

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **January 11, 2023**

LESAKA TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Florida
(State or other jurisdiction
of incorporation)

000-31203
(Commission
File Number)

98-0171860
(IRS Employer
Identification No.)

**President Place, 4th Floor, Cnr.
Jan Smuts Avenue and Bolton Road
Rosebank, Johannesburg, South Africa**
(Address of principal executive offices) (ZIP Code)

Registrant's telephone number, including area code: **011-27-11-343-2000**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbols	Name of each exchange on which registered
Common Shares	LSAK	NASDAQ Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Resignation of Alex M.R. Smith as Chief Accounting Officer

On January 17, 2023, Lesaka Technologies, Inc. (the "Company") announced that Alex M.R. Smith will resign from his position as Chief Accounting Officer of the Company, effective as of March 1, 2023.

On January 17, 2023, the Company issued a press release announcing Mr. Smith's resignation, a copy of which is attached hereto as Exhibit 99.1 and incorporated herein by reference.

On January 11, 2023, the Company and its wholly owned subsidiary, Lesaka Technologies (Pty) Ltd, each entered into Mutual Separation Agreements with Mr. Smith (the "Separation Agreements"). The Separation Agreements provide for certain payments and other benefits to Mr. Smith, including without limitation, the following: (a) on-going base salary payments during the notice period to March 1, 2023, less applicable withholdings and deductions; (b) the payment of all outstanding leave as of March 1, 2023; (c) an ex-gratia payment of six times his monthly salary; (d) the removal of the on-going employment condition in Mr. Smith's existing stock option award agreement; and (e) the removal of the on-going employment condition in Mr. Smith's existing restricted stock award agreements, however, the awards will continue to vest in accordance with the vesting terms included in the existing restricted stock award agreements, which in certain instances include specific performance conditions. In addition, the Separation Agreement includes a reciprocal general release and waiver of claims related to Mr. Smith's employment with the Company.

The foregoing descriptions of the Separation Agreements is qualified in its entirety by reference to the text of such agreements, which are filed as Exhibit 10.1 and Exhibit 10.2 to this Current Report on Form 8-K and incorporated herein by reference.

Item 7.01. Regulation FD Disclosure.

On January 17, 2023, the Company issued a press release announcing the resignation of Mr. Smith as Chief Accounting Officer as described in Item 5.02 above. A copy of the Company's press release is attached hereto as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit

No.

Description

[10.1](#) [Mutual Separation Agreement, dated January 11, 2023, by and between the Lesaka Technologies, Inc. and Alex M.R. Smith](#)

[10.2](#) [Mutual Separation Agreement, dated January 11, 2023, by and between the Lesaka Technologies \(Pty\) Ltd and Alex M.R. Smith](#)

[99.1](#) [Press Release, dated January 17, 2023, issued by the Company](#)

104 Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LESAKA TECHNOLOGIES, INC.

Date: January 17, 2023

By: /s/ Naeem E. Kola

Name: Naeem E. Kola

Title: Group Chief Financial Officer

MUTUAL SEPARATION AGREEMENT

between

LESAKA TECHNOLOGIES, INC

(formerly Net1 UEPS Technologies, Inc)

"the Company"

and

ALEXANDER MICHAEL RAMSAY SMITH

"the Executive"

1 **DEFINITIONS**

1.1 In this Agreement unless inconsistent with or otherwise by the context -

1.1.1 **"Agreement"** means this separation agreement and any annexures hereto.

1.1.2 **"Employment Contract"** means the US employment agreement concluded between the Parties on or about 27 February 2018, as amended by the Addendum executed by the Parties on or about 9 December 2021;

1.1.3 **"Parties"** means the Company and the Executive collectively and **"Party"** means either of them individually.

1.1.4 **"US RCA"** means the Restrictive Covenant Agreement concluded between the Parties on or about 27 February 2018, as amended by the First Amendment to the Restrictive Covenant Agreements executed by the Parties and another on or about 9 December 2021;

1.1.5 Any reference to the singular includes the plural and vice versa.

1.1.6 Any reference to natural persons includes legal persons and vice versa.

1.1.7 Any reference to gender includes the other gender.

- 1.2 The clause headings in this Agreement have been inserted for convenience only and shall not be taken into account if it becomes necessary to interpret this Agreement.
- 1.3 Words and expressions defined in any sub-clause shall, for the purpose of the clause of which that sub-clause forms part, bear the meaning assigned to such words and expressions in that sub-clause.
- 1.4 If any provision in a definition is a substantive provision conferring rights or imposing obligations on any party, effect shall be given to it as if it were a substantive clause in the body of the Agreement.
- 1.5 If any period is referred to in this Agreement by way of reference to a number of days, the days shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a day which is not a business day, in which case the day shall be the next succeeding business day.

