided by the Bank of Ghana as the reference,</p> <p>No material exceptions were noted.</p>

**Agreed-upon procedures report
to the directors of
Letshego Ghana Savings and Loans PLC**

The engagement partner on the assignment resulting in this independent examiner's report is **Emmanuel K.D. Abbey (ICAG/P/1167)**

Signed by: *UHY VOSCON*
For and on behalf of:
**UHY Voscon Chartered Accountants
(ICAG/F/2023/086)
2nd Floor, Cocoshe
House Opposite Silver
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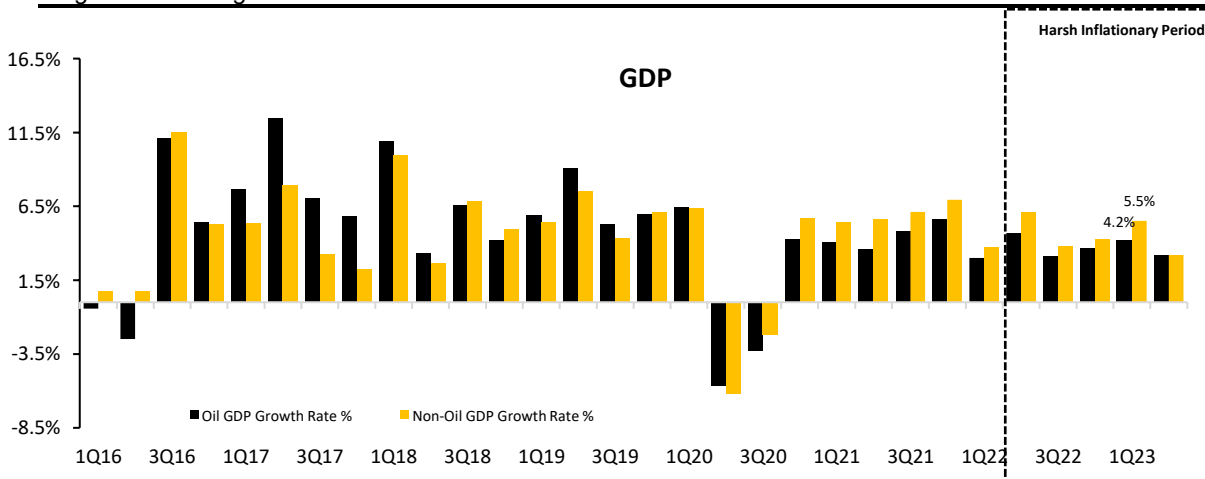
Date: *20th October, 2023*

11. OVERVIEW OF THE GHANA ECONOMY

GENERAL OVERVIEW

The Ghanaian economy, one of the fastest-growing economies in Africa, has had to overcome a myriad of economic hurdles over the past few years. Riled up by the discovery and commercial production of crude oil by 2010, the economy expanded by 9.05% in five years. Recently, the weight of various global and domestic challenges has been felt on the economic health of the country. The rest of the world has not been left out of this frenzy. According to the World Bank, the annual growth rates of the world and sub-Saharan Africa both slowed down from 2.6% in 2019 to -3.1% and -2.1%, respectively in 2020, due to the COVID-19 pandemic. In Ghana, the course of economic activity has been downward over the past few years. GDP growth in Ghana also dropped from 6.5% in 2019, to 0.5% in 2020, before increasing to 5.4% in 2021, when the road to economic recovery seemed ripe.

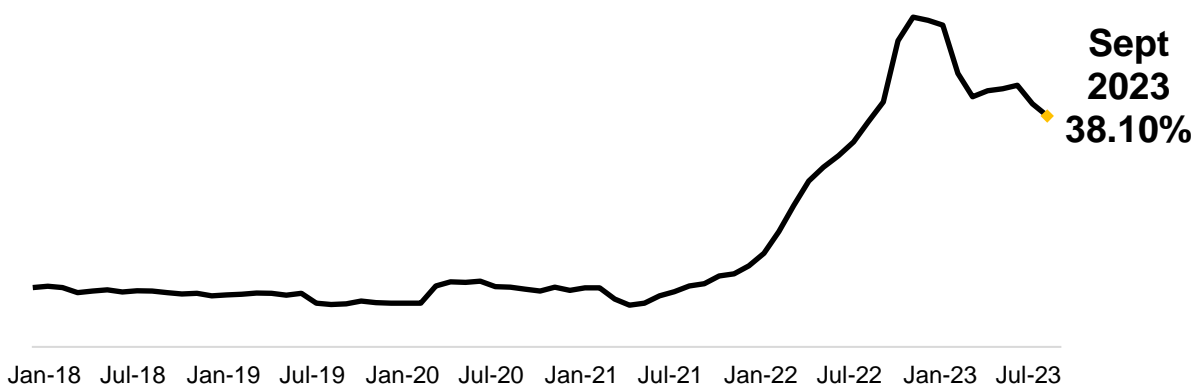
Figure 6: GDP Figures



Source: Ghana Statistical Service

Two years on, data from the Bank of Ghana revealed that the pace of economic activity had slowed down once again to an annual growth rate of -7.6%. The decline in economic activity can be attributed to the hawkish monetary policy stance taken by the Bank of Ghana to combat high inflation. The central bank was able to prevent inflation from straying too far from its target band during the period of the pandemic however, pressure from losing access to the international debt market and the spill-over effects of tensions between Russia and Ukraine sent inflation skyrocketing. Inflation rose to as high as 54.1% in December 2022 but has gradually fallen. Inflation for September 2023 printed at 38.10%

Figure 7: Headline Inflation



Source: Ghana Statistical Service

Prior to the pandemic, Ghana had to overcome the challenges induced by the Banking Sector Cleanup in 2018. The Bank of Ghana conducted an Asset Quality Review between 2015 and 2016 which revealed that the nation's banking sector was in a state of distress, which could have disastrous effects on the financial system if a reform of the sector was not carried out. Most banks were battling liquidity and asset quality issues which threatened their solvency. The Bank of Ghana made the decision to raise the minimum capital requirement across financial institutions in 2017. The minimum capital requirement for banks was revised from GHS 120 million to GHS 400 million. Consequently, in 2018, the banking sector underwent a reform to liquidate insolvent banks and other financial institutions, with the aim of safeguarding the financial system and protecting depositors and other stakeholders.

Banks which were unable to raise the required amount by 31st December 2018 were forced to merge with other banks or exit the market. Four hundred and twenty (420) financial institutions had their licenses revoked. They included 9 Banks, 23 Savings and Loans companies and 347 Microfinance companies. By the end of the exercise the banking sector was left with 23 Commercial Banks (from 36 in 2017), 144 Rural and Community Banks, 137 Microfinance institutions, 37 Insurance companies and 25 Savings and Loans companies still in operation. An amount of GHS 18.99 billion was provided by the government to fund repayment of the deposits of depositors who were clients of the defunct institutions, as well as to establish Consolidated Bank Ghana. In addition to the new Capital Requirement Directive, the government also introduced a Corporate Governance Directive which permits it to further supervise the appointment of key management personnel in these institutions, in order to protect the financial sector from a similar threat in the future.

