



## LISTING PARTICULARS

### MERIDIAN CRV LIMITED

Multi-currency Note Programme

3<sup>rd</sup> of September 2021



**MERIDIAN CRV LIMITED**

(Registered Company Number 181398)

(Established and incorporated as a public company in accordance with the laws of Mauritius on the 29<sup>th</sup> of July 2021 having its registered office at c/o NWT (Mauritius) Limited, 6/7th Floor, Dias Pier Building, Le Caudan Waterfront, Caudan, Port Louis 11307, Mauritius **as Issuer**)

Multi-currency Note Programme of up to a maximum aggregate Nominal Amount of USD 100,000,000

Dated: 3<sup>rd</sup> of September 2021

LEC/P/07/2021

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Under this USD 100,000,000 multi-currency note programme (**Programme**), the Issuer may issue notes (**Notes**) subject to the terms and conditions contained in this programme memorandum (**Programme Memorandum**), and in the applicable pricing supplement (**Applicable Pricing Supplement**).

This Programme Memorandum, which is deemed to be listing particulars provides disclosure information regarding the Notes, the Issuer and the group's holding company namely Meridian Consolidated Investments Ltd (the **Group Holding Company** or **MCIL**), which will provide a Corporate Guarantee to the Issuer, and includes particulars given in compliance with the Listing Rules of the Stock Exchange of Mauritius Ltd (**SEM**) governing the listing of securities on the Official Market.

The maximum aggregate nominal amount of all Notes that may be issued by the Issuer under this Programme will not exceed **USD 100 million** (or the equivalent in other currencies). The Notes that will be issued following the initial issue (**First Issue**) will be for an aggregate nominal amount of up to **USD 30 million** of the Programme, in one or more Tranches, and will be offered by way of a private placement to "Qualified Investors" which are special categories of investors who are knowledgeable and understand the risks of investing in such specialist debt instruments and include but are not limited to expert investors as defined in the Securities (Collective Investment Schemes and Closed-end Funds) Regulations 2008.

The Notes may be listed on the Official Market of the SEM, or any other Recognised Exchange(s) and the listing status will be specified in the Applicable Pricing Supplement. For Notes that will be listed on the SEM, permission of the Listing Executive Committee (**LEC**) will be sought to list the Notes that will be issued.

The LEC granted permission for the Notes of the First Issue to be admitted to the Official Market of the SEM on the 3<sup>rd</sup> of September 2021, and to be traded through the Stock Exchange of Mauritius Automated Trading System ("**SEMATS**") operated by the SEM. The Company is in the phase of completing its book building exercise with regards to the Notes. A communique will be issued to notify the date when the listing of the Notes will commence.

The Notes issued under this programme may or may not be traded, any trading activity will be specified within the Applicable Pricing Supplement.

A copy of this Programme Memorandum has been filed with the Financial Services Commission (**FSC**).

The Issuer has appointed and authorized Safyr Capital Partners Ltd and other parties as placing agents ("**Placing Agent(s)**") to issue this Programme Memorandum and Applicable Pricing Supplements in respect of a specific Series or Tranches of Notes.

The Notes may be issued on a continuing basis and be placed by the Placing Agent appointed under the Programme, which appointment is and will be on an ongoing basis.

Applications for participation in any issue of Notes will be processed through the Issuer or the Placing Agent. A subscription form for Notes will be obtained from and/or distributed by the registered offices of the Issuer or the Placing Agent.

## IMPORTANT NOTICES

Neither the LEC, nor the SEM, nor the FSC assumes any responsibility for the contents of this Programme Memorandum. The LEC, the SEM and the FSC make no representation as to the accuracy or completeness of any of the statements made or opinions expressed in this Programme Memorandum and expressly disclaim any liability whatsoever for any loss arising from or in reliance upon the whole or any part thereof.

This Programme Memorandum is being made available for information purposes only to a limited number of Qualified Investors who have expressed an interest in subscribing to the Notes. Nothing in this Programme Memorandum shall be construed as, and under no circumstances shall this Programme Memorandum constitute an, offer to sell the Notes to the public. The Notes are to be offered under this Programme Memorandum and the Applicable Pricing Supplement. Where the distribution is by way of private placement, investors must keep the contents of this Programme Memorandum strictly private and confidential and for their exclusive use. All recipients of this Programme Memorandum acknowledge and agree to be bound by the terms of this confidentiality notice. This Programme Memorandum may not be reproduced or used in whole or in part for any other purpose or furnished to any person other than the persons to whom copies have been sent.

The distribution of this Programme Memorandum and the offering, sale and delivery of Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Programme Memorandum come are required by the Issuer to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on distribution of this Programme Memorandum and other offering material relating to the Notes, see “**Subscription and Sale**”.

The information contained in the Programme Memorandum is not and should not be construed as a recommendation by the Issuer that any recipient should purchase Notes. Each such recipient must make and shall be deemed to have made its own independent assessment and investigation of the financial condition, affairs and creditworthiness of the Issuer and of the Notes issue as it may deem necessary and must base any investment decision upon such independent assessment and investigation and not on the Programme Memorandum. Each potential investor in the Notes should determine the suitability of such investment considering its own circumstances. 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 Programme Memorandum;
- b) have access to, and knowledge of, proper analytical tools to evaluate, in the context of its financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- c) understand thoroughly the terms of the Notes;
- d) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes; and
- e) be able to evaluate (either alone or with the help of a financial adviser) scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Issuer does not accept any responsibility, express or implied, for updating the Programme Memorandum and neither the delivery of the Programme Memorandum nor any offer or sale made on the basis of the information in the Programme Memorandum shall under any circumstances create any implication that the Programme Memorandum is accurate at any time subsequent to the date thereof with respect to the Issuer or that there has been no change in the business, financial condition or affairs of the Issuer since the date thereof.

No person is authorised by the Issuer to give any information or to make any representation not contained in the Programme Memorandum and any information or representation not contained therein must not be relied upon as having been authorised.



Neither the delivery of this document nor any subscription or acquisition made in connection with it shall, in any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date of this Programme Memorandum or that the information is correct as of any subsequent date.

Neither this Programme Memorandum nor the Applicable Pricing Supplement, nor any other information supplied in connection with the Programme or any Notes:

- a) is intended to provide the basis of any credit or other evaluation; or
- b) should be considered as a recommendation by the Issuer, Placing Agent(s), Registrar and Transfer Agent, Legal Advisors, Auditors, or any of their respective directors, affiliates, advisers or agents, that any recipient of this Programme Memorandum should purchase any Notes.

The Placing Agent(s), Registrar and Transfer Agent, Legal Advisors, Auditor and the other professional advisers 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 them as to the accuracy or completeness of the information contained in this Programme Memorandum or any other information provided by the Issuer. The professional advisers do not accept any liability in relation to the information contained in this Programme Memorandum or any other information provided by the Issuer in connection with the Programme.

No person is authorized to give any information or make any representation not contained in this Programme Memorandum in connection with the Programme and any offering of Notes under the Programme and, if given or made, such information or representation must not be relied upon as having been authorised by any of the Issuer, Placing Agents, Registrar and Transfer Agent, Legal Advisors or any of their respective directors, affiliates, advisers or agents.

Persons into whose possession this Programme Memorandum and any Applicable Pricing Supplements come are required by the Issuer, and any Placing Agent to inform themselves about and observe such restrictions.

This Programme Memorandum is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see '**Documents Incorporated by Reference**').

## **PRESENTATION OF FINANCIAL AND OTHER INFORMATION**

Given that the Issuer has no trading history and unless otherwise indicated, the financial information set forth in this Programme Memorandum has been tabled from the Consolidated Audited Financial Statements of MCIL as the Group Holding Company, which comprises of the comprehensive income, statements of financial position and statements of cash flows as at and for the years ended 31 March 2017, 2018, 2019 and 2020 and the management accounts for the period ended 31 December 2020. The Group Holding Company's audited financial statements have been prepared in accordance with International Financial Reporting Standards are presented in United States Dollars, the reporting currency of the Group Holding Company, and were audited by its independent auditors.

## **ROUNDING ADJUSTMENTS**

Some numerical figures included in this Programme Memorandum have been subject to rounding adjustments. Accordingly, numerical figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be the sum of the figures which precede them.

## **MARKET SHARE AND INDUSTRY DATA**

It is difficult to obtain precise industry and market information on industries in which the Issuer is involved. Information as to the market and competitive position data included in this Programme Memorandum has been obtained from published information. 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. Meridian CRV Limited accepts responsibility only for the correct reproduction of this information.



**FORWARD-LOOKING STATEMENTS**

This Programme Memorandum does not include forward-looking statements.

**ADDITIONAL INFORMATION**

The Issuer must file such periodic reports as are required of it under the Listing Rules of the Official Market of the SEM and as a reporting issuer under the Securities Act 2005.

**Listing Sponsor and SEM Authorised Representative**

Safyr Capital Partners Ltd  
B05-08, Tower B&C, Level 5,  
1 Cybercity, Ebene, Mauritius  
72201.

**DIRECTORS STATEMENTS**

The Issuer and the directors collectively and individually accept full responsibility for the accuracy and completeness of the information contained in this Programme Memorandum and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

The directors confirm that:

- a) There is no material adverse change in the financial or trading position of the Group Holding Company since the last audited accounts for the year ended March 31, 2020, and its management account for the period ended 31 December 2020;
- b) No changes are anticipated in the nature of the business of the Issuer; and
- c) The working capital available to the Issuer is sufficient for its present requirements, that is, for at least the next twelve months from the date of issue of this Programme Memorandum.

SIGNED at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 2021.

For and on behalf of  
Meridian CRV Limited

.....  
[director name]

.....  
[director name]

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## 1 DOCUMENTS INCORPORATED BY REFERENCE

The following documents are deemed to be incorporated in, and form part of this Programme Memorandum:

- a) all supplements to this Programme Memorandum as may be issued by the Issuer from time to time;
- b) each Applicable Pricing Supplement in relation to any Series or Tranches of Notes to be issued under this Programme Memorandum;
- c) in relation to secured Notes which may be issued under this Programme Memorandum, the Security Documents for the Secured Notes set out in any Applicable Pricing Supplement; and
- d) the Audited Financial Statements of the Group Holding Company for each financial year, starting with financial year ended 31 March 2017 and the Management Accounts for the period ended 31 December 2020.

The Issuer will provide, free of charge, to each person to whom a copy of the Programme Memorandum has been delivered, upon request of such person, a copy of any of the documents deemed to be incorporated herein by reference, unless such documents have been modified or superseded. Requests for such documents should be directed to the Issuer at its registered office as set out herein.

Any statement contained in a document incorporated by reference into this Programme Memorandum or contained in any supplement to this Programme Memorandum or in any document incorporated by reference therein shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede earlier statements contained in this Programme Memorandum or in a document which is incorporated by reference in this Programme Memorandum. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Programme Memorandum.

In case of a material adverse change in the condition (financial or otherwise) of the Issuer which is not reflected in this Programme Memorandum, the Issuer will prepare a supplement to this Programme Memorandum or publish a new Programme Memorandum for use in connection with any subsequent issue of Notes. If the terms of the Programme are modified or amended in a manner which would make this Programme Memorandum, as supplemented, inaccurate or misleading, the Issuer will prepare a new Programme Memorandum.

Any such new Programme Memorandum or Programme Memorandum as supplemented shall be deemed to have been substituted for the previous Programme Memorandum from the date of its issue.

Investors in the Notes shall be deemed to have notice of all information contained in the documents incorporated by reference into this Programme Memorandum, as if all such information were included in this Programme Memorandum.

Except as provided above, no other information, including information on the web sites of the Issuer is incorporated by reference into this Programme Memorandum.

## 2 GENERAL DESCRIPTION OF THE PROGRAMME

Words 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 clearly inappropriate from the context.

The Issuer may from time-to-time issue one or more Series and/or Tranches of Notes under the Programme, pursuant to this Programme Memorandum, provided that the aggregate outstanding Nominal Amount of all of the Notes issued under the Programme from time to time does not exceed the Programme Amount.

From time to time, the Issuer may wish to increase the Programme Amount. Subject to the applicable procedures and all applicable Laws, the Issuer may, without the consent of Noteholders, increase the Programme Amount by delivering notice thereof to the (i) Noteholders, (ii) the relevant Recognized Exchange(s), (iii) the Registrar and Transfer Agent, (iv) the Placing Agent(s) and (v) Security Agent (if applicable). Upon such notices being given, all references in the Programme Memorandum or any other agreement, deed or document in relation to the Programme Amount, shall be, and shall be deemed to be, references to the increased Programme Amount.

The First Issue of the Notes will be listed on the SEM; however, a Series and/or Tranche of Notes may be listed on one or more Recognised Exchange(s) as may be determined by the Issuer, subject to applicable laws. The Applicable Pricing Supplement will specify whether a Series and/or Tranche of Notes will be listed or unlisted and, if so, on which Recognised Exchange. This Programme Memorandum and any supplement will only be valid for the issue of Notes in an aggregate Nominal Amount which, when added to the aggregate Nominal Amount then outstanding of all the Notes previously or simultaneously issued under the Programme, does not exceed the Programme Amount.



### 3 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 Programme Memorandum and, in relation to the Terms and Conditions of any particular Series and/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.*

#### 3.1 PARTIES

Issuer	Meridian CRV Limited, a company incorporated under the laws of Mauritius, with registration number 181398, and having its registered address at c/o NWT (Mauritius) Limited, 6/7th Floor, Dias Pier Building, Le Caudan Waterfront, Caudan, Port Louis 11307, Mauritius.
The Group Holding Company	Meridian Consolidated Investments Ltd, a company incorporated under the laws of Mauritius, with registration number 109299, and having its registered address at 218 Grand Bay Business Park, Coastal Road, Grand Bay, Mauritius.
Placing Agent, Arranger, Listing Sponsor and SEM Authorised Representative	Safyr Capital Partners Ltd, a company incorporated under the laws of Mauritius, with registration number C16136372 and having its registered address at B05-08, Tower B&C, Level 5, 1 Cybercity, Ebene, Mauritius 72201.
Registrar and Transfer Agent	MCB Registry & Securities Ltd, MCB Centre, Sir William Newton Street, Port Louis
Legal counsel	Eversheds Sutherland (Mauritius), 2nd Floor, 246 Edith Cavell Court, Edith Cavell Street, Port Louis, 11302, Mauritius.
Auditors	Deloitte Mauritius Chartered Accountants, a company incorporated under the laws of Mauritius, and having its registered address at 7 <sup>th</sup> -8 <sup>th</sup> Floor, Standard Chartered Tower, 19-21 Bank Street, Cybercity, Ebene.
Noteholders	The person registered in the Register maintained by the Registrar and Transfer Agent.

#### 3.2 GENERAL

Denomination of Notes	Notes will be issued in such denominations as may be agreed by the Issuer as indicated in the Applicable Pricing Supplement.
Description of Programme	Meridian CRV Limited USD 100,000,000 Multi-currency Note Programme.
Minimum Subscription Amount	The Issuer will proceed with the issue of a Tranche of Notes subject to a minimum amount of 50% of the amount issued per Tranche being subscribed. If the Issuer fails to raise the Minimum Subscription Amount, all proceeds from the private placement will be returned to investors.



Distribution	Notes will be distributed by way of private placement or any other means permitted under Mauritian law, and in each case on a syndicated or non-syndicated basis as may be determined by the Issuer reflected in the Applicable Pricing Supplement.
Form of Notes	Notes may be issued in registered form or certificated form as specified in the Applicable Pricing Supplement. Where Notes are issued in certificated form, a certificate substantially in the form set out in Annex 1 in will issued to Noteholders.
Governing Law	The Notes will be governed by and construed in accordance with the laws of the Republic of Mauritius.
Interest	Notes may bear different interest rates, as specified in the Applicable Pricing Supplement.
Interest Periods/Interest Payment Dates	The Interest Rate, Interest Payment Dates and Interest Periods, if any, applicable to a Series and/or Tranche of Notes will be specified in the Applicable Pricing Supplement.
Issue and Transfer Taxes	As at the date of the issue of this Programme Memorandum, 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 Programme Memorandum headed “ <b>Mauritian Taxation</b> ”). 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	Notes may, at the election of the Issuer, be issued on a fully paid or a partly paid basis and at their Nominal Amount or at a discount or premium to their Nominal Amount as specified in the Applicable Pricing Supplement.
Issuance in Series	Notes will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that the issue date and the amount of the first payment of interest may be different in respect of different Tranches. The Notes of each Tranche will be subject to identical terms in all respects save that a Tranche may comprise Notes of different denominations
Listing	Initially, the First Issue of the Notes under the Programme will be listed on the SEM. The Issuer may, later apply to the SEM or its successor or other Recognised Exchange(s) to list the Notes issued under the Programme (in which case this Programme will be amended and supplemented by the Issuer to comply with the Applicable Procedures). The Applicable Pricing Supplement will specify whether a Series and/or a Tranche of Notes will be listed and, if so, on which Recognised Exchange(s).
Maturity of Notes	Such maturity as may be agreed between the Issuer, subject to a minimum maturity of such period as may be required by the SEM and/or any other Recognised Exchange(s) on which the Notes may be listed or in terms of any law, as indicated in the Applicable Pricing Supplement. The Notes are not subject to any maximum maturity.



Notes	<p>Notes may comprise:</p> <p>(a) Fixed Rate Notes</p> <p>Fixed Rate Notes will bear interest at a fixed Interest Rate as indicated in the Applicable Pricing Supplement and as more fully described in Condition 6.1 of the Terms and Conditions.</p> <p>(b) Floating Rate Notes</p> <p>Floating Rate Notes will bear interest as indicated in the Applicable Pricing Supplement and as more fully described in Condition 6.2 of the Terms and Conditions.</p>
Rating	<p>As at the Programme Date, the Programme has not been rated by a rating agency. However, the Issuer may, at any time, obtain a rating by a rating agency for this Programme or any issue of Notes pursuant to this Programme. In this regard a Series and/or Tranche of Notes may, on or before the Issue Date, be rated by a rating agency on a national scale or international scale basis. Unrated Series and/or Tranches of Notes may also be issued. The Applicable Pricing Supplement will reflect the Rating, if any, which has been assigned to the Issuer and/or the Programme and/or a Series and/or Tranche of Notes, as the case may be, as well as the rating agency or Rating Agencies which assigned such Rating(s).</p> <p>A Rating is not a recommendation to subscribe for, buy, sell, or hold Notes and may be subject to revision, suspension, or withdrawal at any time by the rating agency. Any adverse change in the Rating of the Issuer and/or the Programme, a Series and/or a Tranche of Notes could adversely affect the trading price of all or any of the Notes.</p>
Redemption	<p>The Applicable Pricing Supplement relating to each Tranche of Notes will indicate either:</p> <p>(a) that the Notes may only be redeemed prior to their stated maturity (other than in specified instalments, if applicable) following an Event of Default; or</p> <p>(b) that such Notes will be redeemable at the option of the Issuer upon giving not less than 15 nor more than 30 days' irrevocable notice (or such other notice period, if any, as is indicated in the Applicable Pricing Supplement) to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as are indicated in the Applicable Pricing Supplement.; or</p> <p>(c) that such Noteholders may redeem their Notes by delivering to the Issuer and the Registrar and Transfer Agent in accordance with Condition 18 (<i>Notices</i>), a duly executed notice (<b>Put Notice</b>), at least 15 days but not more than 30 days, prior to the applicable Redemption Date.</p>
Register	<p>The register maintained by the Registrar and Transfer Agent as contemplated and provided for in the Terms and Conditions.</p>
Selling Restrictions	<p>The distribution of this Programme Memorandum and/or any Applicable Pricing Supplement and any offering or sale of or subscription for a Tranche of Notes may be restricted by law in</p>



	<p>certain jurisdictions, (see the section of this Programme Memorandum headed “<b>Subscription and Sale</b>”). Any other or additional restrictions which are applicable to the placing of a Tranche of Notes will be set out in the Applicable Pricing Supplement. Persons who come into possession of this Programme Memorandum and/or any Applicable Pricing Supplement must inform themselves about and observe all applicable selling restrictions.</p>
Security Document	<p>Each agreement designated as a security document in the Applicable Pricing Supplement.</p>
Size of the Programme	<p>As at the Programme Date, the Programme Amount is USD 100,000,000. This Programme Memorandum will only apply to Notes issued under the Programme in an aggregate outstanding Nominal Amount which does not exceed the Programme Amount. The Issuer may increase the Programme Amount in the manner set out in the section of this Programme Memorandum headed “<b>General Description of the Programme</b>”.</p>
Specified Currency	<p>Notes will be issued in such denominations as may be specified in the relevant Applicable Pricing Supplement.</p>
Status and Characteristics of Notes	<p>Unless specified otherwise in the Applicable Pricing Supplement, the Issuer's payment obligations under the Notes will constitute direct obligations of the Issuer and each Tranche will rank <i>pari passu</i> among themselves and the Notes will rank at least <i>pari passu</i> with all other present and future unsecured and subordinated obligations of the Issuer, save for those that have been afforded preferential rights by law applicable to companies generally.</p> <p>A Series and/or Tranche of Notes may be secured pursuant to Security Documents and with the benefit of the security created thereby to be held in accordance with the terms of such Security Agency Agreement(s) as may be specified in the Applicable Pricing Supplement.</p>
Stock Exchange of Mauritius	<p>The Stock Exchange of Mauritius Ltd (SEM) is a public company with registration number C06007748 incorporated in Mauritius on March 30, 1989, under the Stock Exchange Act, 1988, responsible for the operation and promotion of an efficient and regulated securities market in Mauritius.</p>
Taxation	<p>As at the date of this Programme Memorandum all payments in respect of the Notes will be made, subject, as appropriate, to withholding tax as further described in the section headed “<b>Mauritian Taxation</b>”.</p>
Terms and Conditions	<p>The Terms and Conditions of the Notes set out below.</p>
Use of Proceeds	<p>The proceeds from the issue of the Notes shall be applied by the Issuer in the manner specified in the Applicable Pricing Supplement.</p>
Withholding Taxes	<p>As at the Programme Date all payments in respect of the Notes will be made without withholding or deduction for or on account of</p>



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taxes levied in Mauritius unless such withholding or deduction is required by law.

## 4 RISK FACTORS

The risks and uncertainties below are not the only ones the Issuer and the Noteholders face. Additional risks and uncertainties not presently known to the Issuer, or that the Issuer currently believes are immaterial, could also impair the Issuer's business, financial condition, or results of operations and, as a result, its ability to service its payment obligations under the Notes.

Investors should pay attention to the fact that the Issuer is subject to the legal and regulatory environment in the Republic of Mauritius, which, in some respects, may differ from that prevailing in other countries. The Issuer believes that the factors outlined below may affect its ability to fulfil its obligations under 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. The information given below is as at Programme Date.

### 4.1 SECURITY-SPECIFIC RISKS

Security-specific risks related to the issued Notes are outlined as follows:

- a) **Market risk**, alias liquidity risk should be evaluated by the Noteholder considering that there is no guarantee of sufficient liquidity in the secondary market of the Notes and the Noteholder might bear a loss due to not being able to sell the Notes on the secondary market or having to have to sell them at an unfavourable price;
- b) **As a credit risk**, the Noteholder should assess specific credit risks associated with the Issuer as well as general credit risk of the Notes. As a general credit risk, a possibility should be considered that future note issuers with similar profile offer higher yield to attract investors, and because of that the yield on the Notes should have been higher as well;
- c) **Interest rate risk**, should be assessed by the Noteholder considering that besides the activities of the Issuer the developments of financial markets may affect the value of the Notes and when the interest rates are rising, the value of existing Notes may go down, and vice versa;
- d) **Legislation risk** is a risk of losses due to amendments in legislation, regulations, and other legal acts or due to implementation of new legal acts, which may cause additional expenses or reduce return on investment; this risk also covers possible changes in applicable tax assessment and withholding procedures.