2 **RECORDAL**

- 2.1 The purpose of this Agreement is to set out the terms and conditions associated with the Executive's termination of employment due to mutual agreement between the Parties.
- 2.2 The Executive records that he entered into this Agreement voluntarily after having considered his position carefully and that he deems this Agreement as fair and binding.
- 2.3 The Parties further agree that the Executive's last day of work will be reflected up to and including 01 March 2023.
- 2.4 The Parties acknowledge the existence of an SA Employment Contract and an SA Restrictive Covenant Agreement between the Parties, the termination of which is covered by a separate SA Mutual Separation Agreement. This Agreement is subject to and conditional upon the execution of the SA Mutual Separation Agreement between the Parties.

3 **NOTICE PERIOD**

- 3.1 It is hereby agreed that the Executive's notice period will run from 01 December 2022 through 1 March 2023 during which:
 - 3.1.1 The Executive will primarily work from home but will avail himself at the Company's Head Office premises with sufficient notice (at least 24 hours); and
-

3.1.2 The Executive will compile sufficient handover notes regarding his various areas of oversight which he will take his successor through.

4 **STOCK INCENTIVE PLAN**

- 4.1 The Executive shall be entitled to continue holding all restricted stock in the Company awarded to him pursuant to the Company's Amended and Restated 2015 Stock Incentive Plan (the "**2015 Plan**") and such other equity incentive plan(s) of the Company, notwithstanding the termination of his employment with the Company.
- 4.2 It is agreed that any provision in the 2015 Plan or other equity incentive scheme to the effect that the vesting of such restricted stock is conditional upon the Executive being employed by the Company at that date is hereby waived. All other conditions as per the 2015 Plan and other equity incentive plan(s) will remain in force.
- 4.3 It is agreed that the Executive will benefit from any variation in the conditions attached to restricted stock granted to other participants with the same performance and time conditions.

5 **RELEASE BY EXECUTIVE**

- 5.1 The Executive hereby releases the Company Parties (as defined below) from all (if any) claims whether contractual, statutory or otherwise and which the Executive has or may have against the Company, its subsidiaries, parent companies, predecessors, successors, and affiliates, and all of their respective past and present officers, directors, stockholders, partners, members, employees, agents, representatives, plan administrators, attorneys, insurers and fiduciaries (each in their individual and corporate capacities)(collectively the "**Company Parties**") arising out of or in connection with the Executive's employment or its termination, or as a consequence of the Executive's previous position as a director of the Company, but excluding:
 - 5.1.1 all claims (if any) arising out of and in connection with any equity entitlements under clause 4 of this Agreement;
 - 5.1.2 any claims arising based on the Company's breach or failure to comply with its obligations under this Agreement;
 - 5.1.3 any claims under any directors and officers liability insurance policy maintained by the Company for the benefit of officers and directors; and
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5.1.4 any indemnification rights or protections that are generally applicable to former employees, consultants, directors or officers of the Company under state or other law or the charter, articles of incorporation, or bylaws of the Company or by agreement between the Executive and the Company.

6 **RELEASE BY COMPANY**

In consideration for the general release by the Executive, the Company, on behalf of the Company Parties, hereby fully, forever, unconditionally and irrevocably releases and discharges Executive and each of the Executives affiliates, spouse, successors, executors, administrators, agents, heirs and assigns (together with the Executive, the "**Executive Parties**") from all claims, demands, causes of action, liabilities, charges, complains, actions, suits, rights, debts, sums of money, costs, accounts, reckonings, covenants, contracts, agreements, promises, doings, omissions, damages, executions, obligations, and expenses (including attorneys' fees and costs), of every kind and nature, in law, equity or otherwise, known and unknown, suspected and unsuspected, disclosed and undisclosed, that any of the Company Parties ever had or now have against any or all of the Executive Parties, however originating or existing, from the beginning of time through to March 1, 2023, including, but not limited to, any and all claims arising out of or relating to the relationship between the Executive and the Company, the services performed by the Executive for the Company, the Executive's cessation of services to the Company, or otherwise. Notwithstanding anything in this Agreement to the contrary, the claims released in this clause 6 (the "**Company Released Claims**") do not include, and nothing contained herein shall operate to release any of the Executive's promises and obligations under this Agreement, the US RCA or with respect to any fraud or gross negligence of the Executive in the performance of his duties. The Company hereby covenants, promises and agrees not to, and agrees to cause each of the other Company Parties not to, bring any action or claim, legal, equitable or otherwise, asserting or relating to any Company Released Claims (i) in any court of any jurisdiction or in any agency or other unit of any governmental authority, local, state, national or foreign, (ii) with any arbitral body, forum or arbitration tribunal, or (iii) in any mediation proceeding, against any of the Executive Parties; provided, however, that the foregoing covenant not to sue shall not apply to or prohibit enforcement of the terms of this Agreement.