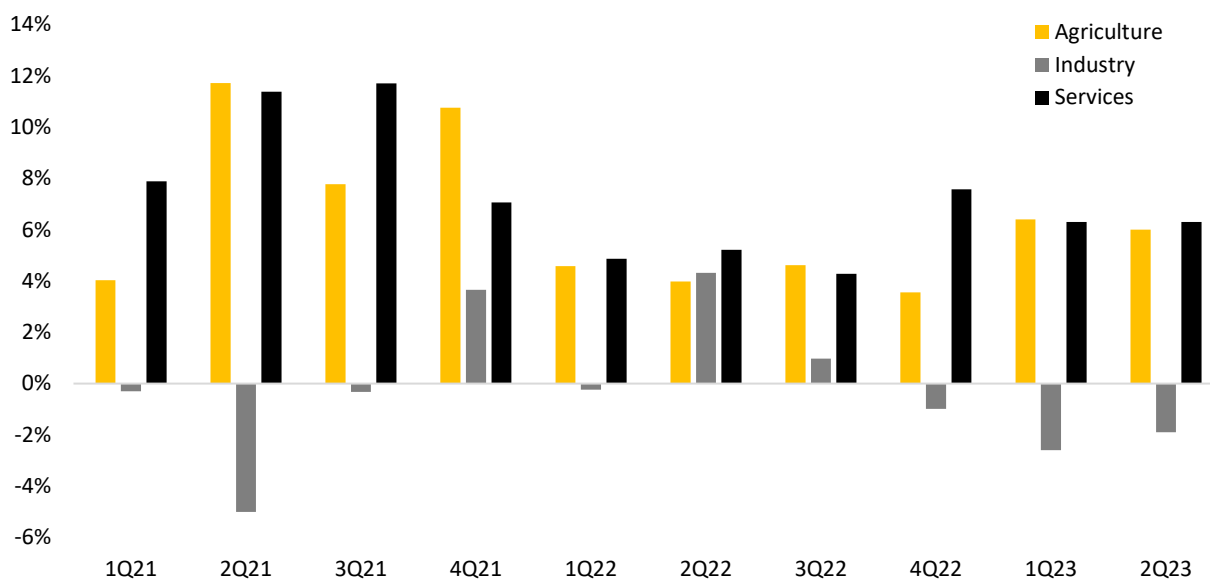
Four years on, the nation was faced with a debt crisis which placed pressure on the Government to restructure its debt in order to avoid the catastrophic impact that this could have on the country's economy. Total public debt as at 2021, which stood at GHS 351.8 billion, and made up about 77% of GDP, surged to GHS 5,775.7 billion (93.5% of GDP) a year later. No longer able to access the international debt market, the government was compelled to introduce the Domestic Debt Exchange Programme to reduce its debt burden. Although it was initially met with opposition from stakeholders, further negotiation for better terms of the exchange led to the participation of 85% of eligible bondholders in the Exchange, which concluded in February 2023. Three categories of new bonds were issued for financial institutions, individual bondholders below 59 years and individual bondholders 59 years old and above, respectively.

This debt exchange program was part of the requirements that would qualify Ghana to receive aid from the International Monetary Fund (IMF). The IMF was contacted by the Government of Ghana in July 2022 and by the end of the year, both parties had entered into a staff level agreement which secured Ghana with a \$3 billion loan to be approved by May 2023. During the second week of May, the IMF approved the first tranche of the loan. Six hundred million dollars (\$600mn) has been received so far.

STRUCTURE OF THE ECONOMY

The economy of Ghana is broadly classified into three (3) major sectors: Agriculture, Industry and Services of which the agricultural sector has in the past been the primary driver of growth in GDP. However, the services and industrial sectors have become increasingly contributory and have outpaced the agricultural sector as the largest contributor to GDP following the commencement of commercial oil production in late 2010.

Figure 8: GDP by Sectors



Source: Ghana Statistical Service

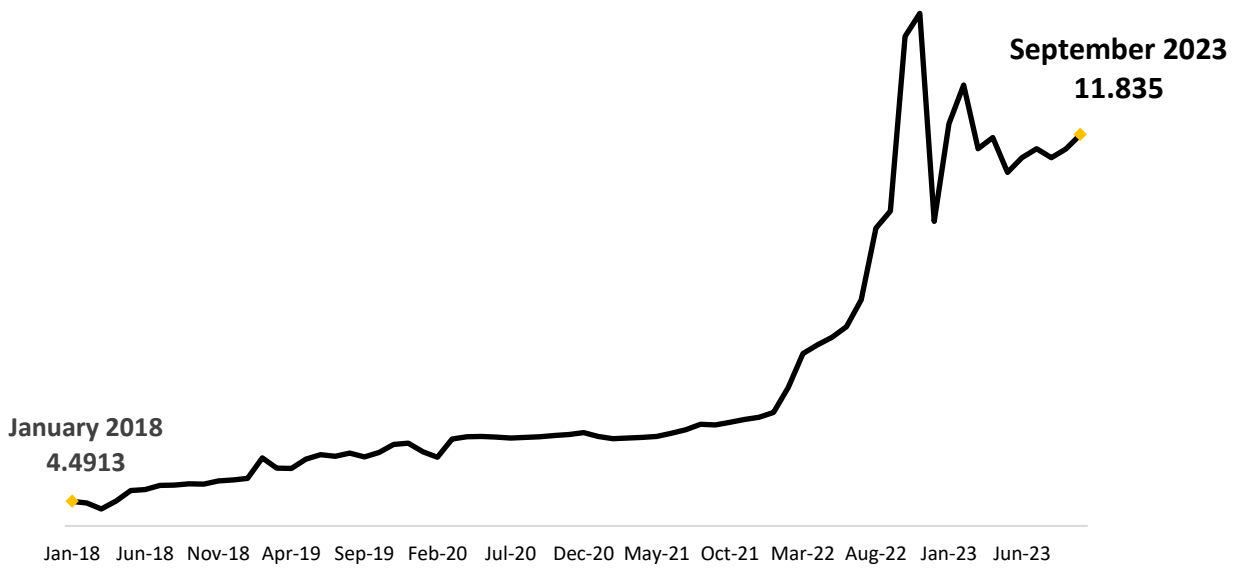
It is expected that the contribution of the industrial sector to GDP will continue to rise in 2018 on the back of increased oil production from the Tweneboa, Enyenra, Ntomme (TEN) and the Sankofa Gye Nyame (SGN) fields. The services sector is expected to be a huge beneficiary of anticipated rise in credit to the private sector in 2018, which can be used to finance expansion projects. It is also expected that sustained investment in the financial services and telecommunications subsectors will deepen the penetration of mobile financial services in a bid to exploit opportunities in Ghana's huge unbanked population.

INTEREST RATES AND FOREIGN EXCHANGE RATES

Rates on the Government of Ghana Treasury bills remain high despite the Government of Ghana's aggressive move to reduce its cost of borrowing after the finalisation of the Domestic Debt Exchange Programme (DDEP). The interest rates of the 91-day, 182 day and the 364-day Treasury bills are hovering around the 30% area.