### 4.2 RISKS RELATED TO THE ISSUER'S GROUP HOLDING COMPANY

The Issuer's Group Holding Company is a market leader within the Fertilizer space with operations in Malawi, Mozambique, Zimbabwe and Zambia. The Issuer is also involved in the trading of other agricultural commodities within such countries as described further in this Programme Memorandum.

The risks described below may negatively affect the Issuer. The main risk factors influencing the financial performance of the Issuer are:

- a) **Credit risk** is a potential loss that may occur in the case of improper fulfilment or non-compliance of the Issuer with the contractual obligations because of failure of the Issuer's business operations or other factors. As a specific credit risk, events that undermine the creditworthiness of the Issuer should be considered;
- b) **Liquidity risk** is defined as the risk of a loss or higher than expected costs due to inability of the Issuer to meet its payment commitments on time;
- c) **Operational risk** presents the possibility to incur losses due to the impact of inadequate or unsuccessful internal processes, activities by personnel, systems, or external circumstances.



- d) **Systemic risk:** a risk of (mainly) technical failures in the systems of the CDS, the SEM, or credit institution or similar institutions may cause loss to the Noteholder due to unfulfilled or delayed transactions or incorrectly carried out transactions;
- e) **Risk of external attacks:** a loss that may arise from illegal behaviour of clients, counterparties or other persons who act for personal gain (attack, fraud).
- f) **Risk of default with existing lenders:** a loss that may arise from *default* on a debt that may arise from a borrower not making required payments.
- g) Leverage and financing risk:

The capital of the Company may be leveraged so as to achieve a higher rate of return. The Company has external borrowings as at the date of these Listing Particulars, and the maximum level of gearing is determined by the board from time to time. While leverage presents opportunities for increasing the total return of the Company, it has the effect of potentially increasing losses as well.

Furthermore, whilst the gearing of the Company provides significant upside for ordinary shareholders, the management and directors are responsible for the Company as a whole and to make sure that the Company is not at risk of ceasing to be a going concern and to approach business activities in a responsible and ethical manner.

This assessment will be driven by analysing the cost of equity versus the cost of debt. Debt to equity ratios will therefore be monitored constantly, particularly with regard to the effects that they have on the profitability of the Company. This includes managing the debt levels of the businesses within agreed covenants with funding providers. Excessive risks will not be taken in this regard and an internal control process will be implemented to ensure that the business does not carry excessive financial risk.

#### 4.3 RISKS RELATED TO THE ISSUER'S INDUSTRY

##### Agricultural business/ industry risks

###### Environmental

- a) With the Issuer being involved in agricultural commodities, they might run the risk of encountering various environmental risks which would be classified as beyond their control.
- b) Climate change is predominantly the first risk which would have a negative impact on crop productions: rainfall shocks, and most notably droughts, are known to have greater negative impacts on the economic well-being of agro-related companies.
- c) Additionally, biological factors such as pests and diseases are other environmental factors which impact the production in the agricultural industry.

###### Logistics

- a) The logistics is one risk that the agricultural industry usually faces. Lack of good quality infrastructure and transport can be a considerable obstacle to obtain essential inputs and get the crops to their destination. Inadequate transport infrastructure in certain rural areas can push up costs and can impact the smooth process of getting the products to destination.
- b) A compounding factor nowadays is COVID-19 whereby transport channels are disrupted and could cause roadblocks to normal transactions.

##### Raw Materials and Seasonal Business

- a) The security, quality and safety of the finished products are additional concerns to the agricultural industry. Health & safety at every stage of the food production chain is a struggle for food processors to implement and maintain. The improper handling and storage of raw materials also add to the associated risks.

- b) Another factor that could impact the industry is the seasonal nature of it. The harvest of crops is mainly driven by seasonality, most crops do not have many harvest seasons. As such, seasonality could cause crop prices (i.e cash futures, intercommodity spreads) to act in a relatively predictable way.

**Direct risks encountered by the Issuer's Group Holding Company relating to the Fertiliser industry are as follows:**

- a) The financial results of the Issuer's Group Holding Company can significantly be affected by changes in the balance of supply and demand for Fertilisers.
- b) The Issuer's Group Holding Company's financial results can be significantly affected by changes in the overall balance of worldwide supply and demand for Fertilisers. The demand for Fertilisers, which is based upon customers' expectations of their future requirements, can change from time to time depending upon factors affecting the demand for their products.

### **Meridian Group Country FX and Credit Risk**

Overview of sourcing and supply of fertilizer raw materials, Group distribution and value add, selling and managing FX risks and payment instruments to externalise funds

### **Group Procurement, Supply and Foreign Exchange Considerations**

Meridian is a complex Group with several subsidiaries operating across multiple countries and by nature is exposed to foreign currency risk. The Group's widened geographic presence serves as a hedge against currency exposure particularly in geographies where the Group both imports and sells in USD (contractual hedging)

The Meridian business model is structured around centralised procurement of generic fertilizer raw materials through its procuring entity (Meridian Commodities or Mercom) utilising the efficiencies of bulk procurement, shipping and other logistical costs to move product from source to various country destinations through Beira and Nacala ports to final country destinations. Meridian owns and controls in port handling facilities as well as in country storage and production facilities that allows tailormade production of final fertilizer products specific to customer requirement. In country production facilities including blending, granulation, handling, bagging and storage facilities which allows local production and value add in country, providing flexibility for tailormade fertilizer requirements as well as the ability to add locally sourced raw materials (where applicable) as part of the process to produce finished goods for ultimate sale.

Such local content contributes between 20% to 40% of total volumes ultimately sold (depending on territory) which reduces the requirement for foreign currency to pay for imported component. Raw materials procured at group level are largely generic and used across all territories therefore allowing flexibility in terms of volume distribution and single country risk factors.

Mercom retains commercial ownership of goods supplied to the various territories (even though these are physically stored in facilities owned by local subsidiaries in countries) and therefore kept on a USD denominated Balance Sheet until goods are required for ultimate sale and release to 3rd party customers, at which time Mercom will release the goods to the relevant subsidiary which is then sold back-to-back to the final customer in majority of cases. This approach allows a further hedging against FX risks and therefore aligning the timing of creating USD exposures in country more closely to the actual sale to third parties. This is especially useful since fertilizer sales have a high seasonal trend with a percentage of sales materialising during the raining season which typically falls between November and February. While unsold, raw materials are monitored by third party collateral managers in the various facilities across the region.

The Group is therefore exposed to risks from exchange rate volatility largely in relation to the value of the imported goods sold in each country and externalization is therefore done through payment of such goods based on valid importation documentation. Multiple approaches and tools are used to facilitate the payments (payment instruments) and to manage associated risks within the respective territories and these remain dynamic in response to changes in local economies from time to time.

Management is of the view that revenue is significantly hedged against local currency volatility given the extent to which costing, pricing and sales contracts are pegged in USD and other complimentary mechanisms/instruments used as and when relevant.

Payment for imports from local subsidiaries are typically achieved using one (or a combination of the following instruments:

- a) Letters of credit raised by the local subsidiary (or the ultimate customer) through regional commercial banks forms a significant part of payment instruments and these discounted to cash to release stocks physically and settle USD exposure.
- b) Cash remittances from foreign currency sourced through local open market (commercial banks, exporters who either buy their Agri-inputs from Meridian or allocate export inflows of FX through local commercial banks and nominate the same to relevant Meridian subsidiary, Various structures and agreements are in place to accommodate such cash allocations depending on local market requirements.
- c) In certain instances, pertaining to specific government programmes, sourcing, and hedging of FX is specifically underwritten by such institutions in various forms which could typically include certain undertakings from local Reserve Banks to support local commercial banks with specific contractual FX requirements.
- d) Formal hedging instruments are also used (in part where deemed relevant) to compliment the FX requirements and additionally mitigate FX exposures using FEC's through local commercial banks.

Agriculture is deemed high priority in the territories where Meridian operates (in terms of providing food security) typically provides the Group with priority to access foreign currency across the region and this is well supported by local governments and regional commercial banks.

## **Region specific considerations**

### **Malawi**

#### **Key considerations**

Government of Malawi (GOM) exchange rate policy dictates a floating exchange rate and the local currency has been stable and freely available for the past two to three years with indications very recently (last 4 months) of the local currency devaluating against the USD (about 6% devaluation in the last 3 months noted). Government has announced a significant increase in the existing government subsidy program which historically accounted for about 90kmt of fertilizer in the market annually. This has been increased to 400kmt for the 2020/21 season and budgetary support has already been provided. Meridian is expected (as in the past) to participate and supply around 30% of the total program. A large portion of the supply contract is USD denominated and government will provide a USD payment instrument as part of the payment terms. A smaller component will be supplied using Meridian's distribution network (retail) and these will be contracted in local currency. Refer the comments below relating to that component.

#### **Commercial farming contracts**

Contracts are denominated in USD and customers pay either in USD or MWK equivalent (spot rate) at the date of payment. Average credit terms 60 to 90 days from supply

Historically, when forex has been in short supply these customers would make available FX through their bank (from their export proceeds) and nominate the Meridian local contracting entity to cover the externalisation requirements. This is not necessary at present as forex has been freely available in the market but relevant when needed.

#### **Retail and cash sales**

Sales are made at a ruling price denominated in local currency and all sales are for cash

Selling prices in local currency are periodically adjusted for any significant movement in the exchange rate

Local subsidiaries utilise working capital structures with local commercial banks (which includes Letters of Credit components and bank overdrafts) to settle import dues relates to these sales progressively throughout the season.

### **Government (mainly distribution contracts)**

These contracts are denominated in MWK and as such have an inherent exchange rate hedge factored into the contract price and mitigated additionally as per below:

### **Risks and mitigation**

In the event of a volatile currency situation, hedging mechanisms such as forward contracts are available to mitigate against exchange rate risk. With the current market conditions in mind, these forward contracts are not currently exclusively and significantly utilised given the associated costs. Maturity of such instruments typically match Letters of Credit raised with future maturity dates.

The Group has first right of refusal on the First Capital Bank tripartite agreement referred to as 'MaKwacha' providing additional access to USD allocations at preferential exchange rates. This relates to FX proceeds from tobacco floor sales directed through the bank and the quantum fluctuates YoY based on tobacco sales volumes in country.

### **Zimbabwe**

#### **Key considerations**

The USD dollar has been the official currency until February 2019 when the government reintroduced a local currency commonly referred to RTGs. Since its introduction there has been significant devaluation coupled by hyperinflation which has been measured at around 800% YOY. In recent months there has been indications that the devaluation trend is slowing down to specific treasury measures introduced by the local Reserve Bank. As a result, sales into Zimbabwe are matched against specific FX allocations considering timings and cost and costing of product is strictly guided by this approach.

Importation of raw materials to Zimbabwe is intentionally managed to ensure that net exposure is kept within certain levels. Inventory is kept on Mercom Balance Sheet (USD) even though stocks are physically in country (as previously explained). Inventory is only released and sold to Zimbabwe once payment instrument is in place and funds externalised. Zimbabwe also contracts local producers of fertilizer raw materials and other direct costs to reduce the USD requirement which is typically around 40% of COGS.

Given the above, revenue ad volumes planned for Zimbabwe is driven by availability of forex rather than market size.

### **Government contracts**

Reserve Bank of Zimbabwe ("RBZ") typically provides currency cover for all government contracts thereby mitigating risk for Group operations in-country and this include agreements/assurances between Reserve Bank, local Commercial Banks and Meridian in terms of guaranteeing FX supply and hedging mechanisms to ensure FX risks are capped. These are important to provide comfort to local banks to issue letters of credit and other payment instruments.

### **Retail and commercial**

Retail/Wholesale volumes are matched with forex availability and what is physically secured in the market through the local banking sectors, exporters proceed and related. This is the precursor to release such stocks for sale and concurrently settle the USD exposure in terms of imported content.

## **Risk and mitigation**

USD exposures are carefully managed to align with current trading activity which is then further hedged with instruments such as Letters of Credit, FX allocation from exporters (through commercial banks and directly) and support from Reserve Bank where needed to supply against government contracts

## **Mozambique**

### **Key considerations**

The Mozambican government's exchange rate policy dictates a floating exchange rate. The local currency has been largely stable in recent years with some up and down movements in recent months (but medium-term trends not significant) and USD is available to the extent of our requirements. Meridian has group services structures in Mozambique that provides port handling, clearing and auxiliary services to Meridian for all fertilizer raw materials procured for the region. Current volumes through ports for Mercom is about 500kmt per annum which translates to approximately \$25mil in port services charged to Mercom. Since a significant component of these costs are incurred in local currency with service providers the net group exposure for FX risk in Mozambique is significantly reduced as this compensates largely for the value of fertilizer raw materials imported and sold in the Mozambique jurisdiction.

### **Fertilizer**

Raw materials for fertilizer are supplied by Mercom and value add production is done in country at Meridian's production facility in Chimoio. On average, about 25% of locally sourced content is added for crop specific fertilizer production.

MozFert's main customer is Mozambique Leaf Tobacco Lda Universal (MLTC) contributing c.60% to revenue in recent years. Payment terms are typically 60 days from statement. Pricing is done in USD but payment is made in local currency equivalent at the date of settlement (in line with local regulations)

Other commercial estates include smaller volumes for sugar and other estates which is contracted in a similar fashion.

### **Port handling**

Group facilities in Mozambique provide port handling services for Mercom for onward movement and supply of inventory to final destinations in all the regions where Meridian trades.

Local entities in Mozambique invoice Mercom in USD for services provided to other Group companies thus reducing in country exposures and netting the USD position between services rendered and raw materials supplied.

### **Risk mitigation**

Apart from the above mentioned, Mozambique also exports soft commodities to international markets which further assist as a hedge and balancing of FX supply and demand for this region

The Group has historically used local transport companies in Mozambique, paying them in MZN to deliver goods to other Group companies. MozFert charge Meridian in USD and Meridian charged other Group companies for the transport services, further reducing any exposures associated with payment in local currency.

Mozfert exports to related party FSG Zambia as currently it does not have its own blending capacity and sales are made in USD. USD in Zambia is currently freely available but expansion plans for the group will allow Zambia to establish its own fertilizer production facilities in country in the next 12 months thereby improving capacity and efficiencies.



## **Zambia**

### **Key considerations**

The Zambian Kwacha (ZK) has remained somewhat stable but has seen devaluation in recent years but there are signs that the currency is strengthening in recent months. This trend is typical across the region where the exchange rate floated to move freely, and pricing strategies are adapted accordingly

Zambia is an open market with USD readily available by virtue of its copper and other commodity exports

The Zambian arm of the Group's business is a new entrant and therefore transactions and volumes are growing from a low base but expected to reach similar levels to that of Malawi in future years. This will provide a balanced spread of risk between territories as raw materials are largely generic for all regions

90% of contracts are denominated in USD and are paid in USD or ZK (at equivalent at spot rate on the date of payment)

### **Risk mitigation**

Inventory are kept on Mercom balance sheet (in country) in USD and then released to closely match the final third-party sales timing thereby limiting the FX exposure period in local currency.

FSG Zambia sells significant volumes to government 3rd party suppliers for cash/Letter of Credit terms and in USD therefore FX risk is mitigated, and terms are typically cash or instrument before releasing goods for such customers.

Commercial Estates contributes the significant rest of sales in Zambia, and these are contracted in USD with longer payment tenors to match the cash flow cycle of the customer. Credit is underwritten by guarantees and assignments.

### **Alternatives to Fertilisers.**

Leading fertilizer producers such as Nutrien, CF Industries and Mosaic are all incredibly dependent on each of the 3 major agricultural nutrients (nitrogen, phosphorus, potassium). To date, no fertilizer manufacturers have publicly explored partnerships or investments, creating spaces for alternatives to enter the market such as Microbials.

The Issuer has been operating successfully in these countries for several years and has developed risk management tools to hedge against the risks in each of these countries.

### **Solvency and Liquidity**

Liquidity (access to cash and sources of finance) is essential to maintaining the Issuer's operations as a going concern in the short term (liquidity) and medium term (solvency). The external environment (foreign exchange and interest rates) and the availability of financing and business conditions are subject to variability which may lead to stress in the capital structure, liquidity, and solvency of the Issuer.

### **Notes Issuance Risk**

There is a risk that the local regulators in any jurisdiction, or a change to the applicable legislation, prohibits the issue of the Notes, or limits the classes of people to which the Notes may be issued, such that the Issuer is not able to raise as much money as expected.

### **Emerging Markets**

The Issuer has its operations in developing countries or underdeveloped. Trading in such countries may be less certain and more difficult to protect. Economic conditions in such countries may affect the successful development of any projects and which the Issuer currently undertakes or project to undertake in the future and political instability may also have potential negative effects.



### **Substantial Fees Payable Regardless of Profit**

The Issuer will incur obligations to pay costs. The Issuer will also incur obligations to pay all operating, legal, accounting, auditing, marketing, travel, administration, management and other fees and expenses, including the costs of this Programme Memorandum. These expenses will be payable regardless of whether the Issuer makes a profit.

### **Transaction Costs**

The Issuer's business may generate substantial transaction costs, especially in the funding of its operations which will be borne by the Issuer.

### **Lack of Noteholder Participation**

The Noteholders will not have any right or power or vote to take part in the management of the Issuer.

### **Operational Risk**

This risk represents the likelihood that the management team will underperform, and that unforeseen delays may occur. However, given the significant experience of the management team and their past proven track record, the level of operational risk is not considered high. In case of unforeseen circumstances or any natural disasters that are out of the control of any one person or entity, the ability of the Issuer to pay Interest and the principal on the Notes may be affected.

## **4.4 RISKS RELATING TO THE NOTES**

### **The Notes may not be a suitable investment for all investors**

The Notes that will be issued pursuant to the first Tranche under the Programme will be offered to Qualified Investors. Each potential investor must determine the suitability of that investment considering its own circumstances. 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 Programme Memorandum 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) 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 do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments 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 that are complex financial instruments unless he 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 may not be an active trading market for the Notes.

Notes issued under the Programme may not be widely distributed and there may not be an active trading market for the Notes (unless in the case of any Series, such Series 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.

The Issuer may issue listed or unlisted Notes. The continued listing of any Series of Notes on the SEM and/or on such other Recognized Exchange(s) is subject to the rules of the SEM and/or such other securities exchange prevailing at that time. There can, accordingly, be no assurance that the listing of any tranche of Notes will continue until the Maturity Date of such Tranche of Notes. Accordingly, there is no assurance as to the development or liquidity of any trading market for any Tranche of Notes.

### **The Notes may be subordinated to other Issuer's liabilities**

The payment obligations of the Issuer under unsecured Notes will rank behind secured Notes. Unsecured Notes constitute direct, unsecured, and subordinated obligations of the Issuer and rank *pari passu* among themselves and *pari passu* with all other unsecured indebtedness.

Regarding any unsecured Notes, if the Issuer is declared insolvent and a winding up is initiated, the Issuer will be required to pay the holders of unsubordinated debt and meet its obligations to all its other creditors (including unsecured creditors but excluding any obligations in respect of subordinated indebtedness) in full before it can make any payments on such subordinated Notes. If this occurs, the Issuer may not have enough assets remaining after these payments to pay amounts due under such subordinated Notes.

### **Credit Rating**

Tranches of Notes issued under the Programme may be rated or unrated. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction, or withdrawal at any time by the assigning rating agency. Any adverse change in an applicable credit rating could adversely affect the trading price for the Notes issued under the Programme.

### **Minimum Subscription Amount**

Each Tranche is subject to a minimum subscription rate of 50% of the size of the Tranche. As such, where the minimum subscription amount is not achieved, the Issuer will not proceed to accept bids or allot any Notes.

### **Exchange rate risks**

The Issuer will pay principal and interest on the Notes in the Specified Currency (as defined in the Applicable Pricing Supplement). This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (**Investor's Currency**) other than the Specified Currency.

These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency equivalent yield on the Notes, (ii) the Investor's Currency equivalent value of the principal payable on the Notes and (iii) the Investor's Currency equivalent market value of the Notes. Similarly, the Issuer may be exposed to potential losses if the Specified Currency were to depreciate against major currencies in which the Issuer's revenues are based, which may have an adverse effect on its financial condition and results of operations.

### **Legal restrictions on certain investments**

The investment activities of some potential investors may be subject to 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 (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the regulators to determine the appropriate treatment of Notes under any applicable risk based capital or similar rules.

### **Structural risks of an issue of Notes**

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

- a) The risk of optional redemption by the Issuer
- b) 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 may not rise substantially above the price at which they can be redeemed. This may also be the case 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. In these circumstances, an investor 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 considering other investments available at that time;
- c) Notes issued at a substantial discount or premium; and
- d) The market values of securities issued at a substantial discount or premium from their nominal amount tend to fluctuate more in relation to general changes in interest rates compared to prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

### **Modifications, waivers and substitution**

The Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions allow two thirds of Noteholders to bind all Noteholders, including those who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the two third majority.

### **Amendment or Review of Prevailing Laws**

This Programme Memorandum, the Notes and the applicable Terms and Conditions, are governed by, and will be construed under the laws of Mauritius. No assurance can be given as to the impact of any possible judicial decision or amendment and, or review of the laws of Mauritius or administrative practice in Mauritius after the Programme Date.

## 5 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.*

*Capitalized expressions used in these Terms and Conditions that are not defined here shall bear the meaning assigned to them in the Applicable Pricing Supplement*

The Applicable Pricing Supplement in relation to any Series and/or Tranche of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Series and/or Tranche of Notes.

Notes will be issued in individual Tranches which, together with other Tranches, may form a Series of Notes. Before the Issuer issues any Tranche of Notes, the Issuer shall complete and sign the Applicable Pricing Supplement, based on the Pro Forma Applicable Pricing Supplement included in the Programme Memorandum, setting out details of such Notes. The Applicable Pricing Supplement in relation to any Tranche of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Tranche of Notes. The Applicable Pricing Supplement will be attached to each Certificate.

Copies of the Applicable Pricing Supplement are available for inspection at the registered office of the Issuer. The Noteholders are deemed to have notice of, and are entitled to the benefit of, and are subject to, all the provisions of the Applicable Pricing Supplement.

Words and expressions defined in or used in the Applicable Pricing Supplement shall have the same meanings where 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. Interpretation

In these Terms and Conditions and the Applicable Pricing Supplement, unless inconsistent with the context or separately defined in the Applicable Pricing Supplement, the following expressions shall have the meaning ascribed to them hereunder:

**Applicable Pricing Supplement**

In relation to a Series and/or Tranche of Notes, the pricing supplement completed and signed by the Issuer in relation to that Series and/or Tranche of Notes, setting out the additional and/or other terms and conditions as are applicable to that Series and/or Tranche of Notes, based upon the pro forma Applicable pricing supplement which is set out in Annex 2.

**Applicable Procedures**

The rules and operating procedures of the SEM listings requirements and/or the listings requirements of any other Recognised Exchange, as the case may be.

**Auditors**

The auditors of the Issuer from time to time, and as at the date of this Programme Memorandum.

**Business Day**

A day (other than a Saturday or Sunday or public holiday) which is a day on which commercial banks settle payments in Mauritius.