INDEMNIFICATION

The parties acknowledge and agree that, notwithstanding the termination of the Executive's employment pursuant hereto, the provisions of the Indemnification Agreement, dated September 7, 2022 will continue in full force and effect according to its terms.

CONFIDENTIALITY, NON-DISPARAGEMENT AND RESTRICTIVE COVENANTS

- 8.1 The Parties agree that the information concerning reasons for the separation and any benefits received by the Executive in terms of this Agreement are to be always treated as confidential.
- 8.2 In particular, this Agreement and the terms of negotiation preceding the signature of this Agreement must not be disclosed to any unauthorised persons other than the Parties' respective legal and financial representatives.
- 8.3 The Parties acknowledge and agree that, notwithstanding the termination of the Executive's employment pursuant hereto, the provisions of the US RCA will continue in full force and effect according to its terms.
- 8.4 Neither the Company nor the Executive shall make any derogatory or disparaging remarks concerning each other to any person whomsoever and further undertake not to cause any harm to the other Party's good name and reputation and not to make, whether directly or indirectly any negative or defamatory remarks about the other party.

GENERAL

- 9.1 This Agreement contains the entire agreement between the Parties as to the subject matter contained herein.
 - 9.2 The Parties undertake to observe good faith in the implementation of this Agreement.
 - 9.3 Neither Party shall have any claim or right of action arising from any undertaking, representation or warranty not included in this Agreement.
 - 9.4 This Agreement supersedes any other Agreements between the Parties relating to the termination of the Executives employment under the Employment Contract.
 - 9.5 No Agreement to vary, amend, add or cancel this Agreement shall be of any force or effect, unless reduced to writing and signed by both Parties.
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9.6 For the avoidance of doubt, this Agreement, as well as the Employment Contract and the US RCA shall be governed by and interpreted in accordance with the laws of the State of New York and, to the extent applicable, U.S. federal law, and the parties agree to submit to the jurisdiction of the state and federal courts sitting in the State of New York for all disputes hereunder.

10 **SIGNATORIES**

10.1 The signatories to this Agreement warrant that they are authorised to enter into this Agreement and sign same freely and voluntarily.

SIGNED AT Rosebank ON THIS THE 10th DAY OF January 2023.

/s/ Alex M.R. Smith For: **THE EXECUTIVE**
ALEXANDER MICHAEL RAMSAY SMITH

SIGNED AT Rosebank ON THIS THE 11th DAY OF January 2023.

/s/ Naeem Kola For: **THE COMPANY**
Duly Authorised
NAEEM KOLA

MUTUAL SEPARATION AGREEMENT

between

LESAKA TECHNOLOGIES PROPRIETARY LIMITED

(formerly Net1 Applied Technologies South Africa Proprietary Limited)

"the Company"

and

ALEXANDER MICHAEL RAMSAY SMITH

"the Executive"

1 **DEFINITIONS**

1.1 In this Agreement unless inconsistent with or otherwise by the context -

1.1.1 "**Agreement**" means this separation agreement and any annexures hereto.

1.1.2 "**Employment Contract**" means the South African employment agreement concluded between the Parties on or about 28 February 2018, as amended by the Addendum executed by the Parties on or about 9 December 2021;

1.1.3 "**LRA**" means the Labour Relations Act 66 of 1995 as amended.

1.1.4 "**Parties**" means the Company and the Executive collectively and "**Party**" means either of them individually.