In the last year, the Ghana Cedi (GHS) has lost more than half of its value against the US dollar. However, the cedi strengthened against the USD in April and May 2023, trading at GHS 10.70 due to increased demand for the dollar and reduced uncertainty in the financial markets. Furthermore, the IMF's approval of a \$3 billion bailout request over the next three years has helped to build investor confidence and promote transactions by foreign parties. The cedi has been fairly stable hovering around GHS 11.84 as at October 24, 2023.

Figure 9: Foreign Exchange Rates, USDGHS



Source: Bloomberg

12. OVERVIEW OF THE GHANAIAN NON-BANKING FINANCIAL SERVICES INDUSTRY

GENERAL OVERVIEW

Ghana's financial services sector has seen remarkable growth during the last decade. The government wanted to establish a financial sector that is responsive to the needs of the twenty-first century by implementing the Financial Sector Strategic Plan ("FINSSP"). Ghana's financial industry currently includes the BoG (central bank), universal banks, rural and community banks, non-bank financial institutions (NBFIs), and microfinance institutions (MFIs).

MICROFINANCE SECTOR

Over the years, the microfinance sector has thrived and evolved into its current state thanks to various financial sector policies and programmes such as the provision of subsidized credits, establishment of rural and community banks (RCBs), the liberalization of the financial sector and the promulgation of PNDC Law 328 of 1991, that allowed the establishment of different types of non-bank financial institutions, including savings and loans companies, finance houses, and credit unions etc. The sector was previously supervised by the Banking Act, 2004 but has since been placed under the supervision of the Banks and Specialised Deposit-Taking Institutions Act, 2016 to enhance supervision of the industry. The microfinance sector plays a critical role in the development of the country by offering basic banking services such as deposit taking, credit facilities and trade financing to low-income earners and small-scale enterprises who are not covered by the universal banks. According to figures from the Bank of Ghana, there are 132 licensed MFIs in the country as of May 2023.

Over the years, successive governments have undertaken various policies and programmes that have influenced the development of the microfinance sector. These include:

- (a) the provision of subsidized credit in the 1950s;
- (b) establishment of the Agricultural Development Bank in 1965 specifically to address the financial needs of the fisheries and agricultural sector;
- (c) shifting from a restrictive financial sector regime to a liberalized regime in 1986, which made it possible for new banks to be set up; and
- (d) the promulgation of PNDC law 328 in 1991 to allow the establishment of different categories of non-bank financial institutions, including savings and loans companies and credit unions.

Generally, microfinance encompasses the provision of financial services and the management of small amounts of money through a range of products and a system of intermediary functions that are targeted at low-income clients. It includes loans, savings, insurance, transfer services and other financial products and services. Other strands of literature suggest that micro-finance creates access to productive capital for the poor, which together with human capital, addressed through education and training, and social capital, achieved through local organization building, enables people to move out of poverty². Given that 77.1% of economically active Ghanaians work in the private informal sector³, there is a huge potential for growth in the microfinance industry since there is substantial demand for financial products and services.

NON-BANKING FINANCIAL INSTITUTIONS

Non – Banking Financial Institutions (“NBFI”) offer a range of services from leasing operations, money lending operations, money transfer services, mortgage finance operations, non-deposit taking microfinance services, credit union operations, and any other services or operations as the Bank of Ghana may from time to time by notice designate as such. According to the BoG, there are 71 non-bank financing institutions in Ghana.

Description	Number
Savings and Loans Companies	25
Finance Houses	11
Finance & Leasing	3
Leasing	2
Remittance Companies	1
Credit Reference Bureaus	2
Mortgage Finance	1

The non-banking industry is one of the most competitive sectors of the economy. The non-banking sector continues to record steady growth in assets, deposits and borrowings. The balance sheet size of the sector has steadily increased in the last ten years. This has been supported by the growth in total deposits. NBFI increased from 14 in 2004 to 71 in 2017. The industry's asset base grew at a CAGR of 45.9% between 2005 and 2015. Total assets of NBFI grew to GHS 7.3 billion in 2015 from GHS 243 million in 2005. Additionally, the banking industry's deposits grew at a CAGR of 62.3% between 2005 and 2015.

REGULATORY ENVIRONMENT

The BoG is the overall supervisory and regulatory authority over banking and non-banking financial institutions in Ghana. Banks, non-bank financial institutions and forex bureaux operate under the following regulatory and legal framework:

- Banks and Specialised Deposit Taking Institutions Act, 2016 (Act 930);
- Companies Act, 2019, (Act 992)
- Bank of Ghana Act, 2002, (Act 612);
- Payment Systems and Services Act, 2019 (Act 987)
- Foreign Exchange Act, 2006 (Act 723);
- Credit Reporting Act, 2007 (Act 726);
- Non-Bank Financial Institutions Act, 2008 (Act 774);
- Anti- Money Laundering Act, 2020 (Act 1044) and Anti-Money Laundering Regulations of Ghana, 2011 (L.I. 1987);
- Borrowers and Lenders Act, 2020 (Act 1052)
- Deposit Protection Act, 2016 (Act 931); and
- Bank of Ghana notices/ directives/ circulars/ rules/ regulations.

The BoG is governed by the Board of Directors as stipulated in the Bank of Ghana Act, 2002 (Act 612). The current Governor of the BoG confirmed in April 2017 is Dr Ernest Addison, following the resignation of Dr Abdul Nashiru Issahaku in March 2017.

Parliament, in July 2016, passed the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). This Act applies to banks, affiliates of banks, specialised deposit-taking institutions and financial holding companies. Act 930 will address the supervisory and regulatory gaps to enable the Bank of Ghana (BoG) better oversee non-bank financial institutions whiles promoting financial consumer protection, innovation and financial inclusion.

A key component of the regulatory framework is a supervisory wing that monitors the activities of financial institutions to ensure that they operate within the regulatory framework and comply with statutory and regulatory requirements such as single obligor limits and minimum capital. In August 2013,

the BoG announced new capital requirements for all regulated financial institutions. The minimum paid capital for major banks was revised from GHS 120 million to GHS 400 million; the deadline for banks to meet this revised requirement is December 2018. This increase in minimum capital requirement is expected to run through all financial institutions with NBFIs being no exception. NBFIs currently have a minimum capital requirement of GHS 15 million.

FINANCIAL TECHNOLOGY IN GHANA

There has been a massive growth in financial technology in Ghana over the past few years. The Banks and Specialised Deposit-Taking Institutions Act of 2016, the Payment Systems and Services Act established in 2019 and the Regulatory Sandbox Framework introduced in 2022 by the Bank of Ghana have all enabled growth of financial technology in the country without placing the financial ecosystem in danger. Mobile Money was first introduced by MTN Ghana in 2009. Although adoption of the service was quite slow in the beginning, its lucrativeness and contribution to financial inclusion attracted more telecommunication service providers to the industry. In 2015, the Bank of Ghana issued the Electronic Money Issuers Guideline which permitted companies such as telecommunication companies to establish subsidiaries for the business of providing electronic money services. Mobile money accounts have grown from 3.78 million in 2012 to 56.7 million in 2023 while the value of mobile money transactions is currently five times more than it was four years ago.