**Business Day Convention**

A convention for adjusting any date if it would otherwise fall on a day that is not a Business Day and the following Business Day Conventions, where specified in the Applicable Pricing

	Supplement in relation to any date applicable to any Note, shall have the meanings specified in Condition 6.12 ( <i>Business Day Convention</i> ).
<b>Calculation Agent</b>	The Issuer, unless the Issuer elects to appoint, in relation to a particular Tranche or Series of Notes, another entity as Calculation Agent in respect of that Tranche or Series of Notes, as indicated in the Applicable Pricing Supplement.
<b>Certificate</b>	The certificate issued by the Issuer to a registered Noteholder with respect to the Notes issued to that registered Noteholder. A Note in the definitive registered form of a single certificate and any further certificate issued in consequence of a transfer thereof.
<b>Class of Noteholders</b>	The holders of a Series of Notes or, where appropriate, the holders of different Series of Notes.
<b>CSD</b>	The Central Securities Depositories of the Recognised Exchange(s).
<b>Companies Act</b>	The Companies Act, 2001, of the Republic of Mauritius.
<b>Conditions</b>	The terms and conditions of the Notes.
<b>Early Redemption Amount</b>	The amount at which the Notes will be redeemed by the Issuer pursuant to the provisions of Condition 8, as set out in Condition 8.4.
<b>Encumbrance(s)</b>	Any mortgage, charge, lien, pledge, assignment, hypothecation, preferential right, or any other security interest or arrangement.
<b>Event of Default</b>	An event of default by the Issuer as set out in Condition 10.
<b>Final Redemption Amount</b>	The amount of principal payable in respect of each Note upon final redemption thereof, as specified in the Applicable Pricing Supplement.
<b>Fixed Rate Notes</b>	Notes which will bear interest at a fixed Interest Rate, as specified in the Applicable Pricing Supplement and more fully described in Condition 6.
<b>Floating Rate Notes</b>	Notes which will bear interest at a floating Interest Rate, as specified in the Applicable Pricing Supplement and more fully described in Condition 6.
<b>Indebtedness</b>	Any indebtedness in respect of monies borrowed and guarantees given, whether present or future, actual or contingent.
<b>Interest Amount</b>	The amount of interest payable in respect of each Principal Amount of the Notes as detailed in the Applicable Pricing

	Supplement, as determined in accordance with Condition 6.
<b>Interest Commencement Date</b>	The first date from which interest on the Notes will accrue, as specified in the Applicable Pricing Supplement.
<b>Interest Payment Date</b>	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, each date which occurs after a certain period following the preceding Interest Payment Date (being such period as is specified in the Applicable Pricing Supplement) or, in the case of the first Interest Payment Date, after the Interest Commencement Date.
<b>Interest Period</b>	In relation to a Series and/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.
<b>Interest Rate</b>	In relation to a Series and/or a Tranche of Notes, the rate or rates of interest applicable to Notes as indicated in the Applicable Pricing Supplement.
<b>Issue Date</b>	The date of issuance of a Note, as specified in the Applicable Pricing Supplement.
<b>Issue Price</b>	The Issue Price of a Note, as specified in the Applicable Pricing Supplement.
<b>Issuer</b>	Meridian CRV Limited, a company incorporated in Mauritius as a Global Business Company bearing Licence Number: GB21026693.
<b>Last Day to Register</b>	With respect to a particular Series and/or Tranche of Notes (as specified in the Applicable Pricing Supplement), the last date or dates preceding a Payment Day on which the Registrar and Transfer Agent will accept Transfer Forms and record the transfer of Notes in the Register for that particular Series of Notes and where after the Register is closed for further transfers or entries until the Payment Day.
<b>Legal Advisors</b>	The legal advisors of the Issuer from time to time.
<b>LIBOR</b>	<p>* In March 2021, the Financial Conduct Authority (FCA), which oversees the LIBOR process, and the Inter-Continental Exchange Benchmarking Administration (IBA), the administrator of LIBOR, have confirmed the cessation dates of LIBOR rates (read more). It is important to note that:</p> <p>a) Publication of LIBOR rates, for most currencies and tenors/maturities, will cease to exist on the 31st December 2021. While for some specific and more complex situations, the publication of selected USD LIBOR rates will be available until June 2023, no new contracts based on LIBOR rates will be issued as from</p>



31st December 2021 (independent of the currency and maturity) in a vast majority on markets.

- b) The phasing out of LIBOR marks one of the biggest changes to the structure of financial markets. Global initiatives have been launched to reform the LIBOR as well as other Interbank Offered Rates (IBOR) benchmarks and commence the transition to Risk Free Rates (RFRs)/Alternative Reference Rates (ARRs).
- c) RFRs are considered more robust and reliable interest rates benchmarks than LIBOR as their calculation is based on historical transactions instead of the frequently-challenged LIBOR approach, which relied on the submission of information based on 'expert judgement' from a panel of Banks. RFRs, in contrast, are deemed to have sounder bases and to be more representative of the underlying markets while reducing exposure to systemic risk in the overall markets.

<b>Listing</b>	The admission of the Notes to trading on a Recognized Exchange.
<b>Margin</b>	The meaning ascribed thereto in the Applicable Pricing Supplement.
<b>Maturity Date</b>	In respect of a Series or Tranche of Notes the date upon which the Notes are to be finally redeemed and all amounts due on the Notes are to be repaid by the Issuer as set out in the Applicable Pricing Supplement.
<b>Nominal Amount</b>	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.
<b>Noteholders</b>	The holders of Notes as recorded in the Register kept by the Registrar and Transfer Agent in terms of the Terms and Conditions.
<b>Notes</b>	The notes issued or to be issued by the Issuer under the Programme and represented by either a Certificate or in a dematerialised form.
<b>Optional Redemption Amount</b>	In relation to a Tranche of Notes, the optional redemption amount specified as such in the Applicable Pricing Supplement.
<b>Optional Redemption Date</b>	The optional redemption date(s) specified in the relevant Applicable Pricing Supplement.
<b>Outstanding</b>	In relation to the Notes, all the Notes issued other than: <ul style="list-style-type: none"> <li>(a) those which have been redeemed in full.</li> <li>(b) those in respect of which the date for redemption in accordance with the Terms and Conditions has occurred and the redemption monies wherefore (including all</li> </ul>

interest (if any) accrued thereon to the date for such redemption and any interest (if any) payable under the Terms and Conditions after such date) remain available for payment against presentation of Certificates.

- (c) those which have been purchased and cancelled as provided in Condition 8.5.
- (d) those which have become prescribed under Condition 13 (*Prescription*).
- (e) Notes represented by those mutilated or defaced Certificates which have been surrendered in exchange for replacement Certificates pursuant to Condition 12.
- (f) for the purpose only of determining how many Notes are Outstanding and without prejudice to their status for any other purpose), those Notes represented by Certificates alleged to have been lost, stolen or destroyed and in respect of which replacement Certificates have been issued pursuant to Condition 14 (*Delivery, exchange and replacement of certificates*);
- (g) provided that for each of the following purposes, namely:
  - (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 19 (*Meeting of Noteholders*) and 20 (*Modification*).
- (h) 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 (unless and until ceasing to be so held) shall be deemed not to be Outstanding.

**Partly Paid notes**

Notes which are issued with the Issue Price partly paid and which Issue Price is to be paid-up fully by the Noteholder in instalments (as indicated in the Applicable Pricing Supplement).

**Paying Agent**

The Issuer, unless the Issuer elects to appoint another entity as Paying Agent, in which event that other entity shall act as a Paying Agent in respect of that Tranche or Series of Notes, as indicated 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 any Notes.

**Principal Amount**

The Nominal Amount of each Note specified on the Certificate evidencing such Note.

**Programme**

This USD 100,000,000 Multi-currency Programme as amended from time to time, under which the Issuer may from time to time issue Notes.

**Programme Amount**

The maximum aggregate outstanding Nominal Amount of all of the Notes that may be issued under the Programme at any one

point in time being USD 100,000,000 or such increased amount as is determined by the Issuer from time to time, subject to the Applicable Procedures and applicable laws, as set out in the section of this Programme Memorandum headed “*General Description of the Programme*”.

**Programme Date**

The date of this Programme Memorandum being 03 September 2021.

**Qualified Investor**

Special categories of investors acceptable to the Stock Exchange of Mauritius and/or any Recognised Exchange who are knowledgeable and understand the risks of investing in such specialist debt instruments and include but are not limited to expert investors as defined in the Securities (Collective Investment Schemes and Closed-end Funds) Regulations 2008.

**Recognised Exchange**

The SEM or its successor and/or any further recognised exchange or recognised exchanges (being any market of a recognised investment exchange that is designated as a recognised stock exchange by HM Revenue & Customs (HMRC) or which is a member or affiliate of the World Federation of Exchanges on which any Notes shall be listed, and references in this Programme Memorandum to the “relevant Recognised Exchange(s)” shall, in relation to any Notes, be references to the recognised exchange(s) or stock exchange(s) on which such Notes are from time to time, or are intended to be, listed subject to applicable laws.

**Reference Bank Rate**

The arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Calculation Agent at its request by the Reference Bank in relation to LIBOR as the rate at which the relevant Reference Bank could borrow funds in the London interbank market in USD for the relevant period were it to do so by asking for and then accepting interbank offers for deposits in reasonable market size in USD and for that period.

**Reference Bank(s)**

Four major banks in the London interbank market selected by the Issuer.

**Reference Rate**

In relation to a Series and/or Tranche of Floating Rate Notes, the meaning ascribed thereto in the Applicable Pricing Supplement relating to that Series and/or Tranche.

**Register**

The register maintained by the Registrar and Transfer Agent in terms of Condition 16 (*Register*).

**Registrar and Transfer Agent**

The entity acting as registrar and transfer agent from time to time under the Agency Agreement(s).

**Relevant Date**

In respect of any payment relating to the Notes, the date on which such payment first becomes due.

<b>Repo Rate</b>	The Repo Rate as set from time to time by the Bank of Mauritius.
<b>Screen Rate</b>	In relation to LIBOR, the London interbank offered rate administered by ICE Benchmark Administration Limited (or any other person which takes over the administration of that rate) for the Specified Currency and period displayed (before any correction, recalculation or republication by the administrator) on pages LIBOR01 or LIBOR02 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate) or on the appropriate page of such other information service which publishes that rate from time to time in place of Thomson Reuters. If such page or service ceases to be available, the Calculation Agent may specify another page or service displaying the relevant rate after consultation with the Issuer.
<b>Secured Notes</b>	Notes expressed to be secured in the Applicable Pricing Supplement.
<b>Security Agent</b>	The entity acting as security agent from time to time under the Security Agency Agreement(s).
<b>Security Agency Agreement(s)</b>	In respect of any Notes that are stated in the Applicable Pricing Supplement to be secured, the agreement entered into between the relevant Security Provider(s), Issuer and the Security Agent (a) appointing the Security Agent as security agent for and on behalf of the Noteholders, holding such Notes, and (b) witnessing the security provided to the Noteholders.
<b>Security Document</b>	Each agreement designated as a security document in the Applicable Pricing Supplement.
<b>Security Provider</b>	The entity designated as a security provider in the relevant Security Document.
<b>Series</b>	a Tranche of Notes, together with other Tranches of Notes, that are identical to each other except for their issue price, issue date and first date for the payment of interest and that are expressed to be consolidated and form a single series.
<b>Special Resolution</b>	A resolution passed at a meeting (duly convened) of the Noteholders by a majority consisting of not less than 75 percent of the persons voting thereat upon a show of hands or if a poll be duly demanded, then by a majority consisting of not less than 75 percent of the votes given on such poll.
<b>Specified Currency</b>	In relation to each Note in a Tranche of Notes, the currency Specified in the Applicable Pricing Supplement.
<b>Specified Denomination</b>	In relation to each Note in a Tranche of Notes, the amount specified as such in the Applicable Pricing Supplement

<b>Specified Time</b>	Noon (Mauritius time, UTC+04:00).
<b>Terms and Conditions</b>	The Terms and Conditions incorporated in this section headed “ <i>Terms and Conditions of the Notes</i> ” and in accordance with which the Notes will be issued.
<b>Tranche</b>	Notes of a Series that are identical in all respects, including the issue date.
<b>Transfer Form</b>	The written form for the transfer of a Note, in the form approved by the Registrar and Transfer Agent and signed by the transferor and transferee.
<b>USD</b>	The lawful currency of the United States of America, being USD, or any successor currency.

Any reference in this Programme Memorandum to any statute, regulation or other legislation shall be a reference to that statute, regulation or other legislation at the date of this Programme Memorandum, as amended or substituted from time to time.

## **2. Issue**

- 2.1. The Issuer may, at any time and from time to time (without the consent of any Noteholder), issue one or more Tranche(s) of Notes pursuant to the Programme to Qualified Investors, provided that the aggregate outstanding Nominal Amount of all the Notes issued under the Programme from time to time does not exceed the Programme Amount.
- 2.2. Notes will be issued in individual Tranches which, together with other Tranches, may form a Series of Notes. A Tranche of Notes will be issued on, and subject to, the Applicable Pricing Supplement.
- 2.3. The Noteholders are deemed to have notice of, are entitled to the benefit of, and are subject to, all the provisions of the Applicable Pricing Supplement.
- 2.4. Any Note issued as indicated in the Applicable Pricing Supplement may be a Fixed Rate Note or a Floating Rate Note or a combination of any of the foregoing or such other type of note as may be agreed by the Issuer, as indicated in the Applicable Pricing Supplement.
- 2.5. The Applicable Pricing the Supplement may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of those Notes.
- 2.6. The Applicable Pricing Supplement for each Tranche of Notes is (to the extent relevant) incorporated herein for the purposes of those Notes and supplements these Terms and Conditions. Notes will be issued only in the Specified Currency.

### **3. Form and denomination**

#### **3.1. General**

- (a) Notes will be issued in such denominations as may be determined by the Issuer and as specified in the Applicable Pricing Supplement.
- (b) All payments in relation to the Notes will be made in the Specified Currency.
- (c) Each Note may be a Fixed Rate Note or Floating Rate Note as specified in the Applicable Pricing Supplement.

#### **3.2. Registered Notes**

- (a) Notes which are listed on a Recognized Exchange may also be issued in dematerialized form. Title to the Notes will be evidenced by book-entries.
- (b) Notes which are not listed will be issued in certificated form, it will be represented by Certificates in the form appended in Annex 1.

### **4. Title**

- 4.1. The Noteholders legal ownership to the Notes listed on a Recognized Exchange will be evidenced by book entries in the relevant CSD's settlement system.
- 4.2. Legal ownership of Notes which are not listed on a Recognized Exchange will be reflected in book entries recorded by the Registrar and Transfer Agent on the Register which shall constitute the definitive evidence of the title of the Noteholder to the number of Notes shown against his name. The Register to be kept and maintained by the Registrar and Transfer Agent in accordance with Condition 16 (*Register*).

### **5. Status of notes**

Unless otherwise specified in the Applicable Pricing Supplement, the Issuer's payment obligations under the Notes are direct obligations of the Issuer and rank pari passu among themselves and, save for certain debts required to be preferred by law applicable to companies generally, rank at least pari passu with all other present and future unsecured and subordinated obligations of the Issuer from time to time outstanding. To the extent that any Notes are to have the benefit of any Encumbrance(s), this will be specified in the Applicable Pricing Supplement.

### **6. Interest**

#### **6.1. Interest on Fixed Rate Notes**

- (a) The Interest Rate payable from time to time in respect of the Fixed Rate Notes will be as specified in the Applicable Pricing Supplement:

#### **6.2. Interest on Floating Rate Notes**

- (a) The Interest Rate payable from time to time in respect of the Floating Rate Notes will be determined:
  - (i) based on LIBOR; or
  - (ii) based on the Repo Rate; or



- (iii) on such other basis as may be determined by the Issuer, all as specified in the Applicable Pricing Supplement.

### 6.3. **LIBOR Determination**

Where LIBOR Determination is specified in the Applicable Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Period will be the relevant LIBOR Rate plus or minus (as specified in the Applicable Pricing Supplement) the Margin (if any).

### 6.4. **Unavailability of Screen Rate**

- (a) *Interpolated Screen Rate*: If no Screen Rate is available for LIBOR for the Interest Period of a Note, the applicable LIBOR shall be the Interpolated Screen Rate for a period equal in length to the Interest Period of that Note.
- (b) *Reference Bank Rate*: If no Screen Rate is available for LIBOR for:
  - (i) Specified Currency; or
  - (ii) the Interest Period of a Note and it is not possible to calculate the Interpolated Screen Rate, the applicable LIBOR shall be the Reference Bank Rate as of the Specified Time for the Specified Currency and for a period equal in length to the Interest Period of that Note and for a period equal in length to the Interest Period of that Note or if there is no Reference Bank Rate, LIBOR shall be such rate as the Calculation Agent, acting in good faith and in its absolute discretion, determines as being the appropriate rate.

### 6.5. **Calculation of Reference Bank Rate**

If LIBOR is to be determined on the basis of a Reference Bank Rate but the Reference Bank does not supply a quotation by the Specified Time, then there shall be no Reference Bank Rate for the relevant Interest Period.

### 6.6. **Minimum and/or Maximum Interest Rate**

If the Applicable Pricing Supplement specifies a Minimum Interest Rate for any Interest Period, then the Interest Rate for such Interest Period shall in no event be less than such Minimum Interest Rate and/or if it specifies a Maximum Interest Rate for any Interest Period, then the Interest Rate for such Interest Period shall in no event be greater than such Maximum Interest Rate.

### 6.7. **Interest Payment Dates**

Each Fixed Rate Note and Floating Rate Note bears interest on its Principal Amount from (and including) the Interest Commencement Date up to (but excluding) the Maturity Date at the rate equal to the Interest Rate. Such interest shall fall due for payment in arrears on the Interest Payment Date(s) and if any Note is fully redeemed prior to an Interest Payment Date, accrued interest on such Note will be paid on the date on which the Final Redemption Amount in respect of such Note is paid.

### 6.8. **Determination of Interest Rate and Calculation of Interest Amount**

As determined and disclosed under the Applicable Pricing Supplement, a Calculation Agent may be appointed and shall at or as soon as practicable after each time at which the Interest Rate is to be determined, determine the Interest Rate and calculate the Interest Amount for the relevant Interest Period. Unless specified otherwise in the Applicable Pricing Supplement, each Interest Amount shall be calculated by multiplying the Interest Rate by the Principal Amount, then multiplying the product by the

applicable Day Count Fraction and rounding the resultant product to the nearest smallest denomination of the Specified Currency, half of any such denomination being rounded upwards.

**“Day Count Fraction”** means, in respect of the calculation of the Interest Amount for any Interest Period:

- (a) if “Actual/360” is specified in the Applicable Pricing Supplement, the actual number of elapsed days (including the first day and excluding the last day of such Interest Period) in the Interest Period divided by 360; or
- (b) such other calculation method as is specified in the Applicable Pricing Supplement.

#### 6.9. **Notification of Interest Rate and Interest Amount**

The Calculation Agent (or such other agent as is specified in the Applicable Pricing Supplement) will cause the Interest Rate and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Calculation Agent, the Noteholders in respect of any Floating Rate Notes as soon as possible after their determination but not later than the fourth Business Day thereafter. 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, and the Noteholders in respect of any Floating Rate Notes.

#### 6.10. **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 Condition 6.2 by the Calculation Agent shall, in the absence of willful deceit, bad faith, manifest error or dispute as set out hereunder, be binding on the Issuer, the Calculation Agent, and all Noteholders, and no liability to the Issuer or the Noteholders shall attach to the Registrar and Transfer Agent, the Paying Agent or the Calculation Agent (as the case may be) in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

#### 6.11. **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, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will accrue at the Interest Rate until the earlier of the date on which all amounts due in respect of such Note have been paid.

#### 6.12. **Business Day Convention**

If any Interest Payment Date (or other date) which is specified in the Applicable Pricing Supplement to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (a) the **“Fixed Rate Business Day Convention”** or the **“Floating Rate Business Day Convention”**, such Interest Payment Date (or other date) shall in any case where Interest Periods are specified in accordance with Condition 6.1 and 6.2, be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event: (i) such Interest Payment Date (or other date) shall be brought forward to the first preceding Business Day; and (ii) each subsequent Interest Payment Date (or other date) shall be the last Business Day in the month which falls the number of months or other period specified as the Interest Period in the Applicable Pricing Supplement after the preceding applicable Interest Payment Date (or other date) has occurred; or

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

## **7. Payments**

### **7.1. General**

- (a) Payments of principal and/or interest on a Certificate shall be made to the registered holder of such Note, as set out in the Register on the close of business on the Last Day to Register at the Specified Time or (as specified in the Applicable Pricing Supplement). In addition to the above, in the case of the payment of the Final Redemption Amount in relation to any Note, the holder of the Certificate shall be required to surrender such Certificate in accordance with Condition 7.3.
- (b) Payments of principal and/or interest in respect of uncertificated Notes shall be made to the CSD, in the name of, and for, the account of the CSD, and the Issuer will be discharged of its payment obligations by proper payment to in the name of, and for, the account of the CSD in respect of each amount so paid.

### **7.2. Method of Payment**

- (a) Payments of interest and principal will be made in the Specified Currency by electronic funds transfer to the account designated for the purpose by the Noteholder.
- (b) 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 (or by such number of cheques as may be required in accordance with applicable banking law and practice) of any such amounts. Such payments by cheque shall be sent by post to the address of the Noteholder as set out in the Register or, in the case of joint Noteholders, the address set out in the Register of that one of them who is first named in the Register in respect of that Note.
- (c) Each such cheque shall be made payable to the relevant Noteholder or, in the case of joint Noteholders, the first one of them named in the Register. Cheques shall be sent by registered post, provided that the Issuer shall not 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 in terms of this Condition 7.2.
- (d) 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. Payment by electronic transfer to the Noteholder first named in the Register shall discharge the Issuer of its relevant payment obligations under the Notes.

- (e) Payments will be subject in all cases to any fiscal or other laws, directives and regulations applicable thereto in the place of payment.

### **7.3. Surrender of Certificates**

- (a) In the case of a payment of the Final Redemption Amount in relation to any Note, the holder of such a Note represented by a Certificate shall be required, at least 7 days prior to the date of payment, to surrender such Certificate at the offices of the Registrar and Transfer Agent.
- (b) No payment of the Final Redemption Amount in respect of the final redemption of a Note shall be made until 7 days after the date on which the Certificate in respect of the Note to be redeemed has been surrendered to the Issuer.
- (c) Documents required to be presented or surrendered to the Issuer in accordance with these Terms and Conditions shall be so presented and/or surrendered at the registered office of the Issuer.

### **7.4. Payment Day**

If the date for payment of any amount in respect of any Note is not a Business Day, then it will be subject to adjustment in accordance with a Business Day Convention under Condition 6.12.

### **7.5. Interpretation of principal and interest**

- (a) Any reference in these Terms and Conditions to principal in respect of the Notes shall include, as applicable:
  - (i) the Final Redemption Amount of the Notes;
  - (ii) any premium and any other amounts which may be payable under or in respect of the Notes, but excluding for the avoidance of doubt, interest.
- (b) 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. At maturity**

Unless purchased and cancelled as specified below, each Note will be redeemed in the Specified Currency by the Issuer 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 at the option of the Issuer**

- (a) If the Issuer is specified in the Applicable Pricing Supplement as having an option to redeem, the Issuer shall be entitled, having given:
  - (i) not less than 15 and not more than 30 days' notice to the Noteholders in accordance with Condition 18 (*Notices*); and
  - (ii) not less than 7 days before giving the notice referred to in (i) above, notice to the Registrar and Transfer Agent or the CSD,

(both of which notices shall be irrevocable) to redeem all or some of the Notes 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 up to (but excluding) the Optional Redemption Date(s).