1.1.5 "**SA RCA**" means the Restrictive Covenant Agreement concluded between the Parties on or about 27 February 2018, as amended by the First Amendment to the Restrictive Covenant Agreements executed by the Parties and another on or about 9 December 2021;

1.1.6 "**SARS**" means the South African Revenue Service

1.1.7 Any reference to the singular includes the plural and vice versa.

- 1.1.8 Any reference to natural persons includes legal persons and vice versa.
- 1.1.9 Any reference to gender includes the other gender.
- 1.2 The clause headings in this Agreement have been inserted for convenience only and shall not be taken into account if it becomes necessary to interpret this Agreement.
- 1.3 Words and expressions defined in any sub-clause shall, for the purpose of the clause of which that sub-clause forms part, bear the meaning assigned to such words and expressions in that sub-clause.
- 1.4 If any provision in a definition is a substantive provision conferring rights or imposing obligations on any party, effect shall be given to it as if it were a substantive clause in the body of the Agreement.
- 1.5 If any period is referred to in this Agreement by way of reference to a number of days, the days shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a day which is not a business day, in which case the day shall be the next succeeding business day.

2 **RECORDAL**

- 2.1 The purpose of this Agreement is to set out the terms and conditions associated with the Executive's termination of employment due to mutual agreement between the Parties.
- 2.2 The Executive records that he entered into this Agreement voluntarily after having considered his position carefully and that he deems this Agreement as fair and binding.
- 2.3 The Parties further agree that the Executive's last day of work will be reflected up to and including 01 March 2023.
- 2.4 The Parties acknowledge the existence of a US Employment Contract and a US Restrictive Covenant Agreement between the Parties, the termination of which is covered by a separate US Mutual Separation Agreement. This Agreement is subject to and conditional upon the execution of the US Mutual Separation Agreement between the Parties.

3 **NOTICE PERIOD**

- 3.1 It is hereby agreed that the Executive's notice period will run from 01 December 2022 through 1 March 2023 during which:
-

- 3.1.1 The Executive will primarily work from home but will avail himself at the Company's Head Office premises with sufficient notice (at least 24 hours); and
- 3.1.2 The Executive will compile sufficient handover notes regarding his various areas of oversight which he will take his successor through.
- 3.2 After the conclusion of the above outlined notice period the Executive will continue to assist with Cash Paymaster System (CPS) work as and when required at a consulting rate of eighteen thousand rand excluding VAT per day or portioned based on 8-hour day.

4 **PAYMENT**

The Company will pay the Executive as follows:

- 4.1 The Executive's ordinary salary for the duration of his notice period which will run 01 December 2022 through 01 March 2023.
 - 4.2 The Executive's outstanding leave pay owing to him as at 01 March 2023;
 - 4.3 An ex-gratia payment comprising the gross amount of six (6) months remuneration.
 - 4.4 The Parties further agree that:
 - 4.4.1 The payments listed at 4.1 through 4.3 will be less all statutory deductions as directed by SARS;
 - 4.4.2 The payments listed at 4.1 will be made via electronic funds transfer into the Executive's bank account with the Company's ordinary monthly pay run during December 2022, January 2023 and February 2023;
 - 4.4.3 The payments listed at 4.2 and 4.3 will be made via electronic funds transfer into the Executive's bank account no earlier than 1 March 2023 and no later than 3 March 2023.
 - 4.5 The Executive records that the above stipulated payments include any and all contractual and/or statutory amounts due and payable by the Company to the Executive and that, save as provided for in this Agreement, no other payments of any nature whatsoever shall be due to him from the Company.
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CONFIDENTIALITY, NON-DISPARAGEMENT AND RESTRICTIVE COVENANTS

- 5.1 The Parties agree that the information concerning reasons for the separation and any benefits received by the Executive in terms of this Agreement are to be always treated as confidential.
- 5.2 In particular, this Agreement and the terms of negotiation preceding the signature of this Agreement must not be disclosed to any unauthorised persons other than the Parties' respective legal and financial representatives.
- 5.3 The Parties acknowledge and agree that, notwithstanding the termination of the Executive's employment pursuant hereto, the provisions of the SA RCA will continue in full force and effect according to its terms. Neither the Company nor the Executive shall make any derogatory or disparaging remarks concerning each other to any person whomsoever and further undertake not to cause any harm to the other Party's good name and reputation and not to make, whether directly or indirectly any negative or defamatory remarks about the other party.