13. OVERVIEW OF THE GHANA FIXED INCOME MARKET

GENERAL OVERVIEW OF THE CAPITAL MARKETS

The Ghanaian capital market is progressively making inroads in Africa. The market comprises of both equity and debt securities and offers various companies the opportunity to raise medium to long-term finance. Under the Securities Industry Law PNDCL 333 (1993), as amended, the apex regulatory body in the securities and capital market is the Securities and Exchange Commission (SEC) and its functions include: maintaining surveillance over the securities business to ensure orderly, fair and equitable dealing in securities. The players in the industry include financial advisors, dealers, brokers, fund managers, stock exchanges etc. The market is largely fuelled by funds from pension funds and collective investment schemes. Total Assets Under Management (AUM) in the industry grew by 11.26% from GHS 44.49 billion in 2021 to GHS 49.50 billion by the end of 2022.

The Country is inclined towards becoming a security-oriented market. Towards achieving that, the Ghana Stock Exchange (including subsidiaries, Ghana Alternative Exchange and Ghana Fixed Income Market) and most recently, the Ghana Commodity Exchange have been established. The sector is seeking the introduction of new financial instruments such as Real Estate Investment Trusts (REIT), Exchange Traded Funds (ETFs) and derivatives to further deepen the market.

During the 3rd Capital Market Conference in Ghana dubbed “Ghana Beyond Aid – The Role of the Capital Market”, the SEC entered into a partnership with the Financial Sector Deepening Africa. This will enable the SEC take advantage of the Africa Regulator Support Programme which will provide security for capital and protect investor confidence, through enhanced regulations and compliance framework.

GHANA FIXED INCOME MARKET (“GFIM”)

GFIM was established in 2015, facilitating the secondary trading of all fixed-income securities in Ghana. Operations of the fixed-income market are based on the existing regulatory framework of the GSE. The main regulator of the market is the Securities and Exchange Commission. The Bank of Ghana shall be consulted on matters to do with the requirements and responsibilities of primary dealers as far as the market is concerned and also with respect to certain types of products to be dealt with on the GFIM, especially money market instruments.

Securities traded on the GFIM include:

- i. GoG treasury bills, notes and bonds;
- ii. BoG money market instruments
- iii. Quasi-GoG institutions’ money market instruments, notes and bonds;
- iv. Corporate notes and bonds
- v. Local government bonds, supra-national bonds;
- vi. Repos; and
- vii. Other fixed income or money market securities

The members of the market are:

- i. an entity licensed by the SEC to deal in securities and authorized by the BoG as a Primary Dealer (PD) or Bond Market Specialist (BMS); or
- ii. a non-PD bank licensed by the SEC to deal in securities; or
- iii. an entity licensed by the SEC as a broker-dealer

Trading hours on the GFIM are from 0900GMT to 1600GMT (subject to any variation by the GSE) daily and trading can be done by:

- i. request for quotes method; or
- ii. a firm order placed in the system; or
- iii. bilateral/negotiated method (voice or any other messaging platform)

The main objectives of the Ghana fixed-income market are to improve transparency, increase market efficiency, enhance price discovery and increase liquidity in the secondary trading of fixed-income securities in Ghana. Ultimately, secondary trading of fixed-income securities in Ghana is expected to align with international best practices.

The GFIM has developed the necessary infrastructure to support its operations. The supporting infrastructure includes:

- i. Bloomberg E-bond
- ii. Capizar ATS Bond Module
- iii. CSD Trade Capture Window
- iv. the CSD's clearing and settlement system which uses the BoG as the settlement bank; and
- v. the CSD's depository system

MARKET STRUCTURE AND PERFORMANCE

As of September 30, 2023, the outstanding Government Notes and Bonds and Corporate Securities admitted on GFIM totalled GHS 224.8billion. The majority of the securities issued are from the Government of Ghana and the Bank of Ghana with durations ranging from 2 weeks to 15 years. The corporate debt market, on the other hand, continues to grow with durations varying from 2 years to 10 years across issuers. The corporate bond market was further deepened in 2017 by the issuance of GHS 4.7 billion notes by ESLA Plc, an institution established for the purpose of raising money to clear outstanding energy sector debts. This transaction was recognised as the best restructuring deal at the Europe, Middle East, and Africa (EMEA) Finance Achievement Awards 2017. Other corporates with debt instruments on the fixed-income market are Izwe Savings and Loans Plc, Letshego Ghana Savings and Loans Plc, Edendale Properties Limited, Bayport Savings and Loans Plc, Ghana Home Loans, PBC Limited, Bond Savings and Loans, Quantum Terminals Plc, Dalex Finance and Leasing Company Limited.

About 93.030% of the total outstanding fixed-income securities (GHS 209.74 billion) in September 2023 were held by local investors including commercial banks, firms and institutions, Bank of Ghana, rural banks, insurance companies and the Social Security and National Insurance Trust. The remaining 6.97% (GHS 15.06 billion) were held by foreign investors.

¹Ministry of Finance and Economic Planning, Overview of Microfinance in Ghana.

² Working Paper, A note on Microfinance in Ghana, Bank of Ghana 2007

³Ghana Statistical Service 2010 Population and Housing Census Report.

14. SUBSCRIPTION AND SALE

Capitalised terms used in this section headed "Subscription and Sale" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or clearly inappropriate from the context.

The Notes will be offered from time to time by the Issuer to the Dealers that are appointed by the Issuer in respect of any Series or Tranche of Notes.

Any agreement for the sale of Notes will, *inter alia*, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be sold by the Dealers and the commissions or other agreed discounts (if any) payable or allowable by the Issuer in the event of an underwriting of the Notes by the Dealers.

Application Procedure

Application forms (as set out in Appendix II) for the Notes may be obtained from the head offices of the Arrangers or the Issuer. Applications must be submitted directly to the Arrangers or the Issuer at either of their respective head offices marked for the attention of the "Managing Director", so as to arrive no later than 17:00 hours GMT on the date specified in the Applicable Pricing Supplement. Successful applicants will be notified by the Issuer or the Arrangers of the amount of Notes allotted to them immediately after the allotment date specified in the Applicable Pricing Supplement.

Selling restrictions

Ghana

The Notes being issued under this Prospectus and the Applicable Pricing Supplement are restricted to distribution only within the Republic of Ghana and not for distribution in any other jurisdiction.

Prior to the issue of any Series or Tranche of Notes under the Programme, each Dealer who has (or will have) agreed to place that Series or Tranche of Notes will be required to represent and agree that it will not solicit any offers for subscription for or sale of the Notes in that Series or Tranche, and will itself not sell the Notes in that Series or Tranche of Notes, in Ghana, in contravention of any Applicable Laws and regulations of Ghana in force from time to time.

General

The Dealers have represented, warranted and agreed that it has complied and will comply with all Applicable Laws and regulations in relation to any sale or distribution of the Notes and it will not distribute this Prospectus, any Applicable Pricing Supplement or any related offering material outside the Republic of Ghana.

Supplementary or Modified Selling Restrictions

Selling restrictions may be supplemented or modified with the agreement of the Issuer subject to the approval of the SEC. Any such supplement or modification may be set out in the Applicable Pricing Supplement (in the case of a supplement or modification only relevant to a particular Series or Tranche of Notes) or in a supplement to this Prospectus.