- (b) A list of the serial numbers of the Certificates will be published in accordance with Condition 18 (*Notices*) not less than 15 days prior to the date fixed for redemption.
- (c) Holders of Redeemable Notes shall surrender the Certificates relating to the Notes in accordance with the provisions of the notice given to them by the Issuer as contemplated above. Where only a portion of the Notes represented by such Certificates, are redeemed, the Registrar and Transfer Agent shall deliver new Certificates to such Noteholders in respect of the balance of the Notes.

### 8.3. Redemption at the option of Noteholders

- (a) If Noteholders are specified in the Applicable Pricing Supplement as having an option to redeem any Notes, such Noteholders may redeem their Notes by delivering to the Issuer and the Registrar and Transfer Agent in accordance with Condition 18 (*Notices*), a duly executed notice (**Put Notice**), at least 15 days but not more than 30 days, prior to the applicable Optional Redemption Date.
- (b) Where a Noteholder redeems any Notes, such Noteholder shall deliver the Certificate, relating to the Notes to the Registrar and Transfer Agent for cancellation by attaching it to a Put Notice. The Noteholder shall specify its payment details in the Put Notice for the purposes of payment of the Optional Redemption Amount.
- (c) The Issuer shall proceed to redeem such Notes (in whole but not in part) in accordance with the terms of the Applicable Pricing Supplement, at the Optional Redemption Amount and on the Optional Redemption Date, together, if appropriate, with interest accrued up to (but excluding) the Optional Redemption Date(s).
- (d) The delivery of Put Notices shall be required to take place during normal office hours of the Registrar and Transfer Agent. Pro forma Put Notices shall be available from the registered office of the Issuer. Any Put Notice given by a holder of any Note pursuant to this Condition 8.3 shall be irrevocable except where after giving the notice, but prior to the due date of redemption, an Event of Default shall have occurred and be continuing in which event such Noteholder, at its option, may elect by notice to the Issuer and the Registrar and Transfer Agent to withdraw the notice given pursuant to this paragraph and instead to declare such Note immediately due and payable pursuant to Condition 11 (*Events of Default*).

### 8.4. Early Redemption Amounts

- (a) For the purpose of Condition 8.2 and Condition 8.3 (and otherwise as stated herein), the Notes will be redeemed at the Early Redemption Amount calculated as follows:
  - (i) in the case of Notes with a Final Redemption Amount equal to the Principal Amount, at the Final Redemption Amount thereof; or
  - (ii) in the case of Notes with a Final Redemption Amount which is or may be less or greater than the Issue Price (to be determined in the manner specified in the Applicable Pricing Supplement), at that Final Redemption Amount or, if no such amount or manner is so specified in the Pricing Supplement, at their Principal Amount; or

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 360, or such other calculation basis as may be specified in the Applicable Pricing Supplement.

#### **8.5. Purchases**

The Issuer may at any time purchase Notes at any price in the open market or otherwise. In the event of the Issuer purchasing Notes, such Notes may (subject to restrictions of any applicable law) be held, resold or, at the option of the Issuer, cancelled.

#### **8.6. Cancellation**

All Notes which are redeemed will immediately be cancelled. Where only a portion of Notes represented by a Certificate are cancelled, the Registrar and Transfer Agent shall deliver a Certificate to such Noteholder in respect of the balance of the Notes.

#### **8.7. Payment**

Notwithstanding anything contained in these Terms and Conditions, no redemption payment in respect of a Note in certificated form shall be made unless the Certificate in respect of the Note has been surrendered to the Registrar and Transfer Agent.

### **9. Taxation**

- 9.1. As at the date of issue of the Programme Memorandum, certain payments of principal and interest in respect of the Notes will be made without withholding or deduction for or on account of any present or future taxes or duties, assessments or governmental charges of whatever nature, imposed or levied by or on behalf of the government of Mauritius or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law.
- 9.2. In that event that any Taxes are required to be withheld or deducted by law then the Issuer shall pay such additional amounts as will result in receipt by the Noteholders of such amounts as would have been received by them had no such withholding or deduction been required, and shall procure that the Paying Agent makes all payments to be made by it without any withholding or deduction, in both cases.

### **10. Additional terms**

Each issue of Notes made pursuant to the Programme may be subject to such further terms as are annexed to the Applicable Pricing Supplement.

### **11. Events of default**

- 11.1. An Event of Default shall either be defined in the Applicable Pricing Supplement, failing which if any one or more of the following events shall have occurred and be continuing:
- (a) the failure by the Issuer to pay within 7 Business Days from the due date any amount due in respect of any of the Notes; or
  - (b) the failure by the Issuer to perform or observe any of its other obligations under any of the Notes and such failure continues for a period of 30 calendar days (and for these purposes, a failure to perform or observe an obligation shall be deemed to be remediable notwithstanding that the failure results from not doing an act or thing by a particular time); or
  - (c) the granting of an order by any competent court or authority for the liquidation, winding-up, dissolution or administration of the Issuer, whether provisionally (and not dismissed or withdrawn within 30 days thereof) or finally, or the placing of the Issuer under voluntary liquidation, provided that no liquidation, winding-up, dissolution or administration shall constitute an event of default



if: (i) the liquidation, winding-up, dissolution or administration is for purposes of effecting an amalgamation, merger, demerger, consolidation, reorganisation or other similar arrangement; or (ii) the liquidation, winding-up, dissolution or administration is for purposes of effecting an amalgamation, merger, demerger, consolidation, reorganisation or other similar arrangement, the terms of which were approved by Special Resolution of Noteholders before the date of the liquidation, winding-up, dissolution or administration; or

- (d) any action or condition (including the obtaining of any consent, licence, approval or authorisation) now or hereafter necessary to enable the Issuer to comply with its obligations under the Programme is not taken, fulfilled or done, or any such consent, Licence, approval or authorisation shall be revoked, modified, withdrawn or withheld or shall cease to remain 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 or the Programme; or
- (e) subject to Condition 12 (*Secured Notes*), in relation to Secured Notes only, any breach by the relevant Security Provider of, or non-compliance by the Security Provider with, the provisions of the relevant Security Document.

11.2. If the Issuer becomes aware of the occurrence of any Event of Default, the Issuer shall immediately notify the Security Agent (if applicable).

11.3. Upon the happening of an Event of Default, any Noteholder may, by written notice to the Security Agent (if applicable) and the Issuer, effective upon the date of receipt thereof by the Issuer, declare the Notes held by such Noteholder to be immediately due and payable. Upon receipt of that notice, such Notes shall become immediately due and payable at the Early Redemption Amount, together with accrued interest (if any) to the date of payment.

## 12. Secured Notes

12.1. The holders of Secured Notes (each a “**Secured Noteholder**”) may appoint the Security Agent and its respective delegates or sub-delegates to be its attorney for the purposes of enforcing the relevant security strictly in accordance with the Security Agency Agreement(s) and such Secured Noteholders shall be prohibited from enforcing or seeking to enforce the relevant security against any Security Provider (as defined in the Security Agency Agreement(s)) other than through the Security Agent, pursuant to the Security Agent Agreement or as specified in the Applicable Pricing Supplement.

12.2. The Secured Noteholders acknowledge and agree that the Security Agent may:

- (a) determine all questions and doubts arising in relation to any of the provisions of the Security Agency Agreement(s) and further acknowledge and agree that such determinations, whether made upon such a question actually raised or implied in the acts or proceedings of the Security Agent, shall be conclusive and shall bind the Secured Noteholders;
- (b) determine whether an Event of Default or potential Event of Default is in its opinion capable of remedy and/or materially prejudicial to the interests of the Secured Noteholders. Any such determination shall be conclusive and binding on the relevant the Secured Noteholders;
- (c) without the consent of the Secured Noteholders and without prejudice to its rights in respect of any subsequent breach, waive an Event of Default from time to time and at any time, if in its opinion the interests of the Secured Noteholders; and

- (d) agree without the consent of the Secured Noteholders to (i) any modification of any provisions of the Security Agency Agreement(s) which is, in the opinion of the Security Agent, of a formal, minor or technical nature or is made to correct a manifest error or an error which is, in the opinion of the Security Agent, proven; or (ii) any other modification of any of the provisions of the Security Agency Agreement(s) that is in its opinion not materially prejudicial to the interests of the Secured Noteholders.

12.3. The Issuer shall procure that the representations of the relevant Security Provider as set out in the relevant Security Documents are true and accurate as of the date of the relevant Applicable Pricing Supplement.

### **13. Prescription**

Claims in respect of principal and interest will become prescribed unless made within ten years in respect of the principal and three years in respect of the interest from the date on which the relevant payment first becomes due but, if the full amount of the money payable has not been received on or before the due date, it means the date on which, the full amount of the money having been so received, notice to that effect has been duly given to the Noteholder by the Issuer in accordance with Condition 18 (*Notices*).

### **14. Delivery, exchange and replacement of certificates**

#### **14.1. Costs**

Certificates shall be provided (whether by way of issue, delivery or exchange) by the Registrar and Transfer Agent without charge, save as otherwise provided in these Terms and Conditions. If any Tranche of the Notes is listed, separate costs and expenses relating to the provision of Certificates and/or the transfer of Notes may be levied by other persons under the Applicable Procedures and such costs and expenses shall not be borne by the Registrar and Transfer Agent or the Issuer. The costs and expenses of delivery of Certificates otherwise than by ordinary post (if any) and, if the Issuer shall so require, all charges that may be imposed in relation to such mode of delivery, shall be borne by the Noteholder.

#### **14.2. Death or sequestration or liquidation**

Any person becoming entitled to Notes in consequence of the death or liquidation of the relevant holder of such Notes may upon producing such evidence that he holds the position in respect of which he proposes to act under this Condition 14 or of his title to the relevant Notes as the Issuer and the Registrar and Transfer Agent may require, be registered himself as the holder of such Notes or, subject to the requirements of the Applicable Procedures and of this Condition 14, may transfer such Notes. The Registrar and Transfer Agent, on behalf of the Issuer, shall be entitled to retain any amount payable upon the Notes to which any person is so entitled until such person shall be registered as aforesaid or shall duly transfer the Notes.

#### **14.3. Replacement**

If any Certificate is mutilated, defaced, stolen, destroyed or lost, it may be replaced at the registered office of the Issuer or at the office of the Registrar and Transfer Agent specified in the Applicable Pricing Supplement, on payment by the claimant of such costs and expenses as may be incurred in connection therewith and against the provision of such indemnity as the Issuer may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

## **15. Transfer of notes**

- 15.1. To transfer of Notes to be effected through the Register (on the basis that such notes are not listed), and for the transfer to be recognized by the Issuer, each transfer of a Note:
- (a) requires the prior permission of the Issuer;
  - (b) must be embodied in a Transfer Form;
  - (c) must be signed by the relevant Noteholder and the transferee, or any representatives of that registered Noteholder and/or the transferee;
  - (d) shall only be in the Specified Currency or a multiple thereof and consequently the Issuer will not recognize any fraction of the Specified Denomination;
  - (e) for Notes that are not Listed must be made by way of the delivery of the Transfer Form to the Registrar and Transfer Agent together with the Certificate in question for cancellation or, if only part of the Notes represented by a Certificate is to be transferred, a new Certificate for the balance of the Notes not transferred, will be delivered to the transferor. The surrendered Certificate will immediately be cancelled and retained by the Registrar and Transfer Agent.
- 15.2. For Listed Notes, any transfer must be made by following the Applicable Procedures and the Notes shall be freely transferable.
- 15.3. The transferor of any Notes represented by a Certificate shall remain the owner thereof until the transferee is registered in the Register as the holder thereof.
- 15.4. Before any transfer is registered, all relevant transfer taxes (if any) must have been paid and such evidence must be furnished as the Issuer may reasonably require as to the identity and title of the transferor and the transferee.
- 15.5. The Registrar and Transfer Agent will, within 3 Business Days of receipt by it of a valid Transfer Form (or such longer period as may be required to comply with any applicable taxation or other laws, regulations or Applicable Procedures), authenticate and deliver to the transferee (at the risk of the transferee) a new Certificate in respect of the Notes transferred.
- 15.6. No transfer will be registered while the Register is closed.

## **16. Register**

- 16.1. The Register of Noteholders:
- (a) shall be kept at the registered office of the Registrar and Transfer Agent or such other person as may be appointed for the time being by the Issuer to maintain the Register;
  - (b) shall reflect the number of Notes issued and Outstanding;
  - (c) shall contain the name, address, and bank account details of the Noteholders;
  - (d) shall set out the Principal Amount of the Notes issued to such Noteholders and shall show the date of such issue;
  - (e) shall show the serial number of Certificates issued in respect of Notes;

- (f) shall be open for inspection during the normal business hours of the Issuer to any Noteholder or any person authorized in writing by any Noteholder; and
- (g) shall be closed from the Last Day to Register until each payment date of principal and interest in respect of the Notes, as the case may be.

**16.2. The Registrar and Transfer Agent:**

- (a) shall not be obliged to record any transfer while the Register is closed;
- (b) shall not be bound to enter any trust into the Register or to take notice of any or to accede to any trust executed, whether express or implied, to which any Note may be subject; and
- (c) shall alter the Register in respect of any change of name, address or bank account number of any of the Noteholders of which it is notified in accordance with these Terms and Conditions.

16.3. Except as provided for in these Terms and Conditions or as required by law, in respect of Notes, the Issuer will only recognize a Noteholder as the owner of the Notes registered in that Noteholder's name as per the Register.

16.4. Except as provided for in these Terms and Conditions or as required by law, the Issuer 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 Certificate may be subject.

**17. Agent**

17.1. The Issuer is entitled to vary or terminate where applicable the appointment of the Calculation Agent, the Paying Agent and the Registrar and Transfer Agent and/or appoint additional or other agents and/or approve any change in the specified office through which any such agent acts on the terms of the Agency Agreement(s), provided that there will at all times be an agent with an office in such place as may be required by the Applicable Procedures. The Calculation Agent acts solely as the Calculation Agent and the Paying Agent acts solely as the Paying Agent and the Registrar and Transfer Agent acts solely as the Registrar and Transfer Agent of the Issuer and does not assume any obligation towards or relationship of agency or trust for or with any Noteholders. Inspection of copies detailing how the representative/agent may act can be found at the Issuer's address.

17.2. To the extent that the Issuer acts as the Paying Agent all references in these Terms and Conditions to:

- (a) any action, conduct or functions in such role shall be understood to mean that the Issuer shall perform such action, conduct or function itself; and
- (b) requirements for consultation, indemnification by or of, payment by or to, delivery by or to, notice by or to, consent by or-to-or agreement between the Issuer and such agent shall be disregarded to the extent that the Issuer performs such role.

**18. Notices**

18.1. All notices to Noteholders shall be sent by email or delivered by hand to their addresses appearing in the Register. Any such notice shall be deemed to have been given on the seventh day after the day on which it is emailed and on the day of delivery if delivered.

- 18.2. A notice to be given by any Noteholder to the Issuer shall be in writing and given by lodging (either by hand delivery or by email) that notice, together with a certified copy of the relevant Certificate at the office of the Registrar and Transfer Agent specified in the Applicable Pricing Supplement.

## **19. Meetings of noteholders**

- 19.1. The Issuer may at any time convene a meeting of the Noteholders or a meeting of Noteholders of any Series or Tranche of Notes subject to 21 days' notice prior written notice to such Noteholders. This notice is required to be given in terms of Condition 18 (*Notices*) above. Such notice shall specify the date, place, and time of the meeting to be held, which place shall be in Mauritius.
- 19.2. A director or duly appointed representative of the Issuer may attend and speak at a meeting of Noteholders, but shall not be entitled to vote, other than as a proxy or representative of a Noteholder.
- 19.3. Meetings of the Noteholders or of the Noteholders of a Series of Notes may also be convened and requisitioned Noteholders holding not less than 10 percent in nominal amount of the Notes in such Class of Noteholders for the time being Outstanding.
- 19.4. Subject to the remainder of this Condition 19.4, the quorum at any such meeting for passing a Special Resolution is one or more persons holding or representing not less than a clear majority in nominal amount of the Notes of such Class of Noteholders for the time being Outstanding, or at any adjourned meeting one or more persons being or representing such Class of Noteholders, whatever the nominal amount of the Notes so held or represented.
- 19.5. At any meeting the business of which includes the modification of certain provisions of any of the Notes (including, but not limited to, modifying the date of maturity of any of the Notes or any date for payment of interest thereof, reducing or cancelling the Principal Amount or the Interest Rate payable in respect of the Notes or modifying the majority required to pass a Special Resolution), the necessary quorum for passing a Special Resolution will be one or more persons holding or representing not less than two-thirds in nominal amount of the Notes of such Class of Noteholders for the time being Outstanding, or at any adjourned such meeting not less than one-third in nominal amount of the Notes of that Class of Noteholders for the time being Outstanding.
- 19.6. A Special Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders of the relevant Class of Noteholders, whether they are present at the meeting.

## **20. Modification**

- 20.1. No modification of these Terms and Conditions may be effected without the written agreement of the Issuer.
- 20.2. The Issuer may effect, 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 incorporated and the governing law in accordance with which Notes are issued. Any such modification shall be binding on the relevant Class of Noteholders and any such modification shall be notified to the

relevant Class of Noteholders in accordance with Condition 18 (*Notices*) as soon as practicable thereafter.

20.3. Save as provided in Condition 20.2, no modification of these Terms and Conditions may be effected unless:

- (a) in writing and signed by or on behalf of the Issuer and by or on behalf of the members of the relevant Class of Noteholders holding not less than 75 percent, in nominal amount, of the Notes in that Class of Noteholders for the time being Outstanding; or
- (b) sanctioned by a Special Resolution of the relevant Class of Noteholders.

## **21. Further issues**

The Issuer shall be at liberty from time to time without the consent of any of the Noteholders to create and issue further Notes 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, unless the relevant Notes have the benefit of Encumbrance(s) created pursuant to Security Documents, in which case the prior approval of the Noteholders holding such Notes will be required for the issue of any further Notes which are to share the benefit of such Encumbrance(s).

## **22. Governing law**

Unless otherwise specified in the Applicable Pricing Supplement, the provisions of the Programme Memorandum and the Notes are governed by, and shall be construed in accordance with, the laws of the Republic of Mauritius.

## **23. Jurisdiction**

The courts of Mauritius shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this Programme Memorandum and the Notes.

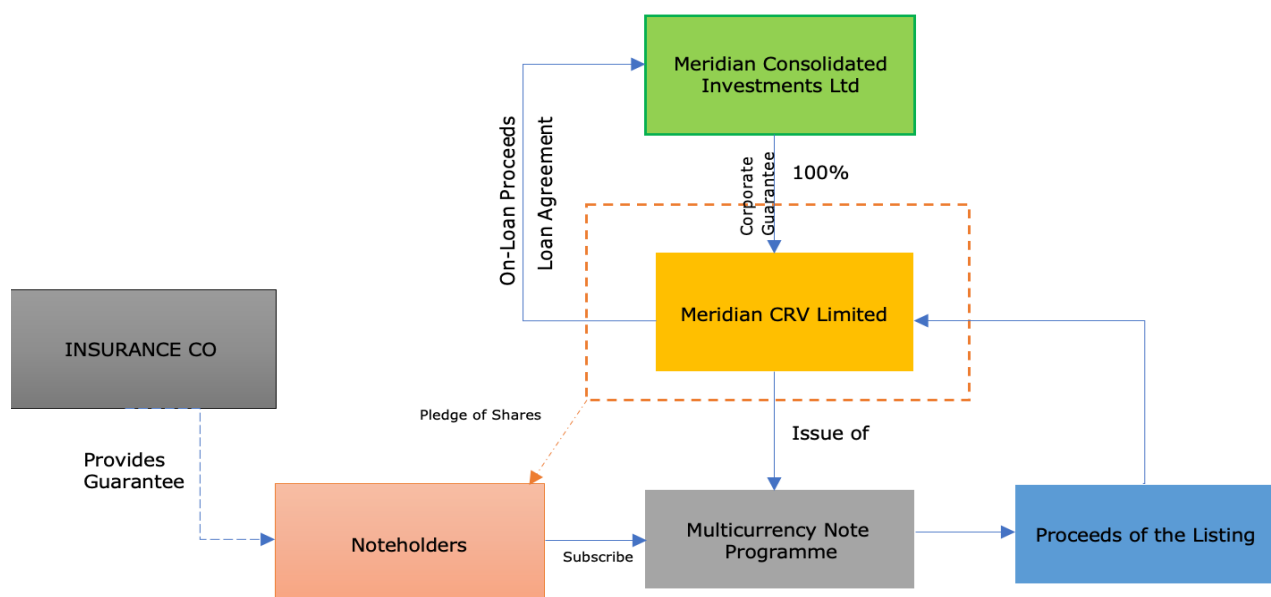


## 6 USE OF PROCEEDS

### 6.1 TRANCHE 1

The proceeds of the Notes will be loaned to the Group Holding Company which will then be used for general corporate purposes, Capex and refinancing of existing debts as set out in the Applicable Pricing Supplement.

The diagram below illustrates the flow of funds:



### 6.2 TERMS OF THE LOAN AGREEMENTS BETWEEN MERIDIAN CRV LIMITED AND MERIDIAN CONSOLIDATED INVESTMENTS LTD

On the basis that Meridian CRV Limited has been established for the sole purpose of the issue of the Note Programme as described in these Listing Particulars, and as a result, Meridian CRV Limited will use the proceeds of the Note Programme to lend to Meridian Consolidated Investments Ltd, the terms of such loans will be mirroring the terms of the Notes as described in the APS.

\*The administrative expenses of Meridian CRV Limited shall be borne by the Group Holding Company, Meridian Consolidated Investments Ltd.

### 6.3 NET PROCEEDS (TRANCHE 1)

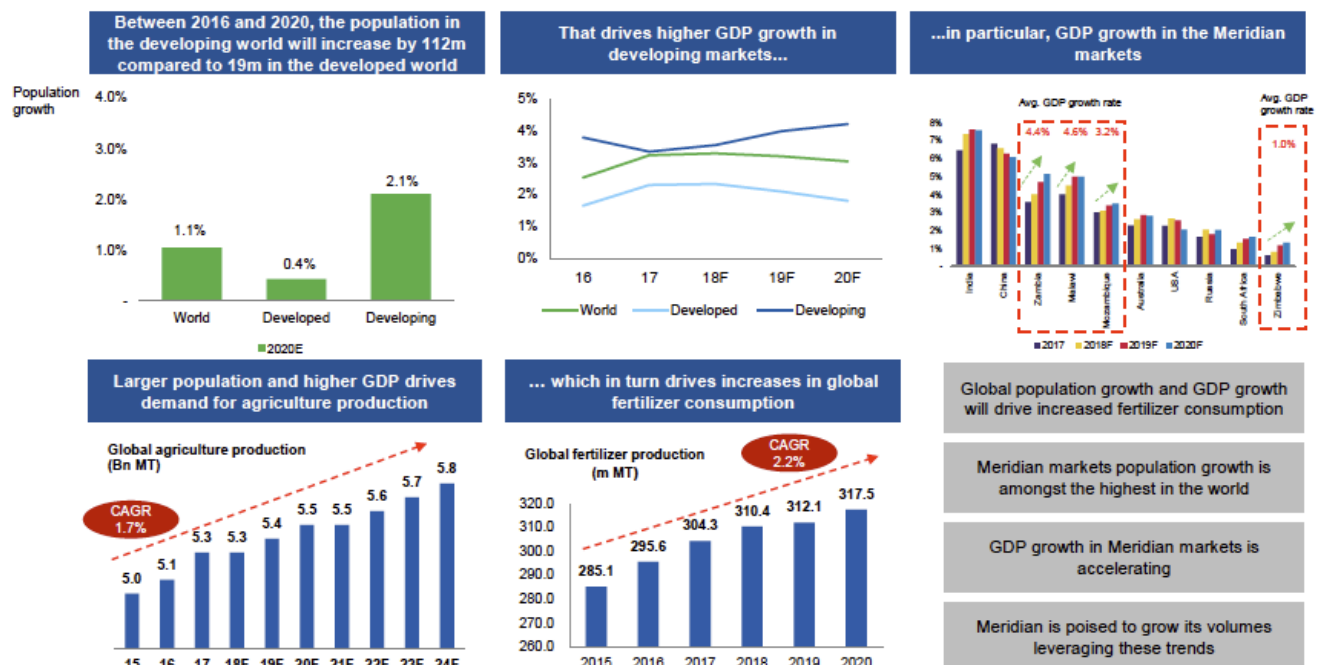
Use of proceeds	USD
Proceeds from sale of Notes	30,000,000
Legal Fees	20,000
Listing Sponsor Fees	475,000
Costs related to issue of Guarantees	2,520,000
SEM Listing Fees	3,658
Funds available to The Issuer	26,981,342

## 7 FERTILIZER INDUSTRY OVERVIEW



- The global fertilizer industry has robust fundamentals in place as global demand for basic food crops continues to show strong growth.
- As measured by population growth and GDP growth, in the core countries where the Issuer operates in highly attractive markets when compared to the rest of Africa and developed markets.
- Already limited arable land per capita, when combined with the low soil quality where the Issuer operates, increases the need for fertilizer.
- The reduction in arable land per capita, increased population density and low current fertilizer penetration in the core countries where the Issuer operates, provides for further growth in fertilizer usage as the replenishment of soil nutrients becomes an imperative in order to maintain crop yields.
- In addition, commercialisation, mechanization and modernization of farming methods further contributes to sustained growth in fertilizer demand.