6 FULL AND FINAL SETTLEMENT

- 6.1 The Parties know, understand and agree that this Agreement constitutes a full and final settlement of all claims of whatsoever nature or howsoever arising, both current and future, which each may have against the other arising out of the Employment Contract, the South African employment relationship and the termination thereof, except for any claims that may have arisen prior to or which may arise hereafter in connection with the SA RCA.
 - 6.2 The Executive specifically agrees that by signing this Agreement he forfeits his rights, if any, to refer, institute or instigate any action against the Company via the Civil Courts, Common Law Courts, Bargaining Councils, Commission for Conciliation Mediation and Arbitration, Labour Courts, any tribunal or otherwise, in South Africa. Without limiting the generality of the aforementioned, this includes, but is not limited to any claims arising from contract, delict, fairness, operation of statute or otherwise including but not limited to any claim for automatically unfair dismissal, unfair dismissal, unfair labour practice, discrimination, reinstatement, back-pay, benefits, contributions, re-employment, remuneration, notice pay, leave pay, bonus pay, incentive pay and/or severance pay.
-

6.3 The payments in terms of this Agreement are made by the Company without any admission of liability whatsoever.

7 **GENERAL**

7.1 This Agreement contains the entire agreement between the Parties as to the subject matter contained herein.

7.2 The Parties undertake to observe good faith in the implementation of this Agreement.

7.3 Neither Party shall have any claim or right of action arising from any undertaking, representation or warranty not included in this Agreement.

7.4 This Agreement supersedes any other Agreements between the Parties relating to the termination of the Executive's employment under the Employment Contract.

7.5 No Agreement to vary, amend, add or cancel this Agreement shall be of any force or effect, unless reduced to writing and signed by both Parties.

7.6 For the avoidance of doubt, this Agreement, as well as the Employment Contract and the SA RCA shall be governed by and interpreted in accordance with the laws of the Republic of South Africa.

8 **SIGNATORIES**

8.1 The signatories to this Agreement warrant that they are authorised to enter into this Agreement and sign same freely and voluntarily.

SIGNED AT Rosebank ON THIS THE 10th DAY OF January 2023.

/s/ Alex M.R. Smith For: **THE EXECUTIVE**
ALEXANDER MICHAEL RAMSAY SMITH

SIGNED AT Rosebank ON THIS THE 11th DAY OF January 2023.

/s/ Naeem Kola For: **THE COMPANY**
Duly Authorised
NAEEM KOLA

Lesaka announces departure of Alex Smith, Chief Accounting Officer

Johannesburg, January 17, 2023 - Lesaka Technologies, Inc. ("Lesaka" or the "Company") (NasdaqGS: LSAK; JSE: LSK) today announced that Mr. Alex M.R. Smith is leaving the Company to pursue other opportunities. Mr. Smith's last day of employment will be March 01, 2023. During this notice period, Mr. Smith will assist the Company in consolidating the roles and responsibilities of Chief Accounting Officer ("CAO") into the ambit of Lesaka's highly experienced Finance team.

Chris Meyer: Group CEO, commented: "The past 18 months have been a time of significant transformation for Lesaka. While it has been challenging, our focus on execution has resulted in substantial strides being made towards building and operating the leading South African full service fintech platform. Alex has played a key role in Lesaka's growth journey and its transition from Net 1 to Lesaka. Prior to my appointment, Alex was interim Group CEO for over a year after serving as the Company Chief Financial Officer for four years. I would like to thank Alex for his valuable contribution to the Company."

Naeem E. Kola: Group CFO, commented: "The successful acquisition and integration of the Connect Group ("Connect") was a landmark transaction for Lesaka. It has been transformational in the Company's turnaround journey and has strengthened the Company's strategic position, underpinned by Connect's track record of profitability and growth at scale. As part of the integration of Connect, we have built a finance and reporting function that is well-equipped to support Lesaka's growth prospects and execute on opportunities for expansion as these emerge. I would like to thank Alex for his support, insights, and contribution our team.

"The integration of Connect benefited the finance function substantially, by incorporating Connect's capable and experienced finance team. Consequently, the roles and responsibilities previously undertaken by the CAO are being consolidated into Lesaka's finance team," **concluded Kola.**

About Lesaka (www.lesakatech.com)

Lesaka Technologies, ("Lesaka") is a South African Fintech company that utilizes its proprietary banking and payment technologies to deliver superior financial services solutions to merchants (B2B) and consumers (B2C) in Southern Africa. Lesaka's mission is to drive true financial inclusion for both merchant and consumer markets through offering affordable financial services to previously underserved sectors of the economy. Lesaka offers cash management solutions, growth capital, card acquiring, bill payment technologies and value-added services to formal and informal retail merchants as well as banking, lending, and insurance solutions to consumers across Southern Africa. The Lesaka journey originally began as "Net1" in 1997 and later rebranded to Lesaka (in 2022), with the acquisition of Connect. As Lesaka, the business continues to grow its systems and capabilities to deliver meaningful fintech-enabled, innovative solutions for South Africa's merchant and consumer markets.

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

Investor Relations and Media Relations Contact:

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FNK IR

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