15. SETTLEMENT, CLEARING AND TRANSFER OF NOTES

Capitalised terms used in this section headed “Settlement, Clearing and Transfer of Notes” shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or clearly inappropriate from the context.

Payment for the Notes and Delivery

Payment for the Notes is to be made in full to the Issuer in immediately available funds by the date specified in the Applicable Pricing Supplement. The Notes will be credited electronically to the purchaser’s account on the CSD.

Settlement Procedure

Payment of the subscription price for the Notes may be made:

- a. either by banker’s cheque drawn in favour of the Letshego Ghana Notes Programme Collection Account, such cheque to reach the Dealer no later than 15:00 hours (GMT) 2 (two) Business Days before the Issue Date against delivery of a deposit slip; or
- b. by bank transfer/ remittance, to be made on the instructions of the successful applicant to his bank for the funds to be credited to the Issuer’s note programme GHS account number as detailed below:

Account Name: Letshego Ghana Notes Programme Collection Account
Bank Name: Fidelity Bank Ghana Limited
Bank Branch: Ridge
Branch Sort Code: 240101
Account Number: 1300031779412
SWIFT: FBLIGHAC

16. LEGAL OPINION BY KEYSTONE SOLICITORS



26 October 2023

To:

The Director-General
Securities and Exchange Commission
No.30 3rd Circular Road Cantonments, Accra
P.O Box CT 6181,
AccraGhana

And

The Managing Director
The Ghana Stock
Exchange 5th & 6th Floors,
Cedi House Liberia Road,
Accra
P.O Box 1849 Accra
Ghana

Dear Sir/Madam,

LETSHEGO GHANA SAVINGS & LOANS PLC: LEGAL OPINION IN RESPECT OF THE ESTABLISHMENT OF GHS 500 MILLION NOTE PROGRAMME AND ADMISSION OF THE PROGRAMME ON THE GHANA FIXED INCOME MARKET OF THE GHANA STOCK EXCHANGE

1. Introduction

We have acted as legal advisors for Letshego Ghana Savings & Loans PLC (**Letshego Ghana** or the **Company**) in connection with increasing the limit of a medium-term note programme to GHS500 Million from the existing GHS300 Million programme (the **Notes Programme**) and the admission of the Notes Programme on the Ghana Fixed Income Market of the Ghana Stock Exchange.

2. Scope and Basis of Opinion

This opinion is limited to matters of law in force and applied by the Ghanaian courts, and published and in effect on the date hereof, and is given on the basis that all matters relating to it (including all terms used in it) will be governed by and be construed in accordance with Ghanaian law. We have not considered the laws of any country other than Ghana and express no opinion on the laws of any other jurisdiction.

3rd Floor, Advantage Place
Mayor Road, Ridge West
Accra, Ghana

t. +233 (0)30 396 8200

e. info@keystonesolicitors.com

3. Scope of Enquiry

For the purpose of this opinion, we have examined the originals or copies certified to our satisfaction of the following documents.

- a. Certificate of Incorporation of the Company as a public company dated 17 April 2015.
- b. Certificate to Commence Business dated 17 April 2015.
- c. New Certificate of Incorporation following change of name from AFB (Ghana) Limited to Letshego Ghana Savings & Loans PLC dated 12 September 2018.
- d. The Constitution (formerly, referred to as Regulations) adopted by the Company dated 17 July 2018 (the "**Constitution**").
- e. Ghana Investment Promotion Centre Renewal Registration Certificate dated 29 September 2023.
- f. The licence to operate a non-banking financial institution dated 28 May 2019 issued by the Bank of Ghana authorising the Company to carry on the business of savings and loans. The licence has been duly renewed for 2023.
- g. A letter from the Bank of Ghana dated 11 August 2022 approving the Notes Programme (the "**Bank of Ghana Approval**").
- h. A certified extract of a resolution of the board of directors of the Company dated 4 September 2023 approving the Note Programme.
- i. A written special resolution of the shareholder of the Company dated 27 June 2023 approving the Notes Programme.
- j. The Notes Programme Prospectus dated 26 October 2023 (the "**Programme Prospectus**").
- k. The Amended and Restated Trust Deed dated 13 September 2023 between the Company and Fidelity Bank Ghana Limited as the Note Programme Trustee (the "**Trust Deed**").
- l. The Amended and Restated Agency Agreement dated 13 September 2023 and entered among the Company, Fidelity Bank Ghana Limited and Central Securities Depository (Ghana) LTD in connection with the Note Programme (the "**Agency Agreement**").
- m. The Escrow Agreement dated 23 October 2023 and entered among the Company, Stanbic Bank Ghana LTD, Black Star Brokerage Limited and Fidelity Bank Ghana Limited (the "**Escrow Agreement**").

(The Programme Prospectus, the Trust Deed, the Agency Agreement, and the Escrow Agreement together referred to as the "**Programme Documents**").

4. Assumptions

- 4.1. In giving this Opinion, we have assumed, and this Opinion is given on the basis that:
- a. All original documents supplied to us are complete, authentic and up to date, and that all copy documents supplied to us are complete and authentic and conform to their originals.
 - b. The persons who actually signed any relevant document on behalf of the Company are the same persons who are authorized to do so by the relevant authorizing resolutions.
 - c. The copy of the Constitution is a true copy of the original and that no change to the original has been made since the date on which the copy was made.
 - d. The resolutions of the board of directors of the Company were duly passed by duly appointed directors of the Company; and
 - e. The resolutions of the board and shareholder of the Company were duly passed in accordance with all applicable legal requirements and have not been amended or rescinded.
- 4.2. We have found nothing to indicate that the above assumptions are not justified.

5. Qualifications

- 5.1 The enforcement of the Notes Programme is affected or limited by the rights of creditors under the Corporate Insolvency and Restructuring Act, 2020 (Act 1015) or any other laws relating to insolvency, restructuring, distress proceedings or similar laws affecting the rights of creditors generally.
- 5.2 Any claims may be or become barred under laws relating to the limitation of action or be or become subject to rights of set-off and counterclaim.

6. Opinion

Based on documents referred to in paragraph 3, the assumptions and qualifications made in paragraph 4 and 5 respectively and subject to any matters not disclosed to us, we are of the opinion that:

7. Corporate status and capacity

- a. The Company is a public limited liability company duly incorporated and validly existing under the Companies Act, 2019 (Act 992) (the **Companies Act**).
- b. The Company has perpetual corporate existence and the capacity to sue and be sued in its own name and has the corporate power and authority to own its property and assets and to carry on its business as it currently conducts, including the establishment of the Notes Programme and the performance of its obligations under the Programme Documents and the issue of the notes thereunder. To the best of our knowledge and upon due enquiry, the Company is in good standing under the laws of Ghana and no steps have been or are being taken to appoint any administrator, receiver or liquidator to initiate any process to liquidate the Company or realize any of its assets.

- c. The Constitution complies with all legal requirements for the contents of the constitution of a public company under the Companies Act.
- d. The Constitution complies with all the legal requirements of the Securities and Exchange Commission Regulations, 2003 (LI 1728) (the “**SEC Regulations**”) and the Ghana Fixed Income Market Manual, 2022 (the “**GFIM Manual**”).
- e. The issue and admission of the Notes do not contravene any provisions of the Constitution and that the Note Programme does not contravene any provision of the Constitution or any applicable law in Ghana.