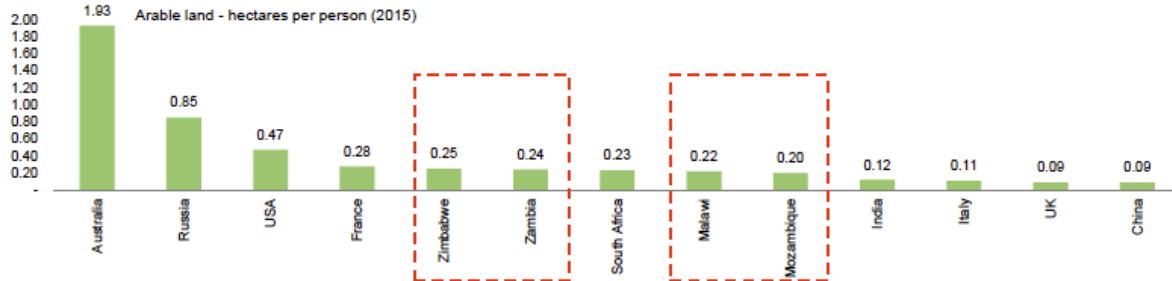
### Continued growth in global demand for food:



Source: UN World Population Prospects Report, FAO-OECD Agricultural Outlook, FAO World fertilizer trends and outlook, BMI

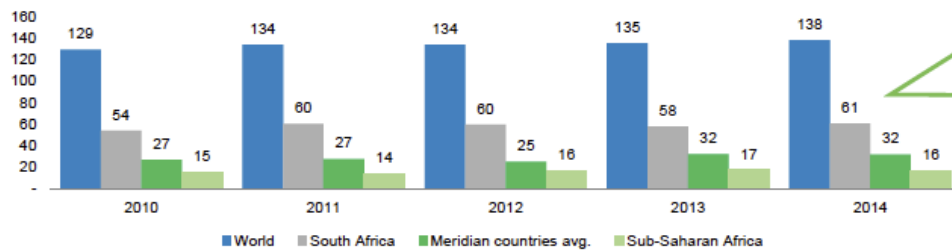
## As the population increases, arable land per capita reduces

### Meridian countries have relatively low arable land per capita



### ...and lower fertilizer usage relative to other countries in the world

Annual fertilizer usage - kg per hectare of arable land



Targets in the Abuja declaration in 2006 were 50kg/ha of fertilizer by 2015 in Meridian countries or 56% above current levels

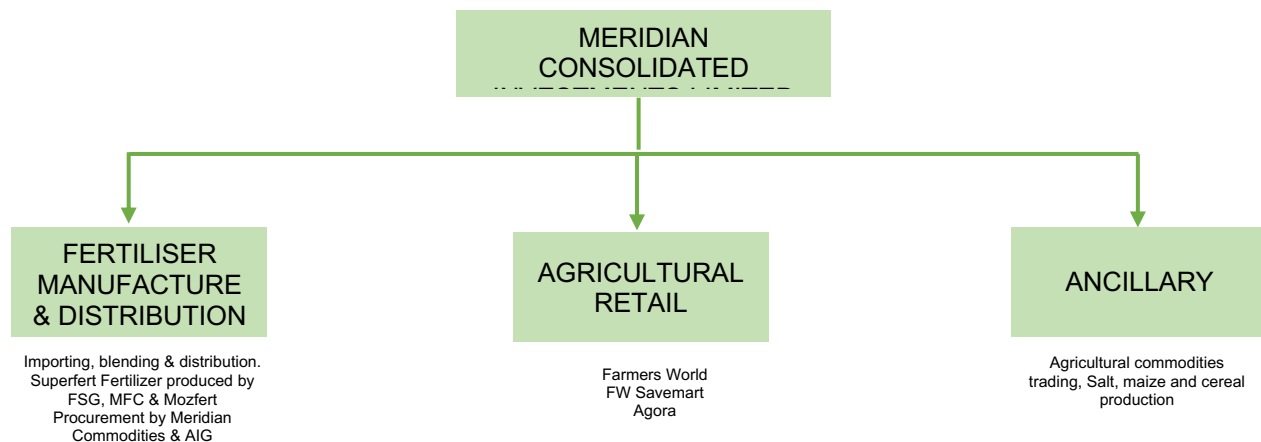
On average, commercial farmers in the Meridian markets utilise 700-800 kg/ha

## 8 MCIL OVERVIEW

### 8.1 MCIL SNAPSHOT

MCIL is a Mauritius-based company operating across Malawi, Mozambique, Zambia and Zimbabwe. The company globally sources and locally manufactures, distributes and trades in agricultural commodities that allow them to partner with local farmers, providing them with best value tailor-made solutions. The Company's core focus is on the importation, blending and distribution of high-quality fertilizer. Meridian's flagship product, Superfert Fertilizer, is available throughout the region and enjoys a strong following with an array of farmers and farming enterprise.

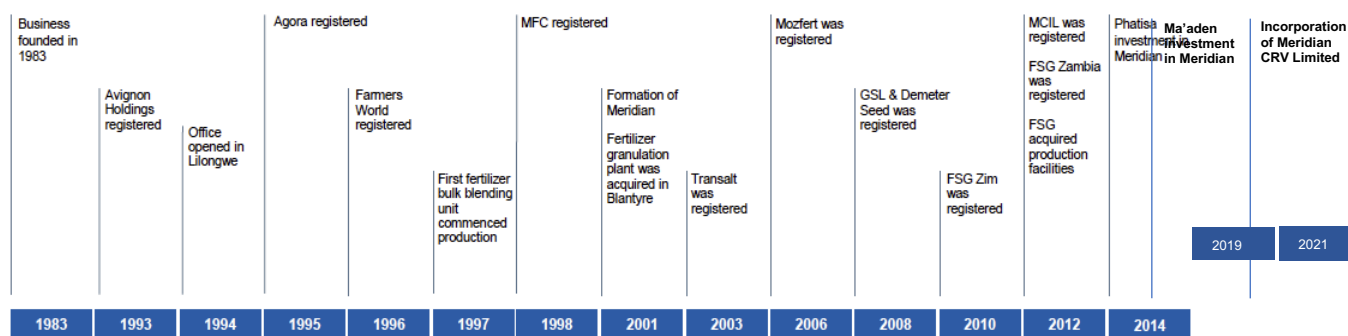
The Company is made up of three main business units:



- Meridian is a leading African agricultural inputs business operating for over 25 years with a core focus on the importation, blending and distribution of fertilizer
- Headquartered in Mauritius and distributes c.500,000 tonnes of fertilizer per annum into Southern Africa
- Experienced management team at the forefront of the industry with in-depth knowledge of their markets

- d) Major player within the Nacala and Beira corridors with extensive infrastructure including owned warehouses, silos, blending & granulation plants in strategic locations across its four key markets
- e) Supplier of choice to the commercial sector, providing tailor made fertilizer to the tea, coffee, tobacco and sugar industries

## 8.2 HISTORY OF THE GROUP



**1983** Founding members establish Interep, a UK based company trading fertilizer and chemicals into Africa

**1993** Avignon Holdings is registered in Malawi with an office in Blantyre

**1994** Office opens in Lilongwe

**1995** Agora Ltd is registered

**1996** Farmers World (FW) is registered in Lilongwe

**1997** First fertilizer bulk blending unit commences production in Lilongwe

**1998** Malawi Fertilizer Company (MFC) is registered and acquired warehousing facilities in Liwonde. Bulk blending operations moved to this site

**2001** Agreement reached between Meridian shareholders to consolidate their interests under one corporate structure, Meridian. Fertilizer granulation plant is acquired in Blantyre

**2003** Transalt is registered in Mozambique and acquired a solar salt farm in Nacala

**2006** Mozambique Fertilizer Company (Mozfert) is registered in Mozambique and established bulk blending production in Chimoio

**2008** Grain Securities Limited (GSL) is registered

**2010** Fertilizer, Seed & Grain (FSG) is established in Zimbabwe

**2012** MCIL is registered in Mauritius and becomes the new holding company. FSG Zambia is registered. FSG acquires production facilities in Bindura and installs bulk blending facilities

**2014** Phatisa invests in Meridian

**2019** Ma'aden invests in Meridian

**2021** Incorporation of Meridian CRV Limited

## 8.3 INTRODUCTION TO THE THREE BUSINESS SEGMENTS

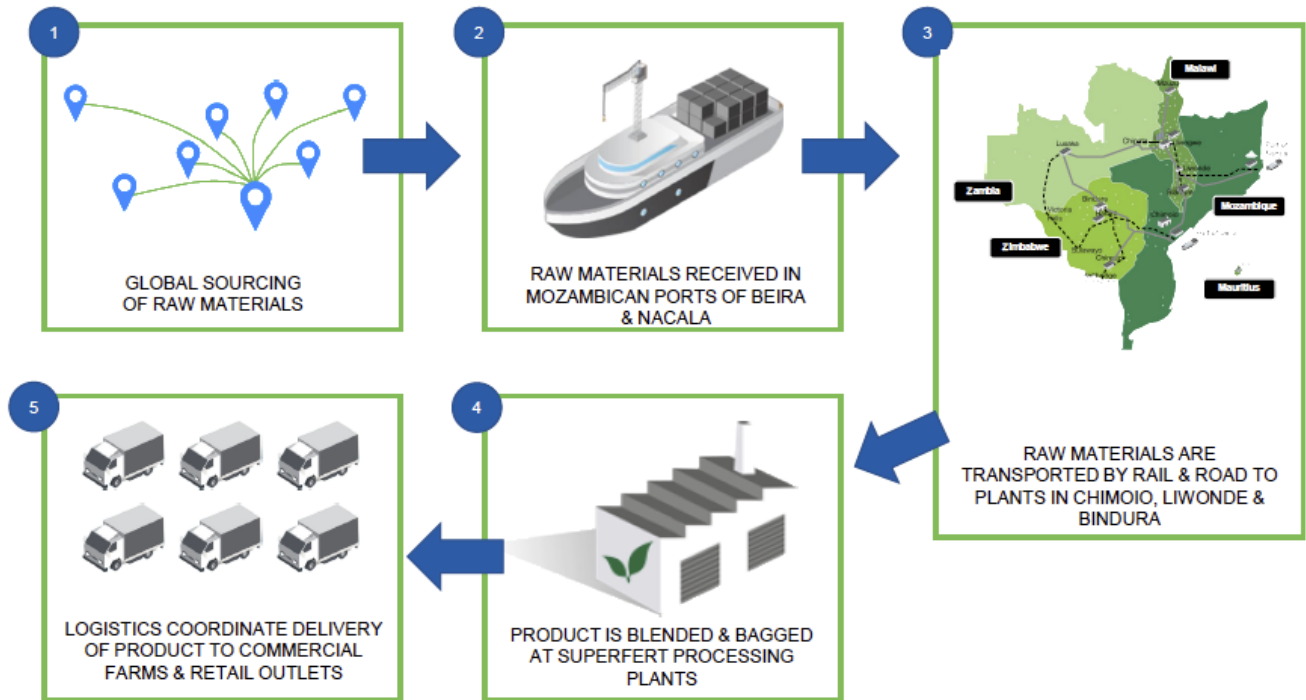
### Unit 1: Fertilizer

- a) The Company's core focus is on the importation, blending and distribution of tailor-made fertilizer.
- b) Meridian services its four markets through its prominent fertilizer brand, Superfert.



- c) Meridian's exceptional blending capabilities enable the business to provide its key clients with tailor made, high quality fertilizer at short notice.
- d) Raw Materials are sourced from global producers and imported into the ports of Nacala and Beira.
- e) Production capacity in excess of 4,000 tonnes of fertilizer per day with substantial room for growth as current utilization is less than 50%.
- f) Exceptional in-country logistics and RTM managed by Meridian.

**Fertilizer process:**



**The Company's range of fertilizers are broadly defined by four categories:**

Straights	Bulk Blends	Specialty Fertilizer Products	Prescription Blends
<p>Straight fertilizers supply only one nutrient element</p> <p>Depending on the nutrient, they are further classified as nitrogenous, phosphatic and potassic fertilizers</p> <p>They can be used for straight application as well as in granulation or blending</p>	<p>Based on the soil nutrition needs Meridian supplies bulk blend fertilizers for the main crops grown in each country</p> <p>These blends are usually made up of nitrogen, phosphate and potash as the main nutrients, as well as a combination of other micro nutrients such as boron and zinc</p>	<p>Specialty fertilizer products are generally used by growers of cash crops</p> <p>Their use increases the grower's return, helps meet the market demand for quality crops, and enables higher margins than those normally achieved with high volume fertilizers</p>	<p>Meridian supplies specialized prescription blends to large scale commercial farmers</p> <p>This involves taking soil samples in order to get a specific reading of which nutrients the soil is lacking. Meridian is then able to create a bespoke product to help the soil meet its optimum level of fertility</p>

The Company is a fertilizer market leader in Malawi, Mozambique and Zimbabwe through flagship brand, Superfert Fertilizer. The brand is one of the preferred in government programmes across the board and enjoys outstanding brand awareness and loyalty with large and small farmers.

Country	Malawi	Mozambique	Zimbabwe	Zambia	Total
Size of Market (MT p.a)	350,000	80,000	550,000	474,000	1,454,000
Meridian Market share	42%	63%	46%	14%	35%
Meridian Volume FY20E (MT p.a)	147,000	50,000	250,000	65,000	512,000

#### Overview of raw material sourcing:

The Company sources top quality granular and standard raw materials from various global producers, such as OCP, OCI and Sabic.

Product	Region sourced from	Type of supplier	2018 Volume MT
Urea	Arabian Gulf Red Sea	Producers Traders	c. 180,000
Phosphate MAP, DAP and SSP	Africa Saudi Arabia China	Producers	c. 120,000
Potash SOP	China, North West Europe, Red Sea	Producers	c. 75,000
MOP	Red Sea, North West Europe	Producers	
Nitrogen Ammonium Sulphate	Madagascar, China	Producers, Traders	c. 50,000
Ammonium Nitrate and CAN	Baltic, Black Sea, North West Europe, South Africa	Producers, Traders	C. 90,000
TOTAL			c. 515,000

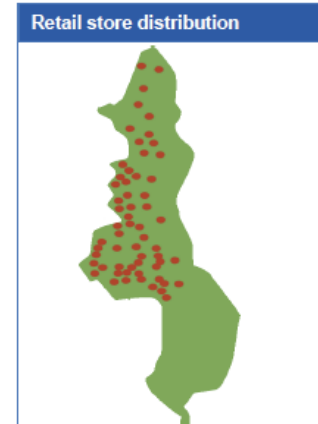


## Unit 2: Retail

### Farmers World & Farmers World Savemart – 76 stores across Malawi

#### Farmers World:

- Services the needs of smallholder farmers through c.76 stores across central and northern Malawi
- Owns and has access to extensive warehousing facilities in Lilongwe, Kasungu, Mzuzu and Liwonde
- Acts as a distribution network for other products within the Meridian stable, namely; Superfert fertilizer, Demeter Seed, Power Flour (maize meal) as well as salt
- Supplies agricultural inputs to the Malawian Government, tobacco processors and other organizations



#### Save Mart (FMCG retailer):

- Offers a comprehensive range of grocery items in the hard to reach outlying areas
- The retail chain also acts as a distribution network for other products in the Meridian stable including Superfert

### Agora – 37 stores across Malawi

- Agora manages a network of c.37 retail stores across the southern region of Malawi as well as 4 warehouses in Limbe
- Agora supplies small holder farmers and the estate sector with agricultural inputs and is one of the Malawi government's chosen routes to market for the FISP programme
- Offers a wide range of products including fertilizer, seed, chemicals, basic commodities and hardware
- Provides smallholder farmers with an opportunity to sell their grain and legumes to Agora
- The Agora retail chain also acts as a distribution network for other products in the Meridian stable, including Superfert fertilizer, Demeter Seed, Power Flour (maize meal), and Thanzi and Cristal salt (developed by Transalt in Malawi)



Top Left Farmers World Savemart  
Top Right Farmers World  
Bottom Left Agora



## Unit 3: Ancillary Business Units

Unit	Commodities Trading	Salt
Group Entities	Grain Securities Limited (GSL) Mozgrains	Transalt
Overview	<p>Trading of various commodities (including soya beans, maize, oilseeds and groundnuts) in Malawi and Mozambique</p> <p>GSL provides crop storage to smallholder farmers as well as competitive and direct access to local and international markets for their produce</p> <p>GSL has recently commissioned a new 4MT per hour plant to mill maize flour which is then distributed through various retail chains across Malawi under the recently launched brand name “Power Flour” which is quickly making in roads into the market</p> <p>Owned GSL infrastructure includes:</p> <p>Commodities storage facilities – 12,000MT</p> <p>Milling capacity – 4MT per hour</p> <p>Annual trading volumes – 75,000MT</p>	<p>The salt farm was founded in 1966 and was acquired by Meridian in 2004</p> <p>Located in Mozambique, near the Port of Nacala</p> <p>Currently supplies coarse, iodised salt to Malawi and Mozambique, using Meridian’s well developed logistics chain</p> <p>The farm has a current capacity of 25,000MT of coarse white salt per annum</p>
Operations	<p>Offer small-scale farmers the full value chain, from the provision of fertilizer and seed to purchasing crops at the farm gate, fumigating and storing and finally either processing it through milling or selling it on at the ruling price of the day</p> <p>GSL’s trade with small-scale farmers is facilitated through the extensive Farmers World and Agora store network</p> <p>Mozgrains has approximately 20 field officers facilitating trade with small-scale farmers in rural areas. This produce is mostly exported through larger programmes</p>	<p>Product is marketed in Mozambique and Malawi, with regular business from countries such as DRC and Tanzania</p> <p>Competes with imported salt from India, Botswana and South Africa</p> <p>Salt is retailed through Farmers World and Agora stores in Malawi, and Casa Aissa and COGEF as well as various smaller retailers in Mozambique</p>
Key Clients & Expansion	<p>Meridian’s key clients include a large, blue chip brewer as well as two poultry producers</p>	<p>Transalt recently invested in a refinery in Mozambique in order to expand into the urban refined salt market (fine white table salt) the first plant of its type in Mozambique</p> <p>The new plant has a capacity of 10MT of free-flowing triple refined salt per hour</p> <p>Major construction works are being undertaken on the 1000-hectare farm to increase raw salt production. This increase necessitates a transition from a labor-intensive to a semi-automated operation</p> <p>Target production capacity is 40,000MT of raw salt per annum by the FY19/ FY20</p> <p>Recently launched the fine salt business is expected to increase EBITDA by c.US\$1m per annum by FY19</p>



## 8.4 GROUP FOOTPRINT

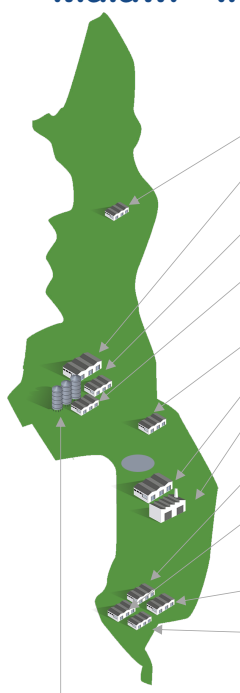
### Infrastructure

Meridian has made extensive investment in infrastructure to support business growth. The Company has three fertilizer blending and granulation plants in Bindura, Liwonde and Chimoio and a new smaller blending facility in Nacala Port. Across the board, first rate equipment has been procured from international suppliers of high repute. The Company's plants are able to operate 24 hours a day, seven days a week all working on continuous blenders supported by batch blenders.

The Company also owns extensive warehousing in both ports, as well as across all four countries of operations. In Lilongwe (Malawi), the Company has invested in an extensive silo and milling complex. The silo has a capacity of 12,000MT and has the capacity to produce both roller meal and straight run maize meal.

In Nacala (Mozambique), the Company has installed a salination plant at the Transalt Salt farm. The Company is now able to offer both coarse and fine table salt from Transalt, cleaning, processing and iodising the salt on location. The Company's two salt brands are retailed across Malawi and Mozambique and enjoy incredibly competitive pricing in both markets.