6.2 Authorisation to conduct business

The Company is duly licensed and authorised by the Bank of Ghana to carry on the business of a savings and loans company under the Banks and Specialized Deposit Taking Institutions Act, 2016 (Act 930).

6.3 Corporate authorizations

- a. The Company has taken all the necessary corporate action to authorize the Notes Programme and the entry into, and performance of its obligations under the Programme Documents and the issue of the Notes thereunder.
- b. The Company has the corporate power and authority to execute, deliver, and perform its obligations under the Programme Documents and the Programme Documents have been validly executed on behalf of the Company.
- c. The Company has taken all necessary action to authorize the signature and delivery of all notices, certificates, communications, and all other documents to be delivered by the Company under the Programme Documents.

6.4 Regulatory approvals and consents

- a. The Bank of Ghana has approved the Notes Programme.
- b. The approval of the Securities and Exchange Commission is required to offer the notes to the public pursuant to the Notes Programme.
- c. The approval of the Ghana Stock Exchange is required to admit the Notes on the Ghana Fixed Income Market (**GFIM**).
- d. Apart from the above-mentioned approvals, no other regulatory approvals, consents or licences are required under Ghanaian law for the establishment of the Notes Programme and the issue and admission of the Notes there under.

6.5 Programme Prospectus and the Notes

- a. The Programme Prospectus complies with the Companies Act, the SEC Regulations, and the GFIM Manual.
- b. The Programme Documents and the Notes to be issued under the Notes Programme constitute the legal, valid and binding obligations of the Company and are enforceable against it in accordance with its terms.
- c. The Programme Documents and the Notes to be issued under the Notes Programme are in proper legal form for the purposes of any legal proceeding in Ghana, for the enforcement thereof against the Company.

6.6 Taxes and Stamp Duty

- a. The statements in the Prospectus regarding taxation in Ghana and their implications for the Note Programme are accurate in all material respects.
- b. Interest payments under the Notes will be subject to withholding tax of 8% (or such lower rate under an applicable double tax treaty for non-resident noteholders) except in relation to noteholders that are exempt from withholding tax.
- c. The Prospectus is not subject to stamp duty under the Stamp Duty Act, 2005 (Act 689).
- d. The Trust Deed and the Agency Agreement are subject to nominal stamp duty under the Stamp Duty Act, 2005 (Act 689).

8. No Immunity

The Company is subject to private commercial law and suit in Ghana with respect to its obligations under the Programme Documents. The execution, delivery and performance by the Company of its obligations under the Programme Documents constitute private and commercial activities rather than public or governmental acts. Under the laws of Ghana, neither the Company nor any of its property or revenues enjoy any immunity from suit, court jurisdiction, judgment, attachment (whether before or after judgment), set-off or execution of a judgment or from any other legal process or remedy relating to its obligations under the Programme Documents.

9. Reliance

This opinion may be relied upon solely by you, or your successors and assigns, in accordance with the Programme Documents. The opinion is solely for the purpose of the Programme Documents. This opinion is given as of the date hereof and we do not undertake to advise you of any changes in the

opinions expressed herein from matters that might hereafter arise or be brought to our attention. We are qualified to practise law in Ghana, and we do not herein express any opinion as to any matters governed by any laws other than the laws of Ghana. This opinion is limited to the laws applicable in Ghana at the date of this opinion.

Yours faithfully,



Etornam Adoboe

For and on behalf of:
Keystone Solicitors

17. TAXATION IN GHANA

Capitalised terms used in this section headed "Taxation in Ghana" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

The comments below are intended as a general guide to the relevant tax laws of Ghana as at the Programme Date. The contents of this section headed "Taxation in Ghana" do not constitute tax advice and do not purport to describe all of the considerations that may be relevant to a prospective subscriber for or purchaser of any Notes. Prospective subscribers for or purchasers of any Notes should consult their professional advisers in this regard.

The Issuer is required by the Income Tax Act, 2015 (Act 896) (as amended) currently, to withhold tax at the rate of 8% on all interest payments to Noteholders except where the Noteholders are exempted under Applicable Law.

18. GENERAL INFORMATION

Capitalised terms used in this section headed "General Information" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

Authorisation

All consents, approvals, authorisations or other orders of all regulatory authorities required by the Issuer under the laws of Ghana as at the Programme Date have been given for the establishment of the Programme and the issue and admission of Notes and for the Issuer to undertake and perform its obligations under the Prospectus and the Notes.

Admission of Notes

The Prospectus and the Notes issued from time to time under this Programme will be admitted on the GFIM of the GSE.

Documents Available

So long as the Notes are capable of being issued under the Programme, copies of the documents incorporated under the section headed "*Documents Incorporated by Reference*" will, when published, be available at the registered office of the Issuer as set out at the end of this Prospectus.

Material Change

Save as disclosed in this Prospectus, there has been no material change in the financial or trading position of the Issuer since the date of the Issuer's latest audited financial statements.

Litigation

Save as disclosed herein, neither the Issuer, nor any of its respective consolidated subsidiaries is or has been involved in any legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have or have had a significant effect on the financial position of the Issuer or its consolidated subsidiaries.

Auditors

Ernst & Young Ghana Limited have acted as the auditors of the financial statements of the Issuer for the financial years ended December 2018, December 2019, December 2020, December 2021 and December 2022, and in respect of those years, have issued unmodified audit reports. The Issuer's statutory auditors as of the financial year commencing January 2023 is Ernst & Young Ghana Limited.

For and on behalf of the Issuer on **October 26, 2023**



Nii Amankra Tetteh
Managing Director
Letshego Ghana Savings and Loans PLC



Poelo Mkpayah
CFO
Letshego Ghana Savings and Loans PLC

19. APPENDIX I

PRO FORMA APPLICABLE PRICING SUPPLEMENT

Set out below is the sample form of Applicable Pricing Supplement that will be completed for each Series or Tranche of Notes issued under the Programme:



LETSHEGO GHANA SAVINGS AND LOANS PLC

(Incorporated as a public limited liability company in the Republic of Ghana with registration number PL000232015)

Issue of [Aggregate Nominal Amount of Tranche/Series] [Title of Notes] Under its GHS 500,000,000 Note Programme

This Applicable Pricing Supplement must be read in conjunction with the Prospectus, dated [], prepared by the Issuer in connection with the Programme, as amended and/or supplemented from time to time (the “Prospectus”).

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the section of the Prospectus headed “*Terms and Conditions of the Notes*”.

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. The Notes described herein are issued on and subject to the Terms and Conditions as amended and/or supplemented by the Terms and Conditions contained in this Applicable Pricing Supplement. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Prospectus, the provisions of this Applicable Pricing Supplement shall prevail.

The Programme was given a rating of BBB- (GH) with a stable outlook by the Global Credit Rating Co. (“GCR”) in August 2023. The Issuer was rated BBB- (GH) with a stable outlook for long term issuances and A3 (GH) with a stable outlook for short term issuances.

PARTIES

1. Issuer	Letshego Ghana Savings and Loans PLC	
2. Dealers	[]
3. Paying Agent	[]
Specified Office	[]
4. Calculation Agent	[]
Specified Office	[]
5. Transfer Agent and Registrar	[]
Specified Office	[]
6. Note Trustee	[]
Specified Office	[]

PROVISIONS RELATING TO THE NOTES

7. Status of Notes	Senior unsecured
8. Series Number	[]
9. Tranche Number	[]
10. Aggregate Nominal Amount:	
(a) Series	[]
(b) Tranche	[]
11. Interest	Interest-bearing
12. Interest Payment Basis	[Fixed Rate of Interest/Floating Rate/other]
13. Automatic/Optional Conversion from one Interest / Redemption / Payment Basis to another	[Insert details including date for conversion]
14. Form of Notes	The Notes are issued in dematerialised form and are held electronically on the CSD. A single Global Note Certificate will be issued in respect of the Series or Tranche of Notes issued under this ApplicablePricing Supplement.
15. Issue Date	[]
16. Nominal Amount per Note	[]
17. Specified Denomination	[]
18. Issue Price	[]
19. Interest Commencement Date	[]
20. Maturity Date	[]
21. Applicable Business Day Convention	[Floating Rate Business Day / Following Business Day / Modified Following Business Day / Preceding Business Day / other convention –insert details]
22. Final Redemption Amount	[]
23. Default Rate	[]

FIXED RATE NOTES

24. (a) Fixed Rate of Interest	[] percent. per annum [payable [annually/semi-annually/quarterly] in arrear]
(b) Fixed Interest PaymentDate(s)	[] in each year up to and including theMaturity Date/other
(c) Fixed Coupon Amount(s)	[] per [] in nominal amount
(d) Determination Date(s)	[] in each year
(e) Day Count Fraction	[]
(f) Any other terms relating to the particular method of calculating interest	[]

FLOATING RATE NOTES

25. (a) Floating Interest Payment Date(s) []
- (b) Interest Period(s) []
- (c) Definition of Business Day (if different from that set out in *(Interpretation)* under Terms and Conditions) []
- (d) Minimum Rate of Interest [] percent per annum
- (e) Maximum Rate of Interest [] percent per annum
- (f) Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision) []
26. Manner in which the Rate of Interest is to be determined [ISDA Determination / Screen Rate Determination/other – insert details]
27. Margin [(...) basis points to be added to/subtracted from the relevant ISDA Rate / Reference Rate]
28. If ISDA Determination
- (a) Floating Rate []
- (b) Floating Rate Option []
- (c) Designated Maturity []
- (d) Reset Date(s) []
- (e) ISDA Definitions to apply []
29. If Screen Determination:
- (a) Reference Rate (including relevant period by reference to which the Rate of Interest is to be calculated) []
- (b) Interest Rate Determination Date(s) []
- (c) Relevant Screen Page and Reference Code []
30. If Rate of Interest to be calculated otherwise than by ISDA Determination or Screen Determination, insert basis for determining Rate of Interest/Margin/Fallback provisions []
31. Calculation Agent responsible for calculating amount of principal and interest []

OTHER NOTES

32. If the Notes are not Fixed Rate Notes or Floating Rate Notes, or if the Notes are a combination of any of the foregoing, set out the relevant description and any additional Terms and Conditions relating to such Notes. []

PROVISIONS REGARDING REDEMPTION/MATURITY

33. Redemption at the Option of the Issuer: [Yes/No]

If yes:

(a) Optional Redemption Date(s) []

(b) Optional Redemption Amount(s) []
and method, if any, of calculation
of such amount(s)

(c) Minimum period of notice (if []
different from Condition 8.3
(*Redemption at the Option of the
Issuer*)

(d) If redeemable in part: []

Minimum Redemption Amount(s) []

Higher Redemption Amount(s) []

(e) Other terms applicable on
Redemption

34. Early Redemption Amount(s) payable on [Yes/No]
redemption for taxation reasons or on Event of
Default (if required).

If Yes:

(a) Amount payable; or []

(b) Method of calculation of []
amount payable

GENERAL

35. Other provisions [Other Events of Default in addition to the Events
of Default referred to in Condition 13 (Events of
Default)]

[reference to negative covenant, other covenants,
provisions]

36. Method of distribution [public offer]

37. Admission GFIM

38. Security Unsecured

39. Details of the bank account to which
payments in respect of the Notes are to be
made

40. Tax Interest earned on the Notes is subject to
withholding tax at the rate of 8% unless exempted
under the Income Tax Act, 2015 (Act 896) (as
amended)

41. Governing Law Ghanaian law

- 42. Settlement procedures and settlement instructions
- 43. Additional selling restrictions

SALIENT DATES AND TIMES

- Offer Opens: [*]
- Offer Closes: All application forms are to be received by the Dealer at their Specified Offices before or on [*].
- Allotment Date: All applicants will be notified by email or telephone of their allotment by no later than [*].
- Payment Date: Payment for good value by successful applicants must be received by [*].
- Issue Date: The Notes will be issued by the Issuer by [*].
- Delivery Date: The Notes will be credited to each successful applicant’s CSD account against cleared funds within 2 Business Days of the Issue Date.
- Admission on the GFIM Issued Notes will be admitted for trading within 5 Business Days of the Issue Date

[Material Adverse Change Statement]

[Except as disclosed in this document,] There has been no significant change in the financial or trading position of the Issuer since [*insert date of last audited accounts or interim accounts (if later)*]and no material adverse change in the financial position or prospects of the Issuer since [*insert date of last published annual accounts.*] [If any change is disclosed in the Applicable Pricing Supplement, consideration should be given as to whether or not such disclosure should be made by means of a supplemental Prospectus rather than in an Applicable Pricing Supplement.]

Interests of Natural and Legal Persons involved in the Issue/Offer:

So far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. [Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing persons involved and the nature of the interest.]

Responsibility:

The Issuer accepts full responsibility for the information contained in this Applicable Pricing Supplement. To the best of the knowledge and belief of the Issuer (who has taken all reasonable care to ensure that such is the case) the information contained in this Applicable Pricing Supplement is in accordance with the facts and does not omit anything which would make any statement false or misleading and all reasonable enquiries to ascertain such facts have been made.

SIGNED at _____ on this _____ day of _____ 2023

For and on behalf of
LETSHEGO GHANA SAVINGS AND LOANS PLC

Name:
Capacity: Director
Who warrants his/her authority hereto

Name:
Capacity: Director
Who warrants his/her authority hereto

20. APPENDIX II

APPLICATION FORM



LETSHEGO GHANA SAVINGS AND LOANS PLC

(Incorporated as a public limited liability company in the Republic of Ghana with registration number PL000232015)

**Issue of [Aggregate Nominal Amount of Tranche/Series] (Tranche/ Series Number) [Title of Notes]
Under its GHS 500,000,000 Note Programme**

Terms used herein shall be deemed to be defined by reference in the Prospectus. This completed form should be forwarded by hand to the Issuer or to the Dealer at the following addresses (as may be amended with each Series or Tranche):

Letshego Ghana Savings and Loans PLC 4 th Floor, Cocoshe House Street 1382A, Off Agostino Neto Road, Airport -City Accra	Stanbic Bank Ghana LTD Stanbic Heights, Plot 215 South Liberation Link, Airport City, Accra	Black Star Brokerage Limited The Rhombus, Plot 24 Tumu Avenue, Kanda Estates Accra
--	--	---

Applicants must complete all sections of the application form. Please read the notes overleaf before completing this form. Application lists will close at 1700 GMT on [].