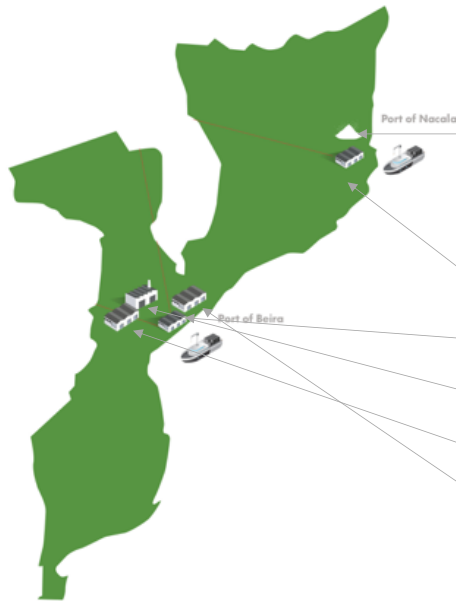
### Malawi - Infrastructure



Property	Capabilities	Entity	Capacity (MT)	Size (m²)	Status
<b>Fertilizer business</b>					
Luwanga Mzuzu Warehouse		Farmers World	2,000	1,000	Leased
Lilongwe Warehouse		MCIL	14,400	7,200	Owned
Area 28 Lilongwe Warehouse		Farmers World	23,000	11,000	Owned
Kanengo Lilongwe Warehouse	Rail siding	Farmers World	12,000	6,000	Peppercorn Lease with Railways CLEAR (MFC)
Southgate/ Mtambo Warehouse	Rail siding	Agora	8,000	4,000	Leased
Liwonde Warehouse	Rail siding Blending facilities	MFC	20,000	10,000	50% owned by Liwonde Props
Liwonde Blending Plant	Granulator	MFC	150,000		
New Blantyre Warehouse	Rail siding under construction	MCIL	16,000	8,000	Owned
Chichiri Blantyre Warehouse	Rail siding Blender Granulator	MCIL	10,000	5,000	Owned
Limbe Warehouse	Rail siding	Agora	4,500	2,250	Leased
<b>Commodities business</b>					
Lilongwe Silo Complex	Certified grain silo storage	GSL	12,000		

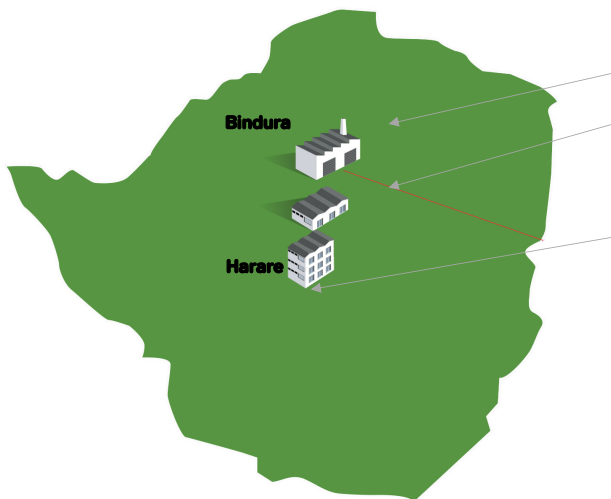


## Mozambique - Infrastructure
























Property	Capabilities	Entity	Capacity (MT)	Size (m <sup>2</sup> )	Status
<b>Salt business</b>					
Nacala Salt Farm	Washing, bagging & iodizing Salt production unit	Transalt	20,000mt pa.30,000 mt by Q4 2018	10,000,000	All infrastructure owned. 99 Year lease on land.
<b>Fertilizer business</b>					
Nacala Warehouse & Blending Complex	Rail siding	Trans-cargo	40,000	8,000	Owned
Inhamitua Warehouse		Mozfert	18,000	9,000	All infrastructure owned. 99 Year lease on land.
Chimoio Blending Plant	Granulator Blender	Mozfert	50,000	7,500	All infrastructure owned. 99 Year lease on land.
Chimoio Warehouse		Mozfert	14,000	7,500	All infrastructure owned. 99 Year lease on land.
Beira Warehouse		Mozfert	18,000	9,000	All infrastructure owned. 15 Year peppercorn Lease with CFM on land (10 years remaining)

## Zimbabwe - Infrastructure

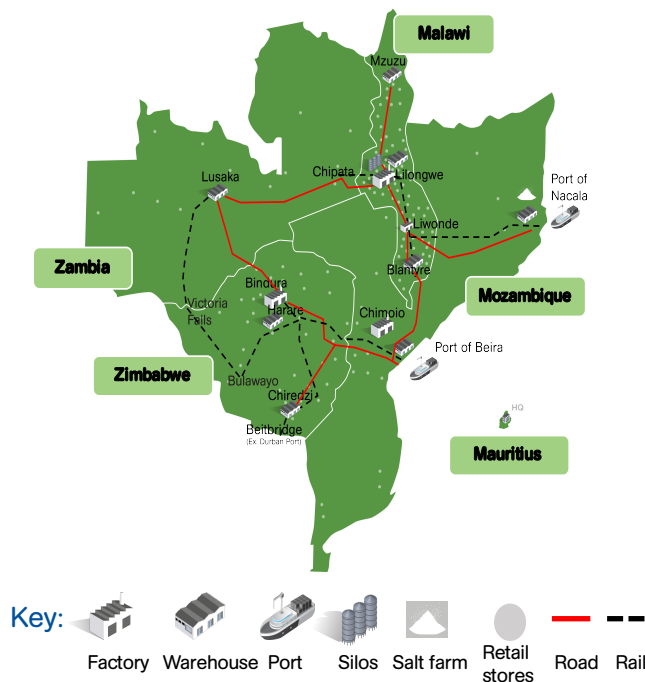


Property	Capabilities	Entity	Capacity (MT)	Size (m <sup>2</sup> )	Status
Bindura Blending Plant	Blender Granulator, rail siding	FSG	200,000	210,000	Owned
Bindura warehouse		FSG	30,000	20,000	Owned
Meridian's owned Zimbabwe head office	Double story office block with 4000m <sup>2</sup> warehouse and wholesale space	FSG	6,000	4,000	Owned

## Business Unit Matrix:

	Fertilizer					Commodities			Salt	
	Fertilizer sales	Granulation plant	Fertilizer blending	Warehousing complex	Quarry	Port facilities	Silo storage complex	Commodities trading	Salt farm	Salt processing
Malawi			 x2	 x9						
Mozambique			 x2	 x6		 x2				
Zimbabwe			 x1	 x2						
Zambia				 x1						

## Distribution



<b>Mozambique</b>	<ul style="list-style-type: none"> <li>Owned port warehousing facilities in Beira</li> <li>Railway links to: <ul style="list-style-type: none"> <li>Malawi and Zambia through Nacala</li> <li>Zimbabwe &amp; Zambia through Beira</li> </ul> </li> <li>Blending &amp; granulation facilities</li> <li>Owned warehouse &amp; blending facilities in Nacala</li> <li>RTM through network of third party retailers</li> </ul>
<b>Malawi</b>	<ul style="list-style-type: none"> <li>Blending &amp; granulation facilities</li> <li>Owned warehouses in Lilongwe, Liwonde and Blantyre</li> <li>Railway link to Nacala with own rail sidings at blending and granulation facilities</li> <li>c.110 retail stores across Malawi, of which 20 are owned, and the balance directly managed by Meridian</li> </ul>
<b>Zimbabwe</b>	<ul style="list-style-type: none"> <li>Blending &amp; granulation facilities</li> <li>Owned warehousing in Bindura &amp; Harare</li> <li>Access to railway line from Beira to Harare</li> <li>Access to road network from Beira to Bindura and Harare</li> <li>RTM through a nationwide network of third party retail stores</li> </ul>
<b>Zambia</b>	<ul style="list-style-type: none"> <li>Leased warehouse and office in Lusaka</li> <li>A growing network of third party retailers</li> <li>Railway link to Beira</li> <li>Raw materials are transported via a road network from Beira, through Harare, to Lusaka</li> <li>Opportunity to penetrate eastern Zambia from Nacala via Malawi and central Zambia from Zimbabwe</li> </ul>

**Optimisation of the Beira and Nacala corridors to leverage regional growth**

## Agronomy Operations

The Company's Farm Services Unit (FSU) offers farmers (both large and small) technical and practical advice in order to get the most out of their crop. In addition, the Company offers a full soil science service to commercial farmers, allowing for zone specific fertilization.

Meridian also pioneered the largest soil testing project for smallholder farmers, leading to the launch of a series of specialized blends aiming at a production increase of 20%. In October 2015, the Company along with the Africa Agriculture Fund (AAF) and the Technical Assistance Facility (TAF) launched a pilot project in Malawi



with the objective of creating tailored agronomy products and packages for smallholder farmers. Larger commercial farming enterprises have long had the benefit of being able to create prescription fertilizers for their crops through soil sampling. The Company's goal with this project was to provide the same benefit to smaller farmers. The project employs close on 100 agronomists who collect a huge amount of soil samples and provide basic advice on good agricultural practices to smallholder farmers.

In Zimbabwe and Zambia, the Company offers small-scale farmers support through teams of agronomists and representatives. These teams spend their days attending field days where they offer educational talks and training, as well as visiting stores to train sales staff and offer advice directly to farmers. They also schedule farm visits where they are able to offer more in-depth advice and are of course available on the phone, WhatsApp and Facebook to give farmers advice as and when they need it.



#### Six core functions of FSU

- |                                    |                        |
|------------------------------------|------------------------|
| 1 Farmer group training            | 4 Data collection      |
| 2 Demonstration plots & field days | 5 Farm clinic sessions |
| 3 Soil testing                     | 6 In-shop advice       |

The FSU provides a competitive advantage to Meridian.



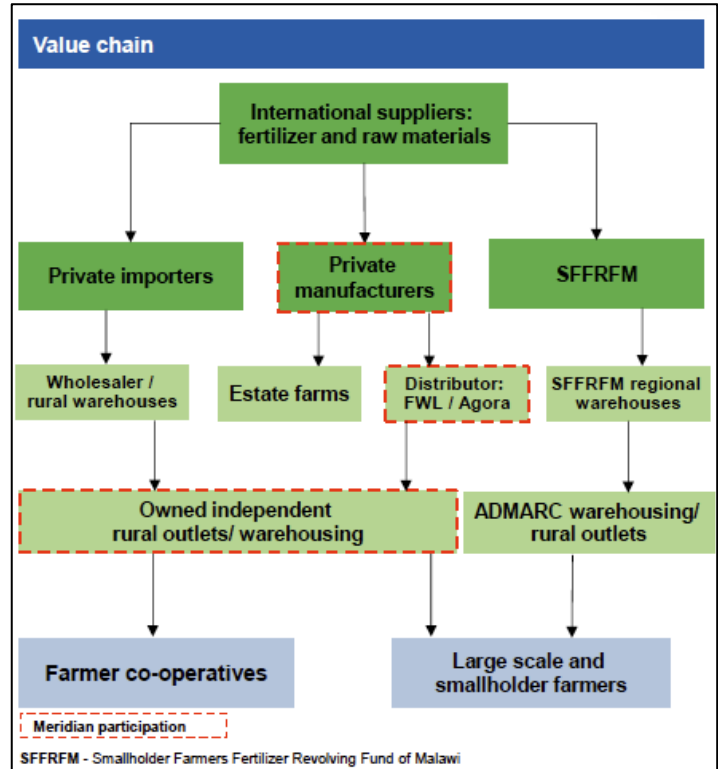




## 8.5 TERRITORY DEEP DIVE

### Malawi fertilizer sector

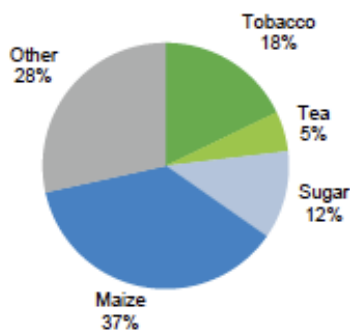
- Agriculture contributes c.30% to Malawi's GDP and 80% of the country's export revenue
- Agriculture employs c.65% of the population and has had a positive impact on economic growth and poverty reduction
- 80% of the population derives its livelihood from subsistence and commercial farming. Fertilizers are a key input in the farming value chain process used to increase agricultural production yields
- The majority of Malawi's fertilizer is imported through the ports of Mozambique
- Malawi's agricultural activity is assisted by the country's existing rail infrastructure and road network
- The majority of fertilizer sales occur during the rainy season which is from October to March
- Fertilizer is distributed to customers via retail stores across Malawi
- Fertilizer is a strategic imperative for the Government of Malawi due to the population's high reliance on subsistence farming
- Malawi's government Farm Input Subsidy Programme (FISP) caters to 900,000 farmers. Farmers receive coupons from the government which can be redeemed across retail stores in exchange for fertilizer and seed
- The demand for fertilizer is driven by:
  - FISP
  - Smallholder and commercial farmers
- Fertilizer does not attract import duties or VAT due to its impact on food security
- No fertilizer formulation registration processes are required in Malawi
- Meridian maintains a strong competitive advantage in Malawi as a result of:
  - Superfert is the market leading brand
  - Strong distribution network through c.113 owned retail stores
  - The only in-country fertilizer blending and granulation facilities
  - Best in class logistics infrastructure with rail sidings at key locations
  - Long term customer relationships, both private and public sector



## Malawi's Growth Strategy: Further leverage Meridian's strong market position and unique route to market

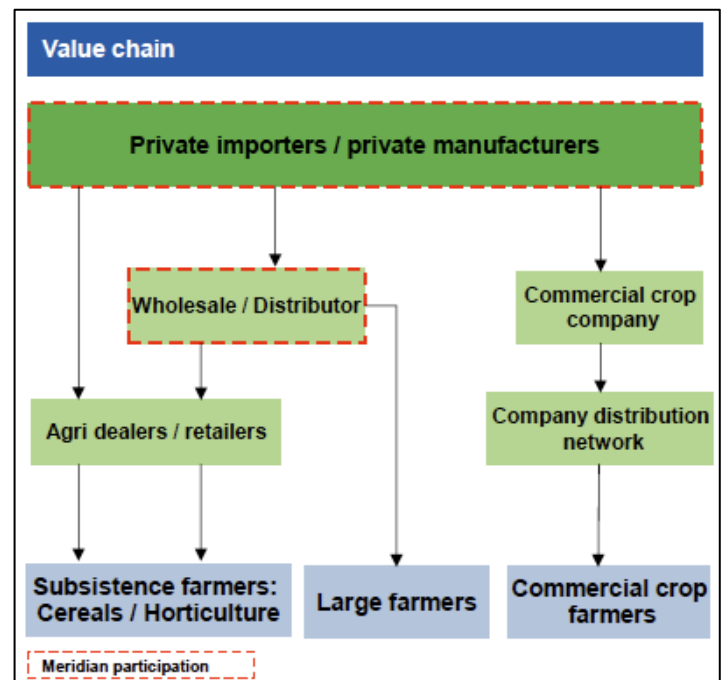
- Branding: Maintain competitive advantage of preferred brand and strong track record which give a pricing advantage
- Distribution: Leverage the 100% owned infrastructure and retail network and invest more into warehousing
- Product: The only player with in-country blending facilities which provides the ability to tailor make products
- Customers: Continue to grow commercial customer volumes and maintain leading position with the FISP programme

### End markets

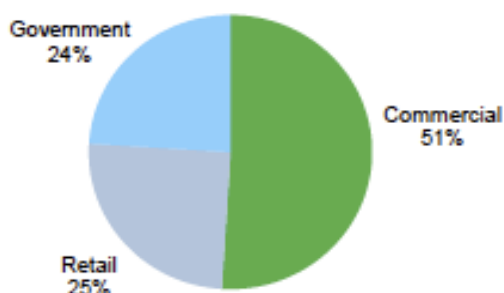


(a) Mozambique Fertilizer Sector

- Agriculture contributes c.23% to Mozambique's GDP and employs c.70% of the population
- Agricultural activity is largely subsistence where maize, cassava, rice and beans are the common crops
- In addition, there are a number of commercial operations growing tobacco, sugar, cotton, fruit and nuts
- Mozambique exports 94% of its sugar production to the European Union and this trend is likely to continue as more investment is made into land and infrastructure (i.e. sugar mills).
- The majority of fertilizer is imported and demand is mainly driven by commercial farming operations



### Customers



- The Mozambican Government expects an increase in infrastructure development on the back of direct foreign investment as a result of the natural gas discoveries in Mozambique
- This will enable the country to serve as a major transport hub within the domestic and international trade corridors
- Customs duty on imported fertilizer is levied at 2.5%, however Mozfert has a



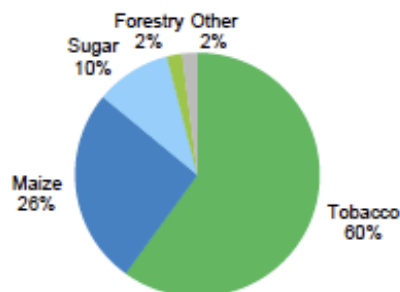
manufacturers dispensation where they are not levied customs duties

- Fertilizer zero rated and therefore does not attract VAT
- Meridian maintains a strong competitive advantage in Mozambique as a result of:
  - Warehouse facilities being strategically positioned in the ports of Nacala and Beira
  - Blending facilities on the railway lines which intersect with key roads and provide easy access to Malawi, Zimbabwe and Zambia
  - Long term customer relationships with the commercial farmers

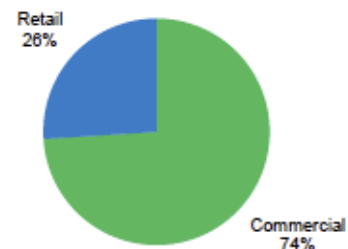
#### **Mozambique's Growth Strategy: Increased and improved Nacala port warehousing infrastructure is growing RTM**

- Infrastructure: New warehousing in Nacala has increased capacity and reduced costs of fertilizer to Malawi. Installation of a sesame seed plant at the Chimoio site to add value to commodity exports
- Distribution: Further develop RTM through third party retailers and increased brand awareness
- Customers: Increase sales team to offer services to the north of Mozambique
- Salt: The new salt refinery opens a 50,000 MT p.a regional market to Meridian currently serviced by imports. Fine salt, which has higher margins than coarse salt, will be distributed in all four of Meridian's markets

End markets



Customers

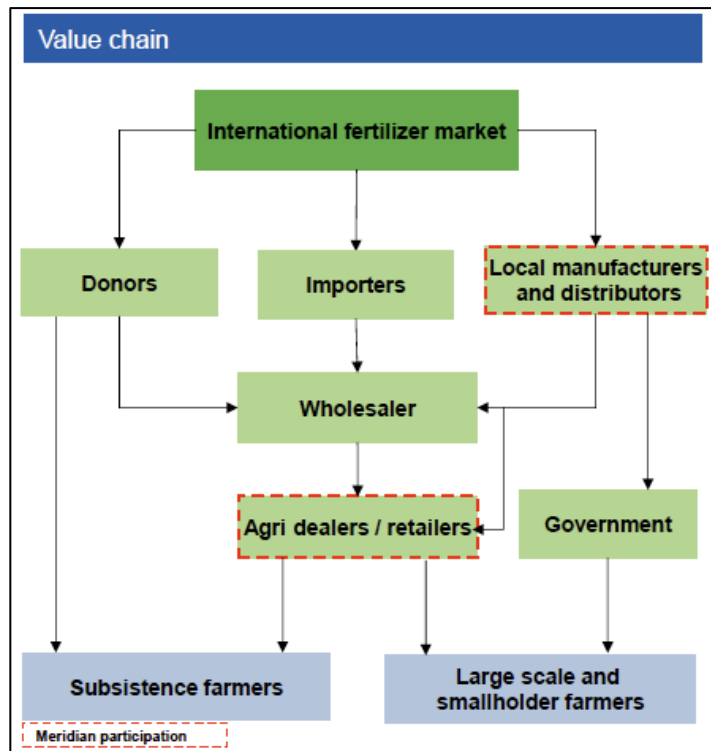


#### **Zimbabwe Fertilizer Sector**

- Agriculture contributes c.20% of Zimbabwe's GDP and 40% of the country's export revenue per annum
- The commercial and horticulture sectors were the backbone of agriculture, which declined after the Fast Track Land Reform Act was enforced in 2002:
  - There have been changes over the last two years which have seen a number of state sponsored agricultural input programmes being introduced and a drive towards resuscitating the agricultural sector
  - This has had positive effects on production with the 2016 planting season producing a surplus maize crop and the current crop in good stead. It is expected to grow year on year
- The majority of base raw materials for NPKs and nitrogen based fertilizer are imported. Local manufacturing capability and capacity exists and produces almost 100% of NPK requirements. There is one nitrogen fertilizer factory (sable chemicals) converting imported ammonia to AN however the capacity services c.30% of the country's requirements



- Fertilizer supply remains a strategic imperative for the Zimbabwean government given the country's focus on meeting domestic food demand and increasing exports
- Fertilizer demand is largely driven by:
  - Increased demand from government through the Government's Command Agriculture Programme (c.200kmt), Cotton programme (c.60kmt) as well as the Presidential Inputs Programme (c.180kmt)
  - Commercial and subsistence farming
- Customs duty rates on imported fertilizer are as follows: urea (25%) and ammonium nitrate (25%). These are however almost always waived, less so for NPK so local production is protected. Imported fertilizer does not attract VAT
- Meridian maintains a strong competitive advantage as a result of:
  - In-country blending and granulation capacity in Bindura
  - Track record of reliable delivery with the Government
  - Continued partnership with third party retailers for the distribution of its flagship product, Superfert

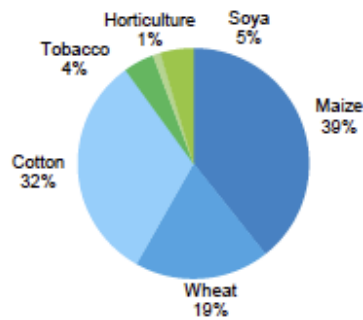


### Zimbabwe's Growth Strategy: Capitalise on very strong historical performance to further increase volumes

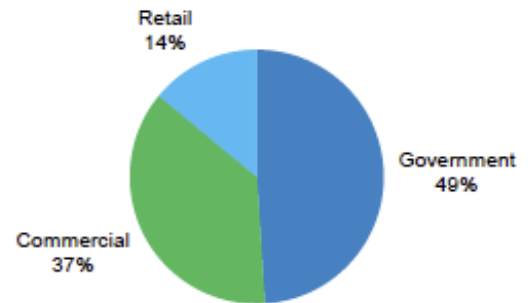
- Economic Growth: Post the 2018 elections, there is a significant opportunity for agribusiness to thrive. Government is already encouraging commercial farmers to expand operations and have made land available to facilitate this. This will increase fertilizer demand.
- Branding: Superfert enjoys strong brand recognition. Continued promotion through field days, trial plots, promotions, education and targeted advertising will further strengthen this position.
- Distribution: Grow retail sales with third party partners (Farm & City Centre) through large-scale promotions. Increase Meridian's retail footprint by identifying new outlets in strategic locations. Engage with commercial farmers offering them direct delivery.
- Customers: Focus on customer retention through continuously improving Meridian's supply chain in order to best service existing clients. Target new commercial customers and maintain Meridian's excellent reputation as the most reliable supplier.
- Stock availability: Continue to provide on the ground stock availability (as well as continuous pipeline stocks).
- Pricing: Competitive pricing by utilising group bulk purchasing power and lower supply chain and logistic costs.