SECTION A

Name of Applicant	
Postal Address (Preferably P O Box or Private Bag)	
Name of Contact Person	
Telephone Number (include all relevant codes)	
Facsimile Number (include all relevant codes)	
E-mail Address	
Tax Status	
CSD Account Number:	

SECTION B [To be amended to reflect the terms of each Series or Tranche of Notes as set in the Applicable Pricing Supplement]

	<u>COLUMN A</u> Nominal Value (GHS)	<u>COLUMN B</u> Issue Price (%)	<u>COLUMN C</u> Total Consideration (C =A x B)
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Amount applied for			
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SECTION C

To: The Board of Directors of LETSHEGO GHANA SAVINGS AND LOANS PLC

I/We, the undersigned, warrant that I/we have full legal capacity to contract on behalf of the applicant stated in Section A above ("the Applicant"), and on behalf of the Applicant irrevocably and unconditionally apply for and agree to take up the nominal value of the Notes stated in Column "A" in Section B above at the price stated in Column B in Section B above, or any lesser nominal value of the Notes that may be allotted to the applicant in terms of the Amended and Restated Trust Deed dated []. Where a lesser nominal value of the Notes is allotted to the Applicant, I agree that the relevant amount payable by the Applicant in terms of Column "C" in Section B above will be reduced pro rata to the lesser nominal value so allotted. I/We acknowledge that the Applicant will be unconditionally liable for payment in respect of the Notes allotted and that such payment will be made in full in accordance with the payment procedures set out under the section headed "*Settlement, Clearing and Transfer of Notes*" under the Prospectus by 1700 hours on [].

Full Names: _____

Capacity: _____

Signature: _____

Date: _____

SECTION D

Interest Instructions

Interest payments and the principal repayment in respect of the Notes and refunds, if any, that are due in respect of bids where payments have been made at the time of application are to be made:

(a) By cheque and sent to (postal address)

Or

(b) To Bank Account

Account Name:

Name of Bank:

Branch:

Account Number:

Branch Sort Code (if applicable):

Swift Code:

Please complete only (a) or (b). If both are completed, effect will be given to (b)

Notes:

1. Completing this form:

- a) All alterations to this application form must be authenticated by full signature. All applications must be made without any conditions stated by the Applicants.
- b) Under no circumstances whatsoever may the name of the Applicant be changed and if this is done then the application form will be invalid.
- c) The Applicant must open and maintain a CSD account for the entire duration of the Notes to allow Notes to be credited.
- d) Applications are made subject to the provisions of the Prospectus to which this form is attached.
- e) Photocopies or other copies of an application form shall not be accepted.
- f) Applications are irrevocable and may not be withdrawn or amended without the written consent of the Issuer.

2. Allotment Procedure

The right is reserved to accept or reject any application in whole or in part. The Issuer will notify successful applicants, or the relevant Dealer of amounts allotted to them by no later than 17:00 (GMT) on [Allotment Date].

3. Acceptance

By signing an application form the Applicant undertakes to pay the Issuer on the Issue Date in same-day funds the purchase price for the Notes allotted in accordance with the provisions of the Applicable Pricing Supplement.

4. Settlement Procedure

Payment of the subscription price for the Notes may be made:

- a. either by banker's cheque drawn in favour of the Letshego Ghana Notes Programme, Collection Account, such cheque to reach the Dealer no later than 15:00 (GMT) 2 (two) Business Days before the Issue Date against delivery of a deposit slip; or
- b. by bank transfer/ remittance, to be made on the instructions of the successful applicant to his bank for the funds to be credited to the Issuer's note programme GHS account number as detailed below:

Account Name: Letshego Ghana Notes Programme- Collection Account
Bank Name: Fidelity Bank Ghana Limited
Bank Branch: Ridge
Branch Sort Code: 240101
Account Number: 1300031779412
SWIFT: FBLIGHAC

5. Delivery of Notes

The Notes will be credited to each successful applicant's CSD account against cleared funds within 2 (two) Business Days of the Issue Date.

6. General

The Prospectus and any contracts resulting from an acceptance of an application for the Notes shall be governed and construed in accordance with Ghanaian law.

21. APPENDIX III

FORM OF GLOBAL NOTE CERTIFICATE

[] [] []



LETSHEGO GHANA SAVINGS AND LOANS PLC

(Incorporated in the Republic of Ghana as a public limited liability in the Republic of Ghana under registration number PL000232015)

GHS 500,000,000

Note Programme

ISSUE OF [SENIOR UNSECURED] [FLOATING/FIXED] RATE NOTES DUE []

This Note Certificate certifies that

[Note Trustee Name and address]

holds this certificate on behalf of Noteholders specified in the Register dated [] (the "Noteholder") are, as at the date hereof, registered as the holder of [principal amount] of [senior unsecured] [Floating/Fixed] Rate Notes referred to above (the "Notes") of Letshego Ghana Savings and Loans PLC (the "Issuer"). The Notes are subject to the terms and conditions (the "Terms and Conditions") in the Prospectus. Expressions defined in the Terms and Conditions have the same meanings in this Note Certificate.

The Issuer, for value received, promises in accordance with the Terms and Conditions to pay to the Noteholders as the registered holder hereof on the Redemption Date (or such earlier date as the amount payable upon prepayment in accordance with the Terms and Conditions), the principal amount of:

[amount in figures] (amount in words)

(or so much thereof as may then be outstanding) and to pay interest on such principal amount from the Issue Date in arrears at the rates, in the amounts and on the dates for payment provided for in the Terms and Conditions and the Applicable Pricing Supplement together with such other sums and additional amounts (if any) as may be payable under the Terms and Conditions and the Applicable Pricing Supplement.

For the purposes of this Note Certificate, (a) the holder of the Note(s) represented by this Note Certificate is bound by the provisions of the Prospectus, the Amended and Restated Trust Deed, the Amended and Restated Agency Agreement and the Applicable Pricing Supplement, (b) the Issuer certifies that the Noteholder is, at the date hereof, entered in the Register as the holder of the Note(s) represented by this Note Certificate, (c) this Note Certificate is evidence of entitlement only, (d) title to the Note(s) represented by this Note Certificate passes only on due registration in the Register, and (e) only the duly registered holder of the Note(s) represented by this Note Certificate is entitled to payments in respect of the Note(s) represented by this Note Certificate.

This Note Certificate shall not become valid for any purpose until authenticated by or on behalf of the CSD.

This Note shall be governed by, and constructed in accordance with, the laws of Ghana.

IN WITNESS whereof the Issuer has caused this Note Certificate to be executed on its behalf.

LETSHEGO GHANA SAVINGS AND LOANS PLC

By:
Authorized Signatory

Dated: []

CERTIFICATE OF AUTHENTICATION

This Note is duly authenticated by or on behalf of **Central Securities Depository (Gh) LTD as Registrar** (without recourse, warranty or liability)

By: _____
Authorized Signatory