#### End markets

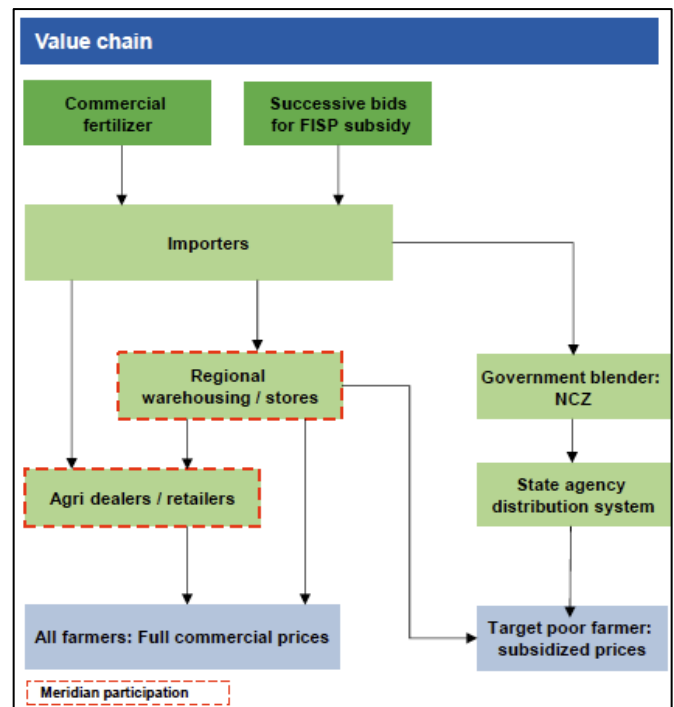


#### Customers



#### Zambia Fertilizer Sector

- The agriculture sector is one of Zambia's core economic drivers given 49% of its population depends on the sector for employment
- The country is characterised by a large and growing youth population which is expected to drive food consumption and fertilizer demand
- Zambia predominantly depends on international markets for its fertilizers, as local production is very limited and dependent on one state owned plant
- Fertilizer demand is largely driven by:
  - Smallholder and commercial farmers
  - Strategic maize reserves for the Zambian government
  - African demand for corn and sugar
- Fertilizer does not attract import duties or VAT in Zambia
- Meridian's competitive advantage in Zambia includes:
  - Access to the railway network which is directly linked to the port of Nacala
  - A well-recognised brand, Superfert
  - Ability to leverage relationships with blue chip multinational customers developed in Meridian's other markets



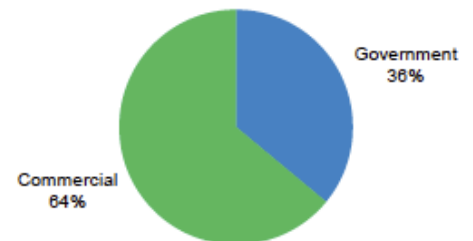
**Zambia's growth Strategy: Increase warehousing capacity, establish blending capability and increase RTM**

- **Market Share:** Significant opportunity to grow market share from a low base with a well-recognised brand
- **Infrastructure:** Acquire warehousing capacity and establish in-country blending capability to leverage regional strengths
- **Distribution:** Establish position in eastern Zambia, supplied from Malawi and leveraging strong brand recognition
- **Customers:** Leverage relationships with existing customers serviced in other countries that have operations in Zambia

**End markets**



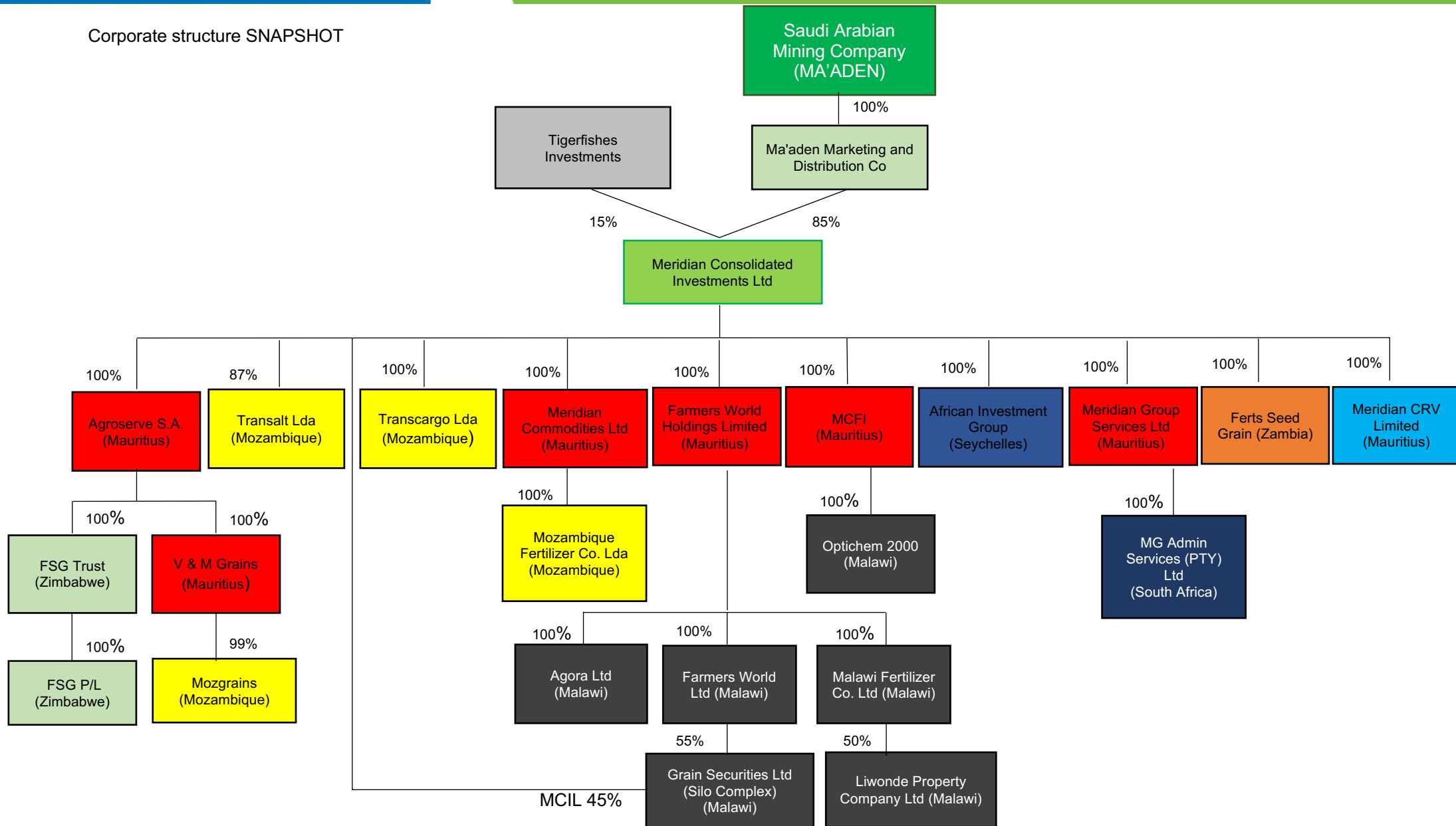
**Customers**







Corporate structure SNAPSHOT



## 8.6 SUMMARY OF SHAREHOLDING IN SUBSIDIARIES

\* (Information is as at of date of the Programme Memorandum)

	Activity	Held Directly % Shareholding	Paid up Share Capital	Date of Incorporation
Direct Holding				
AGROSERVE S.A (Mauritius)	Fertiliser production and Retail	100%	USD 5,175,374	28 January 2010
TRANSALT LDA (Mozambique)	Nacala Salt Farm (Washing, bagging and lodizing)	100%	MT 15,000	23 March 2004
TRANSCARGO LDA (Mozambique)	Nacala Warehouse (Rail Siding)	100%	MT 20,000	15 March 2010
MERIDIAN COMMODITIES LTD (Mauritius)	Commodities	100%	USD 5,000	20 March 2009
FARMERS WORLD HOLDINGS LTD (Malawi)	Holds warehousing facilities in Malawi	100%	ZK 4,321,867	15 May 1996
MCFI (Africa) Ltd (Mauritius)	Fertiliser production and Retail	100%	USD 10,000	26 September 1994
AFRICAN INVESTMENT GROUP (Seychelles)	Investment Activities	100%	USD 5,000	04 June 2007
MERIDIAN GROUP SERVICES LTD (Mauritius)	Centralising and coordinating the trading activities of the group	100%	USD 100	08 May 2009
FERTS SEED GRAIN (Zambia)	General trading and marketing of fertilisers.	100%	ZK 24,569,200	29 March 2010
MERIDIAN CRV LIMITED (Mauritius)	Financing Arm	100%	USD 1,000	29 July 2021

## 8.7 DETAILS ON MCIL'S STRUCTURE

MCIL is 85 percent (85%) held by MA'ADEN Marketing Distribution Company, which is ultimately 100% held by a Saudi Arabian Mining Company called MA'ADEN which is listed on Tadawul. The remaining 15% percent is held by Tigerfish Investments.

### **A summary of the direct holding structure of MCIL:**

**Transalt Limitada** ("Transalt") operates in Mozambique, where it engages in the production and sale of Salt. Transalt recently invested in the only refinery of its kind in Mozambique in order to expand into the triple refined salt market (fine white table salt). The plant is equipped to operate 24 hours a day with the capacity to produce 10 tons an hour of free flow triple refined salt. The farm is in the process of moving from a labour-intensive operation to a semi-automated unit, which will reduce production costs and increase profitability. The target production capacity is to reach 60,000 tons per annum by the 2019/ 2020 season.

**Agroserve SA** ("Agroserve") operates in Mauritius where the latter is engaged in the supply of agriculture Inputs, principally fertilizers, seeds and grain to Zimbabwe. The company was not operational in 2019-2020, however Agroserve will continue to exist.

**Transcargos Lda** ("Transcargos") operates in Mozambique where it operates in the transportation and logistics management of fertiliser.

**Meridian Commodities Ltd** ("MCL") is engaged in trading in agricultural products. MCL operates in Mauritius and the rest of Africa.

**Farmers World Holdings Limited** ("Farmers World") and its subsidiaries was incorporated in Malawi and is engaged in Investment Holding. The activities of the group are undertaken through the company and its principal subsidiaries.

**African Investment Group** ("AIG") is incorporated in Seychelles and is engaged in the trading of agricultural commodities. AIG operates in the Seychelles and the rest of Africa.

**Meridian Group Services Ltd** ("MGSL") is based in Mauritius and is engaged in the centralising and coordinating the trading activities of the Issuer.

**Ferts Seed Grain** ("FSG") is based in Zambia. FSG is engaged in the marketing of fertilisers and general trading.

**MCFI (Africa) Ltd** is based in Mauritius and has been incorporated as an Investment Holding Company.

**Meridian CRV Limited** is based in Mauritius and has been incorporated as a special purpose vehicle to raise capital for the Group Holding Company through the issuance of a Multicurrency Note Programme.

## 9 SUMMARY FINANCIAL STATEMENTS

Given that Meridian CRV Limited has no trading history and has been incorporated for the sole purposes of raising capital for the Group, MCIL being the Group Holding Company and Guarantor to the notes, has its financial information set out below, unless otherwise indicated, been derived from its audited consolidated financial statements as at and for the years ended 31 March 2017 to 2020 and its management accounts for the period ended 31 December 2020, in each case prepared in accordance with IFRS as issued by the International Accounting Standards Board.

### 9.1 AUDITED STATEMENTS OF COMPREHENSIVE INCOME

<b>CONSOLIDATED INCOME STATEMENT</b>	<b><u>Mar-20</u></b>	<b><u>Mar-19</u></b>	<b><u>Mar-18</u></b>	<b><u>Mar-17</u></b>
	<b>USD M</b>	<b>USD M</b>	<b>USD M</b>	<b>USD M</b>
Revenue	302.19	300.06	337.29	226.25
Cost of Sales	(246.59)	(250.0)	(281.4)	(192.9)
Gross profit	55.60	50.01	55.85	33.39
Other operating income	6.43	1.30	1.85	5.92
Other operating gains/(loss)	(2.14)	1.18	1.95	0.09
Other operating expenses	(39.82)	(30.8)	(34.9)	(26.1)
Operating profit	20.08	21.67	24.70	13.35
Hyperinflation adjustment	(50.50)	-	-	-
Finance income	0.21	0.65	6.08	2.73
Finance costs	(5.85)	(13.8)	(12.1)	(12.2)
Profit before taxation	9.38	8.54	18.65	3.86
Taxation	4.61	2.41	(5.3)	0.02
Profit from continuing operations	4.77	10.95	13.31	3.88
Profit/Loss for the year from discontinuing operations	-	1.49	(2.3)	(2.8)
Profit for the year	4.77	12.44	11.00	1.13
Other comprehensive income:	-	-	-	-
Items that will not be reclassified to profit or loss				
Gains on property revaluation	1.59	1.10	7.09	1.10
Deferred tax movement on property revaluation	-	-	(1.2)	(0.1)
Income tax effects of tax rate changes	-	-	-	0.27
Gains on property revaluation net of tax - discontinued operations		-	0.72	0.72
Total items that will not be reclassified to profit or loss	1.59	1.10	6.61	1.98
Items that may be reclassified to profit and loss		-	-	-
Exchange differences on translating foreign operations	(5.05)	(4.6)	(0.9)	(2.6)
Other comprehensive Income/(loss) for the year net of taxation	(3.45)	(3.5)	5.7	(0.6)
Total comprehensive income for the year	1.32	8.96	16.67	0.48

## 9.2 AUDITED STATEMENTS OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION	<u>Mar-20</u> USD M	<u>Mar-19</u> USD M	<u>Mar-18</u> USD M	<u>Mar-17</u> USD M
<b>Assets</b>				
<b>Non-Current Assets</b>				
Property, plant and equipment	62.76	56.98	55.05	41.31
Right of use assets	0.98			
Goodwill	2.56	2.51	1.43	1.43
Intangible assets	0.12	0.08	0.14	0.27
Investments in subsidiaries	-	-	-	-
Loans to related parties	-	0.04	0.01	-
Loans to shareholders	-	-	-	4.01
Deferred tax	1.27	5.26	2.24	2.94
	<b>67.69</b>	<b>64.88</b>	<b>58.87</b>	<b>49.95</b>
<b>Current Assets</b>				
Inventories	120.72	96.91	52.78	55.64
Loans to related parties	0.02	0.02	0.08	0.08
Loans to shareholders	-	0.02	0.01	0.01
Trade and other receivables	65	59.68	65.64	66.61
Other financial assets	-	-	0.00	0.00
Current tax receivable	0.69	0.28	0.17	0.19
Cash and Cash Equivalent	35.62	68.37	38.44	33.96
	<b>222.05</b>	<b>225.27</b>	<b>157.12</b>	<b>156.49</b>
Assets held for sale and assets of disposal groups	-	-	14.48	14.94
<b>TOTAL ASSETS</b>	<b>289.74</b>	<b>290.15</b>	<b>230.47</b>	<b>221.38</b>
<b>Equity and Liabilities</b>				
<b>Equity</b>				
Equity attributable to Parent				
Stated Capital	27.59	27.59	27.59	16.05
Reserves	(16.89)	(6.49)	11.60	5.47
Retained Earnings	47.11	60.01	51.05	40.70
		81.12	90.24	62.21
Non-controlling interest	(0.88)	(0.97)	(1.00)	(1.13)
	<b>56.93</b>	<b>80.15</b>	<b>89.25</b>	<b>61.08</b>
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
Other financial liabilities	3.81	4.17	5.90	13.14
Retirement benefit obligation	0.003	0.01	0.02	-
Finance lease obligation	0.71	0.17	-	-
Loan from shareholders	16.86			
Deferred tax	4.68	5.33	5.79	3.96
	<b>26.07</b>	<b>9.69</b>	<b>11.71</b>	<b>17.10</b>
<b>Current liabilities</b>				
Trade and other payables	113.92	106.11	78.58	84.97
Other financial liabilities	84.82	59.50	40.49	38.52
Operating lease liabilities	-	-	-	-



Retirement benefit obligation	0.02	0.04	0.12	0.11
Finance lease obligation	0.27	0.05	-	-
Deferred Income	-	-	-	-
Current tax payable	0.60	1.09	2.91	0.01
Provisions	0.79	0.55	0.80	0.55
Bank overdraft	6.33	32.98	4.29	17.00
	<b>206.75</b>	<b>200.32</b>	<b>127.20</b>	<b>141.16</b>
Liabilities directly associated with assets held for sale and disposal group	-	-	2.31	2.04
Total liabilities	232.82	210.01	141.22	160.30
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>289.74</b>	<b>290.15</b>	<b>230.47</b>	<b>221.38</b>

### 9.3 AUDITED STATEMENTS OF CASH FLOWS'

STATEMENT OF CASH FLOW	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
	USD M	USD M	USD M	USD M
<b><i>Cash flow from operating activities</i></b>				
Cash generated/(used in) from operations	(19.10)	(1.79)	23.18	55.77
Finance income	0.21	0.65	6.08	2.73
Finance costs	(5.85)	(13.78)	(12.13)	(12.22)
Tax paid	(1.51)	(3.70)	(1.57)	(0.27)
Cash flows of held for sale/discontinued operations	-	-	(2.31)	(2.75)
<b>Net cash from operating activities</b>	<b>(26.25)</b>	<b>(18.62)</b>	<b>13.25</b>	<b>43.26</b>
<b><i>Cash flow from investing activities</i></b>				
Movement in Goodwill	(0.04)	-	-	-
Additions to property, plant and equipment	(7.75)	(5.66)	(7.20)	(5.94)
Proceeds from disposal of property, plant and equipment	0.23	0.62	0.14	0.38
Additions to other intangible assets	(0.08)	(0.03)	(0.02)	(0.17)
Proceed from sales of intangible assets	0.02	-	-	-
Additions of right of use assets	(0.75)	-	-	-
Movement in loans to group companies	0.04	(0.27)	(0.01)	0.02
Movement in financial assets	-	0.00	(0.00)	0.02
Assets and liabilities held for sale	-	10.17	0.74	(2.27)
<b>Net cash from investing activities</b>	<b>(8.33)</b>	<b>4.82</b>	<b>(6.35)</b>	<b>(7.96)</b>
<b><i>Cash flows from financing activities</i></b>				
Net received on other financial liabilities	24.97	17.28	10.29	0.37
Movement in loans to shareholders	2.76	(0.01)	-	(0.01)
Movement on lease liabilities	0.75	0.22	-	(0.00)
<b>Net cash from financing activities</b>	<b>24.48</b>	<b>17.49</b>	<b>10.29</b>	<b>0.36</b>
<b>Total cash movement for the year</b>	<b>(6.10)</b>	<b>3.69</b>	<b>17.19</b>	<b>35.66</b>
Cash and cash equivalents at the beginning of the year	35.39	34.15	16.96	(18.70)
<b>Total cash and cash equivalents at the end of the year</b>	<b>29.29</b>	<b>37.84</b>	<b>34.15</b>	<b>16.96</b>

#### Interim financial statements

Once listed Meridian CRV Limited will periodically publish interim financial statements every quarter. The interim financial statements will be available at the registered office of the Issuer

#### 9.4 UNAUDITED INCOME STATEMENT FOR THE 9 MONTHS ENDED 31 DECEMBER 2020

INCOME STATEMENT	<u>Dec-20</u> <b>USD 000</b>
Revenue	286,334
Cost of sales	(221,890)
<b>Gross profit</b>	<b>64,444</b>
Other income	3,195
Overheads	(35,133)
<b>EBITDA</b>	<b>32505</b>
Depreciation	(2,620)
Finance Costs	(6,888)
<b>Profit Before tax</b>	<b>22998</b>
Taxation provision	(3,565)
<b>Profit after tax</b>	<b>19433</b>

## 9.5 UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

STATEMENT OF FINANCIAL POSITION	<u>Dec-20</u> <b>USD 000</b>
Fixed and Non-Current Assets	70,649
<b><u>Working Capital</u></b>	
Inventory	174,091
Trade and other receivables	201,703
Trade and other payables	(316,701)
<b>Net trade working capital</b>	<b>59,093</b>
<b><u>Cash and Financial Indebtedness</u></b>	
<b>Cash and Cash equivalents</b>	<b>6,298</b>
- Positive Cash Balances	43,243
- Overdrafts	(36,945)
Financial Borrowings - Short Term	(16,154)
Financial Borrowings - Long Term	(35,096)
<b>Net Cash and Financial Liabilities</b>	<b>(44,952)</b>
Deferred tax	(3,949)
Tax receivable/(payable)	2,844
Provisions and accruals	(11,196)
<b>Net Assets / Total Equity</b>	<b>72489</b>

## 10 CORPORATE GOVERNANCE STATEMENT

Meridian CRV Limited is fully committed to complying with The National Code of Corporate Governance for Mauritius (2016).

In so doing, the directors recognise the need to conduct the enterprise with integrity and in accordance with generally acceptable corporate practices. This includes timely, relevant and meaningful reporting to its shareholders and other stakeholders and providing a proper and objective perspective of the Issuer and its activities.

The directors have, accordingly, established mechanisms and policies appropriate to the Issuer's business according to its commitment with best practices in Corporate Governance in order to ensure compliance with The Report on Corporate Governance for Mauritius. The Board will review these mechanisms and policies from time to time.

The formal steps taken by the directors are summarised below:

### 10.1 BOARD OF DIRECTORS

The Board comprises of 4 directors out of which, 2 are executive director, 2 non-executive independent directors. The Board will ensure that there is an appropriate balance of power and authority on the Board, such that no one individual or block of individuals dominates the Board's decision-taking. The non-executive directors are individuals of calibre, credibility and have the necessary skills and experience to bring independent judgement on issues of strategy, performance, resources, and standards of conduct and evaluation of performance.

The Board is responsible for the strategic direction of the Issuer. It will set the values which the Issuer will adhere to and will formulate in this regard a Code of Ethics which will be applied throughout the Issuer, as provided below.

The Board will establish a framework for delegation of authority. The Board will ensure that the role and function of the executive directors will be formalised and amended from time to time if required, and that the executive directors' performance is evaluated against specified criteria.

The current Board's diversity of professional expertise and demographics make it a highly effective Board with regard to the Issuer's current strategies. The Board shall ensure that, in appointing successive Board members, the Board as a whole will continue to reflect, whenever possible, a diverse set of professional and personal backgrounds.

The information needs of the Board will be reviewed annually and directors will have unrestricted access to all company information, records, documents and property to enable them to discharge their responsibilities efficiently. Efficient and timely methods of informing and briefing Board members prior to Board meetings will be developed and, in this regard, steps have been taken to identify and monitor key risk areas, key performance areas and non-financial aspects relevant to The Issuer. In this context, the directors will be provided with information in respect of key performance indicators, variance reports and industry trends.

The Board will establish a formal induction program to familiarise incoming directors with the Issuer's operations, senior management and its business environment, and to induct them in their fiduciary duties and responsibilities. directors will receive further briefings from time to time on relevant new laws and regulations as well as on changing economic risks.

directors will ensure that they have a working understanding of applicable laws. The Board will ensure that the Issuer complies with applicable laws and considers adherence to non-binding industry rules and codes and standards. In deciding whether or not non-binding rules shall be complied with, the Board will factor the appropriate and ethical considerations that must be taken into account. New directors with no or limited Board experience will receive appropriate training to inform them of their duties, responsibilities, powers and potential liabilities.

The Board will disclose details in their directors' report of how it has discharged its responsibilities to establish an effective compliance framework and process.

A sub-committee appointed by the Board, will appraise the performance of the executive directors at least annually.

All directors will be subject to retirement by rotation and re-election by The Issuer's shareholders every year in accordance with the Issuer's Constitution.

The Board will develop a charter setting out its responsibilities for the adoption of strategic plans, monitoring of operational performance and management, determination of policy and processes to ensure the integrity of the Issuer's risk management and internal controls, communication policy and director selection, orientation and evaluation.

Although certain responsibilities are delegated to committees or management executives, the Board acknowledges that it is not discharged from its obligations in regard to these matters. In particular, the Board acknowledges its responsibilities in the following areas:

- a) The adoption of strategic plans and ensuring that these plans are carried out by management;
- b) Monitoring of the operational performance of the business against predetermined budgets;
- c) Monitoring the performance of management at both operational and executive levels;
- d) Ensuring that the Issuer complies with all laws, regulations and codes of business practice; and
- e) Ensuring a clear division of responsibilities at Board level to ensure a balance of power and authority in terms of Issuer policies.

Board meetings will be held at least quarterly, with additional meetings convened when circumstances necessitate. The Board will set the strategic objectives of the Issuer and determine investment and performance criteria as well as being responsible for the sustainability, proper management, control, compliance and ethical behaviour of the businesses under its direction. The Board will establish a number of committees to give detailed attention to certain of its responsibilities and which will operate within defined, written terms of reference.

The Board will determine a policy for detailing the manner in which a Director's interest in transactions is to be determined and the interested Director's involvement in the decision-making process. Real or perceived conflicts will be disclosed to the Board and managed in accordance with the pre-determined policy used to assess a Director's interest in transactions. The independence of non-executive directors will be reviewed from time-to-time. The Issuer does not propose to conduct a rigorous and extensive review of the independence of the non-executive directors. It is the Issuer's belief that, unless the directors have newly acquired recent interest in The Issuer, passage of time does not lead to a lack of independence.

The Board as a whole and individual directors will have their overall performance periodically reviewed in order to identify areas for improvement in the discharge of individual director's and the Board's functions on an annual basis. This review will be undertaken by a sub-committee appointed by the Board and, if so, determined by the Board, an independent service provider. An overview of the appraisal process, results and action plan will be disclosed in the directors' report. Nominations for the re-appointment of a director will only occur after the evaluation of the performance and attendance of the director at Board meetings.

The Board will determine a policy for detailing the procedures for appointments to the Board. Such appointments are to be formal and transparent and a matter for the Board as a whole assisted where appropriate by the Corporate Governance Committee.

The development and implementation of nomination policies will be undertaken by the Corporate Governance Committee and the Board as whole, respectively.

The Board has delegated certain functions to the Audit and Risk Committee and the Corporate Governance Committee. The Board is conscious of the fact that such delegation of duties is not an abdication of the Board members' responsibilities. The various committees' terms of reference shall be reviewed annually and such terms of reference will be disclosed in the Issuer's directors' report.

External advisors and executive directors who are not members of specific committees shall attend committee meetings by invitation, if deemed appropriate by the relevant committees.



The Board will establish a procedure for directors, in furtherance of their duties, to take independent professional advice, if necessary, at The Issuer's expense. All directors will have access to the advice and services of The Issuer administrator.

The Board's independence from the executive management team is ensured by the following:

- a) Separation of the roles of the chairperson and managing director;
- b) The Board being comprised by a majority of non-executive directors;
- c) The Audit and Risk Committee having a majority of non-executive directors;
- d) All directors having access to the advice and services of the company secretary; and
- e) With prior agreement from the chairperson, all directors are entitled to seek independent professional advice concerning the affairs of The Issuer, at the Issuer's expense.
- f) The criteria used to assess the independence of the directors are as follows:
  - Whether the director is a representative of a shareholder who has the ability to control or significantly influence management or the Board;
  - Whether the director has a direct or indirect interest in the Issuer which exceeds 5% of The Issuer's total number of shares in issue;
  - Whether the director has a direct or indirect interest in the Issuer which is less than 5% of the Issuer's total number of shares in issue, but is material to the director's personal wealth;
  - Whether the director has been employed by The Issuer of which it currently forms part of in any executive capacity, or appointed as the designated auditor or partner in The Issuer's external audit firm, or senior legal advisor for the preceding financial year;
  - Whether the director is a member of the immediate family of an individual who is or has during the preceding financial year been employed by The Issuer in an executive capacity;
  - Whether the director is a professional advisor to the Issuer other than in the capacity as a director;
  - Whether the director is free from any business or other relationship (contractual or statutory) which could be seen by an objective outsider to interfere with the directors' capacity to act in an independent manner, such as being a director of a material customer or supplier to the Issuer; and
  - Whether the director receives remuneration contingent upon the performance of The Issuer.

## 10.2 AUDIT COMMITTEE

The Audit committee consist of two persons, namely Mr.Didier Parsad and Ms. Amina Dousoruth. The audit committee shall meet regularly or by telephone conference call with the Issuer auditors and will make representation, report findings and any recommendations to the Board of directors at every Board meeting.

## 10.3 RISK COMMITTEE

The risk committee consists of consist of two persons, namely Mr. Andre Bruynes and Mr. Ritesh Kumar Bissessur. The role of the risk committee primarily is to ascertain any country risk concerns, set credit risk policy, conduct due diligence and set credit limits for any new suppliers or buyers.

## 10.4 EXECUTIVE COMMITTEE

The executive committee consists of Mr. Andre Bruynes and Mr. Ritesh Kumar Bissessur. This committee shall be responsible for reviewing annual budgets presented by the 'in country' operations, reviewing consolidated budgets and forward-looking forecasts. The Executive Committee shall prepare and make final reports to the Board at each Board meeting.

## 10.5 STRUCTURE OF THE BOARD

Meridian CRV Limited has a unitary Board of directors which comprises of 4 directors: The Board is ultimately responsible for ensuring that the business is a going concern, and to this end effectively controls the company and its management and is involved in all directions that are material for this purpose.

Board meetings shall be held on a quarterly basis and whenever the Board needs to consider and decide on important issues relating to the company's business.

Director's name	Role	Nationality	Address	Occupation & Experience
Mr. Ritesh Kumar Bissessur	Executive	Mauritian	Lot B387, Morc Le Bout du Monde, Ebene, Reduit, Mauritius	Principal Officer, Member of the Mauritius Institute of Directors
Mr. Didier Parsad	Independent Director	Mauritian	67, Rue des Antibes Residence La Croisette, Splendid View Albion, Mauritius	Chartered Certified Accountant, FCCA
Ms. Amina Dousoruth	Independent Director	Mauritian	Soreefan Lane, Highlands, Mauritius	Senior Accountant, ACCA
Mr. Andre Bruynes	Executive	South African	Grand Baie, Mauritius	Commercial Manager of Treasury & Finance

## 10.6 DIRECTOR'S INTEREST

As at the date of this Programme Memorandum, directors' direct or beneficial interests in the share capital of the Issuer are as detailed below:

Director's name	Direct	Indirect
Mr. Ritesh Kumar Bissessur		
Mr. Didier Parsad		
Ms. Amina Dousoruth		
Mr. Andre Bruynes		

## 10.7 DIRECTOR'S REMUNERATION

As the Company has newly been incorporated, the directors have not been remunerated as yet, however the company shall remunerate the directors for the Financial Year 2021.

## 10.8 SERVICE CONTRACTS

There are no service contracts in existence between the Issuer and any of its directors in their personal capacity, nor are any such contracts proposed. There is currently no contract or arrangement to which the Issuer is a party in which a director of the Issuer is materially interested.

## **11 SUBSCRIPTION AND SALE (INCLUDING SELLING RESTRICTIONS)**

### **11.1 SUBSCRIPTION PROCEDURE**

The Notes are offered for subscription by way of a private placement directly by the Issuer or through the Placing Agent. If the Issuer fails to raise the Minimum Subscription Amount, all proceeds from the private placement will be returned to investors.

To subscribe for Listed Notes, the subscriber or an intermediary on its behalf must have a securities account, opened with the relevant CDS in its own name or in the name of its nominee.

The Subscription Agreement for Notes shall be submitted in the form set out by the Issuer, to the Issuer directly marked for the attention of the Head of Investment Banking or to any of the Placing Agents. Subscription Agreement must reach the Issuer or the Placing Agents before 10:00 am on the date specified in the Applicable Pricing Supplement.

The Issuer or the Placing Agent shall submit a confirmation to each subscriber evidencing the satisfaction or rejection of the Subscription Agreement submitted by the subscriber, which confirmation shall be made by e-mail to the e-mail address provided by the subscriber in the Subscription Agreement.

Upon rejection of the subscriber's Subscription Agreement, the Issuer shall indicate the reasons for such rejection in the confirmation. Subscriptions will not be reduced.

### **11.2 SELLING RESTRICTIONS**

#### **General**

The Issuer, and the Placing Agents have represented and agreed that it will observe all applicable laws and regulations in any jurisdiction in which it may offer, sell, or deliver Notes and it will not directly or indirectly offer, sell, resell, re offer or deliver Notes or distribute this Programme Memorandum, circular, advertisement or other offering material in any country or jurisdiction except under circumstances that will result, to the best of its knowledge and belief, in compliance with all applicable laws and regulations.

The Issuer and the Placing Agents have represented and agreed that neither it, nor any of its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to any Notes.

If the offering is by way of public offer, the Issuer, and Placing Agent will not offer, sell and/ or distribute issue any Note to the public unless: (a) the Issuer, and/or Placing Agent has received the relevant regulatory approval; and (b) such offer, sale and distribution is in compliance with applicable laws.

Selling restrictions may be supplemented or modified by the Issuer. Any such supplement or modification will be set out in the Applicable Pricing Supplement (in the case of a supplement or modification relevant only to a particular Series of Notes) or in a supplement to this Programme Memorandum.

#### **Mauritius**

The Issuer, and the Placing Agents has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public, the Programme Memorandum or any other offering material relating to the Notes, and that such offers, sales and distributions have been and will be made only (a) as a private placement, (b) to sophisticated investors and (c) to qualified investors as defined in, and in accordance with, section 1 and section 70 of the Securities Act 2005, and chapter 18 part B of the Listing Rules.

### **11.3 PAYMENT FOR THE NOTES AND DELIVERY**

Payment for the Notes is to be made in full to the Issuer in cleared funds by the date set out in the Applicable Pricing Supplement. The Notes will be delivered to investors not later than 15 days after the Issue Date specified in the Applicable Pricing Supplement.

## **12 MAURITIUS TAXATION**

The comments below are intended as a general guide to the current position under the laws of the Republic of Mauritius ('Mauritius'). The contents of this section do not constitute tax advice and persons who are in any doubt as to their tax position should consult their professional advisers.

Words used in this section shall have the same meanings as defined in the Terms and Conditions, unless they are defined in this section or this is clearly inappropriate from the context.

### **12.1 INCOME TAX**

- (a) Interest paid by the Issuer to a Noteholder is subject to income tax at the applicable rate of fifteen (15%) percent per annum. Interest is defined in the Income Tax Act as including premiums attaching to notes and debentures.
- (b) As at the date of these Listing Particulars, the Issuer is required by the Income Tax Act to withhold income tax at the rate of ten (10%) percent from any interest paid to a Noteholder who is not resident in Mauritius.
- (c) As at the date of these Listing Particulars, the Issuer is not required by the Income Tax Act to withhold income tax from any interest paid to a Noteholder who is resident in Mauritius. The income of such persons is however taxable in accordance with the Income Tax Act.
- (d) Gains made by a Noteholder who is a physical person or société resident in Mauritius are considered as capital gains and are not subject to income tax.
- (e) Gains derived by a Noteholder that is a company resident in Mauritius from the sale of Notes held for a period of at least six (6) months prior to the sale by the Noteholder are considered as capital gains. Whether gains derived by such a Noteholder from Notes held for a period of less than 6 months are chargeable to income tax depends on the nature of the business that the Noteholder carries on. Where the Noteholder is resident in Mauritius and hold the Notes as fixed assets, gains derived from the disposal of the Notes are treated as capital gains.
- (f) Gains made by a Noteholder that is not a resident of Mauritius is not chargeable to income tax.

### **12.2 STAMP AND REGISTRATION DUTY**

No stamp or registration duty is payable on the issue and registration of Notes issued under the Programme.

No registration duty is payable on the registration of a Transfer Form witnessing the transfer for consideration of Notes.

### **12.3 CAPITAL GAINS TAX**

There is no capital gains tax on the disposal of the Notes in Mauritius

## 13 GENERAL INFORMATION

Capitalized terms not separately defined in this section headed shall bear the meaning given to them in the Terms and Conditions.

### 13.1 THE ISSUER

#### Incorporation

The Issuer has been established and incorporated as a global business company bearing licence number GB21026693 in accordance with the laws of Mauritius on the 29<sup>th</sup> of July 2021, having its registered office c/o NWT (Mauritius) Limited, 6/7th Floor, Dias Pier Building, Le Caudan Waterfront, Caudan, Port Louis 11307, Mauritius.

The Issuer was incorporated as a special purpose vehicle for the purpose of issuing the Notes. The proceeds of the Notes will be loaned to the Group Holding Company which will then be used for general corporate purposes, Capex and refinancing of existing debts as set out in the Applicable Pricing Supplement. The flow of funds between the Issuer and MCIL is set out as per section 6 of this document.

#### Registered office and address where statutory records are kept

Meridian CRV Limited. c/o NWT (Mauritius) Limited, 6/7th Floor, Dias Pier Building, Le Caudan Waterfront, Caudan, Port Louis 11307, Mauritius.

<b>Issuer</b>  Meridian CRV Limited (Registered Company Number 181398) c/o NWT (Mauritius) Limited, 6/7th Floor, Dias Pier Building, Le Caudan Waterfront, Caudan, Port Louis 11307, Mauritius	<b>SEM Authorised Representative and Listing Sponsor</b>  Safyr Capital Partners Ltd (Registered Company Number C16136372) B05-08/09, Tower B & C, Level 5, 1 Cybercity, Ebene 72201 Mauritius
<b>Company auditor</b>  Deloitte Mauritius Chartered Accountants 7 <sup>th</sup> -8 <sup>th</sup> Floor, Standard Chartered Tower 19-21 Bank Street, cybercity, Ebene	<b>Legal advisors</b>  Eversheds Sutherland (Mauritius), 2nd Floor, 246 Edith Cavell Court, Edith Cavell Street, Port Louis, 11302, Mauritius.
<b>Principal banker of the Issuer</b>  Mauritius Commercial Bank (MCB) 9-15 Sir William Newton Street Port Louis, Mauritius.	<b>Company secretary and administrator NWT (Mauritius) Limited</b>  6/7th Floor, Dias Pier Building, Le Caudan Waterfront, Caudan, Port Louis 11307, Mauritius
<b>Registrar and Transfer Agent</b>  MCB Registry & Securities Ltd of MCB Centre, Sir William Newton Street, Port Louis	

## Share capital

The issued share capital of The Issuer is as follows

Description	Number of Shares	USD
Issued Capital	1000	1,000

## Authorization

All consents, approvals, authorisations or other permissions of the Issuer as well as of all regulatory authorities required by the Issuer under all applicable laws have been obtained for the establishment of the Programme and the issue of Notes and for the Issuer to undertake and perform its obligations under the Notes, the Programme Memorandum, the Noteholders' Representative Agency Agreement(s), Agency Agreement(s) and Payment guarantee agreement and Agency Agreement(s).

## Security

Security on the notes will be specified in the Applicable Pricing Supplement

## Borrowings of MCIL

USD M	LESS THAN 1 YEAR	1 TO 2 YEARS	TOTAL
FINANCIAL LIABILITIES- LONG TERM	-	4.17	4.17
FINANCIAL LIABILITIES- SHORT TERM	59.50	-	59.50
BANK OVERDRAFT	32.98	-	32.98
TOTAL	92.48	4.17	96.65

## Documents Available for Inspection

For a period not less than ten (10) working days from the date of this Programme Memorandum and for as long as Notes are in issue under the Programme, copies of the following documents will, when published, be available during normal business hours (Saturdays, Sundays and public holidays excepted) from the registered office of the Issuer:

- the constitutional documents of the Issuer;
- the audited Annual Consolidated Financial Statements of the Group Holding Company for the years ended 31 March 2017, 2018, 2019 and 2020 and the Management Accounts for the period ended 31 December 2020, prepared in accordance with IFRS;
- the Programme Memorandum dated 3<sup>rd</sup> of September 2021;
- the Agency Agreement(s) entered into by and between the Issuer and the agent in respect of the relevant Notes;
- Corporate Guarantee Agreement between MCIL and the Issuer; and



- f) any future supplements to this Programme Memorandum and any other documents incorporated herein or therein by reference, including the Applicable Pricing Supplements.

### **Litigation**

Save as disclosed herein, the Issuer and its Group Holding Company are not engaged (whether as defendant or otherwise) in any governmental, legal, arbitration or other proceedings, the results of which might have or have had during the 12 months prior to the date of this Programme Memorandum a material effect on the financial position or the operations of the Issuer, nor is it aware of any such proceedings being threatened or pending.

### **Material Contracts**

No contracts (not being entered into in the ordinary course of business) have been entered into by the Issuer and are, or may be, material, and contain provisions under which the Issuer has an obligation or entitlement which is, or may be, material to the ability of the Issuer to meet its obligations in respect of the Notes issued.

### **Minimum Subscription**

Each Tranche is subject to a minimum subscription rate of 50% of the aggregate amount of the Tranche. As such, where the minimum subscription amount is not achieved, the Issuer will not proceed to accept bids or allot any Notes.

### **Oversubscription**

In the event of an oversubscription of any Tranche issued under the Programme, additional Notes may be allotted up to the over-subscribed amount, up to a maximum amount stated in the applicable Pricing Supplement, and subject to (i) the overall outstanding principal of Notes in issue not exceeding the Programme Amount and, (ii) the approval of the Recognised Exchange being obtained to list the additional Notes (where applicable). The supplementary proceeds will be utilised for the same purposes stated in this Programme Memorandum.

### **Conflicts of Interest**

At the date of this Programme Memorandum, there are no potential conflicts of interests between any duties to the Issuer of the members of its administrative, management or supervisory bodies and their private interests. However, it cannot generally be ruled out that such persons may have an interest at the time of the offer or issue of Notes; whether this is the case will depend upon the facts at the time of the offer or issue. A description of any potential conflicting interests that are of importance to an offer or issue of Notes will be included in the Applicable Pricing Statement, specifying the persons involved and the types of interests.

### **Auditors**

Deloitte Mauritius, Chartered Accountants, have acted as the auditors of the Issuer for the years ended 31 March 2017, 31 March 2018, 31 March 2019 and 31 March 2020, and in respect of these years, issued unqualified audit reports in respect of the Issuer. The address of Deloitte Mauritius is 7<sup>th</sup>-8<sup>th</sup> Floor, Standard Chartered Tower 19-21 Bank Street, Cybercity, Ebene and has no shareholding in the Issuer or the right to subscribe or nominate persons to subscribe for securities in the Issuer.

### **Consents**

Deloitte Mauritius, Chartered Accountants, have given and have not withdrawn their consent to the issue of this Programme Memorandum with the inclusion of their name and the reference to their name, as applicable, in the form and context in which they appear.

**Important dates and times:**

Opening date of the Mauritian placing at 09:00 (Mauritius time) on	
Closing date of the Mauritian placing at 12:00 (Mauritius time) on	30 September 2021
Notification of allotments	01 October 2021
Payment of subscription amount and accounts at banks or brokers updated on or before 12:00 (Mauritian time) on	01 October 2021
Listing of placement Notes on the SEM at commencement of trade on or around	05 October 2021
Accounts at banks or brokers updated in respect of dematerialized noteholders that subscribed for shares in terms of the Mauritian placing on or around	05 October 2021

**Notes:**

*(1) All times quoted are local time in Mauritius.*

*(2) The above dates and times are subject to amendment. Any such amendment will be published in the press in Mauritius.*

## Annex 1. Pro forma Note Certificate

Meridian CRV Limited.

(Incorporated with limited liability under business registration number 181398 in Mauritius)

Certificate Number: [ ]

Note Number: [ ]

Tranche: [ ]

Series: [ ]

Issue of: [ ]

Issued in terms of Programme Memorandum dated [ ] and subject to the terms and conditions as contained therein.

Name and address of registered holder: [ ]

This is to certify that the above named is the registered holder of [ ] Notes having a Principal Amount value as specified below:

Amount: [ ]

Registered Office:

.....

.....

Registrar and Transfer Agent: [ ]

Authenticated for and on behalf the Registrar and Transfer Agent (without recourse, warranty or liability)

By [ ] (duly authorised by [ ])

Unless the certificate of authentication hereon has been executed by the Registrar and Transfer Agent by the manual signature of one of its duly authorised officers, this Note shall not be valid or obligatory for any purpose.

This Note is governed by, and shall be construed in accordance with the laws of the Republic of Mauritius.

This Certificate has been signed by one or more of the Issuer's duly authorised officers.

Dated as of: [ ]

Given on behalf of Meridian CRV Limited

\_\_\_\_\_  
Authorised signatory

Name:

Title:

\_\_\_\_\_  
Authorised signatory

Name:

Title:

## Annex 2. Pro forma Applicable Pricing Supplement

### Meridian CRV Limited

DESCRIPTION OF NOTES	
1. Issuer	Meridian CRV Limited
2. Arranger	
3. Investors	By way of private placement. Qualified Investors selected by the Issuer
4. Specified Currency or Currencies	
5. Series Number	[ ]
6. Tranche Number	[ ]
7. Aggregate Nominal / Principal Amount	
(a) Series	[ ]
(b) Tranche	[ ]
8. Issue Price	100 per cent of the Aggregate Principal Amount
9. Purpose	[ ]
10. Specified Denomination of Notes	[ ]
(a) Offer Opening Date/Time	[ ]
(b) Offer Closing Date/Time	[ ]
(c) Allotment Date	[ ]
(d) Announcement Date	[ ]
(e) Payment Date	[ ]
(f) Issue Date	[ ]
(g) Interest Commencement Date	[ ]
(h) Delivery Date	[ ]
11. Maturity of Notes	[ ]
12. Maturity Date	[ ]
13. Interest Rate	[ ]

14. Margin	[     ]
15. Listing	[     ]
16. Registrar and Transfer Agent	[     ]
17. Calculation Agent	[     ]
18. Paying Agent	[     ]
19. Security Agent	[     ]
20. Redemption/Payment Basis	[     ]
21. Options	[     ]
22. Status of the Notes	<p>[Secured/Unsecured]</p> <p>Each Noteholder acknowledges that Notes issued on a secured basis may have the benefit of security created pursuant to the Security Documents and such security may be held by the Security Agent in accordance with the terms of the Security Agency Agreement(s) for the benefit of such Noteholders only.</p>
23. Security Documents	[     ]
24. Observer Rights	[     ]
25. Reporting Requirements	[     ]
26. Additional items	[     ]
27. Governing law	Republic of Mauritius
28. Recognised Exchange	[     ]
29. Rating assigned to the Issuer	[     ]
30. Rating assigned to the Programme	[     ]
31. Rating assigned to the Notes	[     ]
32. Rating Agency	[     ]
33. Date of Rating	[     ]
<b>FIXED RATE NOTES</b>	
34. (a) Fixed Interest Rate	[     ]
(b) Fixed Interest Payment Date(s)	[     ]
(c) Initial Broken Amount	[     ]
(d) Final Broken Amount	[     ]

(e) Any other terms relating to the particular method of calculating interest	[ ]
<b>FLOATING RATE NOTES</b>	
35. (a) Floating Interest Payment Date(s)	[ ]
(b) Reference Rate	[ ]
(c) Margin	[ ]
(d) Maximum Interest Rate	[ ]
(e) Maximum Interest Rate	[ ]
<b>PROVISIONS RELATING TO REDEMPTIONS</b>	
36. Redemption at the option of the Issuer:	[ ]
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 8.2 in Programme Memorandum)	[ ]
(d) Other terms applicable on Redemption	[ ]
37. Redemption at the option of the Noteholders:	[ ]
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 in the Programme Memorandum)	
(d) Other terms applicable on Redemption	
(e) Attach pro forma put notice(s)	
38. Early Redemption Amount(s) payable on redemption for taxation reasons or on Event of Default	[ ]



39. Final Redemption Amount	[ ]
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## **MATERIAL ADVERSE CHANGE STATEMENT**

Except as disclosed in this document, there has been no significant change in the financial, trading position or prospects of the Issuer since 31 December 2020.

## **RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in this Pricing Supplement which, when read together with the Listing Particulars and any supplementary Listing Particulars referred to above, contains all information that is material in the context of the issue of the Notes. The Issuer certifies that, to the best of its knowledge and belief, there are no facts that have been omitted from the Listing Particulars which would make any statement false or misleading; that all reasonable enquiries to ascertain such facts have been made; and that the Listing Particulars contains all information required by any applicable laws and in relation to any Series of Notes listed on the Official List of the Stock Exchange of Mauritius. The Issuer accepts full responsibility for the information contained in the Listing Particulars, the Pricing Supplements and the annual financial report and any amendments to the annual financial report or any supplements from time to time, except as otherwise stated therein.

.....  
[director name]

.....  
[director name]

Meridian CRV Limited

(Registered Company Number 181398)

(Established and incorporated as a public company in accordance with the laws of Mauritius on the 29<sup>th</sup> of July 2021 having its registered office at c/o NWT (Mauritius) Limited, 6/7th Floor, Dias Pier Building, Le Caudan Waterfront, Caudan, Port Louis 11307, Mauritius)